Minutes of the Regular Meeting
of the Members of MassHousing
held on
August 11, 2026

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on August 11, 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	x	
Matthew Gorzkowicz		x
Joel Barrera	x	
Herby Duverné	x	
Darnell Dunn	x	
Tom Flynn	x	
Carmen Panacopolous	x	

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 (Tom Flynn abstaining):

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

Chief Executive Officer's Report

Chief Executive Officer Chrystal Kornegay began the Chief Executive Officer's Report with an overview of the history and development of the MassHousing Internship program into a paid internship program. MassHousing had 15 paid interns this year with interns from across the

country hired for nine Agency departments. Ms. Kornegay recognized Thaddeus Miles, who helped to develop the current internship program and activities, such as meetings with Mayor Michelle Wu, Congresswoman Ayanna Pressley, and site visits to various MassHousing projects. This has been a very successful program, feeding the field not just for MassHousing but for positions in the field of affordable housing. This will be MassHousing's fourth year for the Internship program.

Jeanne Pinado remarked that it was terrific to have these interns doing meaningful work and have experienced leaders in the field. Several board members agreed.

Ms. Kornegay then presented a summary of state programs administered by MassHousing and described two trends in housing stock, where most people live in one to four family units, and the general stock is trending toward larger multifamily buildings. She noted the need to pay attention to both, and to figure out a way to finance all of that – small and mid-sized developments, homeownership preservation and development.

As early as 1992, MassHousing started the Get The Lead Out Program. The state did a septic repair program in 1996, and MassHousing ran a number of programs in response to COVID. Our largest program is the Affordable Housing Trust Fund, which was well over a billion dollars over the past 25 years. The most recent is the Homeownership Tax Credit launched early in the spring.

Joel Barrera asked that when Ms. Kornegay refers to state programs, do each of these come with state money, or is that not the case? Ms. Kornegay answered that these are programs that we administer on behalf of the state using their funds.

Ms. Kornegay noted that the Agency is continuously marking improvements and this is what we do when we are managing programs. We learned a lot from doing MassDreams, which we applied to our most recent Down Payment Assistance program with $25 million dollars. Over the past 25 years, technology has changed and we're always looking for ways to incorporate that into the work that we do. We've done a grant application revamp, revised closing checklists, and increased the frequency of construction inspections. This is not easy to do because some of it depends on how much we are compensated for administering the programs, and sometimes we have to do things differently depending on available resources.

Ms. Pinado asked if the administrative fees are enough to compensate for staff time and the internal Costs associated with running these programs? Ms. Kornegay responded that on average, no. For instance, the Neighborhood Stabilization Program is run under a statute that limits the amount of the admin fee. There are many programs that we do on behalf of the Commonwealth for no fee whatsoever. It is balancing things out. For many years we ran Commonwealth Builder for no fee. It just depends on the program.

Ms. Pinado remarked that the field prefers to see the money put into programs and into deals rather than administration, but, noted it's important to remember that there is a cost to running all these programs.

Ms. Kornegay continued, saying that we try as best we can to aggregate the programs, the

Affordable Housing Trust Fund is a great example. Those are really multifamily projects that get funded and so they often come with our debt. So there's a synergy there. The Get the Lead Out Program is for homeowners and owners of one to four units that is run out of Homeownership as a secondary loan program. It's figuring out the right place for it and who has the capacity. Because at the end of the day, we don't do these programs to earn revenue. We do these programs because we believe that the ecosystem needs a place that can do these smaller programs because most of the units in the Commonwealth are for a family, and if there's no place to go for that, then we're not really confronting the whole housing challenge.

Ms. Kornegay then introduced the proposal for the Move-in Massachusetts program. She described the challenges of rising production costs and home prices that the program is targeting. The Administration is looking to find new ways to do less expensive single family home production and using different kinds of building technologies. In this case, it's cross-mod homes. The idea is to pilot a program that could leverage new technologies to produce less expensive units to purchase for an income group of 70% to 130% AMI.

We are requesting up to $12 million dollars in Opportunity Funds for this particular pilot program. The program is built on something that's going on in New York, the Move-In New York program, which is talking about using cross-mod building technology. One of the important features around these is that they use federal manufacturing code, which makes it easier to get a mortgage. That is one of the really attractive things about this program. With the $12 million dollars, we would do 10 to 20 homes that can be sold for $300,000 to $400,000 and most if not all of that money would come back to the state to revolve in the program. Some of it will have to be subsidy because it depends on what the market is and at what price the home can sell. This effort would be a pilot to see what opportunities there might be to scale this program.

Mr. Barrera said that he has been interested in modular housing for a long time, and asked what does “cross-mod” mean, that word? Ms. Pinado also asked what is the assumption around land cost or land sites for this pilot?

Ms. Kornegay responded that “cross-mod” is a particular kind of modular construction, not necessarily manufactured homes but similar. Regarding land costs, the state and Secretary Matias can speak more to this. They issued an RFI recently for municipalities to see what kind of land might have available to do these projects. That was a week or two ago now. There is an assumption that if there is a land cost, it will be nominal.

Secretary Juana Matias added that the RFI was released on July 28. The hope is that through this RFI, they will learn about sites which are most ready, where we have to do very little infrastructure work to have these modular cross-mod homes brought down and sold. Sec. Matias expressed her gratitude to Ms. Kornegay for her leadership and the entire team at MassHousing and noted that this been a true partnership between EOHLC and MassHousing. This has been a priority of the Healey-Driscoll Administration and the team has been working hard to advance this effort. It is an incredible opportunity to address the need around starter homes. This is something that people are interested in. We've been doing a lot around multifamily development, and we still need to think about the pathway towards home ownership, generational wealth building, and lowering costs. You can't find a home anywhere in Massachusetts for $300,000 to $400,000. So we are excited for

this program.

Mr. Barrera asked who is building these homes? Is this cross-mod facility in direct relationship to MassHousing or will there be an intermediary? Sec. Matias responded that MassHousing is the intermediary. There will be an RFQ and RFP process to identify producers and developers. We are hoping to bring in companies that are going to respond with high quality cross-mods and competitive pricing to make this an appealing project.

Ms. Kornegay added that this is just a process overview. We will do an RFP for a developer to work with a cross-mod manufacturer, offer them a 0% loan, and they will build, deliver, and sell the unit for the developer that works with them. Then the private developer repays the loan to MassHousing, with the sales proceeds going back into the program. The idea is to have a revolving program.

Ms. Panacopoulos asked what type of deed restrictions there will be and if there are other programs that one can leverage.

Ms. Kornegay responded that MassHousing has given a lot of thought to the restrictions. What we're proposing to do is to issue an RFQ for developers to find out what developers might be ready and what developers might have sites available. That will help us understand what's out there. We are not issuing the RFP for actual projects and funds until mid-October, so that gives us some time to think about the deed restrictions, the length of time, and other things that matter here. Because we don't want somebody to purchase the unit and then sell it right away on the market and get a windfall. We have lots of experience figuring this out. We want to build through other programs that we run. And then we will line all those things up with municipalities, because if municipalities put land and/or money into this, they are likely going to want a deed restriction of some kind too.

We are going to issue an RFQ this month, get responses back, see what we hear about sites and developers that are interested, then issue an RFP for the full pilot in mid-October. We're expecting pilot awards in January, with the hope that a first cross-mod home ownership unit might be available in the Summer or Fall of '27.

Darnell Dunn asked how word will get out to developers about the RFQ? Ms. Kornegay replied that word will go out through our own lists with smaller developers, developers' associations, Builders Coalition, other advocacy groups as well.

Herby Duverné said that he thinks this is an exciting program and he knows that this is a pilot program and asked for the basis of the $12 million funding amount. Ms. Kornegay responded that they want to do a small pilot so that we could learn what's effective and efficient before scaling anything. The pilot will include working with cross-mod producers who we have never worked with before. Developers may also not have worked with them before. The proposal is up to $12 million dollars because we imagined a $10 million dollar program plus costs and there may be need for some else to support the pilot and we wanted to include the potential growth to do that.

Sec. Matias added that when New York did this program, they started just with three homes. We are actually doing a substantially bigger program about three times the size of what New York

started with. And I think it will be very telling if it takes off. Then it's about looking inwardly, working with the legislature to figure out how to make additional investments in the program, leverage the seed money and then add to that. This is going to be an important testing period.

Ms. Pinado asked for any other questions; there were none.

Vote Related to the Move-In Massachusetts Pilot Program

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

> **VOTED:** To designate and reserve up to $12,000,000 of the remaining Commonwealth funds previously accepted into the Agency's Opportunity Fund, for programs or investments, and administrative costs, related to the Move-in Massachusetts pilot program, presented today, to produce, transport, and sell single-family manufactured, modular, and Cross-Mod homes to low- and middle-income households, subject to all applicable requirements of the Agency's enabling act.

Loan Committee

50 Herald – Boston (South End)

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

There were no questions.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present (with Herby Duverne abstaining):

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

Eastbrook Apartments – Springfield

Jen Hatch presented a proposal for Approval to accept assignment of a HUD-issued Firm Commitment for Federal Housing Administration ("FHA") insurance; Commitment of a first mortgage loan (the "New Loan"); and Approval to finance the New Loan through the issuance of a Ginnie Mae MBS as presented in the attached Board package.

There were 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.

B.F. Faulkner Tower – Somerville

Mike Carthas presented a proposal for Approval of a Level One Transfer of Ownership, and Commitment of a Taxable Supplemental Loan as presented in the attached Loan Committee package.

Ms. Pinado noted the high acquisition cost and asked if the property appraised at that price; Mr. Carthas responded that yes, the property could support the acquisition cost and that there was a highly competitive bid process involved in the acquisition.

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 then raised the noticed agenda item to enter executive session to discuss litigation strategies. The Chair stated that because an open meeting may have a detrimental effect on the litigating position of the Agency with respect to grant activities under the Strategic Community Investments division, she proposed entering into executive session for which a roll-call vote would be taken. The Chair announced that, if approved, the Board will not be reconvening in open-session, and the meeting would adjourn at the conclusion of the Executive Session.

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

VOTED: to enter Executive Session to discuss litigation strategies.

The open-session of the meeting ended and the Members entered executive session at 2:49 p.m.

Note: the minutes of the executive session are set forth separately and will be held until the conclusion of the purpose of the executive session.

The meeting adjourned from executive session at 3:07 p.m.

A true record.

Attest:

Colin M. McNiece
Secretary

Materials:

- Minutes of the Meeting of July 14, 2026
- CEO's Report, August 2026
- Board Package, August 11, 2026

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

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on July 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	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 2:01 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 (Darnell Dunn abstaining):

VOTED: That the minutes of the Regular Meeting held on June 9, 2026 are hereby approved and placed on record.

Chief Executive's Report

Chrystal Kornegay announced that after her Chief Executive's Report, there would be a presentation from Professor Justin Steil from MIT regarding a research project supported by MassHousing on historical restrictive covenants in homeownership in Massachusetts.

Ms. Kornegay gave an update on the Down Payment Assistance (DPA) Program administered by MassHousing for homebuyers with incomes up to 135% AMI. MassHousing was granted $25 Million dollars to allow expansion of the existing DPA programs via $25,000 zero-interest deferred loans to these households. The program was launched in April and by July 2 the funds had been fully expended and the program was closed down. There were over 1,300 reservations, which exceeded the goal of 1,000 homebuyers. Ms. Kornegay thanked the Homeownership team, the partner banks, and gave congratulations to the new homebuyers.

Joel Barrera asked if this was a one-time program, or will it be done again? Ms. Kornegay answered that this was a one-time program which allowed MassHousing to provide the zero-interest deferred loans for households at 100% AMI or above. MassHousing will continue to have DPA for those households but at a fixed interest rate.

Ms. Kornegay then moved on to discuss the annual priorities for FY27 which were presented at an prior Board meeting. The strategic framework and budget process was since completed, and the multifamily goal was modified to cap the commitment goal at $715 million to keep an eye on the closing pipeline. There are no changes to any other goals.

Ms. Kornegay then presented a matrix of the annual MassHousing principles and priorities that had been requested at the prior meeting. This will be utilized over time along with quarterly updates on progress toward MassHousing's goals, and which can be found in the Board Access Portal.

Ms. Kornegay then presented information regarding an upgrade in MassHousing's issuer rating from Moody's. The Moody's rating is an indicator of investor risk and risk management about the way an organization manages risk and its impact on investments.

The Moody's upgrade was to the issuer rating for MassHousing as an entity, as opposed to the various other ratings on the Agency's bonds. An upgrade signals financial health and stability. Investors view upgraded entities as safer bets, leading to expanded investor pools and access to less expensive financing options. Ms. Kornegay explained in more detail the rationale behind the process of upgrading the rating. Moody's issued a credit rating report for MassHousing that reflects MassHousing's strong margins and collateralization levels, proactive and prudent management, sustained strength in financial metrics and performance, and continued support from state and federal partners. Moody's also issued a 'scorecard' for MassHousing, indicating that we are AAA rated in several areas including – Balance Sheet Strength, Operating Performance, Portfolio Performance & Asset Management, Risk Management Infrastructure, and Management and Governance. Ms. Kornegay offered congratulations to everyone at MassHousing and the Board for the work they do. Ms. Kornegay also mentioned that one of the comments from Moody's mentioned the highly tenured management team and strong historic record of advancing our mission, while maintaining a sound financial profile.

Michael Glover asked about the factors on the scorecard that aren't at the AAA level and whether that presents any opportunities for the Agency.

Ms. Kornegay responded yes, and noted that in areas like Risk Position, Moody's looks at 15 categories, in which MassHousing, as a very complex organization, has activity in 9, and for example, funding the Opportunity Fund for mission investments instead of holding the funds undesignated on our balance sheet cuts against us in that category. Other categories like Portfolio Characteristics take into account where our assets are located and because Massachusetts is a coastal state, and the issues of resiliency become a factor there too.

Ms. Pinado congratulated Chrystal Kornegay and Rachel Madden and her team, and suggested that we do something to celebrate this great news, noting that it had been over a decade since the last rating increase.

Ms. Kornegay then introduced Professor Justin Steil from MIT.

MIT/MassHousing Deed Research Partnership Update and Vote on Further Funding

Professor Justin Steil of MIT then gave a slide presentation entitled, "Massachusetts Covenant Project", and outlined the research that he and his team had done in northern Middlesex County, Norfolk and Worcester counties, which focused on identifying racially restrictive covenants from the 1800's through the 1970s.

Ms. Pinado thanked Professor Steil and noted that the use of technology to look through and transcribe the deeds helps us to learn how the past influences the present.

Mr. Barrera remarked that he had read "The Color of Law" and asked if MassHousing was going to host a session on this topic, maybe with the African American Museum, as he thinks there would be a lot of interest in this work.

Professor Steil replied that they had done a session on these three counties, and now they would like to do the balance of the Commonwealth, so they can get a wider set of data. Ms. Pinado added that this was like a pilot to see what they could find, and they found a lot.

Professor Steil added that they would love to do more presentations at MassHousing, and to reach out to more Registry of Deeds, and possibly the African American History Museum. His team is also trying to identify people who have been affected by this and write about their experiences.

Mr. Barrera inquired about the practical impact of these covenants if they are unenforceable and whether there was anything a resident might do if found. Professor Steil responded that these covenants are still common and do come up when people are transacting their property, even though they are not enforceable. Professor Steil continued that in Massachusetts, property owners can write to the Registry of Deeds to have something added to the deed that says these covenants are null and void. There was proposed legislation requesting that the Register of Deeds try to identify these deeds affirmatively and make them null and void.

Darnell Dunn asked about community engagement on this project and what that would look like. Professor Steil responded that they had done a workshop at the Boston Public Library that was open

to the public, which was a very moving conversation. They are still trying to figure out future community engagement and would welcome ideas from the Board. They would like to reach out to different organizations that focus on housing issues who might be interested in partnering with them.

Ms. Kornegay said that there was some capital left from the initial grant and in order to continue the research they would like to take a Board vote for $200,000 to move this research forward for an additional term of two years.

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

VOTED: to designate and reserve up to an additional $200,000 of the Agency's Opportunity Fund to cover the costs of a 2-year extension of MassHousing's ongoing Deed Research partnership with MIT.

Loan Committee

Merrimack Corridor Development, Lowell

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

There were no questions or 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.

The Residences at Middleton Corner (FORGE B), Middleton

Jeff Geller presented a proposal for Commitment of a Subordinate Loan of the FORGE First Mortgage as presented in the attached Board package.

There were no questions or discussion.

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

VOTED: to approve the vote 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.

The Chair then raised the noticed agenda item to enter executive session to discuss litigation strategies. The Chair stated that because an open meeting may have a detrimental effect on the litigating position of the Agency with respect to grant activities under the Strategic Community Investments division, she proposed entering into executive session for which a roll-call vote would be taken. The Chair announced that, if approved, the Board will not be reconvening in open-session, and the meeting would adjourn at the conclusion of the Executive Session.

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

VOTED: to enter Executive Session to discuss litigation strategies.

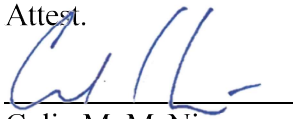
The open-session of the meeting ended and the Members entered executive session at 2:49 p.m.

Note: the minutes of the executive session are set forth separately and will be held until the conclusion of the purpose of the executive session.

The meeting adjourned from executive session at 3:39 p.m.

A true record.

Attest.



Colin M. McNiece
Secretary

Materials:

- Minutes of the Meeting of June 9, 2026
- CEO's Report, July 2026
- Board Package, July 10, 2026

MassHousing

CEO Report

August 11, 2026





01

Summer Internship Highlights

MassHousing

Delivering Impactful Professional Learning Experiences

Goal: Cultivate an **inclusive environment** for students to explore **career opportunities** within the affordable housing industry, while learning about MassHousing's mission and vision



The 2026 cohort of MassHousing's Summer Internship Program

15

Interns in this year's cohort

14

Schools our interns hail from

9

Agency departments hosting interns

MassHousing

Opportunities for Growth and Networking







- **Weekly Cohort Meetings** with featured speakers, including MassHousing leadership and agency partners
- Attended **Housing Stability Conference**
- Meeting with **Congresswoman Ayanna Pressley**
- Site Visit at **Academy Estates** and **Suffolk Construction**
- Meeting with **Mayor Michelle Wu**

MassHousing

From Interns to Employees



Thaddeus Darcy
Deputy Director of IT



Hannah Martin
HR Operations Manager



Nichole Mikshenas
Housing Stability Specialist



Victoria Miller
Asset Manager



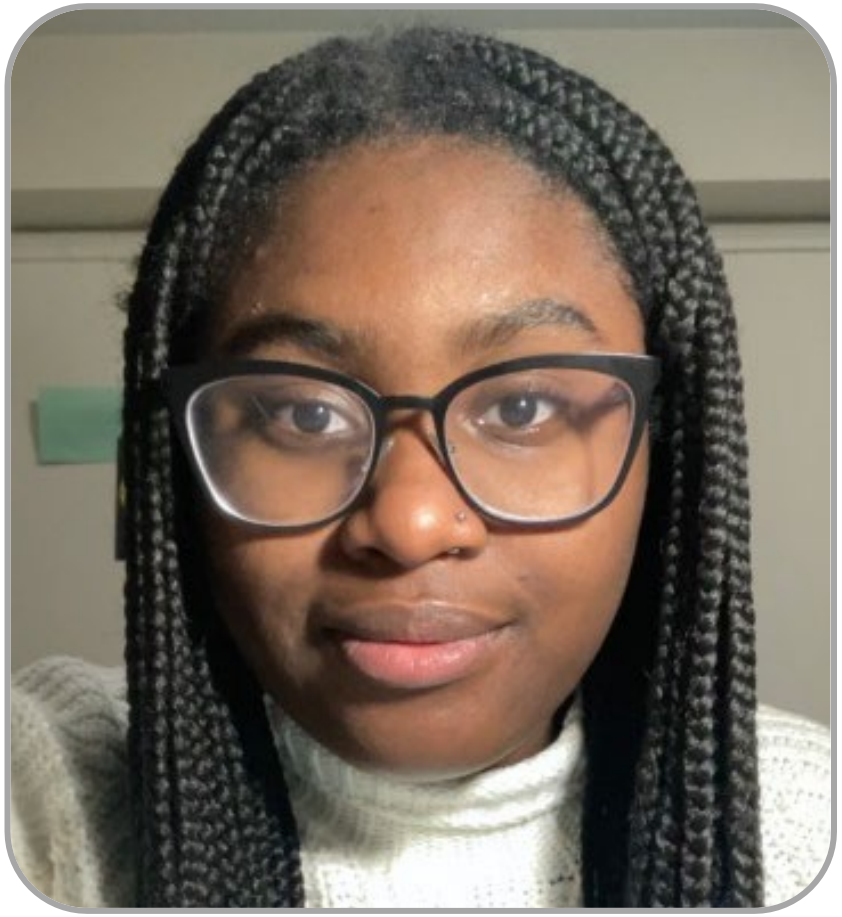
Nicholas O'Donnel
Retention Analyst



Chloe Durer
Compliance Analyst

MassHousing

Opening Doors to Working in Housing



- **Maya Cowan** joined MassHousing as an intern in summer 2024. That internship led Maya to a **full-time job in the housing field**.
- After completing her degree, Maya began working as **Community Partnerships Coordinator with 2Life Communities**.
- She credits her internship with the **Housing Stability Department** and site visits at youth developments with showing her possible career paths within the affordable housing industry.
  - "That experience, when we went out into the community and into sites, really primed me for my work at 2Life."



02

Current State Programs Administered by MassHousing

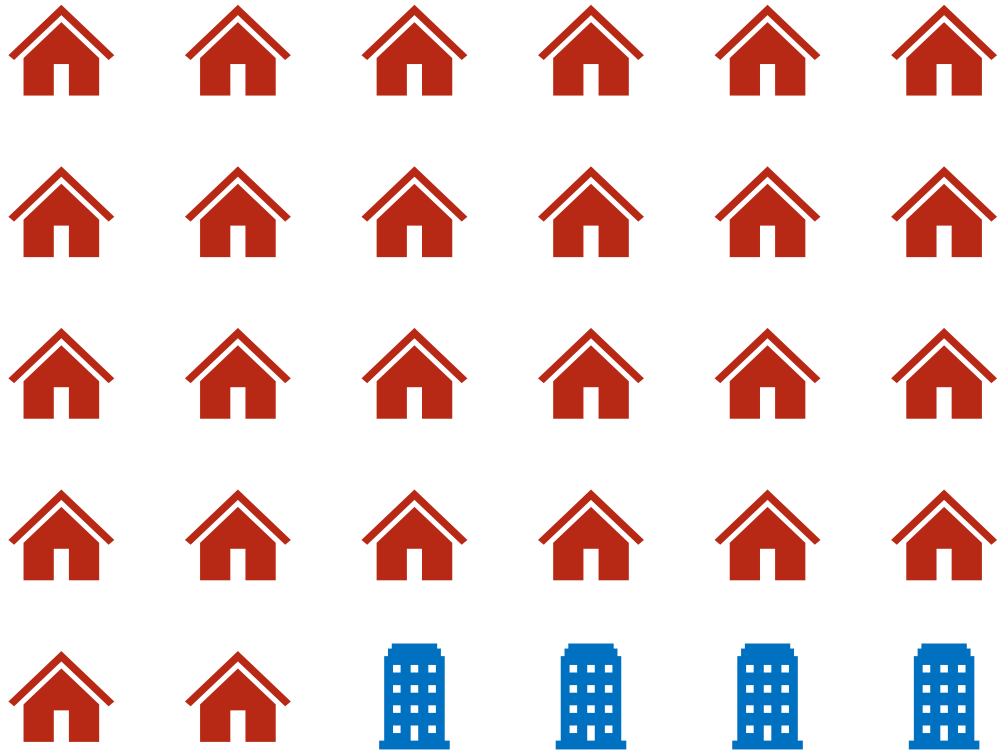
MassHousing

Challenge

Majority of Housing = 1-4 Family Units

3.01 million
residential structures
statewide

2.6 million
structures with 1-4
family residential units

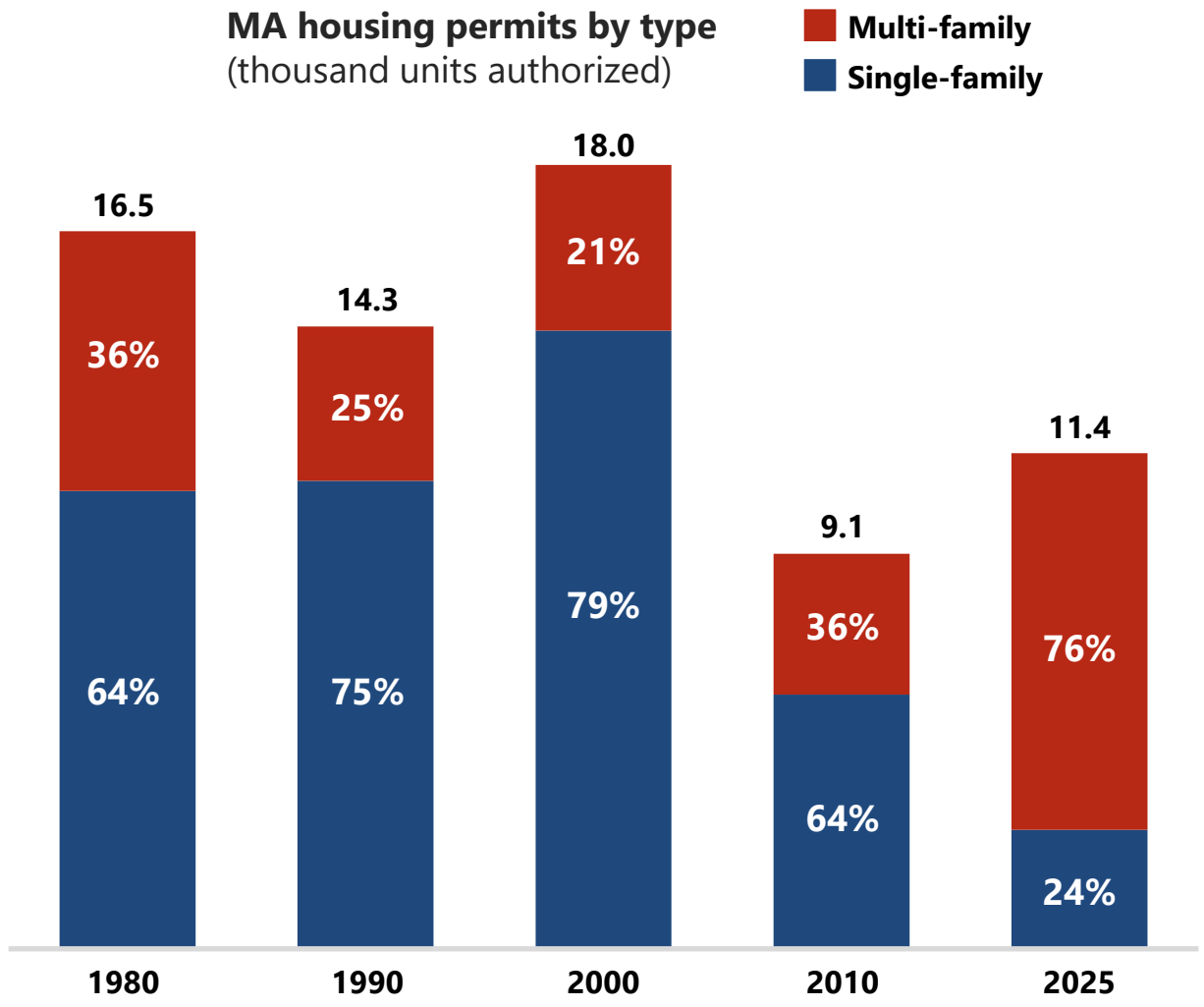


Source: https://datacommon.mapc.org/

MASSHOUSING

Large-Scale Multifamily Production

- The nation's rental stock continues to shift toward **larger multifamily buildings**.
- This is an **observable trend in Massachusetts** using 40B activity as a benchmark.



MASSHOUSING

Confronting the Challenge



Mt. Washington Homes | Haverhilll, MA
CommonWealth Builder

- Finance small and mid-sized residential developments, with a focus on homeownership preservation and development
- Provide a variety of grants, loans, and technical assistance to support communities' local housing goals
- Allow the administration to expand its program offerings utilizing agency experience and capacity

MassHousing

Get the Lead Out
$100 million+
5,045 loans
since 1992

Septic Repair Loan Program
$36 million+
2,268 loans
since 1996

Affordable Housing Trust Fund
$1 Billion+
45,032 affordable rental units
and **849** affordable
homeownership units
since 2001

CommonWealth Builder
$245 million
1,135 new housing units
since 2019

Fire Sprinkler System Program
$3.9 million
across **24** communities
since 2022

Neighborhood HUB
$2.7 million+
in TA grants committed to
11 Gateway Cities
since 2022

Neighborhood Stabilization
$21 million+
141 affordable housing units
since 2022

Gateway Housing Rehabilitation Program
$3 million+
30 affordable housing units
since 2023

Affordable Housing Decarbonization Program
$96 million
2,900+ homes decarbonized
since 2023

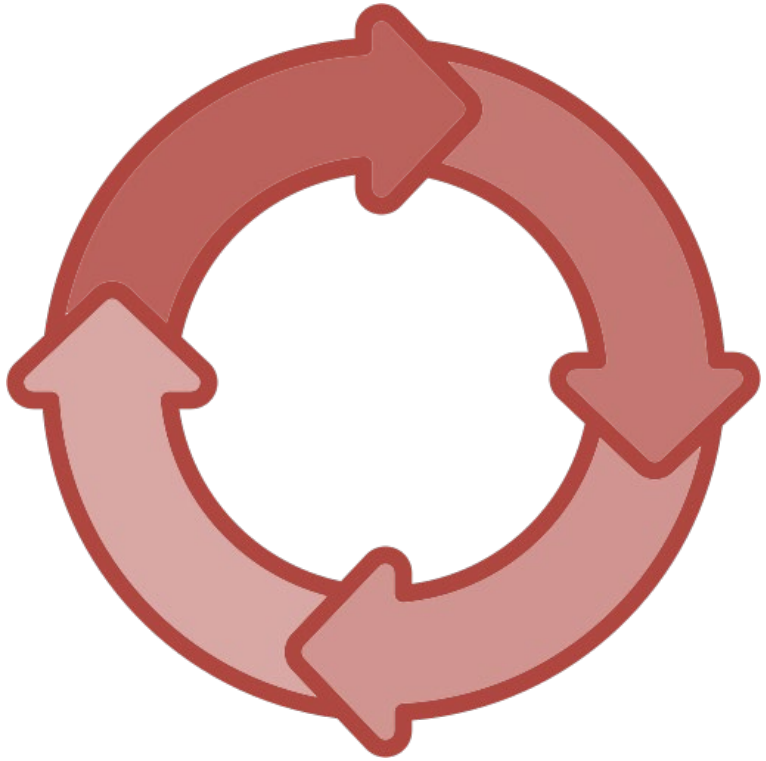
Equitable Developers Fund (EDF)
$10 Million
391 units in development
since 2024

Momentum Fund
$30 million
627 mixed-income rental homes
since 2025

Homeownership Tax Credit
$50 million
of **credits** to be allocated
over 5 years

Continuous Improvements

MassHousing continuously reviews program operations to **incorporate best practices** and **utilize technology solutions** with the goals of **refine program design**, **streamline processes**, and **maximize program efficiency**.



Recent **program improvements** include:

- Revamped **grant application** intake and evaluation processes
- Clarified, consistent **design standards**
- Updated **grant closing checklists**
- Improved **invoicing and disbursement** processes
- Frequency of **construction inspections**

MassHousing



03

Move In MA

Proposal for Investment

MassHousing

Deposit History

- In 2019, the state allocated **$86.2 million** to MassHousing to expand the state's workforce housing supply. The MassHousing Board voted to accept this funding into the Opportunity Fund. The following are the original allocations:
  - **$60 million+** to fund the CommonWealth Builder program
  - **$14.5 million** to fund the development at 31 Elm Street in Springfield
  - **$11.7 million** to provide additional funding for the CommonWealth Builder program and/or other workforce rental developments
- Since the state's initial allocation, **$21 million** for 31 Elm Street, **$5.2 million** for workforce housing rental projects and **$40.5 million** for CommonWealth Builder projects have been funded. **$19.5 million** remains unallocated.
- As with past allocations, MassHousing's **use of Opportunity Funds** are in accordance with the state's request.

Commonwealth's Housing Challenges

Production costs inflating home prices

78%

increase in per unit development costs from 2019-2025, driven by an **82%** increase in construction costs.

resulting in:

$650,000+

total development cost per new construction unit[1]

Housing is too expensive

73%

increase in median home prices since 2000[2],

&

<25%

of home sales between 2010-2019 were affordable to low-moderate income households

1. For EOHLC-funded new construction units in 2024
2. After adjusting for inflation

The Office of Governor Maura T. Healey (2025, February). *A Home for Everyone: Massachusetts' Statewide Housing Plan*

A Strategic Approach | The Opportunity

- As the cost of new home construction rises, the Healey-Driscoll Administration is investing in **new**, **innovative** and **less expensive** single-family home production.
- Manufactured and modular homes, including CrossMod homes, **cost less to build**, and are uniquely customizable and are near-indistinguishable from traditional, stick-built homes.
- Because these homes are less expensive to build, they are **less expensive to purchase** and provide homebuyers earning 70-130% AMI with **more affordable options for homeownership** in competitive markets.



Example CrossMod Home

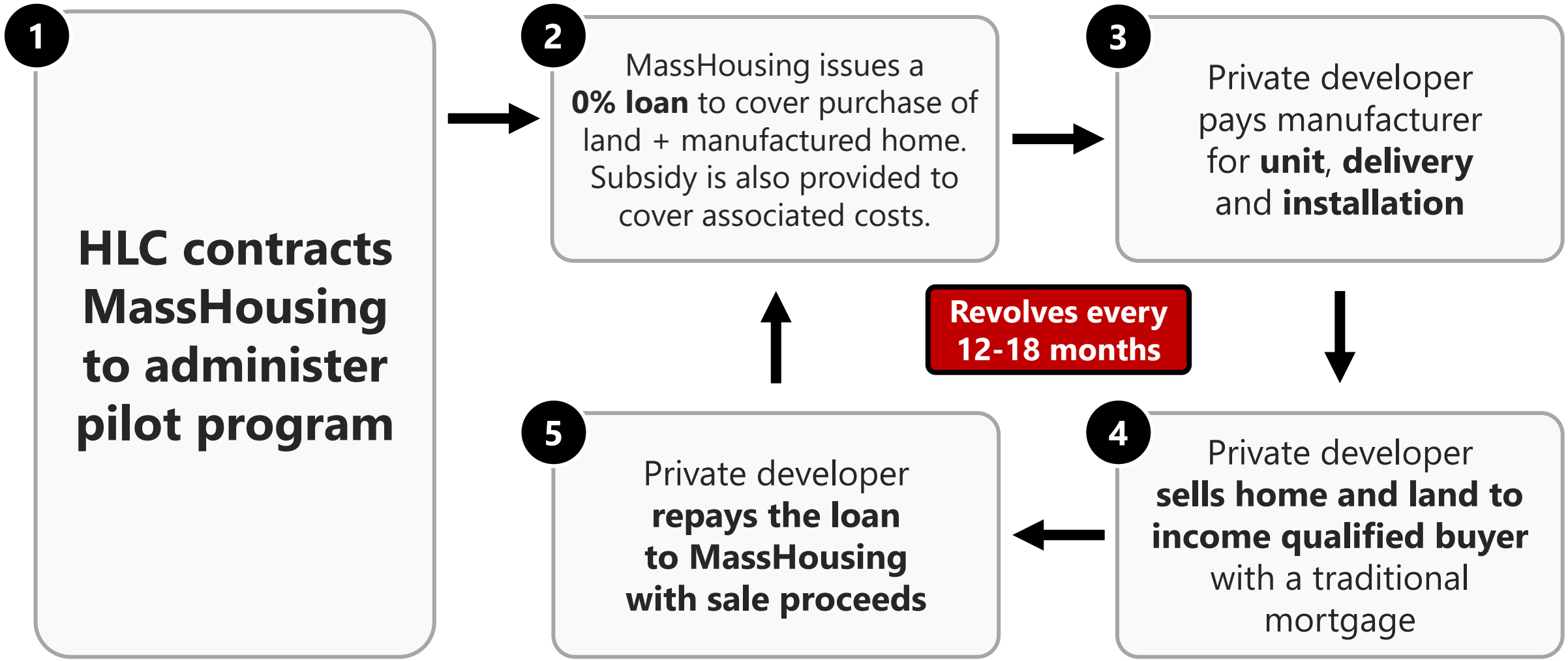
MassHousing

Program Summary | Move-in Massachusetts

We are requesting up to $12M in Opportunity Funds

- The initial $12M would fund a **pilot program** to produce, transport and sell single family manufactured and modular homes to low- and middle-income households.
- Mirrored after **"Move-in New York"**, which used CrossMod, these are **1,500 SF, 3-bedroom homes** that cost about **$300K-$400K** to build as they utilize **federal manufactured code**.
- The $12M would initially build **10-20 homes** to be sold for $300K-$400K, with most of the funds to be reutilized with **minimal subsidy**.
- This program will put an increased focus on **production** and **generational wealth building** through homeownership and offer homebuyers an opportunity to invest in themselves with the support, but at a low cost, of the Commonwealth.
- With less subsidy per unit, MA could **potentially scale this program** to hundreds or thousands of homeownership units across the state.

Process Overview



Program Timeline

July 28

HLC Published **RFI for Municipalities**

August 12

MassHousing Publishes **RFQ for Developers**

September 9

Municipality RFI Responses *and* **Developer RFQ Responses** Due

Mid-October

Program RFP Published

January

Pilot Awards Announced

Summer/Fall

Design and Launch **Larger Program**

2026 2027

MassHousing



04 Vote

MassHousing

Staff recommend the following vote:

VOTED: To designate and reserve up to $12,000,000 of the remaining Commonwealth funds previously accepted into the Agency's Opportunity Fund, for programs or investments, and administrative costs, related to the Move-in Massachusetts pilot program, presented today, to produce, transport, and sell single-family manufactured, modular, and CrossMod homes to low- and middle-income households, subject to all applicable requirements of the Agency's enabling act.

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: August 7, 2026 @ 1:30 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, August 11, 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/83157949286
The Zoom meeting ID is: Meeting ID: 831 5794 9286
The Zoom Passcode is: 552523

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 July 14, 2026

C. Chief Executive Officer's Report

D. Vote Related to the Move-In Massachusetts Pilot Program

Maura Healey, Governor
Kim Driscoll, Lt. Governor

Jeanne Pinado, Chair
Michael A. Glover, Vice Chair

Chrystal Kornegay,
Chief Executive Officer

2. LOAN COMMITTEE

A. 50 Herald, Boston (South End)

- Official Action Status
- Commitment of a Tax-Exempt Permanent Loan
- Commitment of a Tax-Exempt Equity Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

B. Eastbrook Apartments, Springfield

- Approval to Accept Assignment of a HUD-issued Firm Commitment for Federal Housing Administration ("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

C. B.F. Faulkner Tower, Somerville

- Approval of a Level One Transfer of Ownership
- Commitment of a Taxable Supplemental Loan

3. OTHER BUSINESS

A. Old Business

B. New Business

C. Executive Session

- Vote to Enter Executive Session to Discuss Litigation Strategies

D. Adjourn

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:

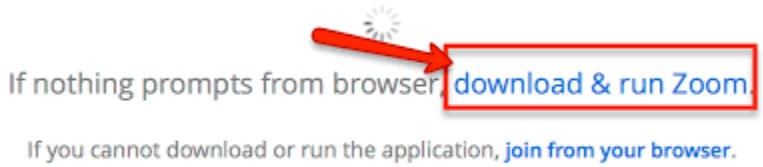
Join Zoom Meeting
https://zoom.us/j/6881564212

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

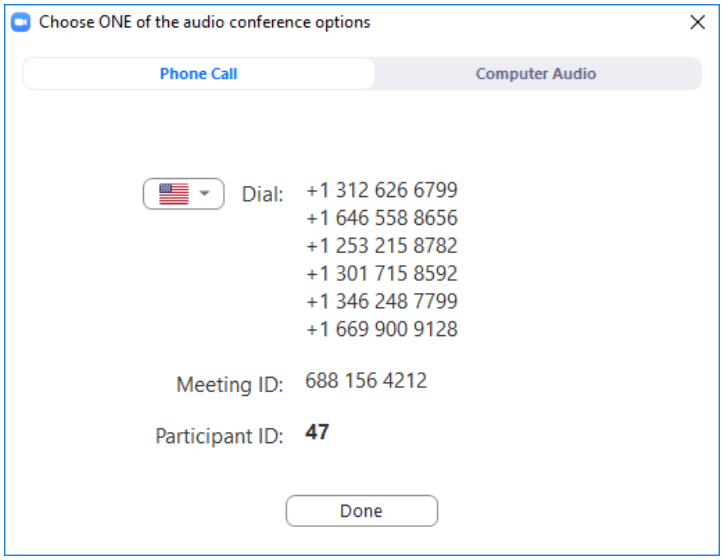
2. Click the link below 'Join Zoom Meeting'.
   NOTE: Simply calling a phone number without "joining the Zoom meeting" will not allow you to see the presentation. Clicking on the link will automatically download the Zoom program (Image below)



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

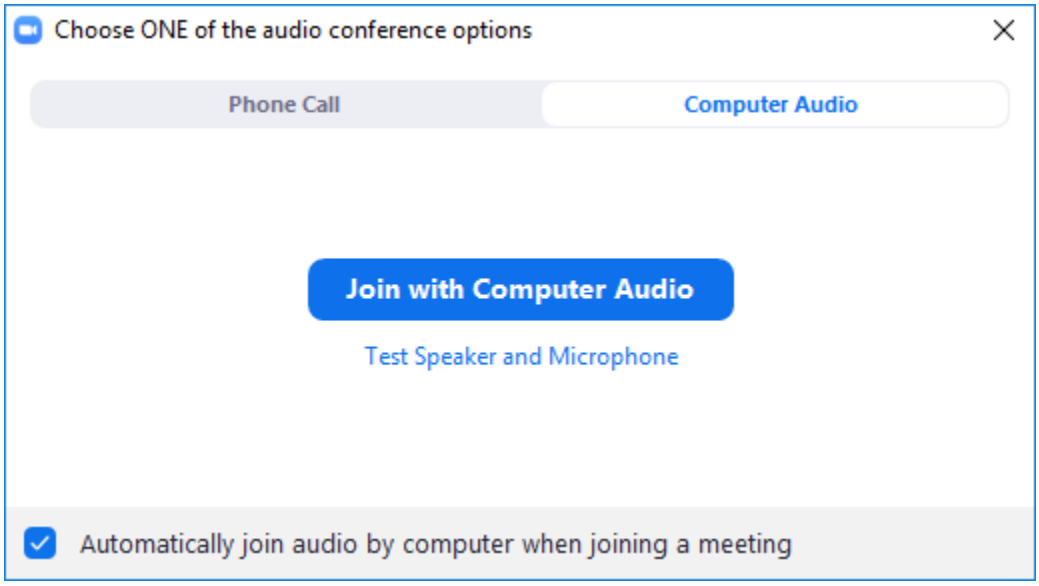
Steps to Join a Zoom Meeting

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.

Loan Commitment Proposal | August 11, 2026

50 Herald

1. General Project Information	
Project Name	50 Herald
Project ID	25-110
Associated Projects	N/A
Address(es)	50 Herald Street, Boston – South End, MA 02118
Sponsor	Beacon Communities Services LLC
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	117
Affordability Mix	117 Affordable

2. Recommended Actions

- Official Action Status
- Commitment of a Tax-Exempt Permanent Loan
- Commitment of a Tax-Exempt Equity Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

3. Background

The proposed financing will support the new construction of 50 Herald (the "Development"), a proposed 117-unit residential community with dedicated ground floor commercial space located in Boston's South End neighborhood, near the southern edge of Chinatown.

The Development is located within Planned Development Area ("PDA") No. 114, a Boston Planning and Development Agency ("BPDA") approved master plan for the redevelopment of Shawmut Avenue and Washington Street block. The PDA covers three adjacent parcels owned by the Chinese Consolidated Benevolent Association of New England, Inc. ("CCBA" or the "Co-Sponsor"), the Boston Chinese Evangelical Church, and an affiliate of the Davis Companies. The master plan calls for a mixed-use neighborhood with market-rate and affordable housing, along with community, religious, cultural and commercial uses. It also includes streetscape improvements, landscaping and new pedestrian connections between Washington Street and Shawmut Avenue.

In 2024, CCBA issued a Request for Proposals ("RFP") seeking a development partner to redevelop the site as mixed-use affordable housing community. Beacon Communities Services

LLC (“Beacon” or the “Co-Sponsor”) was selected through the competitive process. The proposed Development represents the second joint partnership between CCBA and Beacon, following their collaboration on the Pok Oi Residences across the street, which was completed in 2025.

4. MassHousing Financing	
First Loan	
Type	Tax-Exempt Permanent Loan
Loan Amount	$21,350,000
Interest Rate	30-Year MMD plus 225 basis points (bps) to be locked at Construction Loan Closing (processing rate of 6.90% assumed for underwriting)
Loan Term / Amortization	Up to 41 years / 40 years, following interest-only lease-up and stabilization period 41 y / 40 y
Term of Fwd Commitment	Up to 30 mo
Year 1 DSCR	1.12 projected (1.10x minimum)
LTV	73% projected (90% maximum)
Bridge Loan	
Type	Tax-Exempt Equity Bridge Loan
Loan Amount	$9,570,000
Interest Rate	75% SOFR plus 210 bps to be locked at Construction Loan Closing (processing rate of 4.79% assumed for underwriting)
Loan Term/Amortization	12 mo / interest only

5. Development Plan

Description of Site. The Development will be located on a 32,911-square foot (0.75 acres) parcel located at the intersection of Herald Street and Washington Street in the South End (the "Site"). The Site is currently improved with a vacant two-story C-Mart Grocery Store—which is slated for demolition as part of the proposed redevelopment of the site—and associated surface parking. The surrounding area is a dense, mixed-use urban neighborhood offering a broad range of amenities, including restaurants, hospitals, pharmacies, schools and other public recreational opportunities.

The Site benefits from access to public transportation. Both the MBTA Silver Line and Route 9 Bus stop are directly adjacent to the property, providing transit access to employment centers, retail destinations and other community services. The Site is within walking distance to Tufts Medical Center and Back Bay MBTA stations, providing access to the Orange and Commuter Rail lines.

Description of Proposed Building. The proposed Development will include a seven story, approximately 142,600-square-foot mixed-use building with 117 one-, two- and three-bedroom residential units. The ground floor will have approximately 10,600 square feet of commercial space for a grocery store or other community serving business, as well as residential amenities including a lobby, a community room, management office, package and mail room, bicycle storage, and dog wash station.

The building envelope is designed to meet Passive House standards and incorporates high-performance building systems and an all-electric building design intended to maximize energy efficiency. In addition, rooftop solar panels will be installed to generate renewable energy on-site.

Description of Affordability Mix. All 117 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income ("AMI") to 80% of AMI. Twenty-four (24) units will benefit from project-based rental assistance, of which eight (8) will benefit from a Project-Based Section 8 HAP contract and sixteen (16) will benefit from project-based MRVP. The Development will also include thirty-one (31) Inclusionary Zoning ("IZ") units (formerly referred to as Inclusionary Development Policy ("IDP") units) affordable to households earning at or below 70% AMI.

Site Control. CCBA currently owns the Site. The most recent appraised value of the Site is $4,640,000 as reflected in a Sponsor commissioned appraisal prepared by Bonz and Company Inc. and dated September 19, 2024. Under a Memorandum of Understanding ("MOU") dated September 13, 2024, between CCBA and Beacon, the Site will be ground leased to the borrower entity. The proposed ground lease ("Ground Lease") contemplates an initial term of 85 years, an upfront payment of $2,925,000 at construction loan closing, and subsequent annual ground lease payments from available cash flow for the remainder of the ground lease term. The Ground

Lease is being finalized and will be subject to MassHousing's review and approval, including but not limited to approval of cashflow sharing provisions.

6. Borrower Team

Mortgagor Entity: 50 Herald Partners LLC

50 Herald Partners LLC is a sole-asset, single-purpose entity formed for the purpose of owning and operating the Development.

Developer / Sponsor: Beacon Communities Services LLC

Beacon Communities Services LLC is a Massachusetts limited liability company, managed by Beacon Communities Corp. Founded in 2006, Beacon and its affiliates have a portfolio of approximately 18,000 apartments across 140 communities concentrated in New England and Mid-Atlantic states.

The Agency's most recent experience with Beacon includes 15 Temple and Old Colony Six.

The Chinese Consolidated Benevolent Association of New England, Inc.

CCBA is a Boston-based nonprofit community organization established in 1923. CCBA serves as an umbrella organization for Chinese family associations, and community organizations throughout New England and provides cultural, social and community services to Boston's Chinatown residents and the broader Chinese-American community. CCBA also owns three affordable housing developments in Boston.

As noted in Section 3, CCBA and Beacon previously partnered on the development of Pok Oi Residences. Beacon and CCBA will share in the developer fee with a 75/25 split, Beacon will have day-to-day oversight on the development and operations with input from CCBA on larger decisions.

General Partner / Managing Member: 50 Herald Partners MM LLC

Construction Lenders: JPMorgan Chase Bank, N.A. & Santander Bank, N.A.

JPMorgan Chase Bank, N.A ("J.P. Morgan") and Santander Bank, N.A. ("Santander") will serve as co-lenders for the transaction (collectively, the "Construction Lenders"). The co-lending structure enables the Construction Lenders to jointly finance the Development while managing individual legal lending limits and concentration risk. Each of the lenders will further participate in the transaction with affiliates purchasing the Low-Income Housing Tax Credits ("LIHTC") (Santander) and State LIHTC (J.P. Morgan).

J.P. Morgan 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 Agency's most recent experience with J.P. Morgan includes 10 @ 8th Street and Barlett Station F5.

Santander is a national commercial bank and a wholly owned subsidiary of Banco Santander, S.A., one of the world's largest banking groups. Santander provides a broad range of commercial and consumer banking services throughout the United States, including construction, permanent and affordable financing. The bank is an active lender in the market multifamily and affordable housing sectors.

The Agency's most recent experience with Santander includes 52 New Street and Jackson Place.

Syndicator: Hudson Housing Capital LLC

Hudson Housing Capital LLC ("Hudson Capital") 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 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.

The Agency's most recent experience with Hudson Capital as the syndicator includes Casas Borinquen Apartments, Cape Cod Five Redevelopment and 15 Temple.

LIHTC Investor: Santander Bank, N.A.

SLIHTC Investor: JPMorgan Chase Bank, N.A

Management Company: Beacon Residential Management Limited Partnership

Beacon Residential Management Limited Partnership ("Beacon Residential") will serve as the management company. Beacon Residential was formed in 1968 and manages residences throughout New England, Pennsylvania, New York, Maryland, and Virginia. Beacon Residential currently manages 78 HUD subsidized and unsubsidized projects, totaling over 10,700 units.

Architect: Stantec Architecture Inc.

Stantec Architecture Inc. ("Stantec") is an international professional services company in the design and consulting industry. The company was founded in 1954, as D. R. Stanley Associates in Edmonton, Alberta, Canada. Stantec provides professional consulting services in planning, engineering, architecture, interior design, landscape architecture, surveying, environmental sciences, project management, and project economics for infrastructure and facilities projects. The company provides services on projects around the world, with over 26,000 employees operating out of more than 400 locations in North America and across offices on six continents.

The Agency's most recent experience with Stantec includes 55 Hudson (Conduit transaction), One Custom House Square (fka 117 Union Street), Bunker Hill Building M.

General Contractor: Cranshaw Construction of New England Limited Partnership

Founded in 1983, Cranshaw Construction of New England Limited Partnership ("Cranshaw Construction Company") is a general contracting and construction management company that has completed over 35 million square feet of residential, commercial, and industrial space in the Boston area.

The Agency's most recent experience with Cranshaw Construction Company includes Merrimack Corridor Development, and Elm Place 4% and 9%.

7. Summary of MassHousing-Sponsor Relationship			
	Recorded	*Committed*	*Total*
Number of Projects with MassHousing Debt	44	1	45
Total Units with MassHousing Debt	6,024	115	6,139
Outstanding MassHousing Principal Debt	$634,512,290	23,755,000	$658,267,290
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, Beacon Residential manages properties in Developer's portfolio and offers management services outside the portfolio.		

MassHousing Staff	
Origination	Teddy Eleevia, Originator Amanda Melick, Analyst
Underwriting	Douglas O'Brien, Underwriter
Asset Management	Daniel Barbanell, Portfolio Manager Juan Pena, Asset Manager

8. Unit Mix

Unit Size	Total Units	LIHTC Eligible										Market Comparison
		30% AMI** Section 8 PBV		30% AMI** MRVP		50% AMI** LIHTC		60% AMI** LIHTC		80% AMI** LIHTC		
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
1 BR	38			8	$2,379	6	$1,462	8	$1,774	16	$2,311	$3,586
2 BR	41	4	$3,107	8	$2,813			15	$2,117	14	$2,761	$4,815
3 BR	7	4	$3,720							3	$3,179	$6,190
Total	**86**	**8**		**16**		**6**		**23**		**33**		

**All rents are net of utility allowances.
Additional Notes: Utility Allowances applied to the MRVP units exceed the expected MRVP utility allowances, resulting in a conservative estimate of effective rental income.

Unit Size	Total Units	LIHTC Eligible				Market Comparison
		50% AMI LIHTC/ 70% AMI IDP		60% AMI LIHTC / 70% AMI IDP		
		Count	*Rent*	*Count*	*Rent*	*Rent*
1 BR	2	2	$1,462			$3,586
2 BR	24	13	$1,742	11	$1,978	$4,815
3 BR	5	3	$2,002	2	$2,216	$6,190
Total	**31**	**18**		**13**		

Additional Notes: Boston's Inclusionary Zoning (IZ) formerly known as the Inclusionary Development Policy (IDP) requires developers to include income-restricted apartments in buildings with 7 or more units. Rents for these units are capped based on Area Median Income (AMI). These affordable rents are set annually by the city of Boston.

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	MetroHousing
Lesser of contract or market rents.	
Type	MRVP
Term	15 y
Administration	MetroHousing

9. Operating Overview	
Underwritten Operating Expenses	$1,661,192 (approximately $14,200 per unit)

Basis of Operating Costs. Operating expense assumptions were supported by a review of comparable Boston area properties managed by Beacon, the Sponsor's proposed operating budget, and the operating history for Pok Oi Residences, the first joint venture development between Beacon and CCBA. Pok Oi Residences is managed by Beacon and is located in close proximity to the subject property. Operating expenses are within the Agency's typical portfolio-wide range of $11,000 to $16,000 per unit.

The Development includes 10,600 square feet of commercial space, intended for use by a grocery or convenience store. The space will be operated under a triple net lease, and no expenses related to the commercial space are underwritten in the operating costs. Additional details are included in Section 13, Note 4 of this proposal.

The Development will include a rooftop photovoltaic ("PV") system, which will be owned, operated, and maintained by the Borrower. Preliminary system design and output estimates were completed by an engineering subconsultant to Stantec and indicate that the system is expected to offset approximately 7% of the Development's owner-paid common area electrical consumption. The cost of the PV system is included in the Development Budget and is part of the General Contractor's scope of work. Both the Sponsor's projected and MassHousing's underwritten electricity expense is consistent with comparable properties and does not assume any operating cost savings attributable to the PV system, resulting in a conservative operating expense assumption.

10. Project Costs

Core Residential Costs	
Base	$55,053,799
Extraordinary	$16,560,303
Total	$71,614,102
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	$8,281,100
Site and Other Non-Residential Costs	$27,524,722
Total	$35,805,821
Total Development Cost	
Total	$107,419,923

Project Construction Costs	
Total Construction Cost	$74,152,813
Construction per Square Foot	$526

Background on Extraordinary Residential Costs. Extraordinary residential costs are primarily attributable to high-rise construction and the constrained urban site. The seven-story mixed-use building incorporates a two-story structural steel podium supporting five stories of wood-frame construction above. In addition, the limited site area requires all staging, deliveries, and trade access to occur from adjacent public street under a City of Boston approved construction management plan, resulting in additional costs for pedestrian protection, street occupancy, police details and protection of adjacent MBTA infrastructure.

Background on Commercial, Site and Other Non-Residential Costs. Site and other non-residential costs are driven by project-specific site conditions and the development of the ground-floor commercial and community spaces. These costs include environmental remediation, earthwork, excavation and offsite disposal of contaminated soils, the build-out of the commercial and community spaces, and the relocation of the existing commercial tenant and its employees to facilitate redevelopment of the site.

Background on Building Standards Costs. Building standards costs are attributable to the enhanced building envelope, insulation, materials and mechanical systems required to achieve the Development's Passive House performance standard including a centralized energy recovery ventilation ("ERV") system and other climate resiliency measures.

11. Sources and Uses

Sources of Funds	Total
MH Permanent Loan	$20,040,000
Federal LIHTC	$41,114,936
State LIHTC Loan	$17,116,559
EOHLC Subsidy	$5,250,000
MOH Funds	$3,500,000
CCBA IDP Loan	$15,000,000
MA DOER Grant	$850,000
Deferred Developer Fee	$4,547,428
Total Sources	$107,419,923

LIHTC Pricing	
Federal LIHTC	$0.95
State LIHTC	$0.83

Core Residential Uses of Funds	Total		Base Costs		Extraordinary Costs	
		Per Unit		*Per Unit*		*Per Unit*
Acquisition	$2,579,509	$22,047	$824,509	$7,047	$1,755,000	$15,000
Construction	$45,568,093	$389,471	$38,968,093	$333,061	$6,600,000	$56,410
Construction Contingency	$2,278,404	$19,474	$1,948,404	$16,653	$330,000	$2,821
General Development	$13,566,224	$115,591	$6,794,859	$58,076	$6,771,365	$57,875
Capitalized Reserves	$1,188,307	$10,156	$1,016,195	$8,685	$172,112	$1,471
Overhead	$3,216,782	$27,494	$2,750,869	$23,512	$465,913	$3,982
Fee	$3,216,782	$27,494	$2,750,869	$23,512	$465,913	$3,982
Total Residential Uses	$71,614,102	$612,086	$55,053,799	$470,545	$16,560,303	$141,541

Commercial Uses*	$8,281,100

Site and Other Nonresidential Uses*	$27,524,722

Total Uses	$107,419,923

**Includes applicable hard costs, contingency, soft costs, overhead and fees*

12. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$847,728
Rental Income – Non-Rental Subsidy		$2,363,459
Gross Potential Residential Income		$3,211,187
Vacancy – Project-Based Rental Subsidy	2.5%	($21,193)
Vacancy – Non-Rental Subsidy	3.34%	($91,344)
Gross Residential Income		$3,098,650
Commercial Income (net of vacancy)		$254,400
Other Income – Laundry		$26,325
Effective Gross Income		$3,379,375

Expenses	
Residential Operating Expenses	$1,661,192
Commercial Operating Expenses	$0
Net Operating Income	$1,718,183
Debt Service	($1,476,983)
Cash Flow	$241,200

Debt Service Coverage 1.16

Residential Operating Expense Detail			*Per Unit*
Management Fee	5.0%	$172,182	$1,472
Administrative Costs		$321,626	$2,749
Maintenance Costs		$266,215	$2,275
Resident Services		$70,200	$600
Utilities (water and sewer, hot water)		$433,699	$3,707
Insurance		$112,000	$957
Taxes		$193,050	$1,650
Replacement Reserves		$42,120	$360
Mortgage Insurance Premium		$50,100	$428
Total		$1,661,192	$14,198

Operating Expenses as a Percent of EGI 49.2%

13. Underwriting

1. **Loan Sizing**. The Sources and Uses in this commitment proposal reflect a projected Loan Amount of $20,040,000. The MassHousing Financing Summary in Section 4 above and the votes below allow for an "Up To" Loan amount of $21,350,000. 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 $20,040,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain balanced sources and uses.

2. **Funding of Loans.** The 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. This proposal has the Agency funding the Loan upon confirmation of construction completion and in advance of stabilized operations.

   The permanent loan will be funded on an interest-only basis. Upon achievement of stabilization, the permanent loan will commence amortization, and the Agency will obtain the HUD endorsement for Risk Share insurance. Agency staff will evaluate the need for a lease-up reserve prior to the funding of the MassHousing loans. This funding structure was also utilized in Beacon's most recent transaction, 15 Temple.

3. **Commercial Space.** The Development will include approximately 10,600 square feet of ground floor commercial space intended for a grocery or convenience store.

   - **Commercial Income:** The commercial space is anticipated to be leased under a triple net lease ("NNN") to a community-oriented commercial tenant. A market study prepared for the Sponsor by Bonz & Company and dated April 30, 2026, concluded an achievable market rental range of approximately $45 to $50 per square foot. For underwriting purposes MassHousing has assumed gross commercial rental income of $30 per square foot and applied a 20% vacancy, resulting in underwritten effective commercial income of $24 per square foot. This represents a significant discount to the market study conclusions, is consistent with the Sponsor's leasing strategy of attracting a community-oriented tenant and has no impact on the sizing of the proposed loan. The requirement of a commercial income guaranty will be determined by MassHousing prior to the construction loan closing.

- **Master Lease.** The Borrower will enter into a master lease agreement with a Beacon affiliate, which will act as the master tenant. The Beacon affiliate is expected to guarantee the minimum commercial rental income necessary to maintain the required debt service coverage until a permanent commercial tenant is in place.

4. **Average Income Set-Aside.** The Sponsors propose the use of the average income set-aside for this transaction. All of the 80% of AMI units are eligible for tax credits, and the unit mix provides an average income restriction of 57.44%, which is below the EOHLC maximum average income restriction of 59% of AMI. The use of this average income set-aside is subject to EOHLC's approval.

5. **Third Party Reports.** The MassHousing-commissioned appraisal is currently underway. To the extent that the 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	50 Herald	Underwriting Standards
1. DSCR	1.16	Minimum of 1.10
2. Term/Amortization	41 y / 40 y	30-40 y, fully-amortizing
3. Loan to Value	71%	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	PB-Rental Subsidy contract or market supported rent	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% for LIHTC • 5% for 80% LIHTC eligible	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
6. 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
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 $14,200 unit / year	Typically, between $11,000 and $16,000 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 HLC 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.

50 Herald
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 "50 Herald" (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 $37,012,500 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, designation under a public land disposition process, or selection through a competitive request for proposals process conducted by the private landowner.

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 and Low-Income Housing Tax Credits

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 $21,350,000 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 $9,570,000, in each case to be made to 50 Herald Partners LLC or another single-purpose entity controlled by Beacon Communities Services LLC or an affiliate (the "Borrower") as owner of the multifamily residential development known as "50 Herald" (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: 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.

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:
84 units (72%) 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
In-house data for larger market and mixed-income complexes (approximately 1,368 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 95.8%, and range between 95% and 98%. One of the comparables was offering a rental concession of one month's free rent.

3rd Qtr. 2026 CoStar data for the subject's Back Bay/South End Submarket (11,226 units) have an overall vacancy rate at 2.6 % YTD, which is a decrease of 0.34% from one year ago. CoStar data for the Boston market (301,335 units) has an overall vacancy rate of 5.6% YTD, which is a decrease of 0.63% from one year ago. The Back Bay/South End Submarket vacancy rate is projected to increase to 2.8% over the next five years, while the Boston market is projected to decrease to 5.5%.

CoStar submarket data for the 4-5 Star building type (4,954 units) indicates a 3rd Qtr. 2026 vacancy rate of 3.5% and an average asking rent of $4,795, while submarket data for the subject's 3 Star building type (2,964 units) indicates a 3rd Qtr. 2026 vacancy rate of 1.8% at an average asking rent of $3,580 and 1-2 Star buildings (3,308 units) indicates a 3rd Qtr. 2026 vacancy rate of 2.0% at an average asking rent of $3,561. 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 City of Boston 299,238 year-round housing units, 66,446 (21.54%) 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 16,651 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 2020-2024 American Community Survey (ACS) indicates that of the 283,374 households in the City of Boston approximately 83.5% earned less than the HUD published 2026 AMI, approximately 46.1% earned less than 50% of 2026 AMI, approximately 54.2% earned less than 60% of the 2026 AMI, and approximately 70.4 % earned less than 80% of the 2026 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:

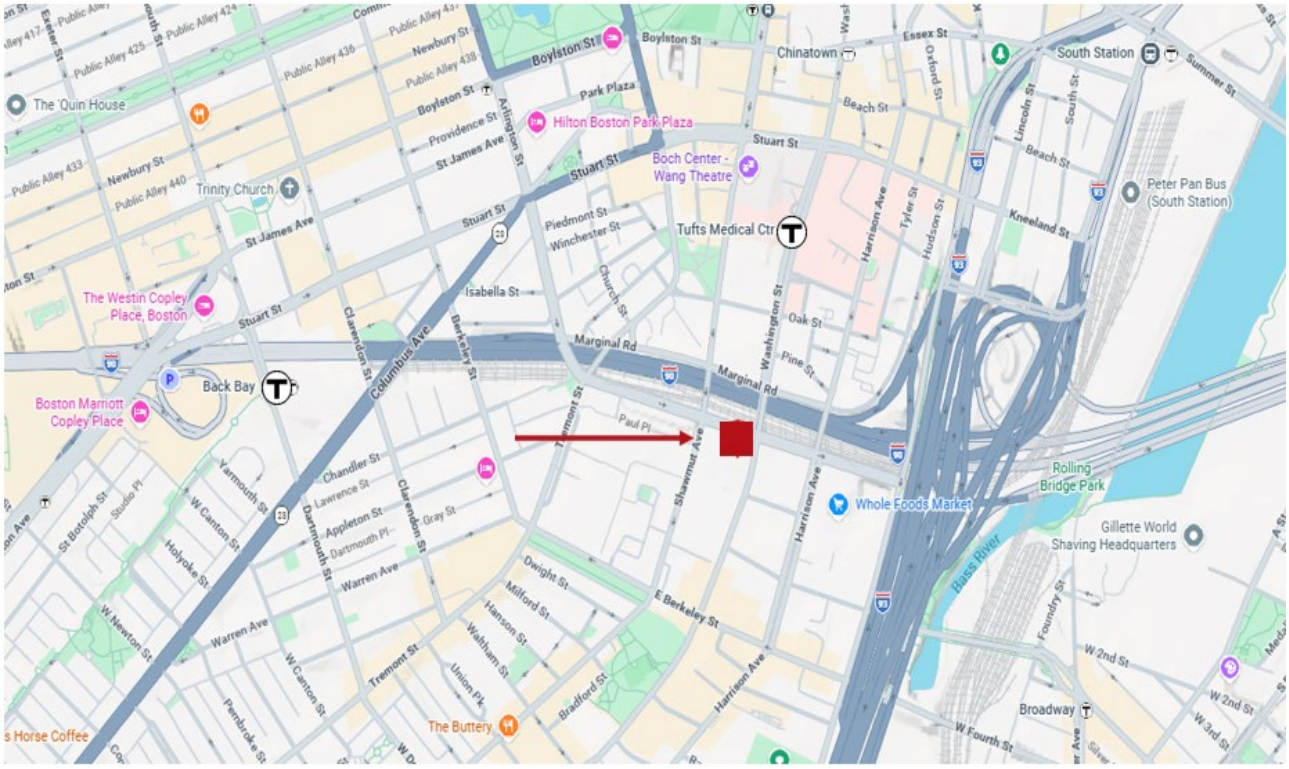
Rent Schedule:

Number of Bedrooms	1	2	3
Number of Units	40	65	12
Net SF/Unit	617	887	1,164
Elev./Non-Elev.	Elev.	Elev.	Elev.
Market Rate Rent (10% Rate 20 Year Term)	$6,100	$6.356	$6,957
MHFA Below Market Rent (Cost-Based Rent)	$4,082	$4,339	$4,939
MHFA Adjusted Rent	30% of 60% of AMI		
Underwriting Rents			
30% AMI MRVP	$2,476	$2,941	-
30% AMI PBV	-	$3,107	$3,720
50% AMI IDP + LIHTC	$1,462	$1,742	$2,002
50% AMI LIHTC	$1,462	-	-
60% AMI LIHTC	$1,774	$2,117	-
60% AMI IDP + LIHTC	-	$1,978	$2,216
80% AMI LIHTC	$2,311	$2,761	$3,179

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 | August 11, 2026

50 Herald

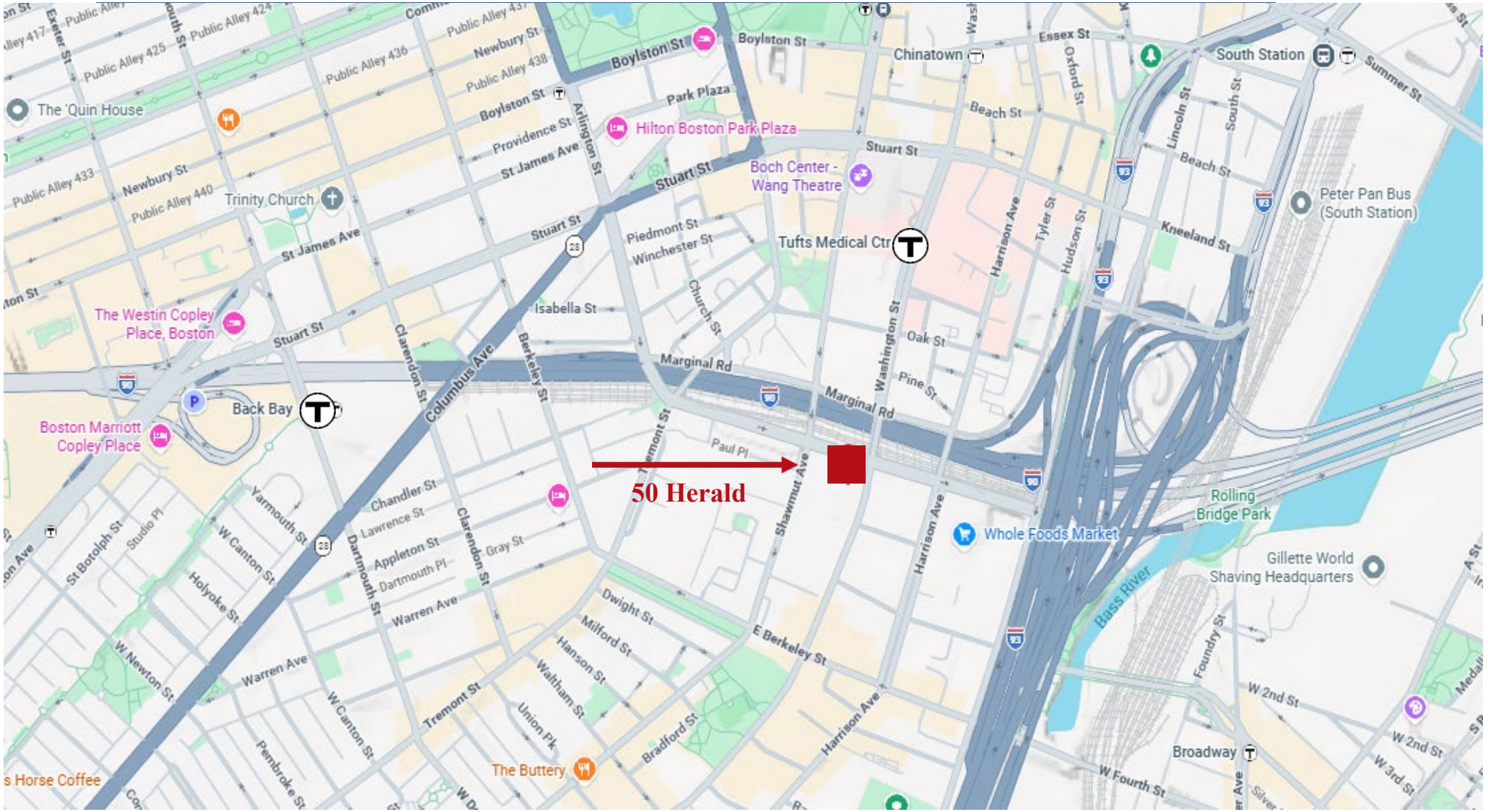


Location	50 Herald, Boston – South End, MA 02118
Sponsor	Beacon Communities Services LLC
Transaction Type	Production (4%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk Sharing with 50% credit risk
Total Rental Units	117
Affordability Mix	117 Affordable

Deal Team Members	
Origination	Teddy Eleevia, Amanda Melick
Underwriting	Douglas O'Brien
Asset Management	Daniel Barbanell, Juan Pena

MassHousing

50 Herald | South Boston



Borrower Team

Mortgagor Entity	50 Herald Partners LLC
Developers / Sponsors	Beacon Communities Services LLC & The Chinese Consolidated Benevolent Association of New England, Inc.
General Partner / Managing Member	50 Herald Partners MM LLC
Construction Lender	JPMorgan Chase Bank, N.A. & Santander Bank, N.A
Syndicator / Investor	Hudson Housing Capital LLC
Management Company	Beacon Residential Management Limited Partnership
Architect	Stantec Architecture Inc.
General Contractor	Cranshaw Construction of New England Limited Partnership

Unit Mix

Unit Size	Total Units	LIHTC Eligible										Market Comparison
		30% AMI** Section 8 PBV		30% AMI** MRVP		50% AMI** LIHTC		60% AMI** LIHTC		80% AMI** LIHTC		
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
1 BR	38			8	$2,379	6	$1,462	8	$1,774	16	$2,311	$3,586
2 BR	41	4	$3,107	8	$2,813			15	$2,117	14	$2,761	$4,815
3 BR	7	4	$3,720							3	$3,179	$6,190
Total	**86**	**8**		**16**		**6**		**23**		**33**		

**All rents are net of utility allowances.

Additional Notes: Utility Allowances applied to the MRVP units exceed the expected MRVP utility allowances, resulting in a conservative estimate of effective rental income.

Unit Size	Total Units	LIHTC Eligible				Market Comparison
		50% AMI LIHTC/ 70% AMI IDP		60% AMI LIHTC / 70% AMI IDP		
		Count	*Rent*	*Count*	*Rent*	*Rent*
1 BR	2	2	$1,462			$3,586
2 BR	24	13	$1,742	11	$1,978	$4,815
3 BR	5	3	$2,002	2	$2,216	$6,190
Total	**31**	**18**		**13**		

Additional Notes: Boston's Inclusionary Zoning (IZ) formerly known as the Inclusionary Development Policy (IDP) requires developers to include income-restricted apartments in buildings with 7 or more units. Rents for these units are capped based on Area Median Income (AMI). These affordable rents are set annually by the city of Boston.

Project Costs

Core Residential Costs	
Base	$55,053,799
Extraordinary	$16,560,303
Total	$71,614,102
Commercial and Non-Residential Costs	
Commercial Costs	$8,281,100
Site and Other Non-Residential Costs	$27,524,722
Total	$35,805,821
Total Development Cost	
Total	$107,419,923

Project Construction Costs	
Total Construction Cost	$74,152,813
Construction per Square Foot	$526

Sources and Uses

Sources of Funds			Uses of Funds	
MH Permanent Loan	$20,040,000		Acquisition	$2,925,000
Federal LIHTC	$41,114,936		Construction	$70,621,727
State LIHTC Loan	$17,116,559		Construction Contingency	$3,531,086
EOHLC Subsidy	$5,250,000		General Development	$19,063,843
MOH Funds	$3,500,000		Capitalized Reserves	$1,758,367
CCBA IDP Loan	$15,000,000		Developer Fee	$4,759,950
MA DOER Grant	$850,000		Overhead	$4,759,950
Deferred Developer Fee	$4,547,428			
Total Sources	**$107,419,923**		**Total Uses**	**$107,419,923**

Underwriting Notes

1. Loan Sizing
2. Funding of Loans
3. Commercial Space
4. Average Income Set-Aside
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

- Official Action Status
- Commitment of a Tax-Exempt Permanent Loan
- Commitment of a Tax-Exempt Equity Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

Loan Commitment Proposal | August 11, 2026

Eastbrook Apartments

1. General Project Information	
Project Name	Eastbrook Apartments
Project ID	71-016
Associated Projects	N/A
Addresses	193-321 Fernbank Road, Springfield, MA 01129
Sponsor	Makor Capital 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: B Compliance: A
Post-Closing/Post-Rehab MH Risk Rating	Financial: A Physical Condition: A Compliance: A
Total Rental Units	160
Affordability Mix	143 Affordable 17 Market

2. Recommended Actions

- Approval to accept assignment of a HUD-issued Firm Commitment for Federal Housing Administration ("FHA") insurance
- Commitment of a first mortgage loan (the "New Loan")
- Approval to finance the New Loan through the issuance of a Ginnie Mae Mortgage Backed Security ("MBS")

Eastbrook Apartments (the "Development") consists of 160 units in 21 buildings in Springfield. Makor Capital ("the Sponsor") will purchase the Development from an affiliate of WinnDevelopment at closing. The proposed loan will provide funds to acquire the property, complete repairs, pay transaction costs, and capitalize replacement reserves.

3. MassHousing Financing	
First Loan	
Type	Permanent
Loan Amount	$17,853,500
Interest Rate	5.70% projected
Loan Term/Amortization	35 y / 35 y
Year 1 DSCR	1.11 projected (1.11 minimum)
LTV	76% projected (87% maximum)

4. Development Plan

Description of Site. The Development is on 18.32 acres of land and is located at 193-321 Fernbank Road in the eastern part of Springfield (the "Site"). The immediate surrounding area is woodlands and single-family residential homes. There are a variety of businesses in proximity to the Development, including retail stores, grocery stores, restaurants, banks, and recreational opportunities. There is a bus stop located directly in front of the Development, allowing residents access to much of Springfield and the surrounding areas. The Development also benefits from the proximity to interstates 90 and 91, providing convenient access to Boston and other major destinations in the region.

Description of Existing Building. The Development was constructed in 1973 and consists of 21 two-story apartment buildings and a single-story community building. The buildings are wood framed with a mix of vinyl siding and brick exterior. There are 42 one-bedroom flats located in five buildings and 118 two- and three-bedroom townhouse-style units located in separate buildings, all with private entrances.

The Development includes a management office, a community room with kitchen facilities, two common area laundry rooms, a playground, a basketball court, and surface parking throughout the property.

Description of Affordability Mix. Of the 160 units, 143 are restricted under a use agreement for 99-years from a 1999 LIHTC syndication. The remaining 17 units are unrestricted, with 15 units currently occupied by Enhanced Voucher holders.

Sixty-four of the restricted units benefit from a Section 8 project-based voucher contract which is in effect through April 2029 and administered by the Springfield Housing Authority ("SHA"). The contract will renew upon expiration, and contract rents are within the SHA's approved payment standard based on the area's fair market rent ("FMR").

At closing, the MassHousing Disposition Agreement will be recorded ahead of the mortgage and will require 20% of the units (32 units) to be set aside for households earning up to 80% of AMI. The Disposition Agreement will survive foreclosure with a minimum term of 15 years.

Site Control. The Development is subject to a Purchase and Sale Agreement that was executed on November 21, 2025. The new Mortgagor entity, Makor Eastbrook LLC, will acquire the property at closing for $18,000,000.

Transaction Overview. Rockport Mortgage Corporation ("Rockport") is requesting FHA mortgage insurance in the amount of $17,853,500. Loan proceeds will be used to acquire the Development, repay the outstanding MassHousing loan, fund repairs, fully fund the replacement reserves, and pay transaction costs.

In addition to the requested financing, the Sponsor is contributing an estimated $5,200,000 in equity for the acquisition of the property.

MassHousing Debt. The Development is currently in the MassHousing portfolio with the following debt:

Loan	Maturity Date	Interest Rate	Estimated Unpaid Balance at Closing
71-016-08	10/1/2055	3.82%	$5,481,589

5. Borrower Team

Mortgagor Entity: Makor Eastbrook LLC

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

Developer / Sponsor: Makor Capital LLC

Co-founded in 2022 by Christopher Wyett and Jason Shulman, the firm acquires and manages multifamily apartment communities.

Mr. Wyett has overall responsibility for Makor's investment and operating platforms, including investment strategy, property operations, asset management and acquisitions / dispositions. Mr. Wyett has more than 23 years of experience acquiring and operating multifamily rental communities across numerous asset classes, including acquisition & rehabilitation of affordable housing projects, condominium conversion, and land entitlement.

Mr. Shulman's responsibilities include Makor's investment and operating platforms, including financial operations, asset management acquisitions / dispositions, and efficient tax planning / structuring. Mr. Shulman has more than 10 years of experience acquiring, operating, and disposing multifamily rental communities across numerous asset classes, including acquisition & rehabilitation of affordable housing projects, condominium conversion and student housing.

This will be MassHousing's first transaction with Makor Capital as the Sponsor.

General Partner / Managing Member: Makor Springfield LLC

MAP Lender Partner: Rockport Mortgage Corporation

MassHousing and Rockport Mortgage Corporation (the "MAP Lender Partner") 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: Makor Management LLC

Makor Management LLC is the management arm of the Sponsor. Their current portfolio includes more than 4,800 apartments in Massachusetts, New Hampshire, North Carolina, South Carolina, Tennessee, and Georgia. Makor Management is a HUD approved management agent currently managing five HUD subsidized properties with more than 233 units.

The most recent MassHousing experience with Makor as the management agent is Moran Square.

6. Summary of MassHousing-Sponsor Relationship	
Number of Projects with MassHousing Debt	0
Total Units with MassHousing Debt	0
Outstanding MassHousing Principal Debt	$0
Adverse Actions Against the Borrower Team	No
Current on Obligations with MassHousing	N/A
Property Management Affiliate	Yes, Makor Management LLC manages properties in the Sponsor's portfolio.

MassHousing Staff	
Origination	Jen Hudon Hatch, Originator Matt Deych, Analyst
Underwriting	John Collins, Underwriter
Asset Management	Lee Fiorenza, Portfolio Manager Erin Lewis, Asset Manager

7. Unit Mix

Unit Size	Total Units	Section 8 PBV HAP*		60% of AMI***		Unrestricted / Enhanced Voucher**		Unrestricted***		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
1 BR	42	11	$1,382	28	$1,415	3	$1,634	-	-	$1,560
2 BR	95	44	$1,734	40	$1,658	11	$1,936	-	-	$1,940
3 BR	23	9	$2,127	11	$1,862	1	$2,780	2	$1,875	$2,250
Total	**160**	**64**		**79**		**15**		**2**		

*Rockport's underwritten rents for the Section 8 PBV HAP units are based on the current contract rents, which are lower than the appraiser's market rents.

**Rockport's underwritten rents for unrestricted units with Enhanced Voucher holders are based on the appraiser's market rents as they are lower than the current Enhanced Voucher rents.

***Rockport's underwritten rents for 60% of AMI units and unrestricted units are based on the current in-place 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 proposal 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 $24,102,225 nor less than $11,604,775.

Sources	
New First Mortgage	$17,853,500
Sponsor Equity	$5,272,070
Total:	$23,125,570

Uses	
Acquisition*	$18,000,000
Repairs	$3,247,001
General Development	$740,415
Capitalized Reserves	$910,000
Assurance of Completion Escrow	$228,154
Total:	$23,125,570

*Includes repayment of existing MassHousing loan and prepayment penalty.

11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$1,327,692
Rental Income – Non-Rental Subsidy		$1,900,776
Gross Potential Residential Income		$3,228,468
Vacancy – Project-Based Rental Subsidy	5.0%	($66,385)
Vacancy – Non-Rental Subsidy	5.0%	($95,039)
Gross Residential Income		$3,067,045
Other Income – Laundry		$23,750
Effective Gross Income		$3,090,795

Expenses	
Residential Operating Expenses	$1,731,492
Net Operating Income	$1,359,303
Debt Service	($1,223,366)
Cash Flow	$135,937

Debt Service Coverage	1.11
Operating Expenses Per Unit	$10,822

12. Analysis of Lender Narrative

Valuation: The appraiser's concluded market value estimate of $23,400,000 represents a reconciliation between the income approach value of $23,700,000 and the sales comparison value of $22,700,000.

The cost approach was determined not applicable due to the age and type of this property. The income approach value is based off the appraiser's concluded capitalization rate of 6.0% and Net Operating Income ("NOI") of $1,420,770. The requested loan amount of $17,853,500 provides for a 76% loan to value ("LTV") against the concluded market value of $23,400,000.

Transaction Structure & Cash Flow: The permanent financing and Sponsor's equity contribution will fund at closing to repay the existing MassHousing loan, fund required reserves and cover transaction costs. A portion of the new loan and equity proceeds will also fund the critical and non-critical repair escrows. MassHousing will hold and administer the repair escrows, including the Assurance of Completion, in accordance with HUD guidelines.

Repairs: Repairs total $3,247,001 ($20,294 per unit) and the funds will be held in escrow and monitored by MassHousing. The scope of work includes the resurfacing of the parking lots and sidewalks with American with Disabilities Act ("ADA") parking repairs, the replacement of all dwelling unit roofs and existing down spout repair, accessibility upgrades to public restrooms, drywall repairs, and the upgrade of at least 4 units to comply with the Uniform Federal Accessibility Standards ("UFAS").

Deferred Critical Repairs: The submission package includes a waiver request to defer all critical repairs, including life safety repairs, to be completed post-closing. The acquisition is an arm's length purchase and as such, the Sponsor does not have control of the Development and is unable to perform any repairs until the closing.

Capitalized Reserves:

- Assurance of Completion Escrow in the amount of $228,154 is equal to 10% of the non-critical repairs. MassHousing will administer the escrow on behalf of HUD, and the Assurance of Completion Escrow will be released to the Borrower upon completion of all escrowed repair work. Completion of work is expected within 12 months of closing.

- Initial Deposit to Replacement Reserves is in the amount of $910,000 and is the amount needed to fully fund the replacement reserve in accordance with the MAP Guide.

Operating Expenses: The operating expenses of $10,822 per unit are below the aggregated range of $11,300 to $16,400 per unit for MassHousing financed developments. Rockport reviewed the historic operating expenses (2023-2025) and the Sponsor's proposed 2026 budget. The underwritten operating expenses align more closely with the third-party appraisal comparative ranges for similar size developments and considers the Sponsor's approach to

property management. This includes a shift from third-party contracts for maintenance and repair work to an in-house operating structure.

13. Low-Income Housing Tax Credits

N/A

Eastbrook Apartments

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 $17,853,500 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 $24,102,225 nor less than $11,604,775 to Makor Eastbrook LLC (the "Borrower") for Eastbrook Apartments and (2) to make the FHA-insured first mortgage loan to the Borrower in the approximate amount of $17,835,500 (the "New Loan"), subject to the limitation that the final amount of such loan shall not be more than $24,102,225 nor less than $11,604,775 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 Eastbrook Apartments.

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:
143 units (89%) 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 July 17, 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 1,306 units) in the area revealed a strong rental market. Current occupancy rates of the five comparable properties reviewed averaged approximately 97.2%, and range between 92% and 100%. One of the comparables was offering a rental concession of half a month for free.

3rd Quarter 2026 CoStar data for the subject's Springfield submarket (7,252 units) has an overall vacancy rate at 1.9% year to date ("YTD"), which is an increase of .05% from one year ago. CoStar data for the Springfield market (19,102 units) has an overall vacancy rate of 2.1% YTD, which is an increase of .06% from one year ago. The Springfield submarket vacancy rate is projected to increase to 2.1% over the next five years, and the Springfield Market is projected to increase to 2.4%.

CoStar submarket data for the 4-5 Star building type (266 units) indicates a 3rd Quarter 2026 vacancy rate of 2.4% and an average asking rent of $1,510, while submarket data for the subject's 3 Star building type (2,429 units) indicates a 3rd Quarter 2026 vacancy rate of 2.2% at an average asking rent of $1,441 and 1-2 Star buildings (4,557 units) indicates a 3rd Quarter 2026 vacancy rate of 1.7.% at an average asking rent of $1,378. 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 Springfield has 62,653 year-round housing units, 10,364 (16.54 %) of which are subsidized for low/moderate-income households.

Further, the Springfield Housing Authority ("SHA") owns and/or operates 2,397 Public Housing units in 27 developments broken down by 5 districts in Springfield. These include 13 developments for elderly and disabled residents and 14 developments for families. According to

the city of Springfield's Five-Year Consolidated plan (2016-2021), there are 2,081 applicants on the waiting lists. 90.7% of those applicants are extremely low income with household incomes below 30% of the area median income("AMI"), 7.7% are very low-income households with incomes of 30-50% of AMI, and 1.5% are low-income households with incomes of 50-80% of AMI. Further, 40.6% of the applicants are families with children, 14.8% elderly and 44.4% are disabled.

SHA also administers 2,733 Section 8 Housing Choice Vouchers and they participate in the Massachusetts Section 8 Housing Choice Voucher Centralized Waiting List. At this time the list is open, and it is expected to remain open indefinitely.

U.S. Census data from the 2020-2024 American Community Survey ("ACS") indicates that of the 57,772 households in the City of Springfield approximately 70.5% earned less than the HUD published 2026 AMI ($96,700), approximately 58.4% earned less than 50% of 2026 AMI, approximately 65.5% earned less than 60% of the 2026 AMI, and approximately 73% earned less than 80% of the 2026 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:

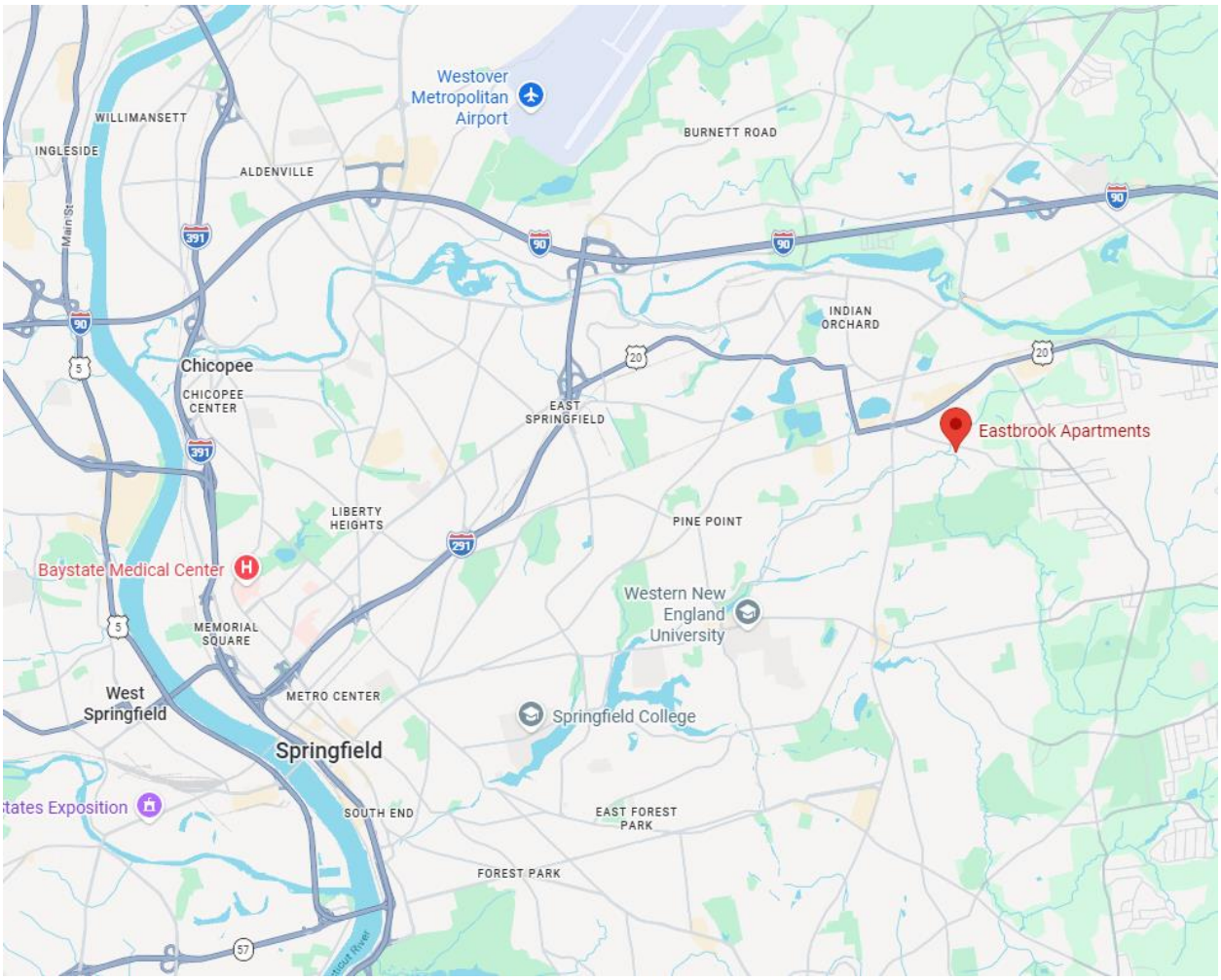
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	1	2	3
Number of Units	42	95	23
Net SF/Unit	665	1,025	1,247
Elev./Non-Elev.	Non-Elev.	Non-Elev.	Non-Elev.
Market Rate Rent (10% Rate 20 Year Term)	$1,880	$2,188	$2,447
MHFA Below Market Rent (Cost-Based Rent)	$1,417	$1,725	$1,984
MHFA Adjusted Rent	30% of 80% of AMI		
Underwriting Rents			
Section 8 PBV HAP	$1,382	$1,734	$2,127
Enhanced Vouchers	$1,560	$1,936	$2,250
60% AMI	$1,415	$1,658	$1,862
Unrestricted	-	-	$1,875

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




Eastbrook
APARTMENTS
COMMUNITY CENTER
MANAGEMENT OFFI



Loan Commitment Proposal | August 11, 2026

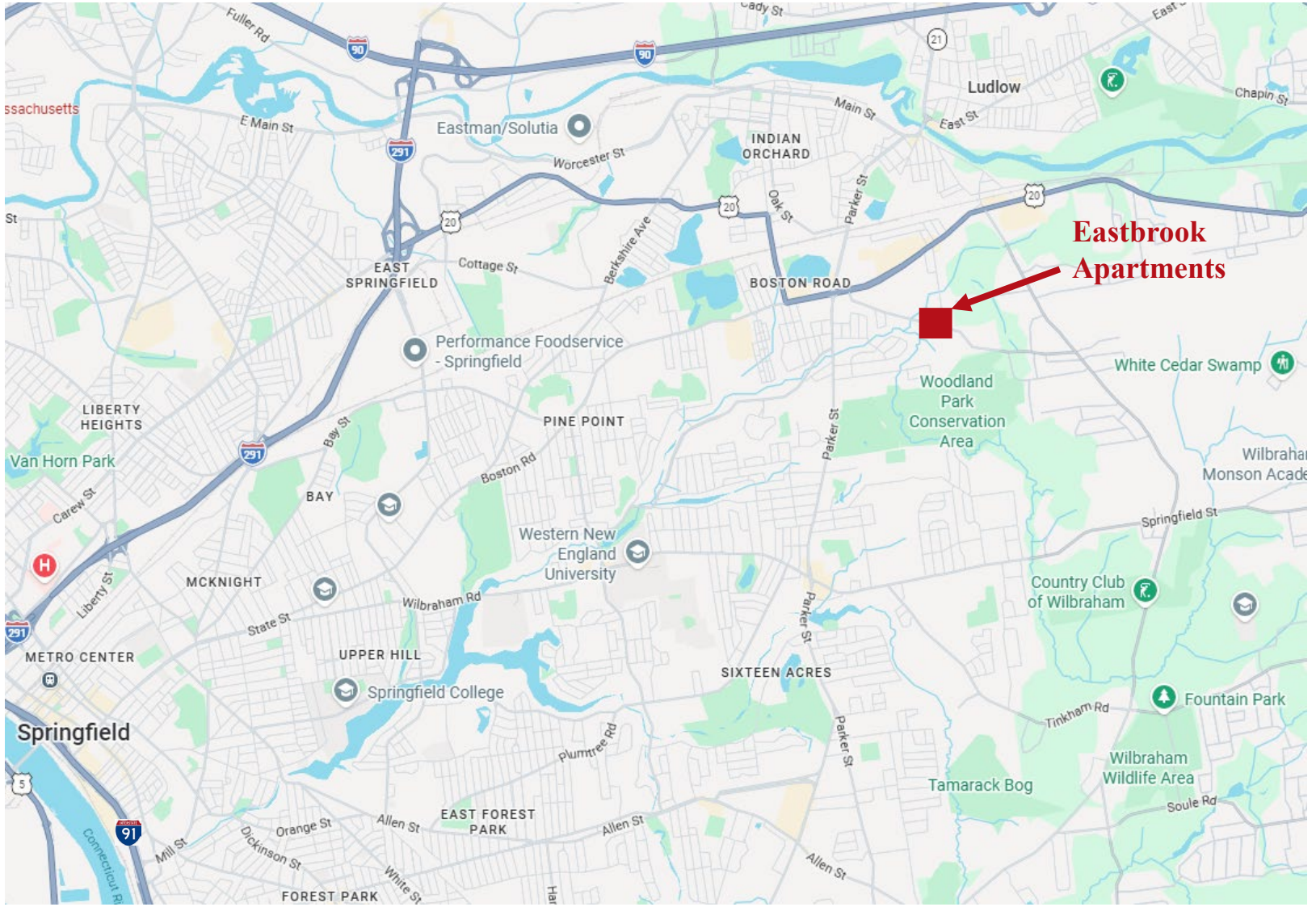
Eastbrook Apartments

Location	Springfield
Sponsor	Makor Capital 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: B Compliance: A
Total Rental Units	160
Affordability Mix	143 Affordable 17 Market

Deal Team Members	
Origination	Jen Hatch, Matt Deych
Underwriting	John Collins
Asset Management	Erin Lewis, Lee Fiorenza

MassHousing

Eastbrook Apartments



Borrower Team

Mortgagor Entity	Makor Eastbrook LLC
Developer / Sponsor	Makor Capital LLC
General Partner / Managing Member	Makor Springfield LLC
MAP Lender Partner	Rockport Mortgage Corporation
Management Company	Makor Management LLC

Unit Mix

Unit Size	Total Units	Section 8 PBV HAP*		60% of AMI***		Unrestricted / Enhanced Voucher**		Unrestricted***		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	
1BR	42	11	$1,382	28	$1,415	3	$1,634	-	-	$1,560
2BR	95	44	$1,734	40	$1,658	11	$1,936	-	-	$1,940
3BR	23	9	$2,172	11	$1,862	1	$2,780	2	$1,875	$2,250
Total	**160**	**64**		**79**		**15**		**2**		

*Rockport's underwritten rents for the Section 8 PBV HAP units are based on the current contract rents, which are lower than the appraiser's market rents.

**Rockport's underwritten rents for unrestricted units with Enhanced Voucher holders are based on the appraiser's market rents as they are lower than the current Enhanced Voucher rents.

***Rockport's underwritten rents for 60% of AMI units and unrestricted units are based on the current in-place rents.

Sources and Uses

Sources		
New First Mortgage		$17,853,500
Sponsor Equity		$5,272,070
	Total:	$23,125,570

Uses		
Acquisition*		$18,000,000
Repairs		$3,247,001
General Development		$740,415
Capitalized Reserves		$910,000
Assurance of Completion Escrow		$228,154
	Total:	$23,125,570

*Includes repayment of existing MassHousing loan and prepayment penalty.

Lender Narrative Analysis

- Valuation
- Transaction Structure & Cash Flow
- Repairs
- Deferred Critical Repairs
- Capitalized Reserves
- Operating Expenses

Recommended Votes

- Approval to accept assignment of a HUD-issued Firm Commitment for FHA insurance
- Commitment of a first mortgage loan
- Approval to finance the New Loan through the issuance of a Ginnie Mae MBS

Loan Commitment Proposal | August 11, 2026

B.F. Faulkner Tower

1. General Project Information	
Project Name	B.F. Faulkner Tower
Project ID	74-033
Associated Projects	N/A
Address(es)	25 Highland Avenue, Somerville, MA 02143
Sponsor	Jonathan Rose Companies LLC and The Schochet Companies
Transaction Type	Preservation (Supplemental)
Funding Type	Current (Permanent Only)
Execution Type	Supplemental Taxable Uninsured
Credit Enhancement	None
Approval Type	Board
MH Risk Rating	Financial: A Physical Condition: A Compliance: A
Total Rental Units	130
Affordability Mix	129 Affordable 1 Resident Manager (Non-Revenue)

2. Recommended Actions

- Approval of a Level One Transfer of Ownership
- Commitment of a Taxable Supplemental Loan

3. Background

The proposed financing will support the acquisition of B.F. Faulkner Tower (the "Development"), an existing 130-unit senior rental property in Somerville. Jonathan Rose Companies and The Schochet Companies (together the "Sponsor") are seeking MassHousing's approval of the sale of the Development from Walnut Hill Tower Associates (the "Current Owner") to Highland Ave Preservation, LLC (the "Borrower"). The Borrower will assume the existing MassHousing first loan ("First Loan") and all related loan documents.

The First Loan closed in 2012 and included a participating lender (originally Credit Suisse First Boston Mortgage Capital LLC) (the "Participating Lender") whose consent may be required for the transfer of ownership. While the First Loan is assumable, it is not yet prepayable because of the participation and amounts to just over 15% of the purchase price. Therefore, the Sponsor is also seeking a MassHousing commitment for supplemental financing to support the acquisition of the Development. The Borrower will use the supplemental acquisition financing, as well as

Sponsor equity, to purchase the Development, complete approximately $88,000 in critical repairs, and capitalize necessary reserves. The Sponsor is targeting a December 2026 closing to meet the Current Owner's deadline.

The First Loan will be prepayment eligible on June 30, 2027, and the Sponsor plans to refinance at that time. New loan proceeds from the anticipated refinancing would prepay the assumed First Loan and the supplemental acquisition loan, and fund approximately $14,000,000 ($107,692 per unit) in rehabilitation work.

A process for rent increases at the Development is underway. First, in advance of the proposed acquisition transaction, the Current Owner is seeking a Mark Up To Market ("MUTM") increase over current in-place rents. The Sponsor expects the rent increase to be approved and in-place prior to the acquisition closing.

Following the acquisition transaction, the Sponsor plans to pursue a full refinancing of the Development, add enhanced resident services through Hebrew Senior Life, Inc. ("HSL") and seek an as-improved MUTM increase. The Sponsor and HSL have experience with this approach, which they undertook on Riverside Towers in 2022. The Sponsor plans to have the services and the higher rents in place at the time of the planned refinancing.

4. MassHousing Financing	
Supplemental Loan	
Type	Taxable Supplemental Loan
Loan Amount	$21,000,000
Interest Rate	3-year SOFR Swap Rate plus 270 basis points (bps) to be locked at Acquisition Loan Closing. (processing rate of 6.79% assumed for underwriting)
Loan Term / Amortization	26 y / 40 y, interest-only for the first five years Will be co-terminus with the existing First Loan
Combined Year 1 DSCR*	1.37 projected (1.25 minimum)
Combined LTV	58% projected (70% maximum)

*See Section 5: MassHousing Debt

5. Development Plan

Description of Site. The Development is located on an approximately 29,000-square-foot parcel at 25 Highland Avenue in Somerville (the "Site"). The Site is within walking distance to Edward L. Leathers Community Park, the Somerville Public Library, and Somerville High School. The Development benefits from strong transit access, with MBTA bus stops located on Highland Avenue and Walnut Street and is less than half a mile from the Gilman Square MBTA Green Line Station.

Description of Existing Building. The Development is an existing 130-unit, 12-story high-rise elevator building constructed in 1977. The Development consists of a mix of one- and two-bedroom units. Common areas include a community kitchen, lounge spaces, and on-site management offices.

Description of Affordability Mix. 129 out of the 130 units will be restricted at 50% of AMI. All income restricted units will benefit from a Project-Based Section 8 HAP Contract.

The remaining non-revenue unit will be for a resident manager.

Site Control. Fee simple. Schochet Associates, Inc. and Rose Affordable Housing Preservation Fund VI, L.P. (affiliates of Sponsor) have a purchase and sale agreement with the Current Owner. Borrower will acquire the Development at closing as evidenced through a deed conveying fee simple title. The purchase and sale agreement has a closing deadline of December 31, 2026, with the ability to obtain three 30-day extensions.

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
74-033-09	7/1/2052	4.60%	$8,414,712

6. Borrower Team

Mortgagor Entity: Highland Ave Preservation, LLC

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

Developer / Sponsor: Jonathan Rose Companies LLC

The Schochet Companies

Jonathan Rose Companies LLC is a national development, owner's representative, and investment management firm. Since its founding in 1989, the firm has completed over $3.4 billion of work including new development, redevelopment, and fee development.

A recently completed MassHousing development with Jonathan Rose Companies LLC as the developer was Riverside Towers.

The Schochet Companies is the business name for a full-service real estate development and management company founded by Jay R. Schochet more than thirty years ago. Since that time, the company has developed, owned, and/or managed over 7,000 apartments and 600,000 square feet of retail and commercial space throughout New England and on the West Coast.

A recently completed MassHousing development with The Schochet Companies as the developer was Riverside Towers. Other funding commitments with The Schochet Companies include Warren Hall in Brighton.

Managing Member: Schochet Highland Ave Preservation LLC

Schochet Highland Ave Preservation LLC is the Managing Member and an affiliate of Schochet Associates. The Schochet Companies will have decision-making power over operations with Jonathan Rose Companies providing oversight on any operational consideration that would constitute a major decision.

Management Company: Federal Management Company, Inc.

Federal Management Company, Inc., an affiliate of The Schochet Companies, was formed in 1973. It provides management services for numerous clients including The 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.

A recently committed MassHousing development with Federal Management Company, Inc. as the management company was Warren Hall.

7. Summary of MassHousing-Sponsor Relationship			
The Schochet Companies	*Recorded*	*Committed*	*Total*
Number of Projects with MassHousing Debt	11	0	11
Total Units with MassHousing Debt	1,814	0	1,814
Outstanding MassHousing Principal Debt	$199,473,823	0	$199,473,823
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, Federal Management Company, Inc. manages properties in the Schochet portfolio as well as offering third-party fee-management services.		

* Transactions in which Schochet either serves as the sole sponsor or participates as a partner

The Schochet Companies & Jonathan Rose Companies LLC	*Recorded*	*Committed*	*Total*
Number of Projects with MassHousing Debt	1	0	1
Total Units with MassHousing Debt	199	0	199
Outstanding MassHousing Principal Debt	$43,634,513	0	$43,634,513
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, Federal Management Company, Inc. manages properties in the Schochet portfolio as well as offers third-party fee-management services.		

MassHousing Staff	
Origination	Michael Carthas, Originator Sim Montrond, Analyst
Underwriting	Thomas Fitzmaurice, Underwriter
Asset Management	Mildred Mukasa, Portfolio Manager Janny Nivar, Asset Manager

8. Unit Mix

Unit Size	Total Units	PB Section 8		Manager		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Rent*
1 BR	110	109	$3,201	1	-	TBD
2 BR	20	20	$4,093			TBD
Total	**130**	**129**		**1**		

* Rents net of utility allowances

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	Somerville Housing Authority
Lesser of contract rents or market rents	

9. Operating Overview

Underwritten Operating Expenses	$2,331,983 (approximately $17,760 per unit)

Basis of Operating Costs. Review of historical operating expenses, borrower supporting documentation, as well as review against Agency portfolio comparables of similar size and location.

10. Project Costs

Core Residential Costs	
Base	$53,727,660
Total	$53,727,660
Total Development Cost	
Total	$53,727,660

This is an acquisition transaction with a scope of work restricted to life safety critical repairs. As such, no extraordinary or construction costs are included in the table above.

11. Sources and Uses

Sources of Funds	Total
MH Supplemental Acquisition Loan	$21,000,000
Existing MH Debt	$8,414,712
Developer Cash Equity	$24,312,948
Total Sources	$53,727,660

Core Residential Use of Funds	Total	*Per Unit*
Acquisition	$52,000,000	$400,000
Construction	$88,425	$680
Construction Contingency	$8,843	$68
General Development	$842,790	$6,483
Replacement Reserves	$513,864	$3,953
Tax and Insurance Reserves	$273,738	$2,106
Total Residential Uses	$53,727,660	$413,290

Total Uses	$53,727,660

12. First Year Income and Expenses

Income		
Rental Income		$5,043,145
Gross Potential Residential Income		$5,043,145
Vacancy	2.5%	($129,311)
Gross Residential Income		$4,913,833
Effective Gross Income		$4,913,833

Expenses	
Residential Operating Expenses	$2,308,662
Net Operating Income	$2,734,482
Debt Service	($2,000,474)
Cash Flow	$734,009

First Mortgage Debt Service Coverage	4.76
Combined Debt Service Coverage	1.37

Residential Operating Expense Detail			*Per Unit*
Management Fee	4.0%	$201,726	$1,552
Administrative Costs		$318,970	$2,454
Maintenance Costs		$666,399	$5,126
Resident Services		$42,117	$324
Security		$90,194	$694
Utilities (water and sewer, hot water)		$352,345	$2,710
Insurance		$159,487	$1,227
Taxes		$246,664	$1,897
Payroll Taxes/Benefits		$139,511	$1,073
Replacement Reserves		$65,000	$500
Mortgage Insurance Premium*		$26,250	$202
Total		$2,308,662	$17,759

*On declining principal balance of the existing first mortgage loan.

Operating Expenses as a Percent of EGI	47.0%

13. Underwriting

1. **Replacement Reserves.** At closing, the existing replacement reserve balance of $455,000 will be released to the Current Owner. As part of the acquisition, the Sponsor will capitalize the replacement reserve with an IDRR of $513,864 ($3,953 per unit) and annual contributions will be set at $65,000 ($500 per unit).

   Staff review and analysis of existing and proposed replacement reserve deposits concluded that the initial and annual deposits to replacement reserves included in this commitment proposal are sufficient and recommends the Sponsor's proposal. Under the proposed reserve funding structure, the Development maintains a "A" physical risk rating, and projects sufficient funding for capital needs over the next eight years.

2. **Section 8 Mark Up To Market Contract.** Rents in the Sponsor's initial proforma are based on an As-Is Rent Comparability Study ("RCS") submitted to MassHousing on May 12, 2026. The RCS reflects a MUTM increase over current in-place rents. The Current Owner submitted the RCS to HUD, and it is currently under review. MassHousing's acquisition loan sizing is contingent upon HUD's final approval of the MUTM rent increase. If the increased rents are not in place at the time of closing, MassHousing will reduce its loan sizing accordingly.

3. **Supplemental Loan Term.** The term of the supplemental loan will be in accordance with HUD Risk Share programmatic guidelines as well as in compliance with the Participation and Servicing Agreement between MassHousing and the Participating Lender on the First Loan. The Loan will require prepayment upon any sale or refinancing of the First Loan.

4. **Third-Party Reports.** The MassHousing third-party appraisal is currently underway. To the extent the appraisal changes the underwritten rents and/or loan-to-value, the loan amount will be adjusted accordingly.

Underwriting Criteria and Loan Terms	B.F. Faulkner Tower	Underwriting Standards
1. DSCR	1.37	Minimum of 1.25
2. Term / Amortization	26 y / 40 y, interest-only for the first five years	30-40 y, fully-amortizing
3. Loan to Value	58%	Maximum of 70% based on third party "as-is" investment value
4. Underwriting Rents	Lesser of 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	2.5%	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
6. Affordability	20% at 80%	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 $17,760 unit / year	Typically, between $11,000 and $15,000 per unit.

14. Low-Income Housing Tax Credits

N/A

B.F. Faulkner Tower
VOTES AND FINDINGS

PROPOSALS AND VOTES

Transfer of Ownership

Staff has reviewed the application for a Level One Transfer of Ownership submitted by Walnut Hill Tower Associates, as owner of the multifamily residential development known as "B.F. Faulkner Tower" (the "Development") located in Somerville, MA and determined that it will not adversely affect MassHousing's loan security or the residents of the Development and that the proposed terms are appropriate. Therefore, staff recommends the below action for approval.

VOTED: To approve the Level One Transfer of Ownership of the Development from Walnut Hill Tower Associates to Highland Ave Preservation, LLC or another single purpose entity controlled by Jonathan Rose Companies or The Schochet Companies ("Borrower") (the "Transfer"), subject to the requirements of the Transfer of Ownership Policy approved by the Board on August 14, 2007, and further subject to any additional conditions required by the Director of Rental Management or General Counsel, and that the Chief Executive Officer, Chief Legal and Operating Officer, Vice President of Multi-Family Programs, and General Counsel each be authorized, acting singly, to execute such documents, agreements, and instruments on behalf of the Agency in connection therewith. Further subject to the following special conditions:

1. Credit Suisse First Boston Mortgage Capital LLC, or any successor participating lender, will provide consent for the Transfer, as required.

Mortgage Loan

Staff has reviewed the proposal for supplemental 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 subordinate mortgage loan in a principal amount of up to $21,000,000, such loan to be uninsured, to be made to Borrower as owner of the Development, 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:

1. The Borrower shall obtain the consent of any required partners, and any and all subordinate lenders, as necessary.

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:
129 units (99%) 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 July 16, 2026, collection date. 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 1,375 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 94.2%, and range between 90% and 97%. Two of the comparables were offering rental concessions of one free month.

Third quarter 2026 CoStar data for the subject's Somerville/Charlestown Submarket (7.689 units) has a YTD overall vacancy rate of 4.1%, which is a decrease of 1.28% from last year. CoStar data for the Boston market (301,687 units) has a YTD overall vacancy rate of 5.6%, which is a 0.63% decrease from last year. The Somerville/Charlestown Submarket vacancy rate is projected to increase to 5.3% over the next five years, while the Boston market is projected to decrease to 5.5%.

CoStar, submarket data for the Somerville/Charlestown, 4-5 Star building type (4,511 units) indicates a third quarter 2026 vacancy rate of 3.9% and an average asking rent of $3,772. The submarket data for the subject's, 3-Star building type (1,457 units) indicates a third quarter 2026 vacancy rate of 4.7% at an average asking rent of $2,608. 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 Somerville Housing Authority (SHA), they own/manage 215 units of Federal Family housing consisting of 22 one-bedrooms, 94 two-bedrooms, 71 three-bedrooms, 24 four bedrooms and four five-bedrooms. There are 1,108 applicants on the Federal family waiting list, broken down as follows: 368 one-bedrooms, 253 two-bedrooms, 407 three-bedrooms, 65 four-bedrooms and 15 five-bedrooms. They also have 369 one-bedroom units of Federal Elderly housing and there are 2,526 applicants on that waiting list.

Regarding state-funded housing, SHA owns/manages 459 State Family housing consisting of 33 one-bedrooms, 247 two-bedrooms, 177 three-bedrooms, one 4-bedroom and one five-bedrooms. There are 1,121 applicants on the State Family waiting lists that are broken down as follows: 344

one-bedrooms, 454 two-bedrooms, 231 three-bedrooms, 80 four-bedrooms and 12 –five-bedrooms. SHA also has 274 State Elderly Units consisting of 261 one-bedrooms, 4 two-bedrooms and 3 three-bedrooms. There are 1,110 applicants on that waiting list consisting of 1,024 one- bedroom, 85 two- bedrooms and 1 three-bedroom.

SHA also administers 1,197 HCV vouchers and 112 Mainstream vouchers and per the representative there are 219,211 applicants on the centralized Section 8 waitlist. This list is a state-wide list.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (09/30/25), the City of Somerville has 36,167 year-round housing units, 3,328 (8.93%) 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 35,715 households in the City of Somerville approximately 80.1% earned less than the HUD published 2026 AMI (164,900), approximately 35.2% earned less than 50% of 2026 AMI, approximately 44.9% earned less than 60% of the 2026 AMI, and approximately 64.3% earned less than 80% of the 2026 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
Number of Units	109	20
Net SF/Unit	527	890
Elev./Non-Elev.	Y	Y
Market Rate Rent	$3,583	$4,504
MHFA Below Market Rent (Cost-Based Rent)	$3,172	$4,093
MHFA Adjusted Rent	30% of 60% of AMI	
Underwriting Rents		
PBV	$3,201	$4,093

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 | August 11, 2026

B.F. Faulkner Tower

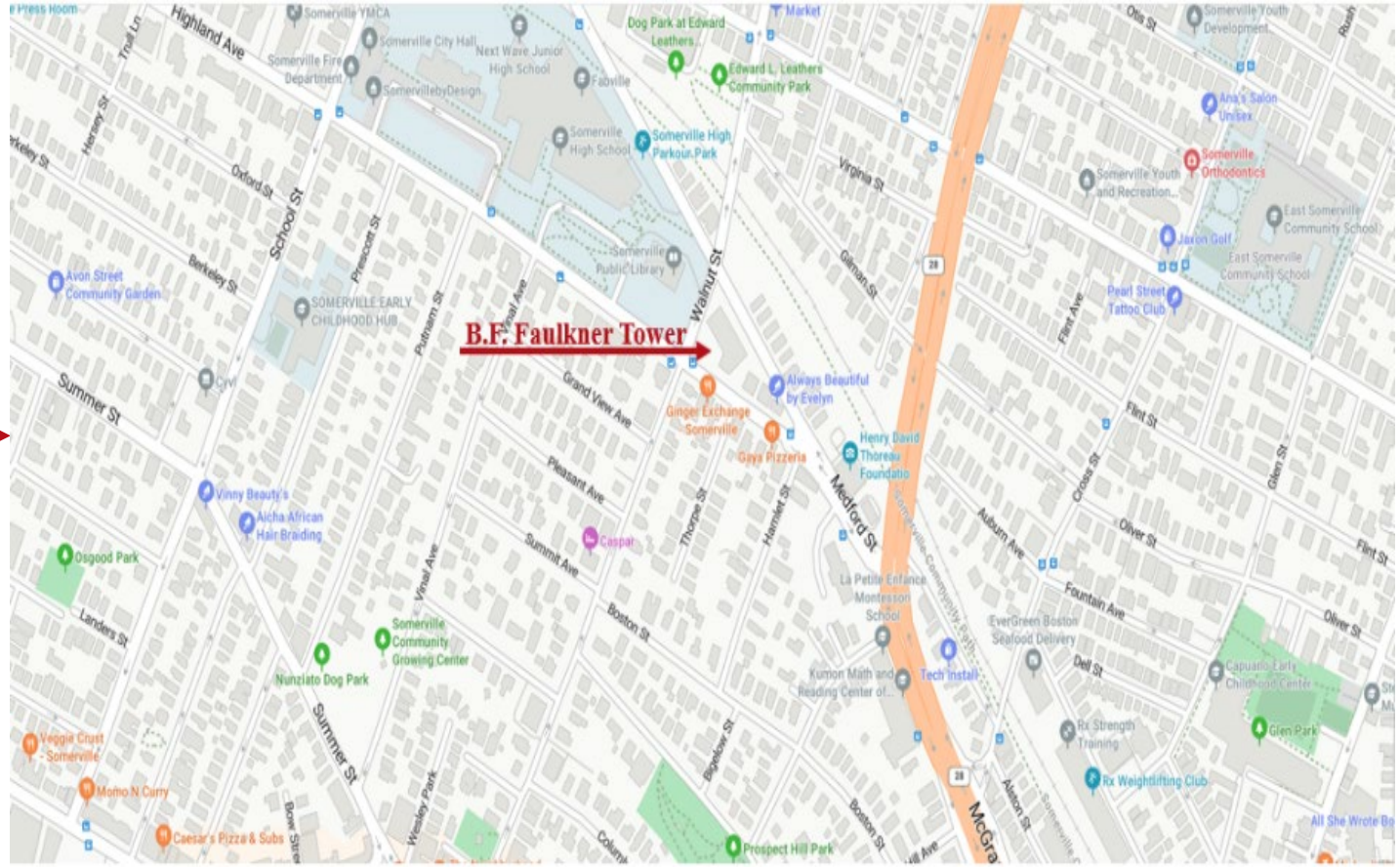
Location	25 Highland Avenue, Somerville, MA 02143
Sponsor	Jonathan Rose Companies LLC and The Schochet Companies
Transaction Type	Preservation (Supplemental)
Funding Type	Current (Permanent Only)
Execution Type	Supplemental Taxable Uninsured
Credit Enhancement	None
Total Rental Units	130
Affordability Mix	129 Affordable

Deal Team Members	
Origination	Michael Carthas, Sim Montrond
Underwriting	Thomas Fitzmaurice
Asset Management	Mildred Mukasa, Janny Nivar

MassHousing

B.F. Faulkner Tower | Somerville





Borrower Team

Mortgagor Entity	Highland Ave Preservation, LLC
Developer / Sponsor	Jonathan Rose Companies LLC and The Schochet Companies
General Partner / Managing Member	Schochet Highland Ave Preservation LLC
Management Company	Federal Management Company, Inc.

Unit Mix

Unit Size	Total Units	PB Section 8		Manager		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Rent*
1 BR	110	109	$3,201	1	-	TBD
2 BR	20	20	$4,093			TBD
Total	**130**	**129**		**1**		

* *All rents are net of utility allowances.*

Project Costs

Core Residential Costs	
Base	$53,727,660
Total	$53,727,660
Total Development Cost	
Total	$53,727,660

Sources and Uses

Sources of Funds			Uses of Funds	
MH Supplemental Acquisition Loan	$21,000,000		Acquisition	$52,000,000
Existing MH Debt	$8,414,712		Construction	$88,425
Developer Cash Equity	$24,312,948		Construction Contingency	$8,843
			General Development	$842,790
			Replacement Reserves	$513,864
			Tax and Insurance Reserves	$273,738
Total Sources	**$53,727,660**		**Total Uses**	**$53,727,660**

Underwriting Notes

1. Replacement Reserves
2. Section 8 Mark Up To Market Contract
3. Supplemental Loan Term
4. Third-Party Reports

Recommended Votes

- Approval of a Level One Transfer of Ownership
- Commitment of a Taxable Supplemental Loan

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: August 7, 2026 @ 1:30 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, August 11, 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/83157949286
The Zoom meeting ID is: Meeting ID: 831 5794 9286
The Zoom Passcode is: 552523

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 July 14, 2026

C. Chief Executive Officer's Report

D. Vote Related to the Move-In Massachusetts Pilot Program

Maura Healey, Governor
Kim Driscoll, Lt. Governor

Jeanne Pinado, Chair
Michael A. Glover, Vice Chair

Chrystal Kornegay,
Chief Executive Officer

2. LOAN COMMITTEE

A. 50 Herald, Boston (South End)

- Official Action Status
- Commitment of a Tax-Exempt Permanent Loan
- Commitment of a Tax-Exempt Equity Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

B. Eastbrook Apartments, Springfield

- Approval to Accept Assignment of a HUD-issued Firm Commitment for Federal Housing Administration ("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

C. B.F. Faulkner Tower, Somerville

- Approval of a Level One Transfer of Ownership
- Commitment of a Taxable Supplemental Loan

3. OTHER BUSINESS

A. Old Business

B. New Business

C. Executive Session

- Vote to Enter Executive Session to Discuss Litigation Strategies

D. Adjourn

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:

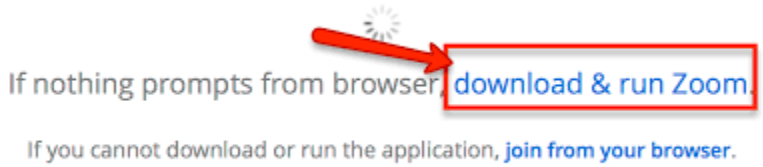
Join Zoom Meeting
https://zoom.us/j/6881564212

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

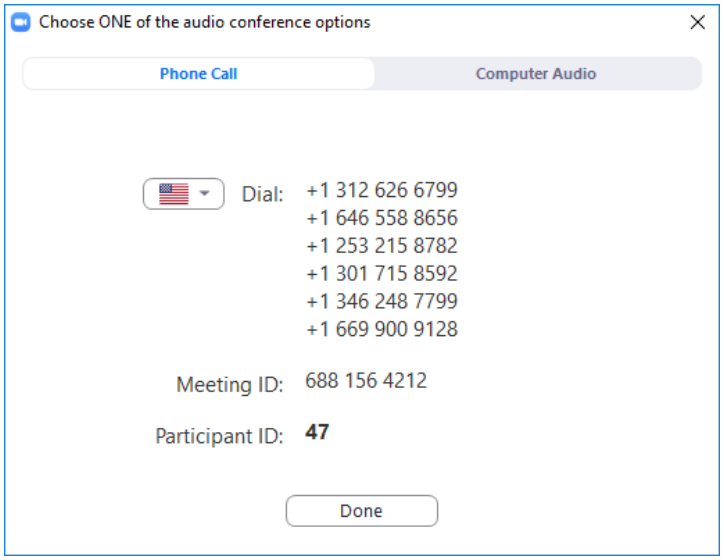
2. Click the link below 'Join Zoom Meeting'.
   NOTE: Simply calling a phone number without "joining the Zoom meeting" will not allow you to see the presentation. Clicking on the link will automatically download the Zoom program (Image below)



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

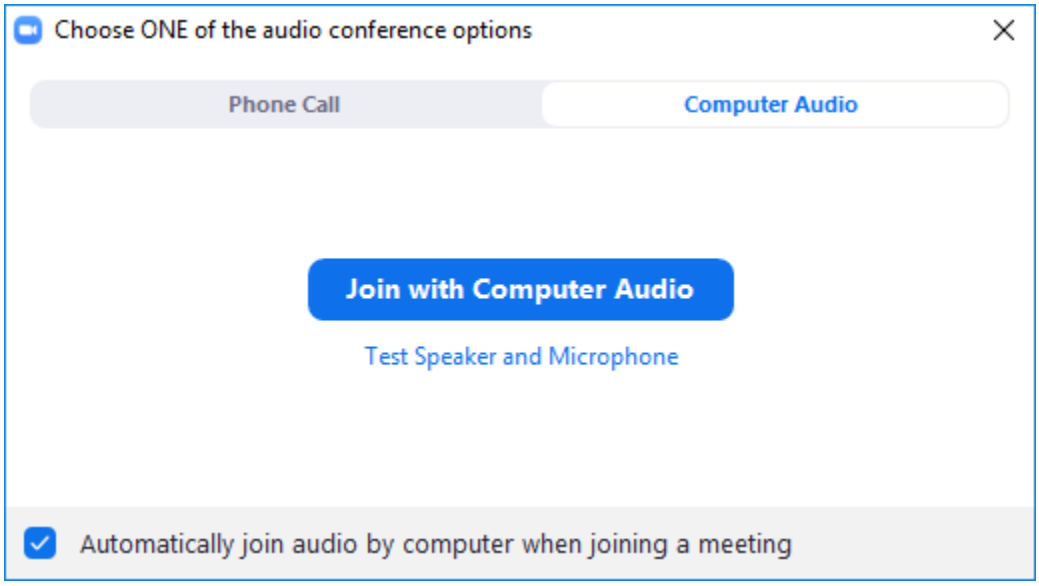
Steps to Join a Zoom Meeting

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.

Loan Commitment Proposal | August 11, 2026

50 Herald

1. General Project Information	
Project Name	50 Herald
Project ID	25-110
Associated Projects	N/A
Address(es)	50 Herald Street, Boston – South End, MA 02118
Sponsor	Beacon Communities Services LLC
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	117
Affordability Mix	117 Affordable

2. Recommended Actions

- Official Action Status
- Commitment of a Tax-Exempt Permanent Loan
- Commitment of a Tax-Exempt Equity Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

3. Background

The proposed financing will support the new construction of 50 Herald (the "Development"), a proposed 117-unit residential community with dedicated ground floor commercial space located in Boston's South End neighborhood, near the southern edge of Chinatown.

The Development is located within Planned Development Area ("PDA") No. 114, a Boston Planning and Development Agency ("BPDA") approved master plan for the redevelopment of Shawmut Avenue and Washington Street block. The PDA covers three adjacent parcels owned by the Chinese Consolidated Benevolent Association of New England, Inc. ("CCBA" or the "Co-Sponsor"), the Boston Chinese Evangelical Church, and an affiliate of the Davis Companies. The master plan calls for a mixed-use neighborhood with market-rate and affordable housing, along with community, religious, cultural and commercial uses. It also includes streetscape improvements, landscaping and new pedestrian connections between Washington Street and Shawmut Avenue.

In 2024, CCBA issued a Request for Proposals ("RFP") seeking a development partner to redevelop the site as mixed-use affordable housing community. Beacon Communities Services

LLC (“Beacon” or the “Co-Sponsor”) was selected through the competitive process. The proposed Development represents the second joint partnership between CCBA and Beacon, following their collaboration on the Pok Oi Residences across the street, which was completed in 2025.

4. MassHousing Financing	
First Loan	
Type	Tax-Exempt Permanent Loan
Loan Amount	$21,350,000
Interest Rate	30-Year MMD plus 225 basis points (bps) to be locked at Construction Loan Closing (processing rate of 6.90% assumed for underwriting)
Loan Term / Amortization	Up to 41 years / 40 years, following interest-only lease-up and stabilization period 41 y / 40 y
Term of Fwd Commitment	Up to 30 mo
Year 1 DSCR	1.12 projected (1.10x minimum)
LTV	73% projected (90% maximum)
Bridge Loan	
Type	Tax-Exempt Equity Bridge Loan
Loan Amount	$9,570,000
Interest Rate	75% SOFR plus 210 bps to be locked at Construction Loan Closing (processing rate of 4.79% assumed for underwriting)
Loan Term/Amortization	12 mo / interest only

5. Development Plan

Description of Site. The Development will be located on a 32,911-square foot (0.75 acres) parcel located at the intersection of Herald Street and Washington Street in the South End (the "Site"). The Site is currently improved with a vacant two-story C-Mart Grocery Store—which is slated for demolition as part of the proposed redevelopment of the site—and associated surface parking. The surrounding area is a dense, mixed-use urban neighborhood offering a broad range of amenities, including restaurants, hospitals, pharmacies, schools and other public recreational opportunities.

The Site benefits from access to public transportation. Both the MBTA Silver Line and Route 9 Bus stop are directly adjacent to the property, providing transit access to employment centers, retail destinations and other community services. The Site is within walking distance to Tufts Medical Center and Back Bay MBTA stations, providing access to the Orange and Commuter Rail lines.

Description of Proposed Building. The proposed Development will include a seven story, approximately 142,600-square-foot mixed-use building with 117 one-, two- and three-bedroom residential units. The ground floor will have approximately 10,600 square feet of commercial space for a grocery store or other community serving business, as well as residential amenities including a lobby, a community room, management office, package and mail room, bicycle storage, and dog wash station.

The building envelope is designed to meet Passive House standards and incorporates high-performance building systems and an all-electric building design intended to maximize energy efficiency. In addition, rooftop solar panels will be installed to generate renewable energy on-site.

Description of Affordability Mix. All 117 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income ("AMI") to 80% of AMI. Twenty-four (24) units will benefit from project-based rental assistance, of which eight (8) will benefit from a Project-Based Section 8 HAP contract and sixteen (16) will benefit from project-based MRVP. The Development will also include thirty-one (31) Inclusionary Zoning ("IZ") units (formerly referred to as Inclusionary Development Policy ("IDP") units) affordable to households earning at or below 70% AMI.

Site Control. CCBA currently owns the Site. The most recent appraised value of the Site is $4,640,000 as reflected in a Sponsor commissioned appraisal prepared by Bonz and Company Inc. and dated September 19, 2024. Under a Memorandum of Understanding ("MOU") dated September 13, 2024, between CCBA and Beacon, the Site will be ground leased to the borrower entity. The proposed ground lease ("Ground Lease") contemplates an initial term of 85 years, an upfront payment of $2,925,000 at construction loan closing, and subsequent annual ground lease payments from available cash flow for the remainder of the ground lease term. The Ground

Lease is being finalized and will be subject to MassHousing's review and approval, including but not limited to approval of cashflow sharing provisions.

6. Borrower Team

Mortgagor Entity: 50 Herald Partners LLC

50 Herald Partners LLC is a sole-asset, single-purpose entity formed for the purpose of owning and operating the Development.

Developer / Sponsor: Beacon Communities Services LLC

Beacon Communities Services LLC is a Massachusetts limited liability company, managed by Beacon Communities Corp. Founded in 2006, Beacon and its affiliates have a portfolio of approximately 18,000 apartments across 140 communities concentrated in New England and Mid-Atlantic states.

The Agency's most recent experience with Beacon includes 15 Temple and Old Colony Six.

The Chinese Consolidated Benevolent Association of New England, Inc.

CCBA is a Boston-based nonprofit community organization established in 1923. CCBA serves as an umbrella organization for Chinese family associations, and community organizations throughout New England and provides cultural, social and community services to Boston's Chinatown residents and the broader Chinese-American community. CCBA also owns three affordable housing developments in Boston.

As noted in Section 3, CCBA and Beacon previously partnered on the development of Pok Oi Residences. Beacon and CCBA will share in the developer fee with a 75/25 split, Beacon will have day-to-day oversight on the development and operations with input from CCBA on larger decisions.

General Partner / Managing Member: 50 Herald Partners MM LLC

Construction Lenders: JPMorgan Chase Bank, N.A. & Santander Bank, N.A.

JPMorgan Chase Bank, N.A ("J.P. Morgan") and Santander Bank, N.A. ("Santander") will serve as co-lenders for the transaction (collectively, the "Construction Lenders"). The co-lending structure enables the Construction Lenders to jointly finance the Development while managing individual legal lending limits and concentration risk. Each of the lenders will further participate in the transaction with affiliates purchasing the Low-Income Housing Tax Credits ("LIHTC") (Santander) and State LIHTC (J.P. Morgan).

J.P. Morgan 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 Agency's most recent experience with J.P. Morgan includes 10 @ 8th Street and Barlett Station F5.

Santander is a national commercial bank and a wholly owned subsidiary of Banco Santander, S.A., one of the world's largest banking groups. Santander provides a broad range of commercial and consumer banking services throughout the United States, including construction, permanent and affordable financing. The bank is an active lender in the market multifamily and affordable housing sectors.

The Agency's most recent experience with Santander includes 52 New Street and Jackson Place.

Syndicator: Hudson Housing Capital LLC

Hudson Housing Capital LLC ("Hudson Capital") 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 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.

The Agency's most recent experience with Hudson Capital as the syndicator includes Casas Borinquen Apartments, Cape Cod Five Redevelopment and 15 Temple.

LIHTC Investor: Santander Bank, N.A.

SLIHTC Investor: JPMorgan Chase Bank, N.A

Management Company: Beacon Residential Management Limited Partnership

Beacon Residential Management Limited Partnership ("Beacon Residential") will serve as the management company. Beacon Residential was formed in 1968 and manages residences throughout New England, Pennsylvania, New York, Maryland, and Virginia. Beacon Residential currently manages 78 HUD subsidized and unsubsidized projects, totaling over 10,700 units.

Architect: Stantec Architecture Inc.

Stantec Architecture Inc. ("Stantec") is an international professional services company in the design and consulting industry. The company was founded in 1954, as D. R. Stanley Associates in Edmonton, Alberta, Canada. Stantec provides professional consulting services in planning, engineering, architecture, interior design, landscape architecture, surveying, environmental sciences, project management, and project economics for infrastructure and facilities projects. The company provides services on projects around the world, with over 26,000 employees operating out of more than 400 locations in North America and across offices on six continents.

The Agency's most recent experience with Stantec includes 55 Hudson (Conduit transaction), One Custom House Square (fka 117 Union Street), Bunker Hill Building M.

General Contractor: Cranshaw Construction of New England Limited Partnership

Founded in 1983, Cranshaw Construction of New England Limited Partnership ("Cranshaw Construction Company") is a general contracting and construction management company that has completed over 35 million square feet of residential, commercial, and industrial space in the Boston area.

The Agency's most recent experience with Cranshaw Construction Company includes Merrimack Corridor Development, and Elm Place 4% and 9%.

7. Summary of MassHousing-Sponsor Relationship			
	Recorded	*Committed*	*Total*
Number of Projects with MassHousing Debt	44	1	45
Total Units with MassHousing Debt	6,024	115	6,139
Outstanding MassHousing Principal Debt	$634,512,290	23,755,000	$658,267,290
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, Beacon Residential manages properties in Developer's portfolio and offers management services outside the portfolio.		

MassHousing Staff	
Origination	Teddy Eleevia, Originator Amanda Melick, Analyst
Underwriting	Douglas O'Brien, Underwriter
Asset Management	Daniel Barbanell, Portfolio Manager Juan Pena, Asset Manager

8. Unit Mix

Unit Size	Total Units	LIHTC Eligible										Market Comparison
		30% AMI** Section 8 PBV		30% AMI** MRVP		50% AMI** LIHTC		60% AMI** LIHTC		80% AMI** LIHTC		
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
1 BR	38			8	$2,379	6	$1,462	8	$1,774	16	$2,311	$3,586
2 BR	41	4	$3,107	8	$2,813			15	$2,117	14	$2,761	$4,815
3 BR	7	4	$3,720							3	$3,179	$6,190
Total	**86**	**8**		**16**		**6**		**23**		**33**		

**All rents are net of utility allowances.
Additional Notes: Utility Allowances applied to the MRVP units exceed the expected MRVP utility allowances, resulting in a conservative estimate of effective rental income.

Unit Size	Total Units	LIHTC Eligible				Market Comparison
		50% AMI LIHTC/ 70% AMI IDP		60% AMI LIHTC / 70% AMI IDP		
		Count	*Rent*	*Count*	*Rent*	*Rent*
1 BR	2	2	$1,462			$3,586
2 BR	24	13	$1,742	11	$1,978	$4,815
3 BR	5	3	$2,002	2	$2,216	$6,190
Total	**31**	**18**		**13**		

Additional Notes: Boston's Inclusionary Zoning (IZ) formerly known as the Inclusionary Development Policy (IDP) requires developers to include income-restricted apartments in buildings with 7 or more units. Rents for these units are capped based on Area Median Income (AMI). These affordable rents are set annually by the city of Boston.

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	MetroHousing
Lesser of contract or market rents.	
Type	MRVP
Term	15 y
Administration	MetroHousing

9. Operating Overview	
Underwritten Operating Expenses	$1,661,192 (approximately $14,200 per unit)

Basis of Operating Costs. Operating expense assumptions were supported by a review of comparable Boston area properties managed by Beacon, the Sponsor's proposed operating budget, and the operating history for Pok Oi Residences, the first joint venture development between Beacon and CCBA. Pok Oi Residences is managed by Beacon and is located in close proximity to the subject property. Operating expenses are within the Agency's typical portfolio-wide range of $11,000 to $16,000 per unit.

The Development includes 10,600 square feet of commercial space, intended for use by a grocery or convenience store. The space will be operated under a triple net lease, and no expenses related to the commercial space are underwritten in the operating costs. Additional details are included in Section 13, Note 4 of this proposal.

The Development will include a rooftop photovoltaic ("PV") system, which will be owned, operated, and maintained by the Borrower. Preliminary system design and output estimates were completed by an engineering subconsultant to Stantec and indicate that the system is expected to offset approximately 7% of the Development's owner-paid common area electrical consumption. The cost of the PV system is included in the Development Budget and is part of the General Contractor's scope of work. Both the Sponsor's projected and MassHousing's underwritten electricity expense is consistent with comparable properties and does not assume any operating cost savings attributable to the PV system, resulting in a conservative operating expense assumption.

10. Project Costs

Core Residential Costs	
Base	$55,053,799
Extraordinary	$16,560,303
Total	$71,614,102
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	$8,281,100
Site and Other Non-Residential Costs	$27,524,722
Total	$35,805,821
Total Development Cost	
Total	$107,419,923

Project Construction Costs	
Total Construction Cost	$74,152,813
Construction per Square Foot	$526

Background on Extraordinary Residential Costs. Extraordinary residential costs are primarily attributable to high-rise construction and the constrained urban site. The seven-story mixed-use building incorporates a two-story structural steel podium supporting five stories of wood-frame construction above. In addition, the limited site area requires all staging, deliveries, and trade access to occur from adjacent public street under a City of Boston approved construction management plan, resulting in additional costs for pedestrian protection, street occupancy, police details and protection of adjacent MBTA infrastructure.

Background on Commercial, Site and Other Non-Residential Costs. Site and other non-residential costs are driven by project-specific site conditions and the development of the ground-floor commercial and community spaces. These costs include environmental remediation, earthwork, excavation and offsite disposal of contaminated soils, the build-out of the commercial and community spaces, and the relocation of the existing commercial tenant and its employees to facilitate redevelopment of the site.

Background on Building Standards Costs. Building standards costs are attributable to the enhanced building envelope, insulation, materials and mechanical systems required to achieve the Development's Passive House performance standard including a centralized energy recovery ventilation ("ERV") system and other climate resiliency measures.

11. Sources and Uses

Sources of Funds	Total
MH Permanent Loan	$20,040,000
Federal LIHTC	$41,114,936
State LIHTC Loan	$17,116,559
EOHLC Subsidy	$5,250,000
MOH Funds	$3,500,000
CCBA IDP Loan	$15,000,000
MA DOER Grant	$850,000
Deferred Developer Fee	$4,547,428
Total Sources	$107,419,923

LIHTC Pricing	
Federal LIHTC	$0.95
State LIHTC	$0.83

Core Residential Uses of Funds	Total		Base Costs		Extraordinary Costs	
		Per Unit		*Per Unit*		*Per Unit*
Acquisition	$2,579,509	$22,047	$824,509	$7,047	$1,755,000	$15,000
Construction	$45,568,093	$389,471	$38,968,093	$333,061	$6,600,000	$56,410
Construction Contingency	$2,278,404	$19,474	$1,948,404	$16,653	$330,000	$2,821
General Development	$13,566,224	$115,591	$6,794,859	$58,076	$6,771,365	$57,875
Capitalized Reserves	$1,188,307	$10,156	$1,016,195	$8,685	$172,112	$1,471
Overhead	$3,216,782	$27,494	$2,750,869	$23,512	$465,913	$3,982
Fee	$3,216,782	$27,494	$2,750,869	$23,512	$465,913	$3,982
Total Residential Uses	$71,614,102	$612,086	$55,053,799	$470,545	$16,560,303	$141,541

Commercial Uses*	$8,281,100

Site and Other Nonresidential Uses*	$27,524,722

Total Uses	$107,419,923

**Includes applicable hard costs, contingency, soft costs, overhead and fees*

12. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$847,728
Rental Income – Non-Rental Subsidy		$2,363,459
Gross Potential Residential Income		$3,211,187
Vacancy – Project-Based Rental Subsidy	2.5%	($21,193)
Vacancy – Non-Rental Subsidy	3.34%	($91,344)
Gross Residential Income		$3,098,650
Commercial Income (net of vacancy)		$254,400
Other Income – Laundry		$26,325
Effective Gross Income		$3,379,375

Expenses	
Residential Operating Expenses	$1,661,192
Commercial Operating Expenses	$0
Net Operating Income	$1,718,183
Debt Service	($1,476,983)
Cash Flow	$241,200

Debt Service Coverage 1.16

Residential Operating Expense Detail			*Per Unit*
Management Fee	5.0%	$172,182	$1,472
Administrative Costs		$321,626	$2,749
Maintenance Costs		$266,215	$2,275
Resident Services		$70,200	$600
Utilities (water and sewer, hot water)		$433,699	$3,707
Insurance		$112,000	$957
Taxes		$193,050	$1,650
Replacement Reserves		$42,120	$360
Mortgage Insurance Premium		$50,100	$428
Total		$1,661,192	$14,198

Operating Expenses as a Percent of EGI 49.2%

13. Underwriting

1. **Loan Sizing**. The Sources and Uses in this commitment proposal reflect a projected Loan Amount of $20,040,000. The MassHousing Financing Summary in Section 4 above and the votes below allow for an "Up To" Loan amount of $21,350,000. 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 $20,040,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain balanced sources and uses.

2. **Funding of Loans.** The 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. This proposal has the Agency funding the Loan upon confirmation of construction completion and in advance of stabilized operations.

   The permanent loan will be funded on an interest-only basis. Upon achievement of stabilization, the permanent loan will commence amortization, and the Agency will obtain the HUD endorsement for Risk Share insurance. Agency staff will evaluate the need for a lease-up reserve prior to the funding of the MassHousing loans. This funding structure was also utilized in Beacon's most recent transaction, 15 Temple.

3. **Commercial Space.** The Development will include approximately 10,600 square feet of ground floor commercial space intended for a grocery or convenience store.

   - **Commercial Income:** The commercial space is anticipated to be leased under a triple net lease ("NNN") to a community-oriented commercial tenant. A market study prepared for the Sponsor by Bonz & Company and dated April 30, 2026, concluded an achievable market rental range of approximately $45 to $50 per square foot. For underwriting purposes MassHousing has assumed gross commercial rental income of $30 per square foot and applied a 20% vacancy, resulting in underwritten effective commercial income of $24 per square foot. This represents a significant discount to the market study conclusions, is consistent with the Sponsor's leasing strategy of attracting a community-oriented tenant and has no impact on the sizing of the proposed loan. The requirement of a commercial income guaranty will be determined by MassHousing prior to the construction loan closing.

- **Master Lease.** The Borrower will enter into a master lease agreement with a Beacon affiliate, which will act as the master tenant. The Beacon affiliate is expected to guarantee the minimum commercial rental income necessary to maintain the required debt service coverage until a permanent commercial tenant is in place.

4. **Average Income Set-Aside.** The Sponsors propose the use of the average income set-aside for this transaction. All of the 80% of AMI units are eligible for tax credits, and the unit mix provides an average income restriction of 57.44%, which is below the EOHLC maximum average income restriction of 59% of AMI. The use of this average income set-aside is subject to EOHLC's approval.

5. **Third Party Reports.** The MassHousing-commissioned appraisal is currently underway. To the extent that the 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	50 Herald	Underwriting Standards
1. DSCR	1.16	Minimum of 1.10
2. Term/Amortization	41 y / 40 y	30-40 y, fully-amortizing
3. Loan to Value	71%	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	PB-Rental Subsidy contract or market supported rent	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% for LIHTC • 5% for 80% LIHTC eligible	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
6. 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
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 $14,200 unit / year	Typically, between $11,000 and $16,000 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 HLC 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.

50 Herald
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 "50 Herald" (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 $37,012,500 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, designation under a public land disposition process, or selection through a competitive request for proposals process conducted by the private landowner.

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 and Low-Income Housing Tax Credits

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 $21,350,000 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 $9,570,000, in each case to be made to 50 Herald Partners LLC or another single-purpose entity controlled by Beacon Communities Services LLC or an affiliate (the "Borrower") as owner of the multifamily residential development known as "50 Herald" (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: 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.

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:
84 units (72%) 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
In-house data for larger market and mixed-income complexes (approximately 1,368 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 95.8%, and range between 95% and 98%. One of the comparables was offering a rental concession of one month's free rent.

3rd Qtr. 2026 CoStar data for the subject's Back Bay/South End Submarket (11,226 units) have an overall vacancy rate at 2.6 % YTD, which is a decrease of 0.34% from one year ago. CoStar data for the Boston market (301,335 units) has an overall vacancy rate of 5.6% YTD, which is a decrease of 0.63% from one year ago. The Back Bay/South End Submarket vacancy rate is projected to increase to 2.8% over the next five years, while the Boston market is projected to decrease to 5.5%.

CoStar submarket data for the 4-5 Star building type (4,954 units) indicates a 3rd Qtr. 2026 vacancy rate of 3.5% and an average asking rent of $4,795, while submarket data for the subject's 3 Star building type (2,964 units) indicates a 3rd Qtr. 2026 vacancy rate of 1.8% at an average asking rent of $3,580 and 1-2 Star buildings (3,308 units) indicates a 3rd Qtr. 2026 vacancy rate of 2.0% at an average asking rent of $3,561. 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 City of Boston 299,238 year-round housing units, 66,446 (21.54%) 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 16,651 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 2020-2024 American Community Survey (ACS) indicates that of the 283,374 households in the City of Boston approximately 83.5% earned less than the HUD published 2026 AMI, approximately 46.1% earned less than 50% of 2026 AMI, approximately 54.2% earned less than 60% of the 2026 AMI, and approximately 70.4 % earned less than 80% of the 2026 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:

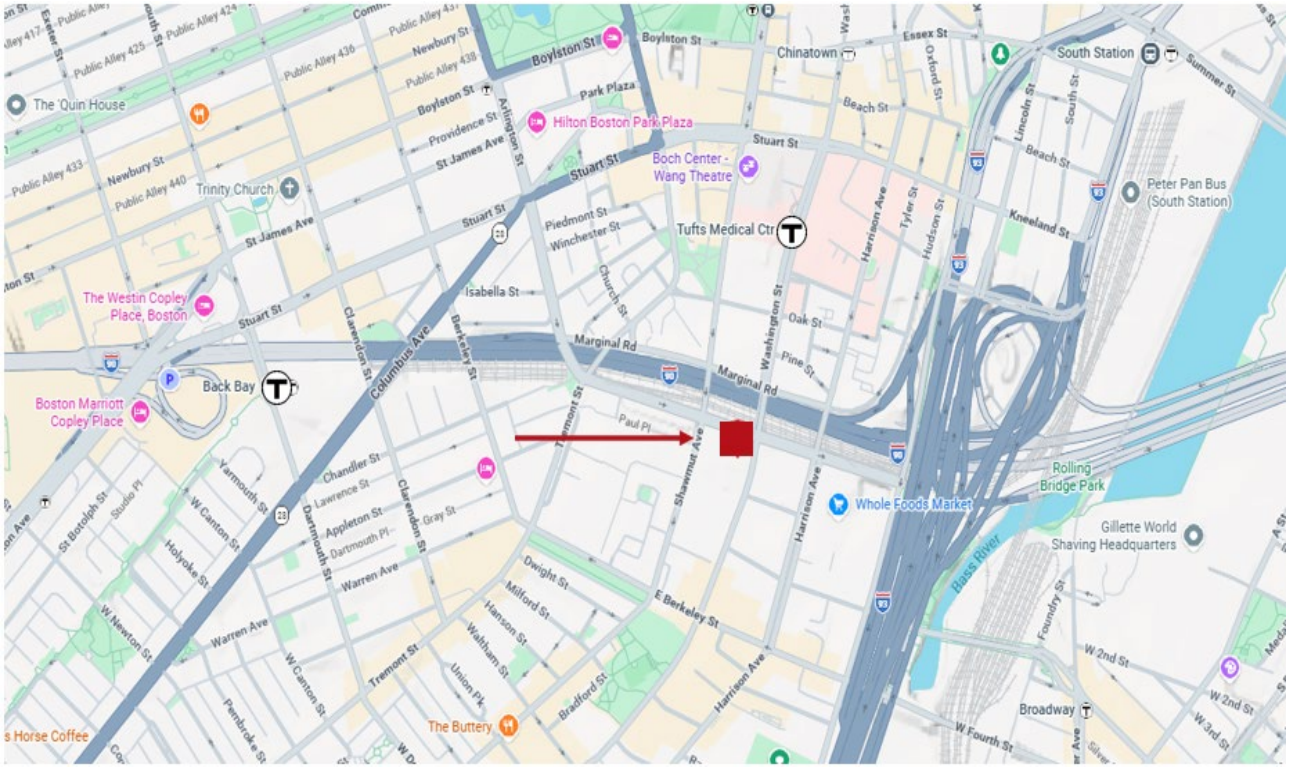
Rent Schedule:

Number of Bedrooms	1	2	3
Number of Units	40	65	12
Net SF/Unit	617	887	1,164
Elev./Non-Elev.	Elev.	Elev.	Elev.
Market Rate Rent (10% Rate 20 Year Term)	$6,100	$6.356	$6,957
MHFA Below Market Rent (Cost-Based Rent)	$4,082	$4,339	$4,939
MHFA Adjusted Rent	30% of 60% of AMI		
Underwriting Rents			
30% AMI MRVP	$2,476	$2,941	-
30% AMI PBV	-	$3,107	$3,720
50% AMI IDP + LIHTC	$1,462	$1,742	$2,002
50% AMI LIHTC	$1,462	-	-
60% AMI LIHTC	$1,774	$2,117	-
60% AMI IDP + LIHTC	-	$1,978	$2,216
80% AMI LIHTC	$2,311	$2,761	$3,179

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 | August 11, 2026

50 Herald

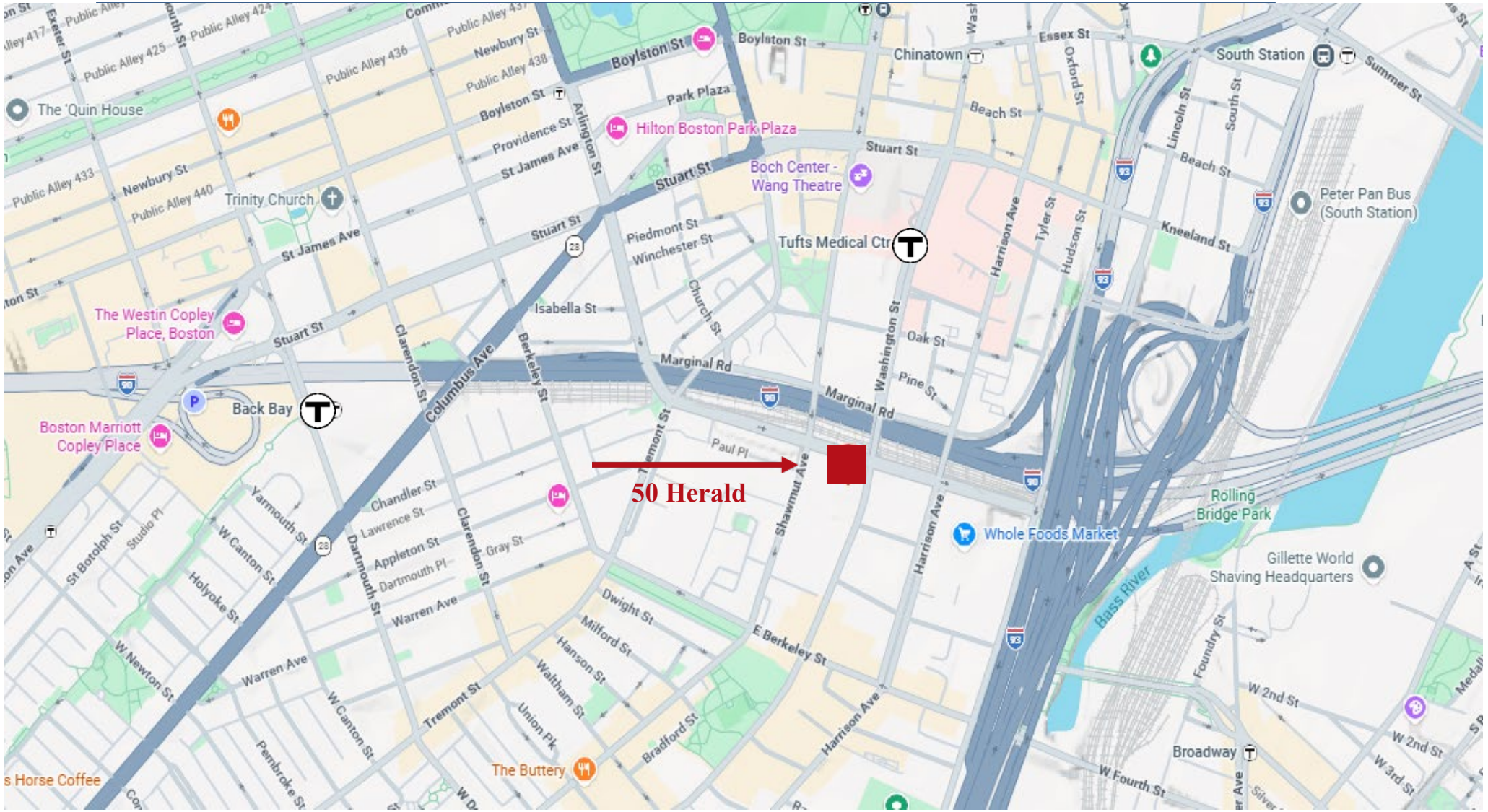


Location	50 Herald, Boston – South End, MA 02118
Sponsor	Beacon Communities Services LLC
Transaction Type	Production (4%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk Sharing with 50% credit risk
Total Rental Units	117
Affordability Mix	117 Affordable

Deal Team Members	
Origination	Teddy Eleevia, Amanda Melick
Underwriting	Douglas O'Brien
Asset Management	Daniel Barbanell, Juan Pena

MassHousing

50 Herald | South Boston



Borrower Team

Mortgagor Entity	50 Herald Partners LLC
Developers / Sponsors	Beacon Communities Services LLC & The Chinese Consolidated Benevolent Association of New England, Inc.
General Partner / Managing Member	50 Herald Partners MM LLC
Construction Lender	JPMorgan Chase Bank, N.A. & Santander Bank, N.A
Syndicator / Investor	Hudson Housing Capital LLC
Management Company	Beacon Residential Management Limited Partnership
Architect	Stantec Architecture Inc.
General Contractor	Cranshaw Construction of New England Limited Partnership

Unit Mix

Unit Size	Total Units	LIHTC Eligible										Market Comparison
		30% AMI** Section 8 PBV		30% AMI** MRVP		50% AMI** LIHTC		60% AMI** LIHTC		80% AMI** LIHTC		
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
1 BR	38			8	$2,379	6	$1,462	8	$1,774	16	$2,311	$3,586
2 BR	41	4	$3,107	8	$2,813			15	$2,117	14	$2,761	$4,815
3 BR	7	4	$3,720							3	$3,179	$6,190
Total	**86**	**8**		**16**		**6**		**23**		**33**		

**All rents are net of utility allowances.

Additional Notes: Utility Allowances applied to the MRVP units exceed the expected MRVP utility allowances, resulting in a conservative estimate of effective rental income.

Unit Size	Total Units	LIHTC Eligible				Market Comparison
		50% AMI LIHTC/ 70% AMI IDP		60% AMI LIHTC / 70% AMI IDP		
		Count	*Rent*	*Count*	*Rent*	*Rent*
1 BR	2	2	$1,462			$3,586
2 BR	24	13	$1,742	11	$1,978	$4,815
3 BR	5	3	$2,002	2	$2,216	$6,190
Total	**31**	**18**		**13**		

Additional Notes: Boston's Inclusionary Zoning (IZ) formerly known as the Inclusionary Development Policy (IDP) requires developers to include income-restricted apartments in buildings with 7 or more units. Rents for these units are capped based on Area Median Income (AMI). These affordable rents are set annually by the city of Boston.

Project Costs

Core Residential Costs	
Base	$55,053,799
Extraordinary	$16,560,303
Total	$71,614,102
Commercial and Non-Residential Costs	
Commercial Costs	$8,281,100
Site and Other Non-Residential Costs	$27,524,722
Total	$35,805,821
Total Development Cost	
Total	$107,419,923

Project Construction Costs	
Total Construction Cost	$74,152,813
Construction per Square Foot	$526

Sources and Uses

Sources of Funds			Uses of Funds	
MH Permanent Loan	$20,040,000		Acquisition	$2,925,000
Federal LIHTC	$41,114,936		Construction	$70,621,727
State LIHTC Loan	$17,116,559		Construction Contingency	$3,531,086
EOHLC Subsidy	$5,250,000		General Development	$19,063,843
MOH Funds	$3,500,000		Capitalized Reserves	$1,758,367
CCBA IDP Loan	$15,000,000		Developer Fee	$4,759,950
MA DOER Grant	$850,000		Overhead	$4,759,950
Deferred Developer Fee	$4,547,428			
Total Sources	**$107,419,923**		**Total Uses**	**$107,419,923**

Underwriting Notes

1. Loan Sizing
2. Funding of Loans
3. Commercial Space
4. Average Income Set-Aside
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

- Official Action Status
- Commitment of a Tax-Exempt Permanent Loan
- Commitment of a Tax-Exempt Equity Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

Loan Commitment Proposal | August 11, 2026

Eastbrook Apartments

1. General Project Information	
Project Name	Eastbrook Apartments
Project ID	71-016
Associated Projects	N/A
Addresses	193-321 Fernbank Road, Springfield, MA 01129
Sponsor	Makor Capital 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: B Compliance: A
Post-Closing/Post-Rehab MH Risk Rating	Financial: A Physical Condition: A Compliance: A
Total Rental Units	160
Affordability Mix	143 Affordable 17 Market

2. Recommended Actions

- Approval to accept assignment of a HUD-issued Firm Commitment for Federal Housing Administration ("FHA") insurance
- Commitment of a first mortgage loan (the "New Loan")
- Approval to finance the New Loan through the issuance of a Ginnie Mae Mortgage Backed Security ("MBS")

Eastbrook Apartments (the "Development") consists of 160 units in 21 buildings in Springfield. Makor Capital ("the Sponsor") will purchase the Development from an affiliate of WinnDevelopment at closing. The proposed loan will provide funds to acquire the property, complete repairs, pay transaction costs, and capitalize replacement reserves.

3. MassHousing Financing	
First Loan	
Type	Permanent
Loan Amount	$17,853,500
Interest Rate	5.70% projected
Loan Term/Amortization	35 y / 35 y
Year 1 DSCR	1.11 projected (1.11 minimum)
LTV	76% projected (87% maximum)

4. Development Plan

Description of Site. The Development is on 18.32 acres of land and is located at 193-321 Fernbank Road in the eastern part of Springfield (the "Site"). The immediate surrounding area is woodlands and single-family residential homes. There are a variety of businesses in proximity to the Development, including retail stores, grocery stores, restaurants, banks, and recreational opportunities. There is a bus stop located directly in front of the Development, allowing residents access to much of Springfield and the surrounding areas. The Development also benefits from the proximity to interstates 90 and 91, providing convenient access to Boston and other major destinations in the region.

Description of Existing Building. The Development was constructed in 1973 and consists of 21 two-story apartment buildings and a single-story community building. The buildings are wood framed with a mix of vinyl siding and brick exterior. There are 42 one-bedroom flats located in five buildings and 118 two- and three-bedroom townhouse-style units located in separate buildings, all with private entrances.

The Development includes a management office, a community room with kitchen facilities, two common area laundry rooms, a playground, a basketball court, and surface parking throughout the property.

Description of Affordability Mix. Of the 160 units, 143 are restricted under a use agreement for 99-years from a 1999 LIHTC syndication. The remaining 17 units are unrestricted, with 15 units currently occupied by Enhanced Voucher holders.

Sixty-four of the restricted units benefit from a Section 8 project-based voucher contract which is in effect through April 2029 and administered by the Springfield Housing Authority ("SHA"). The contract will renew upon expiration, and contract rents are within the SHA's approved payment standard based on the area's fair market rent ("FMR").

At closing, the MassHousing Disposition Agreement will be recorded ahead of the mortgage and will require 20% of the units (32 units) to be set aside for households earning up to 80% of AMI. The Disposition Agreement will survive foreclosure with a minimum term of 15 years.

Site Control. The Development is subject to a Purchase and Sale Agreement that was executed on November 21, 2025. The new Mortgagor entity, Makor Eastbrook LLC, will acquire the property at closing for $18,000,000.

Transaction Overview. Rockport Mortgage Corporation ("Rockport") is requesting FHA mortgage insurance in the amount of $17,853,500. Loan proceeds will be used to acquire the Development, repay the outstanding MassHousing loan, fund repairs, fully fund the replacement reserves, and pay transaction costs.

In addition to the requested financing, the Sponsor is contributing an estimated $5,200,000 in equity for the acquisition of the property.

MassHousing Debt. The Development is currently in the MassHousing portfolio with the following debt:

Loan	Maturity Date	Interest Rate	Estimated Unpaid Balance at Closing
71-016-08	10/1/2055	3.82%	$5,481,589

5. Borrower Team

Mortgagor Entity: Makor Eastbrook LLC

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

Developer / Sponsor: Makor Capital LLC

Co-founded in 2022 by Christopher Wyett and Jason Shulman, the firm acquires and manages multifamily apartment communities.

Mr. Wyett has overall responsibility for Makor's investment and operating platforms, including investment strategy, property operations, asset management and acquisitions / dispositions. Mr. Wyett has more than 23 years of experience acquiring and operating multifamily rental communities across numerous asset classes, including acquisition & rehabilitation of affordable housing projects, condominium conversion, and land entitlement.

Mr. Shulman's responsibilities include Makor's investment and operating platforms, including financial operations, asset management acquisitions / dispositions, and efficient tax planning / structuring. Mr. Shulman has more than 10 years of experience acquiring, operating, and disposing multifamily rental communities across numerous asset classes, including acquisition & rehabilitation of affordable housing projects, condominium conversion and student housing.

This will be MassHousing's first transaction with Makor Capital as the Sponsor.

General Partner / Managing Member: Makor Springfield LLC

MAP Lender Partner: Rockport Mortgage Corporation

MassHousing and Rockport Mortgage Corporation (the "MAP Lender Partner") 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: Makor Management LLC

Makor Management LLC is the management arm of the Sponsor. Their current portfolio includes more than 4,800 apartments in Massachusetts, New Hampshire, North Carolina, South Carolina, Tennessee, and Georgia. Makor Management is a HUD approved management agent currently managing five HUD subsidized properties with more than 233 units.

The most recent MassHousing experience with Makor as the management agent is Moran Square.

6. Summary of MassHousing-Sponsor Relationship	
Number of Projects with MassHousing Debt	0
Total Units with MassHousing Debt	0
Outstanding MassHousing Principal Debt	$0
Adverse Actions Against the Borrower Team	No
Current on Obligations with MassHousing	N/A
Property Management Affiliate	Yes, Makor Management LLC manages properties in the Sponsor's portfolio.

MassHousing Staff	
Origination	Jen Hudon Hatch, Originator Matt Deych, Analyst
Underwriting	John Collins, Underwriter
Asset Management	Lee Fiorenza, Portfolio Manager Erin Lewis, Asset Manager

7. Unit Mix

Unit Size	Total Units	Section 8 PBV HAP*		60% of AMI***		Unrestricted / Enhanced Voucher**		Unrestricted***		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
1 BR	42	11	$1,382	28	$1,415	3	$1,634	-	-	$1,560
2 BR	95	44	$1,734	40	$1,658	11	$1,936	-	-	$1,940
3 BR	23	9	$2,127	11	$1,862	1	$2,780	2	$1,875	$2,250
Total	**160**	**64**		**79**		**15**		**2**		

*Rockport's underwritten rents for the Section 8 PBV HAP units are based on the current contract rents, which are lower than the appraiser's market rents.

**Rockport's underwritten rents for unrestricted units with Enhanced Voucher holders are based on the appraiser's market rents as they are lower than the current Enhanced Voucher rents.

***Rockport's underwritten rents for 60% of AMI units and unrestricted units are based on the current in-place 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 proposal 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 $24,102,225 nor less than $11,604,775.

Sources	
New First Mortgage	$17,853,500
Sponsor Equity	$5,272,070
Total:	$23,125,570

Uses	
Acquisition*	$18,000,000
Repairs	$3,247,001
General Development	$740,415
Capitalized Reserves	$910,000
Assurance of Completion Escrow	$228,154
Total:	$23,125,570

*Includes repayment of existing MassHousing loan and prepayment penalty.

11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$1,327,692
Rental Income – Non-Rental Subsidy		$1,900,776
Gross Potential Residential Income		$3,228,468
Vacancy – Project-Based Rental Subsidy	5.0%	($66,385)
Vacancy – Non-Rental Subsidy	5.0%	($95,039)
Gross Residential Income		$3,067,045
Other Income – Laundry		$23,750
Effective Gross Income		$3,090,795

Expenses	
Residential Operating Expenses	$1,731,492
Net Operating Income	$1,359,303
Debt Service	($1,223,366)
Cash Flow	$135,937

Debt Service Coverage	1.11
Operating Expenses Per Unit	$10,822

12. Analysis of Lender Narrative

Valuation: The appraiser's concluded market value estimate of $23,400,000 represents a reconciliation between the income approach value of $23,700,000 and the sales comparison value of $22,700,000.

The cost approach was determined not applicable due to the age and type of this property. The income approach value is based off the appraiser's concluded capitalization rate of 6.0% and Net Operating Income ("NOI") of $1,420,770. The requested loan amount of $17,853,500 provides for a 76% loan to value ("LTV") against the concluded market value of $23,400,000.

Transaction Structure & Cash Flow: The permanent financing and Sponsor's equity contribution will fund at closing to repay the existing MassHousing loan, fund required reserves and cover transaction costs. A portion of the new loan and equity proceeds will also fund the critical and non-critical repair escrows. MassHousing will hold and administer the repair escrows, including the Assurance of Completion, in accordance with HUD guidelines.

Repairs: Repairs total $3,247,001 ($20,294 per unit) and the funds will be held in escrow and monitored by MassHousing. The scope of work includes the resurfacing of the parking lots and sidewalks with American with Disabilities Act ("ADA") parking repairs, the replacement of all dwelling unit roofs and existing down spout repair, accessibility upgrades to public restrooms, drywall repairs, and the upgrade of at least 4 units to comply with the Uniform Federal Accessibility Standards ("UFAS").

Deferred Critical Repairs: The submission package includes a waiver request to defer all critical repairs, including life safety repairs, to be completed post-closing. The acquisition is an arm's length purchase and as such, the Sponsor does not have control of the Development and is unable to perform any repairs until the closing.

Capitalized Reserves:

- Assurance of Completion Escrow in the amount of $228,154 is equal to 10% of the non-critical repairs. MassHousing will administer the escrow on behalf of HUD, and the Assurance of Completion Escrow will be released to the Borrower upon completion of all escrowed repair work. Completion of work is expected within 12 months of closing.

- Initial Deposit to Replacement Reserves is in the amount of $910,000 and is the amount needed to fully fund the replacement reserve in accordance with the MAP Guide.

Operating Expenses: The operating expenses of $10,822 per unit are below the aggregated range of $11,300 to $16,400 per unit for MassHousing financed developments. Rockport reviewed the historic operating expenses (2023-2025) and the Sponsor's proposed 2026 budget. The underwritten operating expenses align more closely with the third-party appraisal comparative ranges for similar size developments and considers the Sponsor's approach to

property management. This includes a shift from third-party contracts for maintenance and repair work to an in-house operating structure.

13. Low-Income Housing Tax Credits

N/A

Eastbrook Apartments

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 $17,853,500 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 $24,102,225 nor less than $11,604,775 to Makor Eastbrook LLC (the "Borrower") for Eastbrook Apartments and (2) to make the FHA-insured first mortgage loan to the Borrower in the approximate amount of $17,835,500 (the "New Loan"), subject to the limitation that the final amount of such loan shall not be more than $24,102,225 nor less than $11,604,775 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 Eastbrook Apartments.

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:
143 units (89%) 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 July 17, 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 1,306 units) in the area revealed a strong rental market. Current occupancy rates of the five comparable properties reviewed averaged approximately 97.2%, and range between 92% and 100%. One of the comparables was offering a rental concession of half a month for free.

3rd Quarter 2026 CoStar data for the subject's Springfield submarket (7,252 units) has an overall vacancy rate at 1.9% year to date ("YTD"), which is an increase of .05% from one year ago. CoStar data for the Springfield market (19,102 units) has an overall vacancy rate of 2.1% YTD, which is an increase of .06% from one year ago. The Springfield submarket vacancy rate is projected to increase to 2.1% over the next five years, and the Springfield Market is projected to increase to 2.4%.

CoStar submarket data for the 4-5 Star building type (266 units) indicates a 3rd Quarter 2026 vacancy rate of 2.4% and an average asking rent of $1,510, while submarket data for the subject's 3 Star building type (2,429 units) indicates a 3rd Quarter 2026 vacancy rate of 2.2% at an average asking rent of $1,441 and 1-2 Star buildings (4,557 units) indicates a 3rd Quarter 2026 vacancy rate of 1.7.% at an average asking rent of $1,378. 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 Springfield has 62,653 year-round housing units, 10,364 (16.54 %) of which are subsidized for low/moderate-income households.

Further, the Springfield Housing Authority ("SHA") owns and/or operates 2,397 Public Housing units in 27 developments broken down by 5 districts in Springfield. These include 13 developments for elderly and disabled residents and 14 developments for families. According to

the city of Springfield's Five-Year Consolidated plan (2016-2021), there are 2,081 applicants on the waiting lists. 90.7% of those applicants are extremely low income with household incomes below 30% of the area median income("AMI"), 7.7% are very low-income households with incomes of 30-50% of AMI, and 1.5% are low-income households with incomes of 50-80% of AMI. Further, 40.6% of the applicants are families with children, 14.8% elderly and 44.4% are disabled.

SHA also administers 2,733 Section 8 Housing Choice Vouchers and they participate in the Massachusetts Section 8 Housing Choice Voucher Centralized Waiting List. At this time the list is open, and it is expected to remain open indefinitely.

U.S. Census data from the 2020-2024 American Community Survey ("ACS") indicates that of the 57,772 households in the City of Springfield approximately 70.5% earned less than the HUD published 2026 AMI ($96,700), approximately 58.4% earned less than 50% of 2026 AMI, approximately 65.5% earned less than 60% of the 2026 AMI, and approximately 73% earned less than 80% of the 2026 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:

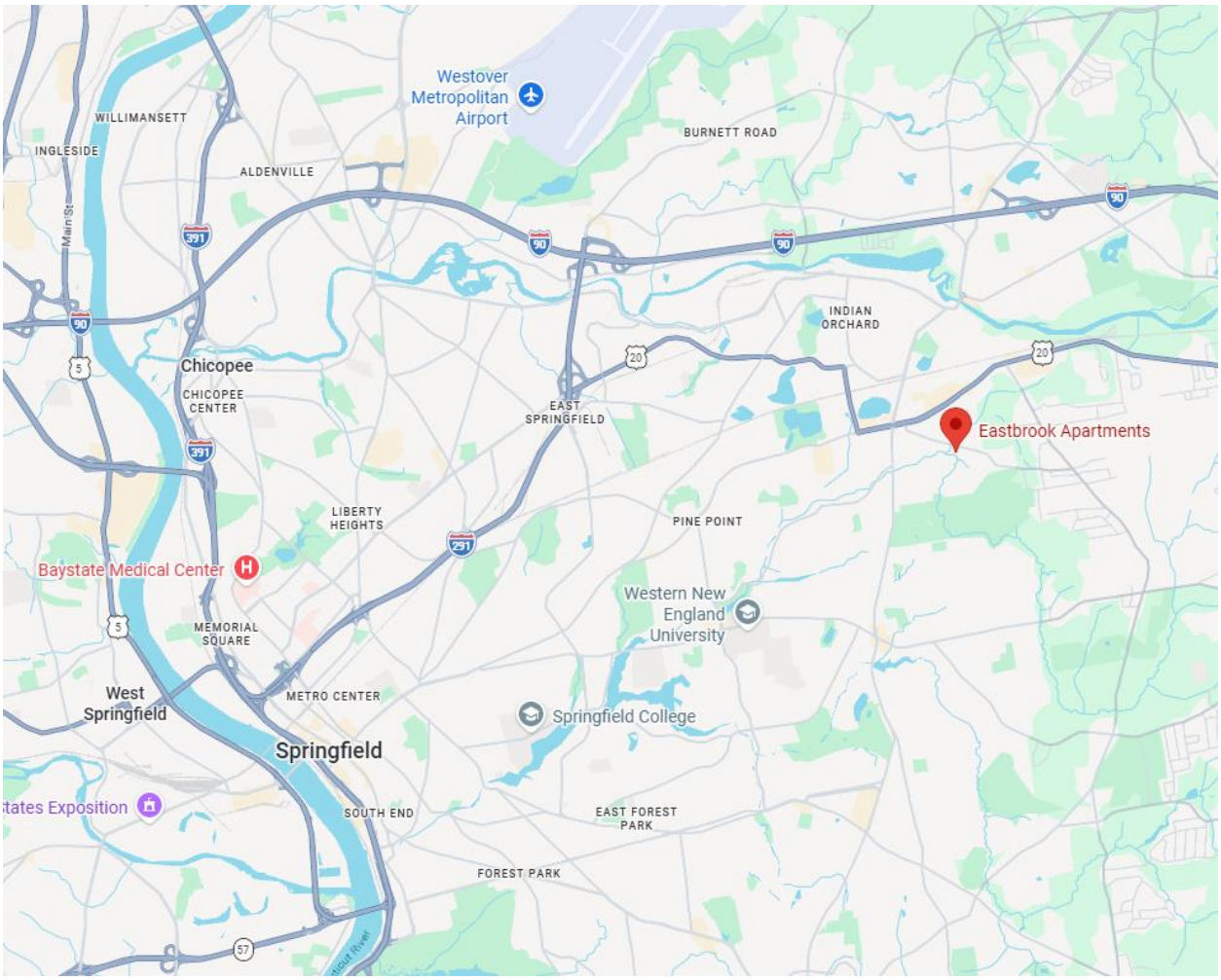
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	1	2	3
Number of Units	42	95	23
Net SF/Unit	665	1,025	1,247
Elev./Non-Elev.	Non-Elev.	Non-Elev.	Non-Elev.
Market Rate Rent (10% Rate 20 Year Term)	$1,880	$2,188	$2,447
MHFA Below Market Rent (Cost-Based Rent)	$1,417	$1,725	$1,984
MHFA Adjusted Rent	30% of 80% of AMI		
Underwriting Rents			
Section 8 PBV HAP	$1,382	$1,734	$2,127
Enhanced Vouchers	$1,560	$1,936	$2,250
60% AMI	$1,415	$1,658	$1,862
Unrestricted	-	-	$1,875

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




Eastbrook
APARTMENTS
COMMUNITY CENTER
MANAGEMENT OFFI



Loan Commitment Proposal | August 11, 2026

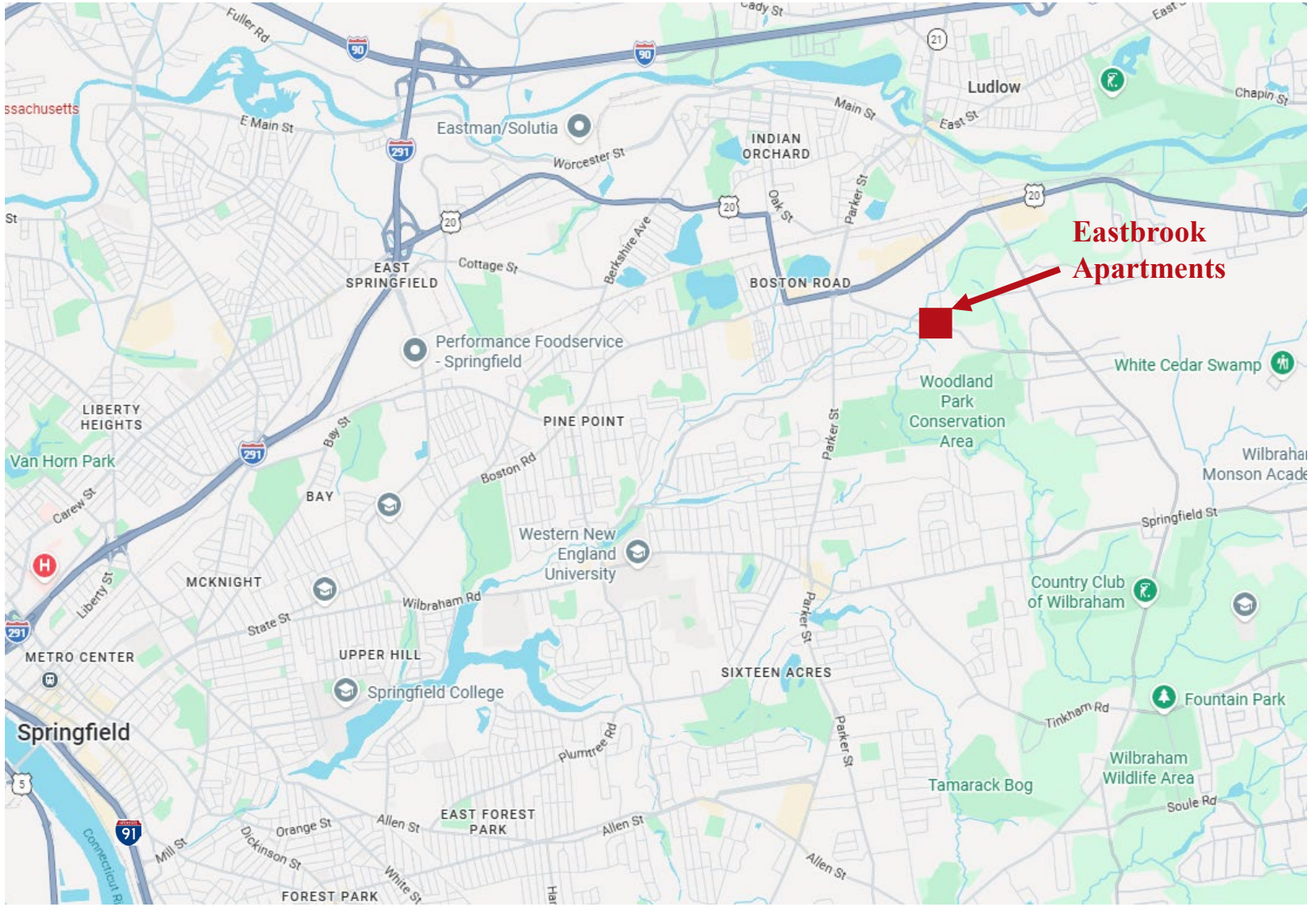
Eastbrook Apartments

Location	Springfield
Sponsor	Makor Capital 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: B Compliance: A
Total Rental Units	160
Affordability Mix	143 Affordable 17 Market

Deal Team Members	
Origination	Jen Hatch, Matt Deych
Underwriting	John Collins
Asset Management	Erin Lewis, Lee Fiorenza

MassHousing

Eastbrook Apartments



Borrower Team

Mortgagor Entity	Makor Eastbrook LLC
Developer / Sponsor	Makor Capital LLC
General Partner / Managing Member	Makor Springfield LLC
MAP Lender Partner	Rockport Mortgage Corporation
Management Company	Makor Management LLC

Unit Mix

Unit Size	Total Units	Section 8 PBV HAP*		60% of AMI***		Unrestricted / Enhanced Voucher**		Unrestricted***		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	
1BR	42	11	$1,382	28	$1,415	3	$1,634	-	-	$1,560
2BR	95	44	$1,734	40	$1,658	11	$1,936	-	-	$1,940
3BR	23	9	$2,172	11	$1,862	1	$2,780	2	$1,875	$2,250
Total	**160**	**64**		**79**		**15**		**2**		

*Rockport's underwritten rents for the Section 8 PBV HAP units are based on the current contract rents, which are lower than the appraiser's market rents.

**Rockport's underwritten rents for unrestricted units with Enhanced Voucher holders are based on the appraiser's market rents as they are lower than the current Enhanced Voucher rents.

***Rockport's underwritten rents for 60% of AMI units and unrestricted units are based on the current in-place rents.

Sources and Uses

Sources	
New First Mortgage	$17,853,500
Sponsor Equity	$5,272,070
Total:	$23,125,570

Uses	
Acquisition*	$18,000,000
Repairs	$3,247,001
General Development	$740,415
Capitalized Reserves	$910,000
Assurance of Completion Escrow	$228,154
Total:	$23,125,570

*Includes repayment of existing MassHousing loan and prepayment penalty.

Lender Narrative Analysis

- Valuation
- Transaction Structure & Cash Flow
- Repairs
- Deferred Critical Repairs
- Capitalized Reserves
- Operating Expenses

Recommended Votes

- Approval to accept assignment of a HUD-issued Firm Commitment for FHA insurance
- Commitment of a first mortgage loan
- Approval to finance the New Loan through the issuance of a Ginnie Mae MBS

Loan Commitment Proposal | August 11, 2026

B.F. Faulkner Tower

1. General Project Information	
Project Name	B.F. Faulkner Tower
Project ID	74-033
Associated Projects	N/A
Address(es)	25 Highland Avenue, Somerville, MA 02143
Sponsor	Jonathan Rose Companies LLC and The Schochet Companies
Transaction Type	Preservation (Supplemental)
Funding Type	Current (Permanent Only)
Execution Type	Supplemental Taxable Uninsured
Credit Enhancement	None
Approval Type	Board
MH Risk Rating	Financial: A Physical Condition: A Compliance: A
Total Rental Units	130
Affordability Mix	129 Affordable 1 Resident Manager (Non-Revenue)

2. Recommended Actions

- Approval of a Level One Transfer of Ownership
- Commitment of a Taxable Supplemental Loan

3. Background

The proposed financing will support the acquisition of B.F. Faulkner Tower (the "Development"), an existing 130-unit senior rental property in Somerville. Jonathan Rose Companies and The Schochet Companies (together the "Sponsor") are seeking MassHousing's approval of the sale of the Development from Walnut Hill Tower Associates (the "Current Owner") to Highland Ave Preservation, LLC (the "Borrower"). The Borrower will assume the existing MassHousing first loan ("First Loan") and all related loan documents.

The First Loan closed in 2012 and included a participating lender (originally Credit Suisse First Boston Mortgage Capital LLC) (the "Participating Lender") whose consent may be required for the transfer of ownership. While the First Loan is assumable, it is not yet prepayable because of the participation and amounts to just over 15% of the purchase price. Therefore, the Sponsor is also seeking a MassHousing commitment for supplemental financing to support the acquisition of the Development. The Borrower will use the supplemental acquisition financing, as well as

Sponsor equity, to purchase the Development, complete approximately $88,000 in critical repairs, and capitalize necessary reserves. The Sponsor is targeting a December 2026 closing to meet the Current Owner's deadline.

The First Loan will be prepayment eligible on June 30, 2027, and the Sponsor plans to refinance at that time. New loan proceeds from the anticipated refinancing would prepay the assumed First Loan and the supplemental acquisition loan, and fund approximately $14,000,000 ($107,692 per unit) in rehabilitation work.

A process for rent increases at the Development is underway. First, in advance of the proposed acquisition transaction, the Current Owner is seeking a Mark Up To Market ("MUTM") increase over current in-place rents. The Sponsor expects the rent increase to be approved and in-place prior to the acquisition closing.

Following the acquisition transaction, the Sponsor plans to pursue a full refinancing of the Development, add enhanced resident services through Hebrew Senior Life, Inc. ("HSL") and seek an as-improved MUTM increase. The Sponsor and HSL have experience with this approach, which they undertook on Riverside Towers in 2022. The Sponsor plans to have the services and the higher rents in place at the time of the planned refinancing.

4. MassHousing Financing	
Supplemental Loan	
Type	Taxable Supplemental Loan
Loan Amount	$21,000,000
Interest Rate	3-year SOFR Swap Rate plus 270 basis points (bps) to be locked at Acquisition Loan Closing. (processing rate of 6.79% assumed for underwriting)
Loan Term / Amortization	26 y / 40 y, interest-only for the first five years Will be co-terminus with the existing First Loan
Combined Year 1 DSCR*	1.37 projected (1.25 minimum)
Combined LTV	58% projected (70% maximum)

*See Section 5: MassHousing Debt

5. Development Plan

Description of Site. The Development is located on an approximately 29,000-square-foot parcel at 25 Highland Avenue in Somerville (the "Site"). The Site is within walking distance to Edward L. Leathers Community Park, the Somerville Public Library, and Somerville High School. The Development benefits from strong transit access, with MBTA bus stops located on Highland Avenue and Walnut Street and is less than half a mile from the Gilman Square MBTA Green Line Station.

Description of Existing Building. The Development is an existing 130-unit, 12-story high-rise elevator building constructed in 1977. The Development consists of a mix of one- and two-bedroom units. Common areas include a community kitchen, lounge spaces, and on-site management offices.

Description of Affordability Mix. 129 out of the 130 units will be restricted at 50% of AMI. All income restricted units will benefit from a Project-Based Section 8 HAP Contract.

The remaining non-revenue unit will be for a resident manager.

Site Control. Fee simple. Schochet Associates, Inc. and Rose Affordable Housing Preservation Fund VI, L.P. (affiliates of Sponsor) have a purchase and sale agreement with the Current Owner. Borrower will acquire the Development at closing as evidenced through a deed conveying fee simple title. The purchase and sale agreement has a closing deadline of December 31, 2026, with the ability to obtain three 30-day extensions.

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
74-033-09	7/1/2052	4.60%	$8,414,712

6. Borrower Team

Mortgagor Entity: Highland Ave Preservation, LLC

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

Developer / Sponsor: Jonathan Rose Companies LLC

The Schochet Companies

Jonathan Rose Companies LLC is a national development, owner's representative, and investment management firm. Since its founding in 1989, the firm has completed over $3.4 billion of work including new development, redevelopment, and fee development.

A recently completed MassHousing development with Jonathan Rose Companies LLC as the developer was Riverside Towers.

The Schochet Companies is the business name for a full-service real estate development and management company founded by Jay R. Schochet more than thirty years ago. Since that time, the company has developed, owned, and/or managed over 7,000 apartments and 600,000 square feet of retail and commercial space throughout New England and on the West Coast.

A recently completed MassHousing development with The Schochet Companies as the developer was Riverside Towers. Other funding commitments with The Schochet Companies include Warren Hall in Brighton.

Managing Member: Schochet Highland Ave Preservation LLC

Schochet Highland Ave Preservation LLC is the Managing Member and an affiliate of Schochet Associates. The Schochet Companies will have decision-making power over operations with Jonathan Rose Companies providing oversight on any operational consideration that would constitute a major decision.

Management Company: Federal Management Company, Inc.

Federal Management Company, Inc., an affiliate of The Schochet Companies, was formed in 1973. It provides management services for numerous clients including The 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.

A recently committed MassHousing development with Federal Management Company, Inc. as the management company was Warren Hall.

7. Summary of MassHousing-Sponsor Relationship			
The Schochet Companies	*Recorded*	*Committed*	*Total*
Number of Projects with MassHousing Debt	11	0	11
Total Units with MassHousing Debt	1,814	0	1,814
Outstanding MassHousing Principal Debt	$199,473,823	0	$199,473,823
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, Federal Management Company, Inc. manages properties in the Schochet portfolio as well as offering third-party fee-management services.		

* Transactions in which Schochet either serves as the sole sponsor or participates as a partner

The Schochet Companies & Jonathan Rose Companies LLC	*Recorded*	*Committed*	*Total*
Number of Projects with MassHousing Debt	1	0	1
Total Units with MassHousing Debt	199	0	199
Outstanding MassHousing Principal Debt	$43,634,513	0	$43,634,513
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, Federal Management Company, Inc. manages properties in the Schochet portfolio as well as offers third-party fee-management services.		

MassHousing Staff	
Origination	Michael Carthas, Originator Sim Montrond, Analyst
Underwriting	Thomas Fitzmaurice, Underwriter
Asset Management	Mildred Mukasa, Portfolio Manager Janny Nivar, Asset Manager

8. Unit Mix

Unit Size	Total Units	PB Section 8		Manager		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Rent*
1 BR	110	109	$3,201	1	-	TBD
2 BR	20	20	$4,093			TBD
Total	**130**	**129**		**1**		

* Rents net of utility allowances

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	Somerville Housing Authority
Lesser of contract rents or market rents	

9. Operating Overview

Underwritten Operating Expenses	$2,331,983 (approximately $17,760 per unit)

Basis of Operating Costs. Review of historical operating expenses, borrower supporting documentation, as well as review against Agency portfolio comparables of similar size and location.

10. Project Costs

Core Residential Costs	
Base	$53,727,660
Total	$53,727,660
Total Development Cost	
Total	$53,727,660

This is an acquisition transaction with a scope of work restricted to life safety critical repairs. As such, no extraordinary or construction costs are included in the table above.

11. Sources and Uses

Sources of Funds	Total
MH Supplemental Acquisition Loan	$21,000,000
Existing MH Debt	$8,414,712
Developer Cash Equity	$24,312,948
Total Sources	$53,727,660

Core Residential Use of Funds	Total	*Per Unit*
Acquisition	$52,000,000	$400,000
Construction	$88,425	$680
Construction Contingency	$8,843	$68
General Development	$842,790	$6,483
Replacement Reserves	$513,864	$3,953
Tax and Insurance Reserves	$273,738	$2,106
Total Residential Uses	$53,727,660	$413,290

Total Uses	$53,727,660

12. First Year Income and Expenses

Income		
Rental Income		$5,043,145
Gross Potential Residential Income		$5,043,145
Vacancy	2.5%	($129,311)
Gross Residential Income		$4,913,833
Effective Gross Income		$4,913,833

Expenses	
Residential Operating Expenses	$2,308,662
Net Operating Income	$2,734,482
Debt Service	($2,000,474)
Cash Flow	$734,009

First Mortgage Debt Service Coverage	4.76
Combined Debt Service Coverage	1.37

Residential Operating Expense Detail			*Per Unit*
Management Fee	4.0%	$201,726	$1,552
Administrative Costs		$318,970	$2,454
Maintenance Costs		$666,399	$5,126
Resident Services		$42,117	$324
Security		$90,194	$694
Utilities (water and sewer, hot water)		$352,345	$2,710
Insurance		$159,487	$1,227
Taxes		$246,664	$1,897
Payroll Taxes/Benefits		$139,511	$1,073
Replacement Reserves		$65,000	$500
Mortgage Insurance Premium*		$26,250	$202
Total		$2,308,662	$17,759

*On declining principal balance of the existing first mortgage loan.

Operating Expenses as a Percent of EGI	47.0%

13. Underwriting

1. **Replacement Reserves.** At closing, the existing replacement reserve balance of $455,000 will be released to the Current Owner. As part of the acquisition, the Sponsor will capitalize the replacement reserve with an IDRR of $513,864 ($3,953 per unit) and annual contributions will be set at $65,000 ($500 per unit).

   Staff review and analysis of existing and proposed replacement reserve deposits concluded that the initial and annual deposits to replacement reserves included in this commitment proposal are sufficient and recommends the Sponsor's proposal. Under the proposed reserve funding structure, the Development maintains a "A" physical risk rating, and projects sufficient funding for capital needs over the next eight years.

2. **Section 8 Mark Up To Market Contract.** Rents in the Sponsor's initial proforma are based on an As-Is Rent Comparability Study ("RCS") submitted to MassHousing on May 12, 2026. The RCS reflects a MUTM increase over current in-place rents. The Current Owner submitted the RCS to HUD, and it is currently under review. MassHousing's acquisition loan sizing is contingent upon HUD's final approval of the MUTM rent increase. If the increased rents are not in place at the time of closing, MassHousing will reduce its loan sizing accordingly.

3. **Supplemental Loan Term.** The term of the supplemental loan will be in accordance with HUD Risk Share programmatic guidelines as well as in compliance with the Participation and Servicing Agreement between MassHousing and the Participating Lender on the First Loan. The Loan will require prepayment upon any sale or refinancing of the First Loan.

4. **Third-Party Reports.** The MassHousing third-party appraisal is currently underway. To the extent the appraisal changes the underwritten rents and/or loan-to-value, the loan amount will be adjusted accordingly.

Underwriting Criteria and Loan Terms	B.F. Faulkner Tower	Underwriting Standards
1. DSCR	1.37	Minimum of 1.25
2. Term / Amortization	26 y / 40 y, interest-only for the first five years	30-40 y, fully-amortizing
3. Loan to Value	58%	Maximum of 70% based on third party "as-is" investment value
4. Underwriting Rents	Lesser of 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	2.5%	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
6. Affordability	20% at 80%	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 $17,760 unit / year	Typically, between $11,000 and $15,000 per unit.

14. Low-Income Housing Tax Credits

N/A

B.F. Faulkner Tower
VOTES AND FINDINGS

PROPOSALS AND VOTES

Transfer of Ownership

Staff has reviewed the application for a Level One Transfer of Ownership submitted by Walnut Hill Tower Associates, as owner of the multifamily residential development known as "B.F. Faulkner Tower" (the "Development") located in Somerville, MA and determined that it will not adversely affect MassHousing's loan security or the residents of the Development and that the proposed terms are appropriate. Therefore, staff recommends the below action for approval.

VOTED: To approve the Level One Transfer of Ownership of the Development from Walnut Hill Tower Associates to Highland Ave Preservation, LLC or another single purpose entity controlled by Jonathan Rose Companies or The Schochet Companies ("Borrower") (the "Transfer"), subject to the requirements of the Transfer of Ownership Policy approved by the Board on August 14, 2007, and further subject to any additional conditions required by the Director of Rental Management or General Counsel, and that the Chief Executive Officer, Chief Legal and Operating Officer, Vice President of Multi-Family Programs, and General Counsel each be authorized, acting singly, to execute such documents, agreements, and instruments on behalf of the Agency in connection therewith. Further subject to the following special conditions:

1. Credit Suisse First Boston Mortgage Capital LLC, or any successor participating lender, will provide consent for the Transfer, as required.

Mortgage Loan

Staff has reviewed the proposal for supplemental 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 subordinate mortgage loan in a principal amount of up to $21,000,000, such loan to be uninsured, to be made to Borrower as owner of the Development, 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:

1. The Borrower shall obtain the consent of any required partners, and any and all subordinate lenders, as necessary.

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:
129 units (99%) 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 July 16, 2026, collection date. 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 1,375 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 94.2%, and range between 90% and 97%. Two of the comparables were offering rental concessions of one free month.

Third quarter 2026 CoStar data for the subject's Somerville/Charlestown Submarket (7.689 units) has a YTD overall vacancy rate of 4.1%, which is a decrease of 1.28% from last year. CoStar data for the Boston market (301,687 units) has a YTD overall vacancy rate of 5.6%, which is a 0.63% decrease from last year. The Somerville/Charlestown Submarket vacancy rate is projected to increase to 5.3% over the next five years, while the Boston market is projected to decrease to 5.5%.

CoStar, submarket data for the Somerville/Charlestown, 4-5 Star building type (4,511 units) indicates a third quarter 2026 vacancy rate of 3.9% and an average asking rent of $3,772. The submarket data for the subject's, 3-Star building type (1,457 units) indicates a third quarter 2026 vacancy rate of 4.7% at an average asking rent of $2,608. 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 Somerville Housing Authority (SHA), they own/manage 215 units of Federal Family housing consisting of 22 one-bedrooms, 94 two-bedrooms, 71 three-bedrooms, 24 four bedrooms and four five-bedrooms. There are 1,108 applicants on the Federal family waiting list, broken down as follows: 368 one-bedrooms, 253 two-bedrooms, 407 three-bedrooms, 65 four-bedrooms and 15 five-bedrooms. They also have 369 one-bedroom units of Federal Elderly housing and there are 2,526 applicants on that waiting list.

Regarding state-funded housing, SHA owns/manages 459 State Family housing consisting of 33 one-bedrooms, 247 two-bedrooms, 177 three-bedrooms, one 4-bedroom and one five-bedrooms. There are 1,121 applicants on the State Family waiting lists that are broken down as follows: 344

one-bedrooms, 454 two-bedrooms, 231 three-bedrooms, 80 four-bedrooms and 12 –five-bedrooms. SHA also has 274 State Elderly Units consisting of 261 one-bedrooms, 4 two-bedrooms and 3 three-bedrooms. There are 1,110 applicants on that waiting list consisting of 1,024 one- bedroom, 85 two- bedrooms and 1 three-bedroom.

SHA also administers 1,197 HCV vouchers and 112 Mainstream vouchers and per the representative there are 219,211 applicants on the centralized Section 8 waitlist. This list is a state-wide list.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (09/30/25), the City of Somerville has 36,167 year-round housing units, 3,328 (8.93%) 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 35,715 households in the City of Somerville approximately 80.1% earned less than the HUD published 2026 AMI (164,900), approximately 35.2% earned less than 50% of 2026 AMI, approximately 44.9% earned less than 60% of the 2026 AMI, and approximately 64.3% earned less than 80% of the 2026 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
Number of Units	109	20
Net SF/Unit	527	890
Elev./Non-Elev.	Y	Y
Market Rate Rent	$3,583	$4,504
MHFA Below Market Rent (Cost-Based Rent)	$3,172	$4,093
MHFA Adjusted Rent	30% of 60% of AMI	
Underwriting Rents		
PBV	$3,201	$4,093

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 | August 11, 2026

B.F. Faulkner Tower

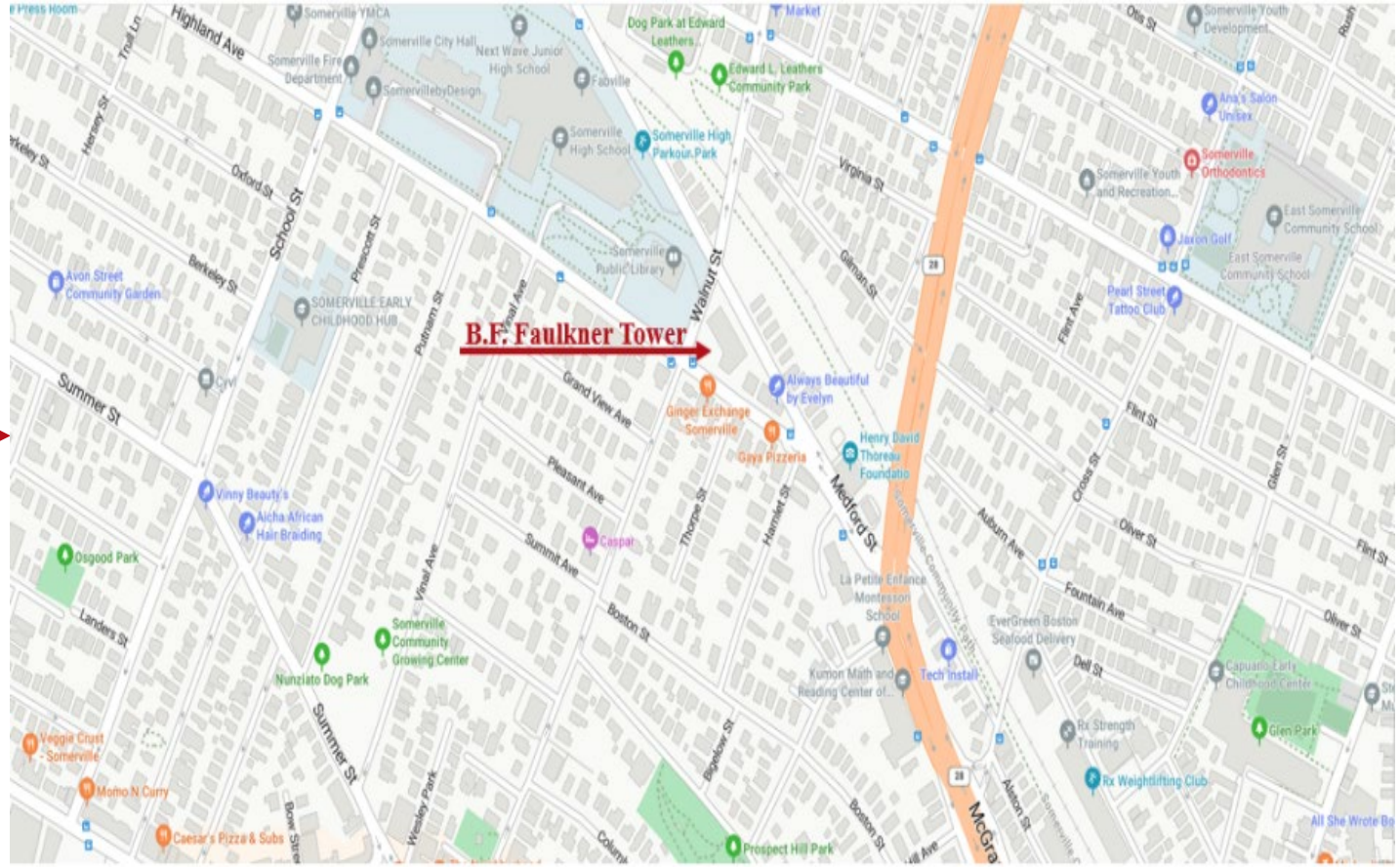
Location	25 Highland Avenue, Somerville, MA 02143
Sponsor	Jonathan Rose Companies LLC and The Schochet Companies
Transaction Type	Preservation (Supplemental)
Funding Type	Current (Permanent Only)
Execution Type	Supplemental Taxable Uninsured
Credit Enhancement	None
Total Rental Units	130
Affordability Mix	129 Affordable

Deal Team Members	
Origination	Michael Carthas, Sim Montrond
Underwriting	Thomas Fitzmaurice
Asset Management	Mildred Mukasa, Janny Nivar

MassHousing

B.F. Faulkner Tower | Somerville





Borrower Team

Mortgagor Entity	Highland Ave Preservation, LLC
Developer / Sponsor	Jonathan Rose Companies LLC and The Schochet Companies
General Partner / Managing Member	Schochet Highland Ave Preservation LLC
Management Company	Federal Management Company, Inc.

Unit Mix

Unit Size	Total Units	PB Section 8		Manager		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Rent*
1 BR	110	109	$3,201	1	-	TBD
2 BR	20	20	$4,093			TBD
Total	**130**	**129**		**1**		

* *All rents are net of utility allowances.*

Project Costs

Core Residential Costs	
Base	$53,727,660
Total	$53,727,660
Total Development Cost	
Total	$53,727,660

Sources and Uses

Sources of Funds			Uses of Funds	
MH Supplemental Acquisition Loan	$21,000,000		Acquisition	$52,000,000
Existing MH Debt	$8,414,712		Construction	$88,425
Developer Cash Equity	$24,312,948		Construction Contingency	$8,843
			General Development	$842,790
			Replacement Reserves	$513,864
			Tax and Insurance Reserves	$273,738
Total Sources	**$53,727,660**		**Total Uses**	**$53,727,660**

Underwriting Notes

1. Replacement Reserves
2. Section 8 Mark Up To Market Contract
3. Supplemental Loan Term
4. Third-Party Reports

Recommended Votes

- Approval of a Level One Transfer of Ownership
- Commitment of a Taxable Supplemental Loan