

**Minutes of the Meeting
of the Members of MassHousing
held on
January 10, 2017**

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing – was held on January 10, 2017 at MassHousing’s offices located at One Beacon Street in Boston, Massachusetts. In attendance were:

Members Mike Dirrane, Chair
 Ping Yin Chai, Vice Chair
 Mark Attia, Designee of Kristen Lepore
 Carolina Avellaneda
 Lisa Serafin
 Marc Cumsky
 Andy Silins
 Mary Nee
 Chrystal Kornegay

Members
Not Present none

Staff Tim Sullivan
 Beth Elliott
 Tom Lyons
 Chuck Karimbakas
 Karen Kelleher
 Frank Creedon
 Laurie Bennett
 Sergio Ferreira
 Eric Gedstad
 Tom Farmer
 Stephen Payson
 Kevin Mello
 Deb Morse
 Kathleen Evans
 Josiah Madar
 Charlie Schiappa
 Lisa Fiandaca
 Deepak Karamcheti
 Belmira Fallon
 Nancy McDonald
 George O’Toole
 Tina Keophannga
 Michelle Vinciguerra

Bethany Wood
Casey Baines
Paul Mulligan
Mary Magliozzi
Mildred Mukasa
Maureen Burke
Antonio Torres
Henry Mukasa
David Keene
Daniel Staring
Jeff Geller
Bill Dunn
Kathy Connolly
Paul Garrity
Lee Anne Brooks
Doug O'Brien
Kelly Johnson
Paul Hagerty
Joseph Mullen
LaVergne Randolph
Kelly Condon
Danielle McCarthy
Tom Norton
Susan Sheffer
Joe Hughes
Chris Burns
Beth DeFranzo

Guests

Sawyer Middleleer, Mullins Company
Michael Mullins, Mullins Company
Shannon Sharp, Wells Fargo Securities
Pearse O'Baoill, Winn Companies
Tim Santucci, Winn Companies
Koko Li, Tufts UEP
Matt Engler, Barclays
Lindsay Brannon, JP Morgan
Lena Altomare, US Bank
Charles Carey, Mintz Levin
Colin McNiece, Mintz Levin
Brandon Wolanski, Barclays
Shelley Hoon, Hoon Construction Services and Keith Properties
Rebecca Reape, Bank of America ML
James Tansey, House Post-Audit Committee
Jeff Sula, RBC
Lori Hindle, PFM
Susan Jun, Morgan Stanley

Chairman Dirrane convened the meeting to order at 2:00 p.m. He indicated that the first order of business was the approval of the minutes of the previous meeting. Upon a motion duly made and seconded, it was

VOTED: That the minutes of the meeting held on December 13, 2016 are hereby approved and placed on record.

Executive Director's Report

Chairman Dirrane then called upon Timothy Sullivan, MassHousing's Executive Director, for his monthly report to the Members. (*Chrystal Kornegay arrived during Mr. Sullivan's report*)

Mr. Sullivan began by discussing the Agency's accomplishments in 2016. Calendar year 2016, he reported, was the best lending year in the Agency's 50-year history, with over \$1.7 billion in volume. He also noted that a new leadership team had been formed and that a new performance management system had been developed in furtherance of a new mission, values and leadership model.

Mr. Sullivan stated that home ownership lending is both strong and continues to hit important mission-oriented goals. He emphasized the importance of taxable, preservation financing on the rental side over the past 12 to 24 months, and Mr. Sullivan also described MassHousing's continued strong partnership and alignment with DHCD on mixed-income, 13A, community-scale, and state public housing.

2016 Year in Review

Overview

Mr. Sullivan then presented a slide showing that both Rental and Home Ownership had very strong lending years in 2016. Rental financing totaled over \$900 million and Home Ownership financing totaled over \$800 million. Individually, those are very strong years; together, he observed, was exceptional. Mr. Sullivan stated that this is a huge credit to the team.

Mr. Sullivan then reviewed the significant changes to the Leadership Team that had occurred in 2016. 75% of the senior leadership team, he noted, is new to their roles over the past 12 to 18 months, with the majority having been promoted from within. This is due to the deep "bench strength" of the staff, with the result being an even stronger and more diverse team.

Chairman Dirrane then commented that one of the factors cited in the Agency's recent upgradings was the quality of management and ease of transition when vacancies have occurred. He noted that Mary Nee has always emphasized the importance of ensuring that MassHousing has a good representation of women at the Board and senior staff levels. He then asked Mr. Sullivan about the representation of women and minorities on the senior leadership team. Mr. Sullivan replied that six of the 18-member team are women and six are minorities. Chairman Dirrane stated that he is proud of that and commended Mary Nee, Marc Cumsky and other Board members for pushing the Agency to have the kind of representation that Mr. Sullivan has brought with his leadership.

Mr. Sullivan then discussed the Agency's focus this year on establishing a mission around what the Agency is trying to accomplish and noted that he reads the mission aloud at every staff meeting. Mr. Sullivan also discussed the values MassHousing is implementing to create a collaborative, accountable, respectful, and excellent work environment. He linked the new "line of sight management" system to the achievement of the mission and values, and Mr. Sullivan noted that for FY2016, MassHousing had the fastest delivery of completed performance appraisals in recent memory. Mr. Sullivan also commented that using a COLA with a merit was an important way of differentiating a cost of living from a meaningful merit component of our compensation system.

Ratings Upgrades

Mr. Sullivan continued his presentation with a discussion of the recent ratings upgrades. He quoted from the Moody's upgrade: "the active oversight provided by management has allowed MassHousing to minimize losses due to foreclosures and defaults." Another comment concerned succession planning: "As senior management positions turnover, they have been able to quickly fill positions with highly competent and well-trained personnel, generally from within the organization, thereby minimizing the impact..."

Mr. Sullivan also noted that Standard & Poor's similarly talked about MassHousing's strong management team and linked that to the strong operating performance of our loans. He stated that this is a strategy we have tried to implement and that we are certainly very gratified to have the rating agencies recognize this.

Mission Goals

Mr. Sullivan continued with a discussion of mission goals. In 2016, 37% of our homeownership loans were in Gateway Cities, and 36% were made to borrowers with incomes at or below 80% of area median. He added that about 20% of MassHousing's loans went to minority borrowers; \$10 million of lending was done under Operation Welcome Home; and MassHousing closed its first Workforce Housing loan. In addition, MassHousing preserved 1,700 affordable units in Boston over the last 18 months; generated \$60 million of economic activity for M/WBEs through its management companies; and has been involved with a broad range of community engagement and Agency outreach.

Property Values

Mr. Sullivan then discussed property values by showing a "heat map" of the Commonwealth's communities and the degree to which property values have recovered since the financial crisis. He noted that while the recovery has been strong in metropolitan Boston and a few other locations, the recovery has lagged significantly in other regions of the state. Home values are up 4% statewide between 2005 and 2016; Suffolk County is up 36%, whereas Bristol County is down 13%. Mr. Sullivan noted that the Gateway Cities represent important opportunities for low- and moderate-income homebuyers because current property values are on average 4% below 2005 values.

Volume Cap

Mr. Sullivan then discussed Volume Cap for private activity bonds. In 2016, of MassHousing's \$1.7 billion of lending, only 20% of it was supported with volume cap. He noted that having 80% of MassHousing's lending not reliant upon volume cap is an incredible achievement, and was only

possible through the Agency's pro-active pursuit of alternative sources such as Fannie Mae, MAP, Ginnie Mae, and FFB.

MAP Lending

Mr. Sullivan continued with a discussion on MAP lending. He pointed out that the Agency closed its first MAP loan about 18 months ago and that MassHousing has closed more than \$350 million of loans since that time. He discussed the weighted average loan rate of 3.4% and the fact that less than 3% of this production was tax-exempt.

Freddie Mac/Ginnie Mae

Next, Mr. Sullivan discussed Freddie Mac/Ginnie Mae. He noted that the Homeownership division closed its first loans with Freddie Mac in December and has an active application with Ginnie Mae, which is hoped to help scale MassHousing's FHA lending portfolio.

Delinquency Rates & Fiserv

Mr. Sullivan also discussed delinquency rates. On the Homeownership side, he noted that the Agency's performance continues to be quite strong, with the Agency having about one-third of the delinquencies that the FHA book has and about half of the delinquency rate of all loans in Massachusetts.

Mr. Sullivan then discussed the implementation of a new loan servicing system in 2016: Fiserv. He discussed the 70% increase in ACH usage and a 25% reduction in walk-in payments, as well as the fact that the Agency could not service Freddie Mac or Ginnie Mae loans without a system like Fiserv. He noted this implementation is not only extremely important from a strategic perspective, it is incredibly important from a customer experience perspective.

Community Engagement

Mr. Sullivan then discussed some representative examples of the Agency's outreach to the communities which we serve. The M/WBE Trade Fairs offer marketing opportunities for minority- and woman-owned businesses with the property management companies that operate developments in our portfolio. He stated the Agency is the only HFA in the entire country that uses the leverage and power of the over 400 developments in our loan portfolio to try to make economic opportunities available for minority and women business enterprises. It has created \$60 million of opportunities in FY2016 alone. Mr. Sullivan went on to say this is going to be something we continue to support, and something that really distinguishes us.

Mr. Sullivan then spoke of U. S. Supreme Court Justice Sonia Sotomayor who spoke to several hundred young people in Boston – the vast majority of whom reside in a MassHousing-financed development. Other outreach to youth included apple-picking with the students who participate in the STARR Mentor Program, and a trip to the White House for the most recent My Brother's Keeper Summit, led by Thaddeus Miles. Mr. Sullivan added that the Agency also supported important veterans' activities around Veterans' Day, by both celebrating their service and sacrifices, and promoting the availability of the Operation Welcome Home mortgage program.

Mr. Sullivan also discussed the Agency's active engagement with the business community through the Boston Chamber of Commerce and others. He also discussed the staff's participation in three

Gateway City tours – where the Homeownership and Rental teams meet with Gateway City officials to discuss how MassHousing can better partner at the municipal level.

Consistent with the Agency’s goal of becoming a learning organization and promoting staff engagement, Mr. Sullivan spoke of seminars the Agency has conducted for its staff on homelessness and the so-called “cliff effects” on benefits when the incomes of low-income families rise. He also pointed out that the Agency continues to be a thought leader on important topics, such as the Opioid Crisis which was the focus of last year’s Community Services Conference.

Opportunity Fund

Mr. Sullivan concluded his discussion of the Agency’s 2016 accomplishments by commenting upon the status of the Opportunity Fund. He stated that the creation of the \$162 million Opportunity Fund was one of the major accomplishments of 2016. While the Agency has allocated a substantial portion of the Fund to 13A and workforce housing, other initiatives will be seeded by the Fund such as community- scale rental housing, which is proposed to be brought to the Board in February.

2017 Challenges

Mr. Sullivan concluded his presentation by discussing the challenges facing the Agency in 2017. He noted that higher interest rates will certainly affect housing affordability as will the increased demand for volume cap.

Mr. Sullivan also discussed the potential impacts of tax reform. He pointed out that while there have already been some effects on tax credit pricing, tax reform could substantially diminish the value of low-income housing tax credits going forward. Even in the short term, he noted, uncertainty is hurting pricing and making it more difficult for deals to get done.

Mr. Sullivan also discussed the status of the PBCA program. He indicated that it is likely that HUD will act on this in 2017 and that the Agency is aggressively preparing itself for a re-procurement. He emphasized the importance of the PBCA portfolio to the Agency.

He concluded by noting that the 13A portfolio would also be a major focus for the Agency in 2017.

Chairman Dirrane then asked Mr. Sullivan about the potential impact to projects in the pipeline if there is a bump in interest rates and depreciation in the value of the tax credits. Mr. Sullivan answered that it is difficult to estimate the effects; however, the combination of higher interest rates, uncertainty in the markets, and a reduction in the value of tax credits will create gaps that will be difficult to cover.

Ashland Commons

David Keene presented a request for up to \$14.5 million to refinance and preserve Ashland Commons, a 96-unit Section 8 development for the elderly and families in the town of Ashland.

The Borrower is Ashland Commons Associates, LP of which John M. Curry and Gerard F. Doherty are General Partners. Mr. Curry's management company, APT, will continue to manage the property. Mr. Keene then explained the proposed loan is at 85% of the appraised "as-proposed" market value and has debt service coverage of 1.1. Mr. Keene further stated this loan will be financed under the HUD/HFA Risk Sharing program which will result in 50/50 risk sharing with HUD, and will be funded through a US Treasury/Federal Financing Bank (FFB) Participation in the loan with pricing that enables us to offer the Borrower a competitive interest rate. Mr. Keene indicated the owner will preserve the affordability of the property with a new 20-year Section 8 contract and will deposit \$2.9 million (\$30,000 per unit) to fund the Replacement Reserve escrow in order to meet the capital needs of the property over the next 20 years. He concluded his presentation by reviewing the terms and conditions of the transaction for the Members' information. Upon a motion duly made and seconded, it was

VOTED: To approve the findings and determinations contained in Attachment A hereto and to authorize a permanent first mortgage loan to Ashland Common Associates, LP, as owner of Ashland Commons Apartments in Ashland, in a principal amount of up to \$14,500,000 to be insured under the HUD HFA Risk Sharing Program, in accordance with the applicable general closing requirements for loans previously approved by the Board and the general delegations of authority previously adopted by the Board; and further subject to 1) compliance with all applicable laws and regulations and requirements of applicable financing programs; and 2) the following special condition(s):

SPECIAL CONDITION:

1. The Borrower or MassHousing shall obtain a resolution of the FAF obligation prior to closing from HUD on terms acceptable to MassHousing and HUD.

Marble Street Apartments

David Keene continued, presenting a recommendation granting the prepayment of an existing MassHousing loan and committing a taxable permanent first mortgage loan for Marble Street Apartments, a 162-unit Section 8 development located in the Main South neighborhood of Worcester. Mr. Keene explained that the project was originally constructed by The Barkan Companies in 1981 and includes a six-story elevator building with 150 apartments and three townhouse buildings containing 12 units. Mr. Keene stated that all of the units are covered under a 20-year HAP contract and the owner will sign a new 20-year contract at closing. Mr. Keene noted the existing first mortgage loan closed in October of 1981 in the amount of \$6,409,818. The outstanding balance as of January 4, 2017 is \$2,220,848, which represents 7.5% of the current value, based on a MassHousing commissioned appraisal. He concluded his presentation by reviewing the terms and conditions of the transaction for the Members' information. Upon a motion duly made and seconded, it was

VOTED: To approve the findings and determinations contained in Attachment A hereto and to authorize a permanent first mortgage loan to Marble Street Associates Limited

Partnership, as owner of Marble Street Apartments, in Worcester, in a principal amount of up to \$26,528,967, to be insured under the HUD HFA Risk Sharing Program, in accordance with the applicable general closing requirements for loans previously approved by the Board and the general delegations of authority previously adopted by the Board; and further subject to 1) compliance with all applicable laws and regulations and requirements of applicable financing programs; and 2) the following special conditions:

SPECIAL CONDITIONS:

1. Barkan Companies will pay off the Closing Note.
2. Barkan Companies will settle all obligations under the Section 8 Recap program, of an amount to be determined, for post-due amounts owed from 2015 and residual amounts due in accordance with the Recap program.

Franklin Highlands

Antonio Torres presented a recommendation approving a re-commitment of construction and permanent loans for Franklin Highlands. He explained that Franklin Highlands is a 270-unit family housing development comprised of 14 separate four-story apartment buildings in a ten-block section of Boston's Roxbury and Dorchester neighborhoods near Franklin Park. Mr. Torres went on to note that the buildings were constructed about 100 years ago and were substantially rehabilitated under HUD's Demonstration Disposition program in 2000. It is currently owned by Franklin Highlands Limited Partnership, which is a joint venture between Franklin Park Development Tenants Association ("FPDTA") and Maloney Properties, Inc. MassHousing administers its Section 8 PBCA contract and does not hold any debt on the property. The Borrower seeks financing to rehabilitate and preserve the development. He further stated that in May 2016, the Board approved an uninsured construction loan up to \$32,250,000 and a permanent loan with HUD/FFB financing and Risk-Sharing insurance up to \$32,250,000. Due to significant changes in scope and reduction in first mortgage loan proceeds, this new proposal includes a MassHousing construction and permanent loan up to \$28,545,851 (the permanent loan with HUD/FFB financing and Risk Sharing insurance), and also includes a Section 8 "overhang loan" of up to \$7,483,618. As part of this transaction, the Borrower will receive a Mark-Up-To-Market (MUTM) rent increase and a new 20-year subsidy contract to replace the current contract which expires in December 2017. Mr. Torres concluded his presentation by reviewing the terms and conditions of the transaction, for the Members' information. Upon a motion duly made and seconded, it was

VOTED: To approve the findings and determinations contained in Attachment A hereto and to authorize (1) a construction and permanent first mortgage loan in a principal amount of up to \$28,545,851, with the permanent loan to be insured under the HUD Risk Sharing program, and (2) a construction and permanent subordinate loan in a Partnership as owner of the Development, in accordance with the applicable general closing requirements for loans previously approved by the Board and the general delegations of authority previously adopted by the Board; and further subject to (1)

compliance with all applicable laws and regulations and requirements of applicable financing programs; and (2) the following special condition(s):

1. The Borrower shall obtain from HUD any approvals or waivers necessary for closing of the mortgage loans as may be required under the deed restrictions encumbering the Development, including without limitation, approval for refinancing of the Development and any waiver or reduction in amounts payable to HUD thereunder.

FURTHER

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

(At this point, Member Marc Cumsky recused himself from participating in the Viviendas transaction; he left the meeting, and did not return.)

Viviendas Apartments – South End

Antonio Torres presented a refinancing request from Inquilinos Boricuas en Accion ("IBA"), a non-profit community development corporation based in Boston's South End neighborhood. IBA requests taxable financing through the FFB program to preserve and make repairs to this 181-unit affordable housing multifamily community. Renovations include envelope system upgrades, interior plumbing replacement, unit upgrades and accessibility modifications. IBA is requesting a construction/permanent loan of \$53 million with the permanent portion being insured under the HFA Risk-Sharing program. Mr. Torres concluded his presentation by reviewing the terms and conditions of the transaction for the Members' information. Upon a motion duly made and seconded it was

VOTED: To approve the Level One Transfer of Ownership from Viviendas Apartments LP to Viviendas LLC (or another single-purpose entity fully owned and controlled by Inquilinoas Boricuas en Accion) 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 the General Counsel.

FURTHER

VOTED: To approve the findings and determinations contained in Attachment A hereto and to authorize a permanent first mortgage loan to Viviendas Apartments Limited Partnership or Viviendas LLC (or another single-purpose entity fully owned and controlled by Inquilinoas Boricuas en Accion), as owner of Viviendas Apartments

in Boston (South End), in a principal amount of up to \$53,000,000, with the permanent loan to be insured under the HUD Risk Sharing program, in accordance with applicable general closing standards for loans previously approved by the Board and the general delegations of authority previously adopted by the Board; and further subject to (1) compliance with all applicable laws and regulations and requirements of applicable financing programs; and (2) the following special conditions: None.

FURTHER

VOTED: To authorize the Agency, in the discretion of the Executive Director, to either (a) make a grant or supplementary mortgage loan (subject to the findings and conditions of the foregoing vote) to Viviendas Apartments Limited Partnership or Viviendas LLC (or another single-purpose entity fully owned and controlled by Inquilinos Boricuas en Accion), as owner of Viviendas Apartments in Boston, in an amount of up to \$3,821,905, OR (b) to make one or more loans or grants in the aggregate amount of up to \$3,821,905 to Inquilinos Boricuas en Accion (IBA) or an affiliate of IBA to fund the acquisition of redevelopment of the West Newton Public Housing Development, the Cathedral Homes Public Housing Development, or one or more other affordable or mixed income housing developments in Boston, Massachusetts, in each case on terms and conditions acceptable to the Executive Director and in accordance with all applicable laws and requirements.

Lorenzo Pitts, Inc. (LPI) Portfolio

Kathleen Evans presented a request from the Jamaica Plain Neighborhood Development Corporation (JPNDC) for Official Action Status for the LPI Portfolio of properties as well as the extension of MassHousing subordinate debt on two of the included properties. Ms. Evans noted this six-property portfolio is comprised of 22 separate buildings with a total of 219 units of affordable housing – including 49 Section 13A units. All of the properties are located in Roxbury and Dorchester and have been in the MassHousing portfolio since the 1970’s.

Ms. Evans added that the portfolio is managed by Lorenzo Pitts, Inc., which is now helmed by the daughter of the late Lorenzo Pitts, Willetta Pitts-Givens. All of the properties have extensive deferred capital needs and present considerable management challenges. MassHousing staff have been working with Ms. Pitts-Givens and her team to identify a path forward that will rehabilitate the properties, lock in long-term affordability for the residents and to secure the legacy of a strong, minority-owned, women-owned steward of affordable housing. Ms. Evans then detailed LPI’s joint venture with JPNDC to secure future tax-exempt financing which will allow JPNDC to complete an acutely-needed renovation of the properties. She concluded her presentation by reviewing the terms and conditions of the transaction for the Members’ information. Upon a motion duly made and seconded, it was

VOTED: (i) that the Massachusetts Housing Finance Agency (“Agency”) consider the application of the developer for construction and permanent financing for the rental residential developments known as the LPI Portfolio, in Boston, Massachusetts (the

“Development”); (ii) that this vote serves as a declaration of official intent under Treasury Regulations Section 1.150-2 for the Agency to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency, if the Agency shall approve such financing application and provide the tax-exempt financing for the Development and, accordingly, constitutes a grant of “Official Action Status” for the Development; (iii) that the issuance of tax-exempt debt by the Agency is anticipated to be in the principal amount of \$27,000,000 but shall not be in excess of a principal amount of \$29,700,000 for the Development; and (iv) if funded from the proceeds of a tax-exempt debt issue, that issuance of debt occur not later than 18 months after the latest to occur of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

FURTHER

VOTED: i) to approve the continuation of (i) an Asset Protection Note in the original principal amount of \$17,911, and (ii) an Arrearage Note in the original principal amount of \$60,368, both dated as of January 6, 1995, to the Agency from GCT Limited Partnership in accordance with their terms or otherwise in accordance with such terms as the Executive Director shall require.

FURTHER

VOTED: i) to approve the continuation of (i) a Project Expense Arrearage Note in the original principal amount of \$25,755, dated as of November 20, 1991, to the Agency from Lorenzovest Holding Corporation, as succeeded by Lorenzovest Holdings LLC, in accordance with their terms or otherwise in accordance with such terms as the Executive Director shall require.

SPECIAL CONDITIONS:

1. The Borrower shall provide confirmation from the Massachusetts Housing Investment Corporation acceptable to the Director of Rental Lending demonstrating that downward adjusters for the remaining equity contributions will not adversely impact the repayment in full of MassHousing’s Bridge Loan.
2. The Borrower shall provide a revised cash flow projection showing at Bridge Loan closing, repayment of the construction loan, funding of MassHousing fees and payment of outstanding soft cost invoices. Final payment of developer fee, Bridge Loan interest, and subordinate debt will be made at Permanent Loan closing.

(Chrystal Kornegay thanked Kathleen Evans for her work on this important project.)

(Lisa Serafin recused herself from the remaining matters; she left the meeting, and did not return.)

Oak Hill Apartments, Pittsfield

Henry Mukasa presented a recommendation for an extension of subordinate debt for Oak Hill Apartments, a 61-unit Section 13A development located in Pittsfield. Mr. Mukasa stated the first mortgage loan was originated in 1974 and will fully amortize on March 1, 2017. In 2005, MassHousing initiated a program that utilized 13A Excess Income Funds to address capital needs at 13A developments. MassHousing and Oak Hill Housing Company entered into a 13A Repairs Agreement to finance the cost of certain repairs at the property. The total outstanding amount is \$566,000 and is due and payable upon maturity of the original first mortgage loan.

He further stated MassHousing is currently working with the Borrower toward a preservation transaction and, therefore, requests that the subordinate Repairs Loan be extended to the earlier of 24 months or upon refinancing, whichever occurs first. Thereafter, the Executive Director would be authorized to grant monthly extensions of the maturity date for up to an additional twelve months, if required, to complete the transaction. He concluded his presentation by reviewing the terms and conditions of the transaction for the Members' information. Upon a motion duly made and seconded, it was

VOTED: That MassHousing authorizes its Executive Director, or his designee, to permit the maturity date of the existing Repairs Loan from MassHousing to Oak Hills Housing Company to be extended an initial period of up to twenty-four (24) months, with monthly extensions then available for an additional (12) months or, if sooner, the date of the refinancing of Oak Hills, on such terms as the Executive Director, or his designee, may approve.

Haynes House, Boston

Henry Mukasa further presented a recommendation for an extension of subordinate debt for Haynes House, a 131-unit development located in the Roxbury neighborhood of Boston. The permanent mortgage loan was originated in 1977 and will fully amortize on March 1, 2017. The property receives subsidy under the 13A Program and includes 33 units that receive subsidy under the Massachusetts Rental Voucher Program. In addition to the amortizing loan, MassHousing holds four (4) subordinate loans, which are due and payable upon maturity of the permanent original loan.

He further stated MassHousing is currently working with the Owner toward a preservation refinancing and the Owner requests that the subordinate debt be extended for up to 24 months or until refinancing, whichever occurs first. As proposed, the Owner would continue to make monthly payments in the amount paid previously under the 13A mortgage loan, which will be applied against the balance of the four (4) outstanding subordinate loans. The maturity dates of the subordinate loans would be extended for an initial period of twenty-four (24) months or until

a refinancing transaction is completed whichever occurs first. Thereafter, the Executive Director would be authorized to grant monthly extensions of the maturity dates for up to an additional twelve (12) months. He concluded his presentation by reviewing the terms and conditions of the transaction for the Members' information. Upon a motion duly made and seconded, it was

VOTED: That MassHousing authorizes its Executive Director, or his designee, to permit the maturity date of each of the existing subordinate loans from MassHousing to Haynes House Associates II LP to be extended an initial period of up to twenty-four (24) months, with monthly extensions then available for an additional (12) months or, if sooner, the date of the refinancing of Haynes House, on such terms as the Executive Director, or his designee, may approve.

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

Prior to concluding the meeting, Chairman Dirrane asked the newest member of the Board – Carolina Avellaneda – if she would like to say a few words, and introduce herself to the other members. Ms. Avellaneda indicated that she had been asked to serve by Governor Baker, and she was proud to serve on the board of an organization that has a mission that she believes in. She noted that she had emigrated to the United States from Argentina, and that she has lived the life – and shares many of the same experiences – that the people MassHousing serves have lived and experienced. Ms. Avellaneda indicated that she is the General Counsel and Vice President of Operations at Fisher College. She concluded by indicating that she is familiar with the Agency's work and community outreach, and the work of Thaddeus Miles, in particular.

Chairman Dirrane made a motion to adjourn the meeting at 2:50 p.m. Upon a motion duly made and seconded, it was


VOTED: To adjourn the MassHousing meeting at 2:50 p.m.

A true record.

Attest.



Beth M. Elliott
Secretary



Francis P. Creedon
Assistant Secretary