

**Minutes of the Meeting
of the Members of
MassHousing
held on
September 11, 2018**

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on September 11, 2018 at MassHousing’s offices located at One Beacon Street in Boston, Massachusetts. In attendance were:

Members Ping Yin Chai, Acting Chair
Mark Attia, Designee of Michael Heffernan, ex officio
Carolina Avellaneda
Lisa Serafin
Patricia McArdle
Janelle Chan, ex officio

**Members
Not Present** Mike Dirrane, Chair
Andris Silins

Staff Chrystal Kornegay
Maureen Burke
Laurie Bennett
Deb Morse
Meaghan McCarthy
Henry Mukasa
Sarah Hall
Antonio Torres
Josiah Madar
Ricky Ochilo
Hanna Schutt
Anna Reppucci
Jennifer Foley
Kelly Condon
John W. McCormack
Daniel Staring
David Keene
Kaitlyn Mulcahy
Chris Burns
Tom Farmer
Hana Migliorato
Doug O’Brien
Kathy Connolly
LaVergne Randolph
Joseph D. Mullen
Paul Hagerty

Gail Bishop
Beth DeFranzo
Susan Sheffer
Belmira Fallon
Steve Dowling
Cibele Goncalves
Rachel Madden
Sergio Ferreira
Paul Scola
Chuck Karimbakas
Tom Lyons
Mounzer Aylouche
Lisa Fiandaca
Stephen Payson
Andrea Laing
Kelly Johnson
Nancy Slaney
Deepak Karamcheti
Casey Baines
Bethany Wood
Mark Teden
Rachel Carlson
Janet Billane
Eric Gedstad
Nancy McDonald
Paul Mulligan
Mildred Mukasa

Kara Pillsbury
Ed Chase
Myra Carmona
Amy Dominici
Carol Melver
Beth Elliott

Robert Foggio, Jeffries
Paul Haley, Barclays
Colin McNiece, Mintz Levin
George Jaeger, BAMC
Lori Hindle, PFM
Susan Jun, Morgan Stanley
Jeff Sula, RBC
Geoff Proulx, Morgan Stanley
Matt Engler, Wells Fargo
Jamie Oppedisano, JP Morgan

Guests Paul Ladd, BofA-Merrill
Lynch
Joe Monitto, BofA-Merrill
Lynch
Dick Johnson, Johnson Consulting
James Spalt

Acting Chairman Chai 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 September 11, 2018 are hereby approved and placed on record.

Acting Chairman Chai next called upon Beth Elliott for an amendment to the Minutes of the Meeting of the Members of MassHousing held on September 12, 2017. It recently came to staff's attention that the minutes of the meeting of the Members of MassHousing held on September 12, 2017 erroneously omitted certain of the loan findings and the Loan Committee agenda items pertaining to Wellington Community, Residences at Brighton Marine, Bowdoin Apartments, Concord Houses, and Hope Gardens House. Upon a motion duly made and seconded it was:

VOTED: That the minutes of the meeting of the Members of MassHousing held on September 12, 2017 are hereby amended by replacing the Loan Committee section set forth in such minutes with the contents of Attachment A hereto and that the minutes, as thereby amended, are approved and placed on record.

Attachment A
LOAN COMMITTEE

Conduit Loan Program Policies

Dan Staring presented a proposal for a Conduit Loan Program to streamline conduit transactions.

At the June 14, 2017 meeting of its Board members, Agency staff announced its plan to initiate a Conduit Loan Program with the intention of establishing a working partnership with certain commercial banks. Under this program, a commercial bank will underwrite a loan that the Agency will make on a "conduit basis." The loan will be funded with proceeds from tax-exempt obligations

issued by the Agency in a sufficient amount to meet the 50% test and thus generate 4% Low Income Housing Tax Credits.

This initiative stems from the Agency's strategic plan to further expand upon the Agency's traditional lending products: to allow for more flexibility for borrowers in support of their efforts to create and preserve affordable housing units; and assist in the Rental Business Development division's efforts to attract new borrowers and drive higher loan production levels.

Although the Agency has previously made conduit loans, the development of a formal program: 1) communicates to all parties that the Agency provides conduit loans as a normal course of business, thereby fostering greater transparency; 2) streamlines the process for better understanding and acceptance by borrowers and lending partners, allowing for greater efficiency; and 3) offers a product already offered by others in Massachusetts and one of the most common products offered by affordable housing lenders nationwide. Upon a motion duly made and seconded, it was

- VOTED:**
- (i) That the Massachusetts Housing Finance Agency (the "Agency") approve the use of the Conduit Loan Program Closing Standards, in substantially the form attached hereto as Attachment 1, with such modifications as the Executive Director, Deputy Director or General Counsel, each acting singly, may from time to time approve, for all conduit loan transactions for which the Agency acts as issuer of the tax-exempt obligations (each, a "Conduit Loan Transaction");
 - (ii) To waive the requirement that the form of commitment letter (including its term sheet and general closing standards) approved by the Agency's Board on July 12, 2016 be used for any Conduit Loan Transaction;
 - (iii) To delegate to each of the Executive Director, Deputy Director and General Counsel, each acting singly, the authority to approve, and from time to time update or modify, the form of commitment documentation that the Agency will enter into with its borrowers with respect to a Conduit Loan Transaction;
 - (iv) To waive that portion of Section 6A of the Equity Policy promulgated by the Agency on July 14, 1998, as amended by the Agency on November 9, 1999 (the "Agency Equity Policy") requiring any balance of borrower's equity that had been escrowed in accordance with the Agency Equity Policy in excess of the allowed distribution of equity to borrower to become the Agency's funds following repayment in full of the tax-exempt obligations, provided that at all times the tax-exempt obligations are outstanding, the development be subject to a recorded regulatory agreement between the borrower and the Agency containing a provision acceptable to the Agency's General Counsel regarding borrower's equity in excess of the equity distribution allowed under the Agency's enabling legislation;
 - (v) To waive that portion of the Tenant Selection Regulations of the Agency published in November 1997 requiring, through mandatory inclusion of such provisions in each tenant selection plan, an applicant conference procedure for

applicants rejected from housing or reclassified in a lower tenant-selection priority category (which is attached to such Tenant Selection Regulations as Exhibit 3) for a development financed through a Conduit Loan Transaction; and

(vi) To authorize tax-exempt obligations and/or corresponding conduit loans made by the Agency in connection with a Conduit Loan Transaction be secured by cash collateral, funded at the participating owner's obligation, for the full amount of tax-exempt obligations issued by the Agency for the participating development, and to determine that this vote serves as the resolution required for alternative security under Section 4(a) of Chapter 708 of the Acts of 1966, as amended, for the usage of cash collateral as security for any such tax-exempt obligations and/or conduit loans.

Loan Commitments, Official Action Status and Prepayments

At this point Lisa Serafin recused herself from the three Whittier deals to be presented by Sarah Hall and departed the Board room.

Whittier at Cabot 4% - Roxbury

Sarah Hall presented a proposal for Whittier at Cabot 4%. Whittier at Cabot 4% will be the new construction of 58 mixed-income housing units on the top floors of a mid-rise apartment building and in adjacent townhouse buildings in the Roxbury neighborhood of Boston. The Development is part of the Whittier Choice Neighborhood Initiative ("WCNI"), which was awarded a Choice Neighborhood Implementation Grant by the U.S. Department of Housing and Urban Development ("HUD") in January 2017. Preservation of Affordable Housing ("POAH") has presented a proposal to redevelop on-site the existing public housing in the Whittier Choice Neighborhood (WCN) as one of three WCNI sites. This proposal presents a transaction that includes 4% LIHTC, a MassHousing permanent loan insured under the HUD/HFA Risk-Sharing Program, an uninsured tax credit equity bridge loan and a Workforce Housing subordinate loan.

The Development is a part of the Whittier Choice Neighborhoods Initiative, which has received competitive HUD Choice Neighborhood funding. Through three years of engaging the community and project partners, the WCNI developed a plan that harnesses the strengths of the Roxbury neighborhood and its anticipated investments while actively including the neighborhood's significant population of low-income residents. The WCNI vision recognizes that housing is needed for a wide range of income levels, including middle-income housing. The WCNI seeks to embrace Roxbury's prime location, rich heritage, and history of strong community engagement while addressing the neighborhood's continued struggle for economic growth and social cohesion. The Development contributes to the goals outlined in Mayor Walsh's Housing a Changing City: Boston 2030 plan.

The construction of the Whittier at Cabot 4% is one of three parts (Phase 1A) of the first phase of construction in the WCNI, which also includes Madison Melnea Cass Apartments and 2101 Washington Street, a MassHousing-financed project currently under construction. The WCNI

Housing Strategy aims to “preserve affordability while creating a better balance of housing options in the neighborhood.” (FY2016 Choice Neighborhoods Application).

The affordability structure provides three tiers of affordability, with about three-fourths of the property available to low-income households and over one-eighth available to moderate-income households. The Workforce Housing agreement will restrict the 8 moderate-income units to households earning 100% of AMI or below. The Development will contain 24 project-based Section 8 contract units. Upon a motion duly made and seconded, it was

Official Action Status

VOTED: (i) that the Massachusetts Housing Finance Agency (the “Agency”) grant Official Action Status and consider the application for a permanent loan commitment for the multifamily development known as Whittier at Cabot 4%, in Boston, Massachusetts (the “Development”); (ii) that this vote serve 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 and fund the Development; (iii) that the issuance of tax-exempt debt by the Agency is not in excess of \$20,427,000 in principal amount for the Development; and (iv) that issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulators 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.

Mortgage Loans

VOTED: To approve the findings and determinations contained in Attachment B hereto and to authorize (a) a permanent first mortgage loan(s) in a principal amount of up to \$9,200,000, with the permanent loan to be insured under the HUD Risk Sharing program; and (b) a subordinate bridge loan in a principal amount up to \$11,277,000 to be made to Whittier Phase 1 4% Limited Partnership as owner of the Development, each such loan to be made 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): None.

FURTHER

VOTED: That MassHousing approves a subordinate loan to the Borrower in an amount not to exceed \$800,000 (1) to be funded from that portion of the Opportunity Fund approved by the Board on March 8, 2016, designated and reserved for workforce housing programs, and (2) subject to the terms and conditions of MassHousing’s Workforce Housing Guidelines adopted by the Board on July 12, 2016, and subject

to any applicable delegations of authority previously approved by the Board, subject to the Special Conditions set forth below:

1. The underwriting rents and Workforce Housing units AMI tier are subject to a final third party market study acceptable to MassHousing and may be adjusted accordingly.

**FURTHER
VOTED:**

That the amount of 4% Credits, as set by the Executive Director, the Deputy Director, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the 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:**

That the Agency authorizes the Executive Director, the Deputy Director, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding Board vote.

**FURTHER
VOTED:**

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

**ATTACHMENT A
OFFICIAL ACTION STATUS FINDINGS**

In accordance with the vote of the Board dated June 11, 1996, staff makes the following Official

Action Status findings for the proposed project:

1. The Mortgagor/Developer has acceptable multifamily housing development experience and acceptable credit history.
2. The Mortgagor/Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

ATTACHMENT B STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

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

(1) Provision of Low-income Set-aside Units

Forty-three units (74%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

(2) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (appx. 1,238 units) in the area revealed a strong rental market. Current occupancy rates of the 6 comparable developments reviewed had an average occupancy of approximately 97.8 %, and range between 94.5% and 100%. My review of similar mixed income/subsidized portfolio properties (1,813 units) demonstrated a weighted average vacancy rate of approximately 1.12%.

REIS, Inc. data (1st Qtr. 2017) for the subject's Central City/Back Bay/Beacon Hill submarket have projected a vacancy rate at 4.6% YTD (4.9% Boston Metro). This rate is projected to increase to 5.5% over the next five years, while the Boston Metro is projected to increase to 6.1%. Vacancies in Central City/Back Bay/Beacon Hill submarket have averaged approximately 4.6% over the last five years, while the Boston Metro has averaged 4.4%.

REIS, Inc. submarket data for the subject's Class A building type (15,216 units) indicates a 1st Qtr. 2017 vacancy rate of 6.8% at an average asking rent of \$4,008. The proposed development would most likely reflect the lower end of the Class A property type, and is reflected in both the vacancy rate and market rent potential.

Of note, *REIS, Inc.* submarket data for the subject's Class B/C building type (11,109 units) indicates a 1st Qtr. 2017 vacancy rate of 1.5% at an average asking rent of \$2,354.

None of the comparable reviewed were offering rent concessions, although the use of concessions continues in the Boston Metro. The 1st Qtr. 2017 REIS, Inc. data indicates that the Central City/Back Bay/Beacon Hill submarket is offering .46 months free rent.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/05/14), the City of Boston has 269,482 year-round housing units, 49,324 (18.3%) of which are subsidized for low/moderate income households. Boston Housing Authority (BHA) owns and/or operates approximately 63 housing developments of which 36 are elderly/disabled and 27 are family for a total of 12,623 housing units. In addition to housing developments, BHA administers approximately 14,284 Section 8 housing rental assistance vouchers.

According to the Boston Housing Authority's (BHA) 5-year plan (2015-2019), the BHA owns and operates 63 family and elderly/disabled developments. The BHA also administers Housing Choice Vouchers (Section 8 or Leased Housing) to over 11,000 families. In addition, the City of Boston's Consolidated plan (FY2016) indicated that BHA maintain the following wait lists: There are 2,432 households on the Section 8 tenant based assistance wait list, including 1,189 families with children, 617 families with disabilities and 75 elderly families. The BHA also had Single applicants on the waiting list. There were instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at his time. They also maintain a Public Housing Wait list with 30,411 including 12,845 families with children, 8,068 families with disabilities and 8,760 elderly families. The BHA also had single applicants on the waiting list and families that fit into one or more categories. This waiting list is open.

U.S. Census data from the 2011-2015 American Community Survey (ACS) indicates that of the 256,294 households in the City of Boston approximately 69.7% earned less than the HUD published 2017 AMI (\$103,400), approximately 47.0% earned less than 50% of 2017 AMI, approximately 53.1% earned less than 60% of the 2017 AMI and approximately 61.8% earned less than 80% of the 2017 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 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. The development will serve as a mixed-income development, providing housing for tenants earning less than 100% and 60% of AMI.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area

of the Development. Staff is not aware of units within the same market area that require demolition or compulsory repair. 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	18	18	17
Net SF/Unit	615	896	1,369
Elev./Non-Elev.	E	E	E
Market Rate Rent (10% Rate 20 Yr. Term)	\$4,132	\$4,457	\$4,548
MHFA Below Market Rent (Cost-Based Rent)	\$2,352	\$2,678	\$2,768
MHFA Adjusted Rent	30% Income		
Underwriting Rents			
S8 Units		\$1,756	\$2,178
Market/Unrestricted	\$1,900		\$2,800
Restricted at 100% (pending mkt study)	\$1,710		\$2,520
Tax Credit at 60%	\$1,025		\$1,382

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.

Whittier at Cabot 9% - Roxbury

Sarah Hall presented a proposal for Whittier at Cabot 9%. Whittier at Cabot 9% (the “Development”) will be the new construction of 34 mixed-income housing units on the lower floors of a mid-rise building in the Roxbury neighborhood of Boston. The Development is a part of the Whittier Choice Neighborhood Initiative (“WCNI”), which was awarded a Choice Neighborhood Implementation Grant by the U.S. Department of Housing and Urban Development

("HUD") in January 2017. Preservation of Affordable Housing ("POAH") has presented a proposal to redevelop on-site the existing public housing in the Whittier Choice Neighborhood ("WCN") as one of three WCNI sites. The proposal presents a transaction that includes 9% LIHTC, a MassHousing permanent loan insured under the HUD/HFA Risk-Sharing Program and a Workforce Housing subordinate loan.

The Development is a part of the Whittier Choice Neighborhoods Initiative, as described with respect to the preceding transaction. The construction of the Whittier at Cabot 9% is one of three parts (Phase 1B) of the first phase of construction in the WCNI, which also includes Madison Melnea Cass Apartments and 2101 Washington Street, a MassHousing-financed project currently under construction.

The affordability structure provides three tiers of affordability, with almost two-thirds of the property available to low-income households and one-fifth available to moderate-income households. The Workforce Housing agreement will restrict the 7 moderate-income units to households earning 100% of AMI or below. The Development will contain 19 Project-Based Voucher units. 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) a permanent first mortgage loan(s) in a principal amount of up to \$5,550,000, with the permanent loans to be insured under the HUD Risk Sharing program to be made to Whittier Phase 1 9% Limited Partnership as owner of the Development, each such loan to be made 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): None.

FURTHER

VOTED: That MassHousing approves a subordinate loan to the Borrower in an amount not to exceed \$700,000 (1) to be funded from that portion of the Opportunity Fund approved by the Board on March 8, 2016, designated and reserved for workforce housing programs, and (2) subject to the terms and conditions of MassHousing's Workforce Housing Guidelines adopted by the Board on July 12, 2016, and subject to any applicable delegations of authority previously approved by the Board, subject to the Special Conditions set forth below:

1. The underwriting rents and Workforce Housing units AMI tier are subject to a final third party market study acceptable to MassHousing and may be adjusted accordingly.

FURTHER

VOTED: To authorize the Executive Director, Deputy Director or his or her designee to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's mortgage loans, and (2) such subordinate mortgage

loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel.

ATTACHMENT A STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

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

(3) Provision of Low-income Set-aside Units

Twenty-two units (64%) 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.

(4) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (appx. 1,238 units) in the area revealed a strong rental market. Current occupancy rates of the 6 comparable developments reviewed had an average occupancy of approximately 97.8 %, and range between 94.5% and 100%. My review of similar mixed income/subsidized portfolio properties (1,813 units) demonstrated a weighted average vacancy rate of approximately 1.12%.

REIS, Inc. data (1st Qtr. 2017) for the subject's Central City/Back Bay/Beacon Hill submarket have projected a vacancy rate at 4.6% YTD (4.9% Boston Metro). This rate is projected to increase to 5.5% over the next five years, while the Boston Metro is projected to increase to 6.1%. Vacancies in Central City/Back Bay/Beacon Hill submarket have averaged approximately 4.6% over the last five years, while the Boston Metro has averaged 4.4%.

REIS, Inc. submarket data for the subject's Class A building type (15,216 units) indicates a 1st Qtr. 2017 vacancy rate of 6.8% at an average asking rent of \$4,008. The proposed development would most likely reflect the lower end of the Class A property type, and is reflected in both the vacancy rate and market rent potential.

Of note, *REIS, Inc.* submarket data for the subject's Class B/C building type (11,109 units) indicates a 1st Qtr. 2017 vacancy rate of 1.5% at an average asking rent of \$2,354.

None of the comparable reviewed were offering rent concessions, although the use of concessions continues in the Boston Metro. The 1st Qtr. 2017 *REIS, Inc.* data indicates that the Central City/Back Bay/Beacon Hill submarket is offering .46 months free rent.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/05/14), the City of Boston has 269,482 year-round housing units, 49,324 (18.3%) of which are subsidized for low/moderate income households. Boston Housing Authority (BHA) owns and/or operates approximately 63 housing developments of which 36 are elderly/disabled and 27 are family for a total of 12,623 housing units. In addition to housing

developments, BHA administers approximately 14,284 Section 8 housing rental assistance vouchers.

According to the Boston Housing Authority's (BHA) 5-year plan (2015-2019), the BHA owns and operates 63 family and elderly/disabled developments. The BHA also administers Housing Choice Vouchers (Section 8 or Leased Housing) to over 11,000 families. In addition, the City of Boston's Consolidated plan (FY2016) indicated that BHA maintain the following wait lists: There are 2,432 households on the Section 8 tenant based assistance wait list, including 1,189 families with children, 617 families with disabilities and 75 elderly families. The BHA also had Single applicants on the waiting list. There were instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at his time. They also maintain a Public Housing Wait list with 30,411 including 12,845 families with children, 8,068 families with disabilities and 8,760 elderly families. The BHA also had single applicants on the waiting list and families that fit into one or more categories. This waiting list is open.

U.S. Census data from the 2011-2015 American Community Survey (ACS) indicates that of the 256,294 households in the City of Boston approximately 69.7% earned less than the HUD published 2017 AMI (\$103,400), approximately 47.0% earned less than 50% of 2017 AMI, approximately 53.1% earned less than 60% of the 2017 AMI and approximately 61.8% earned less than 80% of the 2017 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 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. The development will serve as a mixed-income development, providing housing for tenants earning less than 100% and 60% of AMI.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Staff is not aware of units within the same market area that require demolition or compulsory repair. 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	4
Number of Units	15	9	9	1
Net SF/Unit	615	896	1,188	1,420
Elev./Non-Elev.	E	E	E	E
Market Rate Rent (10% Rate 20 Yr. Term)	\$4,132	\$4,457	\$4,548	\$5,089
MHFA Below Market Rent (Cost-Based Rent)	\$3,812	\$3,932	\$4,377	\$4,592
MHFA Adjusted Rent	30% Income			
Underwriting Rents				
Market/Unrestricted	\$1,900	\$0	\$0	
Vouchers	\$0	\$1,756	\$2,202	\$2,416
Workforce at 100% (pending mkt study)	\$1,710	\$0	\$0	\$0
Tax Credit at 60%	\$1,025	\$0	\$0	\$0
Average underwriting rents for LIHTC units are shown net of tenant paid utilities				

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.

Madison Melnea Cass Apartments – Roxbury

Sarah Hall presented a proposal for Madison Melnea Cass Apartments in Roxbury.

Madison Melnea Cass Apartments (the “Development”) will be a new construction 76-unit property in two buildings in the Roxbury neighborhood of Boston. The Development is a part of the Whittier Choice Neighborhood Initiative (“WCNI”), which was awarded a Choice Neighborhood Implementation Grant by the U.S. Department of Housing and Urban Development (“HUD”) in January 2017. Madison Park Development Corporation has presented a proposal to develop a parcel in the Whittier Choice Neighborhood (“WCN”) as one of three WCNI sites. The

proposal presents a transaction that includes 4% LIHTC, a MassHousing construction and permanent loan insured under the HUD/HFA Risk-Sharing Program, an uninsured tax credit equity bridge loan and a Workforce Housing subordinate loan.

The Development is a part of the Whittier Choice Neighborhoods Initiative, as described with respect to the two preceding transactions. The construction of the Madison Melnea Cass Apartments is one of three parts (Phase 1B) of the first phase of construction in the WCNI, which also includes the initial phases of the on-site redevelopment and 2101 Washington Street, a MassHousing-financed project currently under construction.

The affordability structure provides three tiers of affordability, with over two-thirds of the property available to low-income households and one-fourth available to moderate-income households. The Workforce Housing agreement will restrict the 19 moderate-income units to households earning 80% AMI or below. The Development will contain 33 Project-Based Voucher units, which will be set aside for families relocated as part of the demolition associated with the Whittier Choice Neighborhood Initiative. Upon a motion duly made and seconded, it was

Official Action Status

VOTED: (i) that the Massachusetts Housing Finance Agency (the “Agency”) grant Official Action Status and consider the application for a construction and permanent loan commitment for the multifamily development known as Madison Melnea Cass Apartments, in Boston, Massachusetts (the “Development”); (ii) that this vote serve 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 and fund the Development; (iii) that the issuance of tax-exempt debt by the Agency is not in excess of \$20,000,000 in principal amount for the Development; and (iv) that issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulators 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.

Mortgage Loans

VOTED: To approve the findings and determinations contained in Attachment B hereto and to authorize (a) a construction and permanent first mortgage loan(s) in a principal amount of up to \$10,900,000, with the construction and permanent loans to be insured under the HUD Risk Sharing program; and (b) a subordinate bridge loan in a principal amount up to \$9,100,000 to be made to Madison Melnea Cass LLC as owner of the Development, each such loan to be made 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): None.

**FURTHER
VOTED:**

That MassHousing approves a subordinate loan to the Borrower in an amount not to exceed \$1,900,000 (1) to be funded from that portion of the Opportunity Fund approved by the Board on March 8, 2016, designated and reserved for workforce housing programs, and (2) subject to the terms and conditions of MassHousing's Workforce Housing Guidelines adopted by the Board on July 12, 2016, and subject to any applicable delegations of authority previously approved by the Board, subject to the Special Conditions set forth below:

1. The underwriting rents and Workforce Housing units AMI tier are subject to a final third party market study acceptable to MassHousing and may be adjusted accordingly.

**FURTHER
VOTED:**

That the amount of 4% Credits, as set by the Executive Director, the Deputy Director, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the 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:**

That the Agency authorizes the Executive Director, the Deputy Director, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding Board vote.

FURTHER

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

**ATTACHMENT A
OFFICIAL ACTION STATUS FINDINGS**

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

1. The Mortgagor/Developer has acceptable multifamily housing development experience and acceptable credit history.
2. The Mortgagor/Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

**ATTACHMENT B
STATUTORY FINDINGS AND DETERMINATIONS**

Statutory Findings:

The Loan 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:

(5) Provision of Low-income Set-aside Units

Sixty-two units (82%) 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.

(6) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (appx. 1,238 units) in the area revealed a strong rental market. Current occupancy rates of the 6 comparable developments reviewed had an average occupancy of approximately 97.8 %, and range between 94.5% and 100%. My review of similar mixed income/subsidized portfolio properties (1,813 units) demonstrated a weighted average vacancy rate of approximately 1.12%.

REIS, Inc. data (1st Qtr. 2017) for the subject's Central City/Back Bay/Beacon Hill submarket have projected a vacancy rate at 4.6% YTD (4.9% Boston Metro). This rate is projected to increase to 5.5% over the next five years, while the Boston Metro is projected to increase to 6.1%. Vacancies

in Central City/Back Bay/Beacon Hill submarket have averaged approximately 4.6% over the last five years, while the Boston Metro has averaged 4.4%.

REIS, Inc. submarket data for the subject's Class A building type (15,216 units) indicates a 1st Qtr. 2017 vacancy rate of 6.8% at an average asking rent of \$4,008. The proposed development would most likely reflect the lower end of the Class A property type, and is reflected in both the vacancy rate and market rent potential.

Of note, *REIS, Inc.* submarket data for the subject's Class B/C building type (11,109 units) indicates a 1st Qtr. 2017 vacancy rate of 1.5% at an average asking rent of \$2,354.

None of the comparable reviewed were offering rent concessions, although the use of concessions continues in the Boston Metro. The 1st Qtr. 2017 *REIS, Inc.* data indicates that the Central City/Back Bay/Beacon Hill submarket is offering .46 months free rent.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/05/14), the City of Boston has 269,482 year-round housing units, 49,324 (18.3%) of which are subsidized for low/moderate income households. Boston Housing Authority (BHA) owns and/or operates approximately 63 housing developments of which 36 are elderly/disabled and 27 are family for a total of 12,623 housing units. In addition to housing developments, BHA administers approximately 14,284 Section 8 housing rental assistance vouchers.

According to the Boston Housing Authority's (BHA) 5-year plan (2015-2019), the BHA owns and operates 63 family and elderly/disabled developments. The BHA also administers Housing Choice Vouchers (Section 8 or Leased Housing) to over 11,000 families. In addition, the City of Boston's Consolidated plan (FY2016) indicated that BHA maintain the following wait lists: There are 2,432 households on the Section 8 tenant based assistance wait list, including 1,189 families with children, 617 families with disabilities and 75 elderly families. The BHA also had Single applicants on the waiting list. There were instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at his time. They also maintain a Public Housing Wait list with 30,411 including 12,845 families with children, 8,068 families with disabilities and 8,760 elderly families. The BHA also had single applicants on the waiting list and families that fit into one or more categories. This waiting list is open.

U.S. Census data from the 2011-2015 American Community Survey (ACS) indicates that of the 256,294 households in the City of Boston approximately 69.7% earned less than the HUD published 2017 AMI (\$103,400), approximately 47.0% earned less than 50% of 2017 AMI, approximately 53.1% earned less than 60% of the 2017 AMI and approximately 61.8% earned less than 80% of the 2017 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 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. The development will serve as a mixed-income development, providing housing for tenants earning less than 90%, 80% and 60% of AMI.

1.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Staff is not aware of units within the same market area that require demolition or compulsory repair. 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	4
Number of Units	5	40	29	2
Net SF/Unit	650	875	1,100	1,257
Elev./Non-Elev.	E	E	E	E
Market Rate Rent (10% Rate 20 Yr. Term)	\$2,702	\$2,791	\$3,037	\$3,516
MHFA Below Market Rent (Cost-Based Rent)	\$1,789	\$1,878	\$2,124	\$2,603
MHFA Adjusted Rent	30% of 60% of Area Median Income			
Underwriting Rents				
Rent Subs LIHTC	\$1,438	\$1,765	\$2,210	\$2,419
Unassisted LIHTC	\$1,070	\$1,278	\$1,466	
WFH – 80% AMI		\$1,854	\$2,086	
Market	\$2,040	\$2,331	\$2,623	
Average underwriting rents for LIHTC units are shown net of tenant paid utilities.				

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.

Lisa Serafin returned to the Board room and rejoined the meeting following these votes.

Landfall Community Associates II – East Boston

Deborah Morse presented a proposal for Landfall Community Associates II in East Boston.

Landfall Community Associates II (the “Development”) is a 111-unit scattered-site development located in East Boston. An affiliate of East Boston Community Development Corporation (EBCDC) (the “Developer”) is seeking permanent financing for the acquisition and rehabilitation of this maturing 13A low-income residential rental property. The proposal presents a transaction that includes 4% LIHTC, a MassHousing permanent loan insured under the HUD/HFA Risk-Sharing Program, a Tax-Exempt syndication bridge loan, a MassHousing Capitalized 13A Payment Loan and \$1,000,000 from the 13A Opportunity Fund.

This proposal involves the consolidation of two existing developments: Landfall Apartments and East Boston Rehab. Landfall Apartments is a 15-unit property financed under the federal Section 236 program. The original Section 236 mortgage was prepaid in 2016, which enabled and led to the conversion of all 15 units at the property to project-based Section 8 assistance. East Boston Rehab is a 96-unit property financed under the Section 13A program. The 13A mortgage is due to mature in March of 2019, at which point the affordability restrictions tied to that mortgage would expire. This transaction will ensure that these two affordable housing assets continue to serve the low-income community well into the future.

The Development is a combination of five low- and mid-rise buildings scattered throughout East Boston. While the buildings have been well maintained, new sources of funding are required to keep these homes livable and affordable. The proposed scope of the rehabilitation includes the renovation of all kitchens and bathrooms, replacement of several portions of roofs, window replacement/refurbishment, flooring, brick and masonry repairs, building system upgrades, replacement of fire alarm systems and other repairs and upgrades. Upon a motion duly made and seconded, it was

Official Action Status

VOTED: (i) that the Massachusetts Housing Finance Agency (the “Agency”) grant Official Action Status and consider the application for a permanent loan commitment for the multifamily development known as Landfall Community Associates II (the “Development”) at such time as it is submitted; (ii) that this vote serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue by the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency shall

not be in excess of \$11,539,000 in principal amount for the Development; (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

FURTHER

VOTED:

That the amount of 4% Credits, as set by the Executive Director, the Deputy Director, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the 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:

That the Agency authorizes the Executive Director, the Deputy Director, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding Board vote.

Mortgage Loans

VOTED:

To approve the findings and determinations contained in Attachment B hereto and to authorize (a) a permanent first mortgage loan in a principal amount of up to \$5,790,000, with the permanent loan to be insured under the HUD Risk Sharing Program; and (b) a subordinate equity bridge loan in a principal amount of up to \$4,700,000, in each case to be made to Landfall Community Associates II LLC or another single-purpose entity controlled by East Boston Community Development Corporation (the "Borrower") as owner of the multifamily residential development known as Landfall Community Associates II (the "Development") and located in

Boston, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved by the Board, and further subject to (1) compliance with all applicable laws and regulations and requirements of applicable financing programs; and (2) the following special condition(s): None.

FURTHER

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

FURTHER

VOTED: To authorize the Executive Director, Deputy Director or his or her designee to forgive that portion of the existing subordinate MassHousing debt required for the financial viability of the proposed transaction (estimated to be \$2,461,135), and/or to permit the assignment of the balance of such debt to the Borrower, as set forth in the Loan Commitment Proposal, as such amount may be adjusted at the discretion of the Executive Director.

FURTHER

VOTED: That MassHousing approves a Capitalized 13A Payment Loan in an amount not to exceed \$134,401.

**ATTACHMENT A
OFFICIAL ACTION STATUS FINDINGS**

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

1. The Mortgagor/Developer has acceptable multifamily housing development experience and acceptable credit history.
2. The Mortgagor/Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site of the Development is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

ATTACHMENT B STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan 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:

(7) Provision of Low-income Set-aside Units

One hundred and seven units (96.4%) 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.

(8) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (appx. 1,379 units) in the area revealed a strong rental market. Current occupancy rates of the five comparable developments reviewed had an average occupancy of approximately 98.3 %, and range between 95.5% and 100%. My review of similar mixed income/subsidized portfolio properties (705 units) demonstrated a weighted average vacancy rate of approximately 1.3%. East Boston Rehab has as operated as a Section 13A property since 1975 and has an average vacancy rate of 2.49% over the last six years. Landfall Apartments has operated a Section 236 property since 1973 and has had an average vacancy rate of 2.4% over the last six years.

REIS, Inc. data (2nd Qtr. 2017) for the subject's Boston City submarket have projected a vacancy rate at 5.3% YTD (4.9% Boston Metro). This rate is projected to increase to 8.1% over the next five years, while the Boston Metro is projected to increase to 5.8%. Vacancies in Boston City submarket have averaged approximately 4.3% over the last five years, while the Boston Metro has averaged 4.5%.

Further, REIS, Inc. submarket data for the subject's Class B/C building type (8,765 units) indicates a 2nd Qtr. 2017 vacancy rate of 3.0% at an average asking rent of \$1,733. The development when completed along with the proposed amenities, more closely reflects the Class B/C property type, and is reflected in both the vacancy rate and market rent potential. None of the comparable reviewed were offering rent concessions, although the use of concessions continues in the Boston Metro. The 2nd Qtr. 2017, REIS, Inc. data indicates that the Boston City submarket is offering .75 months free rent.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/05/14), the City of Boston 269,482 year-round housing units, 49,324 (18.3%) of which are subsidized for low/moderate income households. Boston Housing Authority (BHA) owns and/or operates approximately 63 housing developments of which 36 are elderly/disabled and 27 are family for a total of 12,623 housing units. In addition to housing developments, BHA administers approximately 14,284 Section 8 housing rental assistance vouchers.

According to the Boston Housing Authority's (BHA) 5-year plan (2015-2019), the BHA owns and operates 63 family and elderly/disabled developments. The BHA also administers Housing Choice Vouchers (Section 8 or Leased Housing) to over 11,000 families. In addition, the City of Boston's Consolidated plan (FY2016) indicated that BHA maintain the following wait lists: There are 2,432 households on the Section 8 tenant based assistance wait list, including 1,189 families with children, 617 families with disabilities and 75 elderly families. The BHA also had Single applicants on the waiting list. In addition, there were 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. They also maintain a Public Housing Wait list with 30,411 families including 12,845 families with children, 8,068 families with disabilities and 8,760 elderly families. The BHA also had single applicants on the waiting list and families that fit into one or more categories. This waiting list is open.

U.S. Census data from the 2011-2015 American Community Survey (ACS) indicates that of the 256,294 households in the City of Boston approximately 69.7% earned less than the HUD published 2017 AMI (\$103,400), approximately 47.0% earned less than 50% of 2017 AMI, approximately 53.1 % earned less than 60% of the 2017 AMI and approximately 61.8% earned less than 80% of the 2017 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 below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

(4) No Undue Concentration of Low-income Households

The financing herein proposed not lead to the undue concentration of low-income households. Although it is a low-income development, it is immediately adjacent to a new fully-market development and it is located in an area that includes a mix of residential and retail uses.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Staff is not aware of units within the same market area that require demolition or compulsory repair. 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:

	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
Number of Units	6	75	12	14	4
Net SF/Unit	676	693	898	1,514	1,657
Elev. (E) / Non-Elev. (N)	E	E	E	E	N
Market Rate Rent					
(10% Rate 20-year term)	\$1,361	\$1,473	\$1,755	\$1,848	\$2,036
MHFA Below Market Rent					
(Cost-based Rent)	\$1,052	\$1,199	\$1,481	\$1,574	\$1,762
MHFA Rent Adjusted	30% of 60% of area median				
Average Underwriting Rents	\$1,080	\$1,192	\$1,474	\$1,567	\$1,755

Average includes Rent Subsidized Rents where tenant contribution is limited to 30% of actual income.

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.

Russell Apartments - Cambridge

Deborah Morse presented a proposal for Russell Apartments in Cambridge. An affiliate of the Cambridge Housing Authority (“CHA”) seeks an allocation of up to \$13,950,000 in tax-exempt loan proceeds for the financing of Russell Apartments in Cambridge (the “Development”). As further described below, MassHousing’s role in this transaction will be to act as the nominal lender under the Conduit Loan Program, voted by the Board earlier in this meeting. The conduit loan will be made by MassHousing via bond proceeds pursuant to a public issue funded through Wells Fargo, who will assume construction loan risks.

Located in Cambridge, Russell Apartments is a four-to-six story midrise building with 51 one-bedroom units and a ground floor commercial space leased to a City-affiliated senior center. The building was constructed and first occupied in 1984 and serves low-income elderly and disabled residents. All 51 units are federally-assisted public housing affordable at or below 80% of AMI. As part of the transaction, CHA will be converting all of the units to project-based voucher housing, covered by a Housing Assistance Payment (HAP) contract.

Since its original construction, there has been limited work done at the property. Work completed to date includes: partial replacement of elevator equipment in 2000, the installation of an emergency back-up generator in 2005, replacement of the fire alarm system panel in response to water damage in 2008, the replacement of window sashes in 2010, and emergency repair of portions of the southeast exterior EIFS wall which fell off the building in 2010. Given the current

age of the property, the building and units are in need of substantial rehabilitation and modernization.

The scope of work for Russell Apartments will include: new kitchens and bathrooms in all units, common area improvements, HVAC systems, elevator replacement, fire protection, siding and structural repairs. In addition, the owner plans to increase the unit count to 52 by creating an additional unit as part of the scope of work. All units will remain affordable as part of this transaction. Upon a motion duly made and seconded, it was

Official Action Status

VOTED: (i) that the Agency grant Official Action Status and consider the application of the developer for Multifamily Conduit Tax-Exempt financing for the rental residential development known as Russell Apartments, in Cambridge, Massachusetts (the “Development”) at such time as it is submitted; (ii) that this vote serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency, if the Agency shall approve and fund the Development; (iii) that the issuance of tax-exempt debt by the Agency not be in excess of \$13,950,000 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Code or Treasury Regulations promulgated thereunder.

Loan Commitment

FURTHER

VOTED: To approve the findings and determinations contained in Attachment B hereto and to authorize the issuance of Multifamily Conduit Tax-Exempt obligations to be purchased pursuant to a public issue and funded through Wells Fargo (the “Bank”) or another entity controlled by the Bank, with such proceeds to be lent via conduit lending to Russell Apartments LLC or another single-purpose entity controlled by Cambridge Housing Authority (the “Borrower”) as owner of the multifamily residential development known as “Russell Apartments” (the “Development”) and located in Cambridge, Massachusetts, and in accordance with the applicable Conduit Loan Closing Standards approved by the board on September 12, 2017 and delegations of authority previously approved by the Board, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER

VOTED: That MassHousing approves, rather than the placement of a mortgage lien on the Development, that the tax-exempt bonds or notes be secured by either cash collateral or a letter of credit in form and substance and by an issuing institution

acceptable to the General Counsel, in each case in the full amount of the tax-exempt debt issued by the Agency for the Development, and that this vote serves as the resolution required for alternative security under Section 1.4 of Mass. Gen. Laws ch. 23A App., §1-1 et seq. (the “Enabling Act”).

**FURTHER
VOTED:**

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

**FURTHER
VOTED:**

That the amount of 4% Credits as set by the Executive Director, the Deputy Director, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the Development will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

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

**FURTHER
VOTED:**

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

**ATTACHMENT A
OFFICIAL ACTION STATUS FINDINGS**

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

1. The Mortgagor/Developer has acceptable multifamily housing development experience and acceptable credit history.
2. The Mortgagor/Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site of the Development is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

ATTACHMENT B FINDINGS AND DETERMINATIONS

Statutory Findings:

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

(1) Provision of Low-income Set-aside Units

At least twenty percent (20%) of the units in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

(2) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (approximately 1,145 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 94.9 %, and range between 85% and 100%. My review of similar mixed income/subsidized portfolio properties (922 units) demonstrated a weighted average vacancy rate of approximately 1.47%.

REIS, Inc. data (2nd Qtr. 2017) for the subject's Cambridge/Watertown/Waltham submarket has a vacancy rate at 5.8% YTD (4.9% Boston Metro). This rate is projected to increase to 8.0% over the next five years, while the Boston Metro is projected to increase to 5.8%. Vacancies in the Cambridge/Watertown/Waltham submarket have averaged approximately 5.3% over the last five years, while the Boston Metro is slightly better at 4.5% over the last five years.

Further, REIS, Inc. submarket data for the subject's Class B/C building type (17,652 units) indicates a 2nd Qtr.2017 vacancy rate of 5.0% at an average asking rent of \$1,927. The development, along with the proposed updates/renovations, more closely reflects the Class B/C property type and is reflected in both the vacancy rate and market rent potential.

One of the comparables reviewed was offering rent concession of a \$99 security deposit with good credit. The 2nd Qtr. 2017 REIS, Inc. data indicates that the Cambridge/Watertown/Waltham submarket is offering only .20 months free rent.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/5/14), the City of Cambridge has 46,690 year-round housing units, 7,084 (15.2%) of which are subsidized for low/moderate income households.

Per the City Cambridge Consolidated Plan FY2016-2020 the Cambridge Housing Authority (CHA) owns/operates 2,447 units of State public housing (1,736 family and 711 elderly/disabled). CHA public housing portfolio consists of 2,441 federal units and 109 units identified as State-assisted housing supported through the Section 8 New Construction Program. In addition, CHA has one former State public housing site that has been demolished and will be replaced with new construction under a project-based subsidy structure. Per the CHA Annual Plan 2017, which was approved by HUD on June 2016, there are a total of 18,101 applicants on the CHA wait list. 15,468 applicants are on the public housing waiting list, 2,633 applicants are on the wait list for Putnam Square Apartments, HCV SROs and PH SROs. Included in that number are 8,027 applicants that may be eligible for multiple programs and therefore are on more than one waitlist.

The Cambridge Housing Authority tenant based assistance programs (e.g. Housing Choice Vouchers) includes 4,009 vouchers. Per Cambridge Housing Authority, the Section 8 Housing Choice Waiting list was re-opened on October 3, 2016 and remains open.

U. S. Census data from the 2011-2015 American Community Survey (ACS) indicates that of the 43,801 households in the City of Cambridge, approximately 23.0% earned less than 30% of the HUD published 2017 AMI (\$103,400), approximately 34.8% earned less than 50% of the 2017 AMI, and 40.5% earned less than 60% of the 2017 AMI and 49.0% of households earned less than 80% of the 2017 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 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. Although it is a low-income development, it is located in an area that includes a mix of residential and numerous retail and restaurant uses.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market

area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations

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

*Rents are net of utility allowance

Number of Bedrooms	1 BR
Number of Units	52
Net SF/Unit	540
Elev. (E) / Non-Elev. (N)	E
Market Rate Rent (10% Rate 20-year term)	\$2,257
MHFA Below Market Rent (Cost-based Rent)	\$1,452
MHFA Rent Adjusted	30% of Income
Underwriting Rents:	
ELI 30% - RA*	\$1,452
LI 60% - RA*	\$1,452

Highland Village - Ware

Deb Morse presented a proposal for Highland Village in Ware. Highland Village (the “Development”) is a 110-unit apartment community located in Ware. In September 2014, MassHousing approved a bridge loan and Interest Reduction Payment (IRP) loan that allowed the owner to decouple and prepay its original Section 236 financing and participate in the HUD Rental Assistance Demonstration (RAD) program. Under the RAD program, the owner secured a Section 8 Project Based Voucher Housing Assistance Payment contract for all 110 units with a 15-year term. The Development is now positioned to move forward with a request for a permanent taxable loan financed under the HUD/FFB Risk Sharing Initiative.

Highland Village consists of a single land parcel with 26 one- and two-story apartment buildings with a total of 110 residential units, as well as a one-story community/office building. The

construction of this property was originally financed by MassHousing under the Federal Section 236 program.

Loan proceeds will be used to pay off the existing MassHousing bridge loan (which matures 1/1/2018) and a permanent increase loan, recapitalize the property's replacement reserve account, pay off an existing DHCD HOME loan, cover transaction costs, and provide the owner with an equity take-out. 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 in a principal amount of up to \$8,502,000, with the permanent loan to be insured under the HUD Risk Sharing program, to be made to Highland Ware Associates Limited Partnership or another single-purpose entity controlled by Meredith Management Corporation (the "Borrower") as owner of the multi-family residential development known as "Highland Village" (the "Development") and located in Ware, Massachusetts, and in accordance with applicable general closing standards and delegations of authority previously approved 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): None.

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

ATTACHMENT A STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

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

(1) Provision of Low-income Set-aside Units

110 units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

(2) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (approximately 345 units) in the area revealed a strong rental market. Current occupancy rates of the five comparable properties reviewed averaged approximately 99.2%, and range between 96.4% and 100%. The subject property has operated as a subsidized property since 1973 and has had a historical vacancy rate of

1.24%. My review of similar mixed income/subsidized portfolio properties (1,294 units) demonstrated a weighted average vacancy rate of approximately 3.5%.

REIS, Inc. data (1st Qtr. 2017) for the subject's Springfield metro area have projected a vacancy rate at 1.6% YTD (4.9% Boston Metro). This rate is projected to increase to 2.0% over the next five years, while the Boston Metro is projected to increase to 6.1%. Vacancies in the Springfield metro area have averaged approximately 2.1% over the last five years, while the Boston Metro vacancy rate has averaged 4.4%.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/05/14), the Town of Ware has 4,539 year-round housing units, 425 (9.4%) of which are subsidized for low/moderate income households.

Further, the Ware Housing Authority (WHA) owns and /or operates 108 Public Housing units which consist of 22 family housing units and 86 Elderly/Disabled housing units. The waiting list consists of 51 Elderly/Disabled. 110 Family – 69 - 2 Bedroom and 41 - 3 Bedroom applicants. WHA also administers 61 Section 8 Housing Vouchers and they participate in the Massachusetts Section 8 Housing Choice Voucher Centralized Waiting List. At this time the list is open and it expected to remain open indefinitely.

U.S. Census data from the 2011-2015 American Community Survey (ACS) indicates that of the 4,067 households in the Town of Ware , approximately 50.3% earned less than the HUD published 2017 AMI (\$66,600), approximately 40.8% earned less than 50% of 2017 AMI, approximately 50.0% earned less than 60% of the 2017 AMI and approximately 62.3% earned less than 80% of the 2017 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 below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

(4) No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households. Although it is a low-income development, it is located in an area that includes a mix of residential and numerous retail uses.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Staff is not aware of units within the same market area that require demolition or compulsory repair. 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	50	50	10
Net SF/Unit	590	880	1,076
Elev./Non-Elev.	N	N	N
Market Rate Rent (10% Rate 20 Yr. Term)	\$1,274	\$1,477	\$1,741
MHFA Below Market Rent (Cost-Based Rent)	\$846	\$1,049	\$1,313
MHFA Adjusted Rent	30% of Income		
Underwriting Rents Section 8	\$846	\$1,049	\$1,313

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.

246-248 Norwell Street – Dorchester

Deb Morse presented a proposal for 246-248 Norwell Street, Dorchester. T Lee Development LLC seeks subordinate financing of up to \$600,000 from MassHousing under the Opportunity Funds Workforce Housing program for the construction of a new residential rental development with six (6) two-bedroom units in the Codman Square – East Codman Hill neighborhood of Dorchester, to be built on a vacant parcel owned by the Borrower. All six (6) units will be Workforce Housing Units and will be restricted to households earning at least 61% and no more than 70% of Area Median Income. The Borrower has executed a term sheet from Eastern Bank for a senior construction and permanent loan of approximately \$795,000 and a bridge loan of approximately \$540,000. Staff propose that MassHousing invest in the Eastern Bank loan by acquiring a participation interest in the senior permanent loan, which is consistent with the intent of the Workforce Housing program requirement that the first mortgage loan be made by MassHousing or one of its lending partners. The Workforce loan and MassHousing’s participation investment will close simultaneously after completion of construction of the development and its

achievement of stabilized occupancy. The local neighborhood association as well as the Boston City Council and Zoning Board of Appeals support the project. 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 subordinate loan to T Lee Development LLC (the “Borrower”) for 246-248 Norwell Street in Dorchester, Massachusetts (the “Development”) in the amount not to exceed \$600,000 (the “Workforce Loan”), to be funded from that portion of the Opportunity Fund approved by the Board on March 8, 2016, designated and reserved for programs and investments related to the creation of workforce housing and subject to the terms and conditions of MassHousing’s Workforce Housing Guidelines adopted by the Board on July 12, 2016, as duly modified from time to time (the “Workforce Housing Guidelines”); provided that the First Mortgage Requirements of the Workforce Housing Guidelines shall not apply; and further subject to (i) any applicable delegations of authority previously approved by the Board; (ii) compliance with all applicable laws and regulations and requirements of applicable financing programs, including those General Multifamily Loan Closing Standards, approved by the Board on July 12, 2016, as duly modified from time to time (the “Closing Standards”) deemed applicable by the Agency to the Workforce Loan for the Development; and (iii) the following special condition: the Participation Investment (as defined below) shall close concurrently with the closing of the Workforce Loan.

VOTED: To authorize the Agency, concurrently with or after the closing on the Workforce Loan, to purchase as an investment (the “Participation Investment”) a 100% participation interest (or, with the written approval of the Financial Director, a lesser participation interest) in the first-priority construction/permanent loan to the Borrower for the Development (the “Senior Loan”) made by Eastern Bank (the “Senior Lender”), which Participation Investment shall be in an amount equal to the principal balance of such Third-Party Senior Loan (or, if the Agency purchases less than a 100% participation interest, the portion of such principal balance corresponding to the participation interest being acquired) but not to exceed seven hundred ninety-five thousand dollars (\$795,000) (the “Investment Amount”) and subject to the following condition(s):

- (i) construction of the Development, as reflected in the plans and specifications approved by Agency staff, shall have been completed;
- (ii) the Development shall be performing in accordance with the Senior Lender’s underwriting terms reflected in its term sheet, including, but not limited to, achievement of stabilized occupancy, defined as (1) the Development’s achieving rents as underwritten by the Senior Lender and (2) the Development’s rental income, less the greater of underwritten operating expenses or annualized actual operating expenses, resulting in a debt service coverage ratio equal to or better than the coverage assumed by the Senior Lender as part of such underwriting, in each case for at least a

- ninety (90)-day period preceding the closing on such Participation Investment;
- (iii) the Borrower shall have fully funded an operating reserve, in an amount approved by Agency staff;
 - (iv) the Senior Loan shall have been closed and funded in an amount acceptable to the Director of Rental Underwriting and on terms approved by Agency staff, in consultation with the General Counsel, and shall convert to permanent status concurrently with (or prior to) the closing of the Participation Investment;
 - (v) the Senior Loan shall be in a sole, first-priority position, and no default, nor any condition that with the giving of notice and/or the lapse of time would constitute a default, shall exist thereunder;
 - (vi) Agency staff shall have determined that there is a reasonable likelihood that the Senior Loan will be fully repaid at maturity;
 - (vii) the Agency shall have closed and funded (or shall concurrently close and fund) the Workforce Loan for the Development, which shall be in a sole, second-priority position;
 - (viii) the Participation Investment shall satisfy those terms and conditions of the Agency's Investment Policy adopted March 10, 2015 that are applicable to investing in a participation interest in a third-party senior mortgage loan, as determined by the Financial Director;
 - (ix) the Agency shall have entered (or shall concurrently enter) into one or more agreements with the Senior Lender to document the terms and conditions of the Participation Investment on terms and conditions approved by the Financial Director, Director of Rental Underwriting, and General Counsel; and
 - (x) the Borrower shall have confirmed, with supporting evidence satisfactory to Agency staff, in consultation with the General Counsel, that no consent by the Borrower, any constituent Borrower entity or any other party (other than the Senior Lender) is required for the Agency's participation investment in the Senior Loan, or, if so required, that (each) such required consent has been duly granted.

**FURTHER
VOTED:**

The Financial Director is hereby authorized to designate in the Agency's financial records that funds in the amount of the Participation Investment Amount authorized by the foregoing vote are restricted to the fulfillment of the foregoing, in such manner as the Financial Director shall deem appropriate in accordance with generally accepted accounting principles and subject to his determination that (i) the Participation Investment would not have a material adverse effect on the financial position of MassHousing, and (ii) the use of the Agency assets designated by the Financial Director to fund the Participation Investment would not violate any agreements with third-party credit providers for its bonds; and

FURTHER

VOTED: The Executive Director, Deputy Director and General Counsel, each acting singly, is hereby authorized to execute and deliver on behalf of the Agency such agreement(s) to effectuate the foregoing as the General Counsel shall advise to be necessary or appropriate.

**ATTACHMENT A
STATUTORY FINDINGS AND DETERMINATIONS**

Statutory Findings:

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

(1) Provision of Low-income Set-aside Units

At least twenty percent (20%) of the units in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

(2) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (appx. 1,235 units) in the area revealed a strong rental market. Current occupancy rates of the 6 comparable developments reviewed had an average occupancy of approximately 97.7 %, and range between 94.5% and 100%.

REIS, Inc. data (4th Qt. 2016) for the subject’s Boston City submarket have projected a vacancy rate at 5.9% YTD (4.7% Boston Metro). This rate is projected to increase to 8.0% over the next five years, while the Boston Metro is projected to increase to 5.5%. Vacancies in Boston City submarket have averaged approximately 4.3% over the last five years, while the Boston Metro has averaged 4.4%.

Further, *REIS, Inc.* submarket data for the subject’s Class A building type (7,886 units) indicates a 4th Qt. 2016 vacancy rate of 10.5% at an average asking rent of \$2,532. The development when completed along with the proposed amenities, more closely reflects the Class A property type, and is reflected in both the vacancy rate and market rent potential.

None of the comparable reviewed were offering rent concessions, although the use of concessions continues in the Boston Metro. The 4th Qt. 2016 *REIS, Inc.* data indicates that the Boston City submarket is offering .56 months free rent.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/05/14), the City of Boston 269,482 year-round housing units, 49,324 (18.3%) of which are subsidized for low/moderate income households. Boston Housing Authority (BHA) owns and/or operates approximately 63 housing developments of which 36 are elderly/disabled and 27 are family for a total of 12,623 housing units. In addition to housing

developments, BHA administers approximately 14,284 Section 8 housing rental assistance vouchers.

According to the Boston Housing Authority's (BHA) 5-year plan (2015-2019), the BHA owns and operates 63 family and elderly/disabled developments. The BHA also administers Housing Choice Vouchers (Section 8 or Leased Housing) to over 11,000 families. In addition, the City of Boston's Consolidated plan (FY2016) indicated that BHA maintain the following wait lists: There are 2,432 households on the Section 8 tenant-based assistance wait list, including 1,189 families with children, 617 families with disabilities and 75 elderly families. The BHA also had Single applicants on the waiting list. In addition, there were instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at his time. They also maintain a Public Housing Wait list with 30,411 including 12,845 families with children, 8,068 families with disabilities and 8,760 elderly families. The BHA also had single applicants on the waiting list and families that fit into one or more categories. This waiting list is open.

U.S. Census data from the 2011-2015 American Community Survey (ACS) indicates that of the 256,294 households in the City of Boston approximately 68.1% earned less than the HUD published 2017 AMI (\$103,400), approximately 47.0% earned less than 50% of 2017 AMI, approximately 53.1 % earned less than 60% of the 2017 AMI and approximately 61.8% earned less than 80% of the 2017 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 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. Although it is a low-income development, it is located in an area that includes a mix of residential and numerous retail and restaurant uses.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

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

Rental Determinations

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

Number of Bedrooms	2BR
Number of Units	6
Net SF/Unit	
Elev. (E)/Non-Elev (N)	N
Market Rate Rent	
(10% Rate 20-year term)	\$2,293
MHFA Below Market Rent	
(Cost-based Rent)	\$1,566
MHFA Rent Adjusted	
Underwriting Rents	
Market Rents	\$1,740
WFH < 70%	\$1,566
Utility Allowance	\$0

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.

Pine Grove Village - Lexington

Kathleen Evans presented a proposal for Pine Grove Village (the “Development”), a 16-unit townhouse community in Lexington originally financed with a Section 13A mortgage which will maturing on March 1, 2019. The Development currently operates as a cooperative, with rental and homeownership units. The Pine Grove Village Cooperative Corporation (the “Current Owner”) has requested that the Agency make a grant to the Lexington Housing Authority (“LHA”) from Opportunity Funds designated for 13A projects in connection with its proposal to: (i) prepay the existing 13A mortgage, (ii) convert the Development to a condominium structure, (iii) transfer ownership and management of five project-based MRVP rental units to LHA; (iv) rehabilitate the rental units and common areas and (v) preserve the long-term affordability at the Development for both the low and moderate-income units.

The Development contains both rental and homeownership units, with two tiers of affordability: the five rental units are restricted to extremely low-income households and are subsidized through a project-based MRVP contract, and the remaining 11 homeownership units are restricted to households at 80% AMI. The households occupying the homeownership units have purchased

shares in the cooperative. While only households at or below 80% AMI may purchase co-op shares, the price of those shares is unrestricted.

This transaction would convert the cooperative to a condominium structure. The five project-based MRVP units would be conveyed to the Lexington Housing Authority, which would operate them as rental units, and the existing cooperative shareholders will use their cooperative shares to purchase their units. Going forward, the homeownership units will be subject to the same 80% AMI income restriction, but they will also be subject to a price restriction, setting the maximum purchase price at an amount affordable to households at 80% AMI. Upon a motion duly made and seconded, it was

VOTED: To approve a grant to the Lexington Housing Authority or another entity approved by the Massachusetts Housing Finance Agency (the “Grantee”) with respect to the development known as Pine Grove Village (the “Development”) in an amount not to exceed \$683,380, comprised of \$95,670 of previously disbursed funds, \$532,000 funded from the portion of the Opportunity Fund approved by the Board on March 8, 2016 designated and reserved for preservation of the Section 13A portfolio, and \$55,710 from the 13A and 13R subsidy associated with the Development, subject to the following special condition as they may be modified by the Executive Director: (1) Grantee shall take ownership of five units within the Development, (2) affordability for the 11 moderate-income homeownership and 5 low-income rental units at the Development shall be preserved to the satisfaction of the Director of Rental Underwriting; (3) the Director of Rental Underwriting shall approve a sources and uses of funds detailing the allocation of the grant funds, (4) all applicable requirements of Massachusetts General Laws C. 40B and 40T shall be met, and (5) subject to such other terms and conditions as required by the Executive Director or his designee; all of the foregoing, including the creation of the so-called Moderate-Income Purchase Reserve at the Development, to be memorialized with transaction documents in form and substance acceptable to the General Counsel.

FURTHER

VOTED: To authorize the Executive Director, or his designee, to permit the prepayment, in connection with the foregoing, of the existing loan(s) from the Massachusetts Housing Finance Agency for the Development without the need to make the findings set forth in the original mortgage.

FURTHER

VOTED: To authorize the Executive Director, Deputy Director, and General Counsel, each acting singly, to execute and deliver on behalf of the Agency such documents and agreements to effectuate the grant and prepayment described in the preceding votes as the General Counsel shall advise to be necessary and appropriate.

Wellington Community - Worcester

Meaghan McCarthy presented a proposal for Wellington Community in Worcester. An affiliate of WinnDevelopment seeks approval for Official Action Status, a \$16,400,000 permanent loan on

completion of rehabilitation, a \$600,000 tax-exempt equity bridge loan and the use of 4% low income housing tax credits, with the permanent loan insured under the HUD/HFA Risk Sharing Program.

Wellington Community is an existing 180-unit scattered site family development located in Worcester; located in a historical district, all but one of the eleven buildings are listed on the National Register of Historic Places. This transaction represents an opportunity to preserve and recapitalize this affordable housing development. As part of this transaction, Wellington Redevelopment 2 Limited Partnership will acquire the development from a Winn affiliate, with Winn buying out the limited partners of the existing borrower and undertake a significant rehabilitation of the development. The development is currently in MassHousing's portfolio and hasn't undergone a substantial rehabilitation since 1981. Upon a motion duly made and seconded, it was

Official Action Status

VOTED: (i) that the Agency grant Official Action Status and consider the application for a permanent loan commitment for the multifamily development known as "Wellington Community" (the "Development") at such time as it is submitted; (ii) that this vote serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of \$17,000,000 in principal amount for the Development; (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Code or Treasury Regulations promulgated thereunder.

Mortgage Loans

VOTED: To approve the findings and determinations contained in Attachment B hereto and to authorize (a) a permanent first mortgage loan in a principal amount of up to \$16,400,000, with the permanent loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to \$600,000, in each case to be made to Wellington Redevelopment 2 Limited Partnership or another single-purpose entity controlled by WinnDevelopment Company Limited Partnership (the "Borrower") as owner of the multifamily residential development known as "Wellington Community" (the "Development") and located in Worcester, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved by the Board, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER

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

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

FURTHER

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

FURTHER

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

ATTACHMENT A
Official Action Status Findings

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

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

2. The Mortgagor/Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

ATTACHMENT B STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

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

(1) The affordability of rents for 20% of the units:

36 units (20%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

(2) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (appx. 1,547 units) in the area revealed a strong market, with increasing rental and occupancy rates over that past three years. The current occupancy rates of the six developments reviewed averaged approximately 97.2%, and range between 97% and 100%. The subject property has operated as a Section 8 property since 1981 and has had a historical vacancy rate of .29%. A review of similar mixed income/subsidized portfolio properties (1,632 units) demonstrated a weighted average vacancy rate of approximately of 4.60%.

There is no submarket data for Worcester; therefore, we use the Worcester metro area data. REIS, Inc. data (2nd. Qt. 2017) for the Worcester metro has a 2nd quarter vacancy rate at 3.9% and 4.0% for the YTD. This rate is projected to increase to 4.7% over the next five years.

Based on information obtained from the City of Worcester's Five Year Consolidated Plan (2015-2020), Worcester Housing Authority (WHA), the authority maintains 3,934 units of housing, (3,595 Federal and 339 State). The WHA also administers 2,027 tenant-based assistance programs of which 301 are Project-based vouchers and 1,726 are Tenant-based vouchers. They also administer 547 Special Purpose Vouchers of which 246 are Veterans Affairs Supportive Housing and 301 are Family Unification Program vouchers. Worcester has participated in the Massachusetts Section 8 Housing Choice Waiting list since 2006 which is currently open, with a wait of up to 10 years for the HCV. Per the consolidated plan, there are more than 12,300 families on the WHA combined public and leased housing waiting lists and the demand keeps growing. Approximately 10,650 applicants are on the waiting list for the Section 8 housing vouchers.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/5/2014), the City of Worcester has 74,383 year round housing units, 9,974 (13.4%) of which are subsidized for low/moderate income households.

U.S. Census data from the 2011-2015 American Community Survey (ACS) indicates that of the 68,576 households in the City of Worcester, approximately 73.5% earned less than the HUD published 2017 AMI (\$86,700), approximately 47.8% earned less than 50% of the 2017 AMI, approximately 55.0% earned less than 60% of the 2017 AMI, and approximately 66.3% earned less than 80% of the 2017 AMI.

(3) Inability of Private Enterprise Alone to Supply Affordable Housing

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

(4) No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households. This is an existing development, and although it is a low-income development, it is located in an area that includes market rate developments and it is located in an area that includes a mix of residential and retail uses.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

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

Rental Determinations:

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

Rent Schedule:

	1 BR	2 BR	3 BR	4 BR
Number of Bedrooms	1 BR	2 BR	3 BR	4 BR
Number of Units	69	85	20	6
Net SF/Unit	648	822	977	970
Elev. (E) / Non-Elev. (N)	E	E	E	E
Market Rate Rent (10% Rate 20-year term)	\$2,231	\$2,508	\$2,622	\$2,742
MHFA Below Market Rent (Cost-based Rent)	\$1,921	\$2,198	\$2,312	\$2,432
MHFA Rent Adjusted	30% of income			
Underwriting Rents:				
Section 8 HAP Rents	\$1,259	\$1,535	\$1,650	\$1,770
Utility Allowance	\$43	\$58	\$94	\$131

Note: Underwriting rents for Section 8 project based units are net of utility allowance.

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.

Residences at Brighton Marine – Brighton

Meaghan McCarthy presented a proposal related to the Residences at Brighton Marine, a proposed 102-unit family development to be located in Brighton. WinnDevelopment, in partnership with Brighton Marine Health Center, is seeking \$9,400,000 in permanent financing upon completion of construction, as well as a \$14,000,000 tax credit equity bridge loan, a \$5,000,000 workforce housing subordinate loan and approval for the use of 4% low income housing tax credits. The permanent loan will be insured under the HUD/HFA Risk Sharing Program. Construction financing will be obtained from Bank of America, which will also serve as the tax credit investor.

The development will include a variety of income levels ranging from 30% AMI to 120% of AMI, and there will be a preference for veterans, men and women in active military service and their families. Upon a motion duly made and seconded, it was

Official Action Status

VOTED: (i) that the Agency grant Official Action Status and consider the application for a permanent loan commitment for the multifamily development known as “Residences at Brighton Marine” (the “Development”) at such time as it is submitted; (ii) that this vote serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or

incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of \$23,400,000 in principal amount for the Development; (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Code or Treasury Regulations promulgated thereunder.

Mortgage Loans

VOTED: To approve the findings and determinations contained in Attachment B hereto and to authorize (a) a permanent first mortgage loan in a principal amount of up to \$9,400,000, with the permanent loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to \$14,000,000, in each case to be made to Brighton Marine Housing Limited Partnership or another single-purpose entity controlled by Brighton Marine GP LLC (the "Borrower") as owner of the multifamily residential development known as "Residences at Brighton Marine" (the "Development") and located in Brighton, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved by the Board, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER VOTED

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

FURTHER VOTED:

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

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

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

FURTHER

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

FURTHER

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

**ATTACHMENT A
Official Action Status Findings**

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

1. The Mortgagor/Developer has acceptable multifamily housing development experience and acceptable credit history.
2. The Mortgagor/Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

**ATTACHMENT B
STATUTORY FINDINGS AND DETERMINATIONS**

Statutory Findings:

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

(1) The affordability of rents for 20% of the units:

21 units (20%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

(2) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (appx. 1,469 units) in the area revealed a strong rental market. Current occupancy rates of the five comparable developments reviewed had an average occupancy of approximately 98.6 %, and range between 95.5% and 100%. My review of similar mixed income/subsidized portfolio properties (705 units) demonstrated a weighted average vacancy rate of approximately 1.3%.

REIS, Inc. data (2nd Qtr. 2017) for the subject's Brookline/Brighton/Newton submarket have projected a vacancy rate at 3.8% YTD (5.0% Boston Metro). This rate is projected to increase to 4.2% over the next five years, while the Boston Metro is projected to increase to 5.8%. Vacancies in Brookline/Brighton/Newton submarket have averaged approximately 2.9% over the last five years, while the Boston Metro has averaged 5.8%.

Further, REIS, Inc. submarket data for the Class A building type (6,561) indicates a 2nd Qt. 2017 vacancy rate of 5.4% and an average asking rent of \$3,093 and, REIS, Inc. submarket data for the subject's Class B/C building type (11,939 units) indicates a 2nd Qtr. 2017 vacancy rate of 2.8% at an average asking rent of \$1,961. The development when completed along with the proposed amenities, more closely reflects the Class A property type, and is reflected in both the vacancy rate and market rent potential. None of the comparable reviewed were offering rent concessions, although the use of concessions continues in the Boston Metro. The 2nd Qtr. 2017, REIS, Inc. data indicates that the Boston City submarket is offering .75 months free rent and the Brookline/Brighton/Newton is offering .44 months free rent.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/05/14), the City of Boston 269,482 year-round housing units, 49,324 (18.3%) of which are subsidized for low/moderate income households. Boston Housing Authority (BHA) owns and/or operates approximately 63 housing developments of which 36 are elderly/disabled and 27 are family for a total of 12,623 housing units. In addition to housing developments, BHA administers approximately 14,284 Section 8 housing rental assistance vouchers.

According to the Boston Housing Authority's (BHA) 5-year plan (2015-2019), the BHA owns and operates 63 family and elderly/disabled developments. The BHA also administers Housing Choice Vouchers (Section 8 or Leased Housing) to over 11,000 families. In addition, the City of Boston's Consolidated plan (FY2016) indicated that BHA maintains the following wait lists which are filled as follows: There are 2,432 households on the Section 8 tenant based assistance wait list, including 1,189 families with children, 617 families with disabilities and 75 elderly families. The BHA also had Single applicants on the waiting list. In addition, there were instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at his time. They also maintain a Public Housing Wait list with 30,411 including 12,845 families with children, 8,068 families with disabilities and 8,760 elderly families. The BHA

also had single applicants on the waiting list and families that fit into one or more categories. This waiting list is open.

U.S. Census data from the 2011-2015 American Community Survey (ACS) indicates that of the 256,294 households in the City of Boston approximately 69.7% earned less than the HUD published 2017 AMI (\$103,400), approximately 47.0% earned less than 50% of 2017 AMI, approximately 53.1 % earned less than 60% of the 2017 AMI and approximately 61.8% earned less than 80% of the 2017 AMI.

(3) Inability of Private Enterprise Alone to Supply Affordable Housing

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

(4) No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households. Although it is a low-income development, it is located in an area that includes market rate developments and it is located in an area that includes a mix of residential and retail uses.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

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

Rental Determinations:

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

Rent Schedule:

Number of Bedrooms	0	1	2	3
Number of Units	11	47	33	11
Net SF/Unit	523	697	980	1247
Elev./Non-Elev.	E	E	E	E
Market Rate Rent (10% Rate 20 Yr. Term)	\$2,867	\$3,025	\$3,309	\$3,726

MHFA Below Market Rent (Cost-Based Rent)	\$1,767	\$1,925	\$2,209	\$2,626
MHFA Adjusted Rent	30% of Income			
Underwriting Rents				
Rental Assisted PBV	\$1,145	\$1,310	\$1,608	\$2,013
Tax Credit at 30% AMI	\$471	N/A	\$584	N/A
Tax Credit at 60% AMI	\$987	\$1,047	\$1,249	\$1,436
Workforce (80% AMI)	\$1,300	\$1,390	\$1,650	\$1,900
Workforce (120% AMI)	\$1,686	\$2,044	\$2,700	\$3,200

*Underwriting rents for PBV , 30% AMI and 60% AMI units are net of utility allowances

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

Bowdoin Apartments – Malden

Meaghan McCarthy presented a proposal for a taxable permanent loan for Bowdoin Apartments in Malden, which is 226-unit family development consisting of 15 three-story garden-style apartments that were constructed in 1965. The taxable permanent loan would be made pursuant to MassHousing’s MAP/Ginnie Mae Joint Venture Lending Initiative, with Rockport Mortgage as the MAP Lender Partner. MassHousing’s credit exposure for loans insured by FHA under Section 223(f) of the National Housing Act is approximately one percent (1%). The proposal also calls for the prepayment of an existing senior MassHousing loan, repayment of a subordinate loan from the Massachusetts Housing Partnership, and resubordination of a loan from the Massachusetts Technology Collective (which has since been acquired by a party related to the borrower). Upon a motion duly made and seconded, it was

VOTED: To approve the findings and determinations contained in Attachment A 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 \$32,826,200, 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 \$ 49,239,300 nor less than \$ 16,413,100 to Lisbon Street Limited Partnership (“Borrower”) for Bowdoin Apartments and (2) to make the FHA-insured first mortgage loan to Lisbon Street Limited Partnership for Bowdoin Apartments in the approximate amount of \$ 32,826,200 subject to the limitation that the final amount of such loan shall not be more than \$ 49,239,300 nor less than \$ 16,413,100 on terms acceptable to MassHousing, in

compliance with the terms of the Prepayment Approval for MassHousing Multifamily Mortgages granted by the Board 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 authorized under the Ginnie Mae resolution adopted by the Agency on March 12, 2013, 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 Lisbon Street Limited Partnership for Bowdoin Apartments.

FURTHER

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

**ATTACHMENT A
FINDINGS AND DETERMINATIONS**

Statutory Findings:

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

(1) Provision of Low-income Set-aside Units

46 of the 226 total units (20%) 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

A strong market need for the affordable units is demonstrated by the large number of low-income persons in the City of Malden in relation to the number of subsidized housing units.

In-house data for larger market and mixed-income complexes (apex. 1,872 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 94.08%, and range between 92.5% and 96%. The subject property has been operated as subsidized development since 1965, and based on historic data the development and has average a vacancy rate of .81% over the last six years. A review of similar mixed

income/subsidized portfolio properties (1,230 units) demonstrated a weighted average vacancy rate of approximately 4.66%.

REIS, Inc. data (1st Qt. 2017) for the subject's Comparable Group submarket have a year-to-date vacancy rate at 4.7% , the Mystic River N/Rt. 128 has a rate of 7.3% and Boston Metro has a 4.9% vacancy rate. This rate is projected to increase to 8.6% over the next five years, while the Boston Metro is projected to increase to 6.1%. Vacancies in Mystic River N/Rt. 128 submarket have averaged approximately 5.2% over the last five years, while the Boston Metro has averaged 4.4%.

Further, REIS, Inc. submarket data for the subject's Class B/C building type (15,337 units) indicates a 1st Qt. 2017 vacancy rate of 5.1% at an average asking rent of \$1,501. The existing development, along with the proposed updates/renovations, more closely reflects the Class B/C property type, and is reflected in both the vacancy rate and market rent potential. Several of the comparable properties reviewed were offering rent concessions, and the use of concessions continues in the Boston Metro. Although, the 1st Qt. 2017 REIS, Inc. data indicates that the Mystic River North/Route 128 submarket is offering only .44 months free rent.

Per the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/05/ 14), the City of Malden has 25,122 year-round housing units, 2,562 (10.2%) of which are subsidized for low/moderate income households. Per the City of Malden's Consolidated Plan, Malden Housing Authority (MHA) owns and/or operates approximately 165 State elderly/disabled and 1,195 Federal (473 general population and 722 mixed population) public housing units, and oversees 986 vouchers of which 976 are Baseline and 20 are Shelter Plus Care. In addition, the City of Malden's Consolidated plan indicated that MHA maintain the following wait lists: There are 4,409 households on their public housing wait lists (630 elderly households; 2,811 family households and 968 families with disabilities). They also maintain a Project-Based Wait list with 1,561 households (473 elderly households, 959 family households, 6 families with disabilities and 123 single room occupancy units).

Regarding Housing Choice vouchers, Malden participates the MassNAHRO Centralized HCV Waiting list with a total waiting list of 148,674, and the list is currently open.

U.S. Census data from the 2011-2015 American Community Survey (ACS) indicates that of the 22,914 households in the City of Malden, approximately 71.2% earned less than the HUD published 2016 AMI (\$98,100), approximately 45.2% earned less than 50% of 2016 AMI, approximately 52.7% earned less than 60% of the 2016 AMI and approximately 63.2% earned less than 80% of the 2016 AMI.

(3) Inability of Private Enterprise Alone to Supply Affordable Housing

Based on information provided by the MAP Lender Partner, 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 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 development will continue a 10-year history of serving households earning less than 60 percent of the Area Median Income.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Staff is not aware of units within the same market area that require demolition or compulsory repair. 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 based on the underwriting performed by the MAP Lender Partner for units within the proposed Development:

RENT SCHEDULE:

Number of Bedrooms	1	2	3
Number of Units	59	95	72
Net SF/Unit	532	718	1047
Elev./Non-Elev.	N	N	N
Market Rate Rent (10% Rate 20 Yr. Term)	\$2,092	\$2,361	\$2,630
MHFA Below Market Rent (Cost-Based Rent)	\$1,290	\$1,559	\$1,829
MHFA Adjusted Rent	30% of Income		
MAP Lender Partner			
Underwriting Rents			
Section 8	\$1,540	\$1,850	\$2,250
60% AMI	\$1,104	\$1,309	\$1,503
"BRO" Restricted	\$904	\$1,041	\$1,238
Market	\$1,157	\$1,404	\$2,250

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.

Concord Houses - Boston (South End)

David Keene presented a proposal with respect to Concord Houses, in the South End of Boston. Concord Houses is a 181-unit family apartment development consisting of two seven-story buildings that were constructed under the HUD Section 236 program in 1976. The taxable permanent loan would be made pursuant to MassHousing's MAP/Ginnie Mae Joint Venture Lending Initiative, with Rockport Mortgage as the MAP Lender Partner. MassHousing's credit exposure for loans insured by FHA under Section 223(f) of the National Housing Act is approximately one percent (1%). Upon a motion duly made and seconded, it was

VOTED: To approve the findings and determinations contained in Attachment A 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 \$35,000,000, 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 \$52,500,000 nor less than \$17,500,000 to Concord Houses Associates LP (the "Borrower") for Concord Houses in Boston, MA (the "Development") and (2) to make the FHA-insured first mortgage loan to the Borrower for the development in the approximate amount of \$35,000,000, subject to the limitation that the final amount of such loan shall not be more than \$52,500,000 nor less than \$17,500,000 on terms acceptable to MassHousing, in compliance with the terms of the Prepayment Approval for MassHousing Multifamily Mortgages granted by the Board 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, and further subject to the following special condition: Satisfactory resolution of future affordability and land use requirements as approved by the Executive Director.

FURTHER

VOTED: That the Massachusetts Housing Finance Agency, acting through its officers authorized under the Ginnie Mae resolution adopted by the Agency on March 12, 2013, 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 Concord Houses Associates LP for Concord Houses.

ATTACHMENT A FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966 as amended (the "Act"). Pursuant to Section 5(g) of the Act,

staff makes the following findings for the proposed Development:

(1) Provision of Low-Income Set-aside Units

At least twenty percent (20%) of the units in the Development will be affordable to low-income persons and families (i.e. at or below 80% of Area Median Income), as specified in the Act, at the adjusted rentals shown in the rent schedule below.

(2) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (900 approximate units) in the area revealed a strong rental market. Current occupancy rates of the comparables reviewed averaged approximately 99.5% and range between 99% and 100%. The subject property has operated as a Section 236 property since 1978 and has had a historical vacancy rate of 1.13% over the last 6 years.

REIS, Inc. data (1st Qt. 2017) for the subject's Boston City submarket area indicated a vacancy rate at 5.5% YTD (4.9% Boston Metro). This rate is projected to increase to 8.3% over the next five years, while the Boston Metro is projected to increase to 6.1%. Vacancies in the Boston City 1 submarket have averaged approximately 4.3% over the last five years, while the Boston Metro has averaged 4.4%.

Further, *REIS, Inc.* submarket data for the subject's Class B/C Properties (8,765) indicates a 1st Qtr. 2017 vacancy rate of 3.0%. The existing development, along with the proposed updates/renovations, reflects the Class B/C property type, and is reflected in both the vacancy rate and market rent potential.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/5/2014), the City of Boston has 269,482 year-round housing units, 49,324 (18.3%) of which are subsidized for low/moderate income households.

The Boston Housing Authority (BHA) owns and/or operates approximately 63 housing developments, of which 36 are elderly/disabled and 27 are family occupied for a total of 12,623 housing units. In addition to housing developments, BHA administers approximately 14,284 Section 8 housing rental assistance vouchers.

In addition, the City of Boston's Consolidated Plan (FY 2016) indicated that the BHA maintains the following waiting lists: there are 2,432 households on the Section 8 tenant-based assistance waiting list, including 1,189 families with children, 617 families with disabilities, and 75 elderly families. The BHA also had Single applicants on the waiting list. In addition, there were 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 it at this time. The BHA also maintains a Public Waiting List with 30,411, including 12,845 families with children, 8,068 families with disabilities and 8,760 elderly families. The BHA also had single applicants on the waiting list and families that fit into one or more categories. This waiting list is open.

U.S. Census data from the 2010-2014 American Community Survey (ACS) indicates that, of the 256,294 households in the City of Boston, approximately 69.7% earned less than the HUD published 2017 Area Median Income (AMI) of \$103,400; approximately 47% earned less

than 50% of the 2017 AMI; approximately 53.1% earned less than 60% of the 2017 AMI; and approximately 61.8% earned less than 80% of the 2017 AMI.

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

(3) Inability of Private Enterprise Alone to Supply Affordable Housing

Based on information provided by the MAP Lender Partner, 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 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. Although it is a low-income development, it is in an area that includes a mix of residential and numerous retail uses.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

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

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations based on the underwriting performed by the MAP Lender Partner for units within the proposed Development:

RENT SCHEDULE:

Number of Bedrooms	1	2	3	4
Number of Units	144	27	8	2
Net SF/Unit	575	850	1,248	1,728
Elev./Non-Elev.	E	E	E	E
Market Rate Rent (10% Rate 20 Yr. Term)	\$3,184	\$3,561	\$4,527	\$4,144

MHFA Below Market Rent	\$1,901	\$2,278	\$3,244	\$2,861
(Cost-Based Rent)				
MHFA Adjusted Rent		30% of income		
MAP Lender Partner				
Underwriting Rents				
80% AMI Rents	\$1,413	\$1,695	\$1,954	\$2,106
Section 8 Rents	\$2,450	\$3,000	\$4,125	\$4,800

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.

Hope Gardens House - Attleboro

David Keene presented a proposal with respect to Hope Gardens House, in Attleboro Hope Gardens is a 160-unit elderly apartment development consisting of three 3-story buildings that were constructed under the HUD Section 8 program in 1981. The taxable permanent loan would be made pursuant to MassHousing’s MAP/Ginnie Mae Joint Venture Lending Initiative, with Rockport Mortgage as the MAP Lender Partner. MassHousing’s credit exposure for loans insured by FHA under Section 223(f) of the National Housing Act is approximately one percent (1%). Upon a motion duly made and seconded, it was

VOTED: To approve the findings and determinations contained in Attachment A 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 \$15,440,000, 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 \$23,160,000 nor less than \$7,720,000 to Hope Gardens Associates (the "Borrower") for Hope Gardens Apartments in Attleboro, MA (the "Development") and (2) to make the FHA-insured first mortgage loan to the Borrower for the Development in the approximate amount of \$15,440,000, subject to the limitation that the final amount of such loan shall not be more than \$23,160,000 nor less than \$7,720,000 on terms acceptable to MassHousing, in compliance with the terms of the Prepayment Approval for MassHousing Multifamily Mortgages granted by the Board 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 authorized under the Ginnie Mae resolution adopted by the Agency on March 12, 2013, 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 Hope Gardens Associates for Hope Gardens Apartments.

**ATTACHMENT A
FINDINGS AND DETERMINATIONS**

Statutory Findings:

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

(1) Provision of Low-Income Set-aside Units

At least twenty percent (20%) of the units in the Development will be affordable to low-income persons and families (i.e. at 80% of Area Median Income), as specified in the Act, at the adjusted rentals shown in the rent schedule below.

(2) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (approximately 721 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties averaged approximately 98.3%, and ranged between 96.3% and 100%. The subject has operated as a 100% Section 8 elderly development since approximately 1981, and based on historic data, the development has averaged a vacancy rate of .729 % over the last six years. Our review of similar mixed income/subsidized portfolio properties (1,006 units) demonstrated a weighted average vacancy rate of 3.05%.

REIS, Inc. data (2nd Qt. 2017) for the subject's South/SE Suburban submarket have projected a vacancy rate at 4.1% YTD (4.9% Boston Metro). This rate is projected to increase to 4.7% over the next five years, while the Boston Metro is projected to increase to 5.8%. Vacancies in the South/SE Suburban submarket have averaged approximately 4.7% over the last five years, while the Boston Metro vacancy rate has averaged 4.5%.

Further, REIS, Inc. submarket data for the subject's Class A building type (4,137) indicates a 2nd Qt. 2017 vacancy rate of 6.5% and an average asking rent of \$1,705. However, the development when completed may more closely reflect a Class B/C property type in both the vacancy rate and market rent potential. REIS, Inc. submarket data for the Class B/C building type (11,797 units) indicates a 2nd Qt. 2017 vacancy rate of 3.3% and an average asking rent of \$1,412.

None of the comparable reviewed offered concessions. However, the use of concessions continues in the Boston Metro and the 2nd Qt. 2017 REIS, Inc. data indicates that the South/SE Suburban submarket is offering 0.48 months' free rent and the Boston Metro is offering 1.13 months' free rent.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/05/14), the City of Attleboro had 17,798 year-round housing units, 1,177 (6.5%) of which are subsidized for low/moderate income households.

Further, the Attleboro Housing Authority (AHA) owns and /or operates four State-funded Elderly/Disabled Public Housing developments which have 319 one bedroom units. Per the representative of AHA, there are 503 applicants on the waiting list for these units and the wait list is approximately 2 or more years. They also own and/or operate one State-funded family site with 52 two-bedroom units and 39 three-bedroom units. In addition, they operate 2 one-bedroom and 13 two-bedroom units offsite and 6 three-bedroom units located in three separate duplexes within the city limits. Per the representative of AHA, the approximate wait time for these units is over 7 years. The breakdown of applicants for the family units is as follows: 1BR-175 applicants, 2BR-818 applicants and 3BR-298 applicants. They also participate in the Massachusetts Rental Voucher Program (MRVP), and the breakdown of MRVP applicants is as follows: 1BR – 240 applicants, 2BR-454 applicants and 3BR- 179 applicants. Also per the AHA representative, they administer 195 Section 8 Housing Choice Vouchers in the centralized waiting list administered through the state, and wait time is over ten years.

U.S. Census data from the 2011-2015 American Community Survey (ACS) indicates that, of the 6,035 households in the City of Attleboro, approximately 48.4% earned less than the HUD published 2017 AMI (\$81,000); approximately 21.6% earned less than 50% of 2017 AMI; approximately 27.7% earned less than 60% of the 2017 AMI; and approximately 39.5% earned less than 80% of the 2017 AMI.

(3) Inability of Private Enterprise Alone to Supply Affordable Housing

Based on information provided by the MAP Lender Partner, 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 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. Although it is a low-income development, it is in an area that includes a mix of residential and numerous retail uses.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, 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 based on the underwriting performed by the MAP Lender Partner for units within the proposed Development:

Rent Schedule

Number of Bedrooms	1	2
Number of Units	145	15
Net SF/Unit	575	850
Elev./Non-Elev.	E	E

Market Rate Rent (10% Rate 20 Yr. Term)	\$1,744	\$1,939
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MHFA Below Market Rent (Cost-Based Rent)	\$1,206	\$1,401
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MHFA Adjusted Rent	30% of Income	
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Underwriting Rents

Section 8	\$1,245	\$1,435
80% AMI	\$1,052	\$1,265

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.

Acting Chairman Chai then called upon Chrystal Kornegay, Executive Director, for her monthly report to the Members.

Janelle Chan joined the meeting at 2:10 pm.

Executive Director’s Report

Ms. Kornegay began by presenting an overview of Standard & Poor’s Issuer Credit Rating. Standard & Poor stated that it believes MassHousing diligently manages its risk well while pursuing strategic initiatives that meet its mission. Ms. Kornegay continued by stating the

Standard & Poor's report gives MassHousing a stable outlook given the very strong credit quality of our portfolio. Ms. Kornegay went on to say MassHousing's total equity and equity-to-assets ratio is higher than those of other similarly-rated HFAs and MassHousing is well-capitalized to cover potential losses in its bond programs. In addition, Ms. Kornegay stated the S&P report praised MassHousing's high-quality investment portfolio and credited the agency's prudent philosophy and careful oversight as well as MassHousing's extremely manageable level of exposure to variable-rate debt and swap counterparties, particularly when compared with that of other rated HFAs.

Ms. Kornegay continued her report by stating S&P considers MassHousing's senior management and staff to be highly competent, well trained in their areas of expertise and proactive in addressing key issues and she thanked Charles Karambakas and Paul Scola for all the work they do.

Ms. Kornegay went on to discuss year end production results. In the past five years, \$1 billion in production has been MassHousing's new normal and production includes both single-family and multi-family housing. She continued by stating home ownership production has been going down over the past five years and that is attributable to low inventory, higher interest rates and pre-payment of mortgages. However, our mortgage insurance product has resulted in a huge increase in business. Ms. Kornegay offered her congratulations to the Home Ownership team.

Ms. Kornegay also mentioned the discounted mortgage insurance program has been extended and the down payment assistance program has shown great results.

Ms. Kornegay went on to say that so far 2019 YTD we are on track and she fully expects rental production to meet its goals.

Ms. Kornegay next introduced Steve Dowling, Operations Analyst in the Accounting Operations department. Mr. Dowling joined MassHousing in 1981 and his responsibilities include processing lock box payments and subsidy payments. Ms. Kornegay reported that Mr. Dowling said he was originally drawn to MassHousing because he likes helping people and he had an interest in real estate. Also, Ms. Kornegay stated that Mr. Dowling enjoys the dedication, collaboration and hard work of his co-workers and he enjoys embracing the daily challenges of his work.

Ms. Kornegay concluded her report by introducing a video produced by several MassHousing interns featuring people who have been helped by MassHousing's CCRI program.

Lisa Serafin commented on the S&P report stating that it is the staff at MassHousing who makes this happen. Ms. Serafin went on to say she sees the proactiveness of MassHousing's staff on the Loan Committee. The agency approaches problems and finds solutions and Ms. Serafin wanted to acknowledge that.

Princeton Chelmsford

Charles Karimbakas presented a Series Resolution for Princeton Chelmsford Apartments in Chelmsford authorizing the issuance of Bonds and/or Notes under one of more of MassHousing's existing rental development programs with an aggregate principal amount not to exceed \$30

million of variable rate bonds. Mr. Karimbakas noted that certain potential risks of variable rate bonds will be mitigated by liquidity requirements and a required interest rate cap. Mark Attia asked about the interest rate cap. Mr. Karimbakas responded that the Borrower will be required to purchase an interest rate cap and that MassHousing has done several developments with this developer and the developer likes variable rate loans. Mr. Attia then asked if the risk was borne by the developer. Mr. Karimbakas responded that the interest rate risk is mitigated by the interest rate cap and the liquidity requirements. Ms. Avellaneda asked if MassHousing is comfortable with the developer's performance and with enforcing the terms of the loan. Ms. Avellaneda went on to question whether the loan to cost/value is a little high. Mr. Karimbakas responded the loan cost to value is consistent with MassHousing's underwriting guidelines. Ms. Avellaneda then asked if we have done work with this developer before. Mr. Karimbakas responded that we have and these loans have not been a problem. Upon a motion duly made and seconded, it was resolved as follows

**A RESOLUTION OF THE MASSACHUSETTS HOUSING
FINANCE AGENCY ADOPTING SERIES RESOLUTIONS
RELATED TO THE ISSUANCE AND SALE OF NOT EXCEEDING
\$30,000,000 AGGREGATE PRINCIPAL AMOUNT OF BONDS
AND/OR NOTES AND AUTHORIZING OFFICERS OF
MASSHOUSING TO APPROVE CHANGES THERETO AND
AUTHORIZING THE NEGOTIATION AND APPROVAL OF
CERTAIN OTHER DOCUMENTS IN CONNECTION
THEREWITH**

WHEREAS, the Massachusetts Housing Finance Agency ("MassHousing") has previously adopted various general bond and note resolutions (the "General Resolutions") authorizing the issuance of bonds and/or notes for the purposes of financing or refinancing loans for the acquisition and/or development of multifamily rental housing, refunding other obligations of MassHousing and establishing reserves therefor;

WHEREAS, in furtherance of the provision of mixed income residential facilities and other housing available to low and moderate income persons and families in the Commonwealth, MassHousing desires to provide for the adoption of one or more series resolutions pursuant to the General Resolutions, authorizing the issuance of one or more series of bonds and/or notes for the purpose of financing or refinancing the development known as Princeton Chelmsford Apartment Homes, located in Chelmsford, Massachusetts, consisting of the acquisitions and construction of four buildings with 108 units; and

WHEREAS, MassHousing desires to adopt such resolutions and agreements as may be necessary to effectuate the foregoing purposes and to provide for the modification of such resolutions to the extent necessary; now, therefore, be it

RESOLVED, by the Members of MassHousing as follows:

Section 1. MassHousing hereby adopts one or more Series Resolutions (the "Series Resolutions"), authorizing the issuance of Bonds and/or Notes under one or more of MassHousing's existing rental development programs with an aggregate principal amount not to

exceed \$30,000,000 (the "Obligations"). The Series Resolutions shall be in substantially the form previously used by MassHousing, with such changes as shall be deemed necessary in accordance with Section 4 of this Resolution. The Obligations may be issued in one or more series.

Section 2. The Series Resolutions shall provide that the Obligations to be issued thereunder shall be secured by and payable from any and all Revenues in accordance with the General Resolutions. MassHousing's obligations under the Obligations or any Related Agreement deemed necessary in accordance with Section 5 of this Resolution may also be secured by MassHousing's general obligation.

Section 3. The Obligations shall be sold to one or more members of MassHousing's approved underwriting team in accordance with the terms of one or more bond purchase agreements in substantially the forms previously used by MassHousing with respect to its rental development bond programs, with such changes, interest rates, redemption provisions and maturity schedules as shall be approved by an Authorized Officer, and the same are authorized to execute and deliver the bond purchase agreements. The Obligations may (i) be sold on a tax-exempt basis under federal tax law, provided they do not bear interest at such rates and are not sold at such prices such that the yield on the Obligations exceeds 7%; (ii) be sold on a taxable basis under federal tax law, provided they do not bear interest at such rates and are not sold at such prices such that the yield on the Obligations exceeds 10%; or (iii) bear interest at a variable rate to be determined in accordance with the provisions of a Series Resolution. The Obligations may be sold at a purchase price which reflects an aggregate underwriting fee or discount of not more than 2% of the principal amount of the Obligations issued.

Section 4. The Executive Director, Chairman, or Financial Director are hereby authorized to approve and execute such changes, additions and revisions to the Series Resolutions, including Series Resolutions with respect to Bonds previously issued under the applicable General Resolution, and the documents and agreements referred to herein and therein as are necessary to effectuate the purposes thereof.

Section 5. In connection with the issuance of any Obligations, MassHousing may enter into one or more remarketing agreements, standby bond purchase agreements, credit enhancement agreement or other liquidity agreements with respect to the Obligations ("Related Agreements"). The form of such Related Agreements shall be approved by an Authorized Officer, and the same are authorized to execute and deliver such agreements.

Section 6. MassHousing authorizes any Authorized Officer to submit the proposed terms of any transaction authorized above to the State Finance and Governance Board as may be necessary for their review in accordance with Section 98 of Chapter 6 of the General Laws, as amended, and the regulations promulgated thereunder.

Section 7. As used in this Resolution, the term Authorized Officer shall mean MassHousing's Chairman, Executive Director, General Counsel, Financial Director, Comptroller, Manager of Finance and Bond Compliance and any officer or employee of MassHousing acting in such capacity or any other Authorized Officer of MassHousing as defined in the General Resolutions.

Section 8. This resolution shall take effect immediately.

Loan Committee

King Pine, Orange

Antonio Torres presented a proposal for Commitment of Tax-Exempt Construction/Permanent Loan and Commitment of Tax-Exempt Syndication Bridge Loan for King Pine in Orange. King Pine is the rehabilitation of two adjacent properties in the MassHousing Portfolio.: King James Court and Pine Crest. King James Court is an elderly/disabled community with 120 units, and Pine Crest is a family apartment complex with 114 units. Retirement Housing Foundation has presented a proposal to combine and refinance the properties to fund repairs to both developments. In the proposed transaction, MassHousing will provide a tax-exempt construction and permanent loan and a tax-exempt syndication bridge loan. The loan proceeds will be used to prepay the Borrower's existing MassHousing debt, address capital needs at the property and fund an initial deposit to replacement reserve. Proposed improvements include extensive site work, including repaving driveways, curbing, walkways, buried electrical power line replacement, various accessibility upgrades, life safety improvements, roof and siding replacement, and selective upgrades to kitchens and baths. Upon a motion duly made and seconded, it was

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 permanent loan commitment for the multifamily development known as "King Pine" (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 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of \$12,815,000 in principal amount for the Development; (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Code or Treasury Regulations promulgated thereunder.

Official Action Status Findings

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

1. Retirement Housing Foundation ("Developer") has acceptable multifamily housing development experience and acceptable credit history.

2. The Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site of the Development is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

Mortgage Loans and Low-Income Housing Tax Credits

VOTED: To approve the findings and determinations contained in Attachment A hereto and to authorize (a) a construction/permanent first mortgage loan in a principal amount of up to \$9,800,000, with the permanent loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to \$1,850,000, in each case to be made to King Pine RHF Partners, LP or another single-purpose entity controlled by Retirement Housing Foundation (the "Borrower") as owner of the multifamily residential development to be known as "King Pine" (the "Development") and located in Orange, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved by the Agency, 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 Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, each acting singly, prior to loan closing, to be used in connection with the Development (or applicable portion thereof) will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

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

FURTHER

VOTED: To authorize the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental 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 (or applicable portion thereof) applying the standards set forth in the immediately preceding vote.

FURTHER

VOTED: To authorize the Executive Director and 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 mortgage loans, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or her designee.

ATTACHMENT A STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

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

(9) Provision of Low-income Set-aside Units

Two hundred and thirty-three 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.

(10) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (approximately 973 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 98.6%, and range between 95% and 100%. A review of similar mixed income/subsidized portfolio properties (3,144 units) demonstrated a weighted average vacancy rate of approximately 1.91%. King James Court has operated as a Section 8 property since approximately 1980 and has an average vacancy rate of 2.01% over the last 6 years. Pine Crest has operated as a Section 8 and MRVP property since approximately 1974 and has an average vacancy rate of 3.16% over the last 6 years.

There is no submarket data for the Orange area, therefore we relied on the Worcester metro area. *REIS, Inc.* data (4th Qt. 2017) for the Worcester metro area has a 4th Qt. vacancy rate at 3.4% and 3.7% for the YTD. This rate is projected to increase to 4.5% over the next five years.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (9/14/17), the Town of Orange has 3,461 year round housing units, 405 (11.7%) of which are subsidized for low/moderate income households.

Further, the Orange Housing Authority (OHA) owns and /or operates one state funded 56 unit 1 bedroom elderly/disabled development. Per the representative, there are 43 applicants aged 60 and over and 71 applicants that are under 60 and disabled on the waiting lists. They also have one state funded 8 unit family development that consists of 2 and 3 bedroom units. Per the representative there are 104 applicants on the 2 bedroom waiting list and 85 applicants on the 3 bedroom waiting list. They also administer 45 Massachusetts Rental Voucher Program (MRVP) at the Pine Crest Apartments and there are 77 applicants on the 1 bedroom waiting list, 59 applicants on the 2

bedroom waiting list, 34 applicants on the 3 bedroom waiting list, and 7 applicants on the 4 bedroom waiting list.

U.S. Census data from the 2012-2016 American Community Survey (ACS) indicates that of the 3, 271 households in the approximately 76.3% earned less than the HUD published 2017 AMI (\$76,500), approximately 51.4% earned less than 50% of 2017 AMI, approximately 56.9 % earned less than 60% of the 2017 AMI and approximately 68.2% earned less than 80% of the 2017 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 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. The development will provide housing for tenants earning less than 60% of AMI.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Staff is not aware of units within the same market area that require demolition or compulsory repair. 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	4
Number of Units	138	72	18	6
Net SF/Unit	669	1082	1237	1477
Elev./Non-Elev.	N	N	N	N
Market Rate Rent (10% Rate 20 Yr. Term)	\$1,071	\$1,135	\$1,215	\$1,318
MHFA Below Market Rent (Cost-Based Rent)	\$868	\$931	\$1,011	\$1,114
MHFA Adjusted Rent	30% of Income			
Underwriting Rents				
Market Rate	\$894	\$0	\$0	\$0
Section 8 PBCA	\$894	\$1,001	\$0	\$0
Tax Credit at 60% AMI	\$793	\$908	\$1,011	\$1,114
Utility Allowance -- Sec 8 PBCA	\$80	\$105	\$0	\$0
Utility Allowance -- 60% AMI	\$30	\$38	\$47	\$59

**Underwritten rents for both the Section 8 PBCA units and LIHTC units are net of utility allowances.*

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

233 Hancock, Boston-Dorchester

Meaghan McCarthy presented a proposal for a Commitment of Subordinate Workforce Housing Opportunity Fund Loan. The Borrower is proposing to construct a new five-story mixed-use building that will include 36 rental units, ground floor retail, and gallery space. The development is located in the Dorchester neighborhood of Boston on parcels currently occupied by auto repair shops. The development will consist of 12 studios, 12 one-bedroom, 8 two-bedroom, and 4 three-bedroom units. The site will also include 720 square feet of ground floor retail space and 400 square feet of lobby gallery space curated by the Dorchester Arts Collaborative that can also be

used as a community room. The site will contain 22 parking spaces in a street-level garage and will also have storage for approximately 38 bicycles. The development is 10-minute walk (about a half-mile) to the Savin Hill MBTA Station and down the street from several MBTA bus lines. 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 subordinate mortgage loan to 233 Hancock LLC or another single-purpose entity controlled by AUD LLC (the “Borrower”) as owner of the multifamily residential development known as “233 Hancock” in Boston, Massachusetts (the “Development”) in an amount not to exceed \$2,100,000 (the “Workforce Loan”) (1) to be funded from that portion of the Opportunity Fund approved by the Agency on March 8, 2016, designated and reserved for workforce housing programs and (2) subject to the terms and conditions of MassHousing’s Workforce Housing Guidelines adopted by the Agency on July 12, 2016, as updated, and to any applicable delegations of authority previously approved by the Agency.

ATTACHMENT A STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

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

(1) Provision of Low-income Set-aside Units

At least twenty percent (20%) of the units in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

(2) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (approximately 1,838 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 97.1%, and range between 95.3% and 100%.

REIS, Inc. data (1st Qtr. 2018) for the subject’s Boston City submarket has a vacancy rate at 7.0% YTD (5.3% Boston Metro). This rate is projected to increase to 9.2% over the next five years, while the Boston Metro is projected to increase to 6.1%. Vacancies in the Boston City submarket have averaged approximately 5.1% over the last five years, while the Boston Metro is lower at 4.7% over the last five years.

REIS, Inc. submarket data for the Class A building type (8,330 units) indicates a 1st Qtr. 2018 vacancy rate of 7.7% and an average asking rent of \$2,653 and, REIS, Inc. submarket data for the subject's Class B/C building type (8,542 units) indicates a 1st Qtr. 2018 vacancy rate of 6.3% at an average asking rent of \$1,753. The development when completed, along with the proposed amenities, more closely reflects the Class B/C property type, and is reflected in both the vacancy rate and market rent potential. The 1st Qtr. 2018 REIS, Inc. data indicates that the Boston City submarket is offering 1.05 months free rent.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (9/14/17), the City of Boston has 269,482 year-round housing units, 51,283 (19%) of which are subsidized for low/moderate income households.

According to the Boston Housing Authority's (BHA) 5-year plan (2015-2019), the BHA owns and operates 63 family and elderly/disabled developments. The BHA also administers Housing Choice Vouchers (Section 8 or Leased Housing) to over 11,000 families. In addition, the City of Boston's Consolidated plan (FY2016) indicates that BHA maintains the following wait lists: There are 2,432 households on the Section 8 tenant based assistance wait list, including 1,189 families with children, 617 families with disabilities and 75 elderly families. The BHA also had single applicants on the waiting list. In addition, there were 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. They also maintain a Public Housing Wait list with 30,411 including 12,845 families with children, 8,068 families with disabilities and 8,760 elderly families. The BHA also had single applicants on the waiting list and families that fit into one or more categories. This waiting list is open. Boston Housing Authority (BHA) owns and/or operates approximately 63 housing developments of which 36 are elderly/disabled and 27 are family for a total of 12,623 housing units. In addition to housing developments, BHA administers approximately 14,284 Section 8 housing rental assistance vouchers.

U.S. Census data from the 2012-2016 American Community Survey (ACS) indicates that of the 259,324 households in the City of Boston, approximately 69.5% earned less than the HUD published 2018 AMI (\$107,800), approximately 46.7% earned less than 50% of 2018 AMI, approximately 52.9 % earned less than 60% of the 2018 AMI and approximately 60.8% earned less than 80% of the 2018 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 below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

(4) No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households. Although there are low-income units at the development, the development will also include middle-income and market units. It will also be located adjacent to market-rate developments, and in an area that includes a mix of residential and commercial uses.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

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

Rental Determinations

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

Rent Schedule				
Number of Bedrooms	0	1	2	3
Number of Units	12	12	8	4
Net SF/Unit	478	623	830	950
Elev./Non-Elev.	E	E	E E	E
Market Rate Rent (10% Rate 20 Yr. Term)	\$2,663	\$2,801	\$3,380	\$3,689
MHFA Below Market Rent (Cost-Based Rent)	\$1,708	\$1,846	\$2,425	\$2,734
MHFA Adjusted Rent			30% of 80% AMI 30% of 100% AMI	
Underwriting Rents				
Market Rents	\$1,850	\$2,100	\$2,600	\$3,100
WFH Rents at 80% AMI*	\$1,424	\$1,517	\$1,810	\$2,088
WFH Rents at 100% AMI	\$1,801	\$1,920	\$2,294	\$2,648
Utility Allowance	\$86	\$101	\$132	\$155
*Rents on the 10 MassHousing Workforce Housing units restricted at 80% AMI are shown net of the utility allowance.				

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.

Worcester Courthouse, Worcester

Deborah Morse presented a proposal for Official Action Status for Trinity Financial, Inc. The Developer is currently seeking OAS to protect its ability to reimburse any appropriate project expenditures with the proceeds of a future tax-exempt financing. The tax-exempt bond proceeds from MassHousing will be used as project financing for the rehabilitation of The Courthouse.

The Worcester Courthouse project is the certified historic rehabilitation and adaptive re-use of the Old Worcester Courthouse, originally built in 1845, into a new multifamily mixed income residence, with ancillary amenity space including a fitness center, clubhouse lounge, gallery space, and interior bike and resident storage. Upon construction completion, the repurposed 214,000 square foot building will contain 114 residential units in the form of Studio, 1-, 2-, and 3-bedroom units. The site will also feature ample parking, landscaping restoration, and outdoor resident gathering spaces. Upon a motion duly made and seconded, it was

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 permanent loan commitment for the multifamily development known as “Worcester Courthouse” (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 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of \$28,000,000 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

Official Action Status Findings

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

1. Trinity Financial, Inc. (the “Developer”) has acceptable multifamily housing development experience and acceptable credit history.
2. The Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site of the Development is acceptable for the intended housing.

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

808 Memorial Drive, Cambridge

Henry Mukasa presented a proposal for Level One Transfers of Ownership for 808 Memorial Drive in Cambridge. Mark Teden left the Board room during the presentation as he has recused himself from matters relating to HRI. Memorial Drive Housing Limited Partnership requests MassHousing's approval of two Level One Transfers of Ownership for 808 Memorial Drive in Cambridge. Under the proposed transfers, the property will be transferred initially to Homeowner's Rehab, Inc. (HRI), and transferred immediately thereafter by contribution of the property to 808-812 Memorial Drive LLC, a newly formed limited liability company whose sole member is HRI.

808 Memorial Drive consists of a ground-leased interest in the land together with a fee simple interest in the improvements, comprising 300 units divided into two towers with approximately 36,000 square feet of leasable commercial space and parking for 265 cars. The Development is located in Cambridge at the intersection of Memorial Drive and the River Street Bridge. The Development is subsidized under the Section 236 Program, and the Borrower is current with all obligations to MassHousing. Upon a motion duly made and seconded, it was

VOTED:

That MassHousing approves two Level One Transfers of Ownership (collectively, the "Transfer") for 808 Memorial Drive from Memorial Drive Housing Limited Partnership (the "Current Owner") to Homeowner's Rehab, Inc. (the "HRI Owner"), and immediately thereafter from the HRI Owner to 808-812 Memorial Drive LLC (the "Final Owner") subject to the requirements of the Transfer of Ownership Policy approved by the Agency on August 14, 2007, and further subject to the Special Conditions set forth below and any additional conditions required by the Director of Rental Management and the General Counsel.

Special Conditions:

1. The Current Owner will obtain a Certificate of Compliance from DHCD, or such other evidence of compliance of the Transfer with M.G.L. c. 40B.
2. The HRI Owner and the Final Owner and its principals will obtain HUD 2530 Previous Participation Clearance.
3. The Current Owner will obtain consent of all subordinate lenders to the Transfer.
4. The Current Owner will obtain an estoppel certificate (or such other documentation acceptable to the General Counsel) from the ground lessor evidencing its consent to the Transfer.

Haynes House, Roxbury-Boston

Deborah Morse presented a proposal for Commitment of Tax-Exempt Construction/Permanent Loan, Commitment of Tax-Exempt Syndication Bridge Loan, Commitment of 13A Opportunity Fund Subordinate Loan, Approval for the Use of 4% Tax Credits and Restructuring of Existing Debt. The Developer, an affiliate of Madison Park Development Corporation, is seeking construction and permanent financing for the rehabilitation and recapitalization of this matured 13A low-income residential rental property.

Haynes House is an existing 131-unit affordable housing development located in Roxbury. It is a single 7-story building consisting of 26 one-bedroom and 105 two-bedroom units. The Development was originally constructed in the early 1970s with MassHousing financing through the Section 13A Program. The 13A mortgage matured on March 1, 2017, and the associated affordability restrictions were removed from the property. The preservation transaction will protect 100% of the existing 13A Legacy households from a rent increase greater than the CPI + 3% consistent with 13A program requirements and will preserve the long-term affordability of the Development. 124 of the 131 units are occupied by households earning less than 80% of the AMI. 7 households exceed 80% of AMI – upon turnover they will become unrestricted market-rate units. MassHousing and DHCD are providing a total of \$7 million of 13A Preservation funds for the preservation of this property.

The Developer is leveraging tax-exempt financing and Low-Income Housing Tax Credits to complete much-needed repairs, upgrades and renovations thereby ensuring the building will remain livable well into the future. The proposed renovation will include addressing building envelope and façade issues, in-unit updates and common area renovations as well as the construction of accessible units. 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) a construction/permanent first mortgage loan in a principal amount of up to \$9,000,000, to be insured upon completion under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to \$21,140,000, in each case to be made to a single-purpose entity controlled by Madison Park Development Corporation (the “Borrower”) as owner of the multifamily residential development known as “Haynes House” (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 condition: Prior to initial closing, the Borrower shall obtain, from the primary administering agencies providing mobile Section 8 vouchers for tenants of the Development (BHA & MBHP), documentation, in form and substance acceptable to MassHousing’s Director of Rental Underwriting, confirming that rents established for tenants of the Development by such administering agencies shall be at levels not less than the underwriting assumptions provided herein.

**FURTHER
VOTED:**

That the amount of 4% Credits, as set by the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the 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:**

That MassHousing approves a subordinate loan in an amount not to exceed \$2,700,000 to be funded from the Opportunity Fund approved by the Agency on March 8, 2016, funded from the portion designated and reserved for preservation of the Section 13A portfolio, subject to such terms and conditions as approved by the Executive Director or her designee; provided that the Executive Director is authorized to permit the Borrower to assume an existing Opportunity Fund loan in the amount of \$2,700,000, subject to such terms and conditions as approved by the Executive Director or her designee.

**FURTHER
VOTED:**

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

**FURTHER
VOTED:**

To authorize the Executive Director, and/or her designee, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's mortgage loans authorized in the first vote set forth above, 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.

FURTHER

VOTED: To permit the existing loans relating to the Development, consisting of a mortgage increase note, an arrearage note and a refundable grant, to be assigned to the Borrower, subordinated and/or restructured in such priority and on such terms as may be determined by the Executive Director, and/or forgiven to the extent required for the financial feasibility for the proposed transaction, all as may be determined at the discretion of the Executive Director.

**ATTACHMENT A
STATUTORY FINDINGS AND DETERMINATIONS**

Statutory Findings:

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

(11) Provision of Low-income Set-aside Units

124 units (95%) 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.

(12) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (approximately 1,960 units) in the area revealed a strong rental market. Current occupancy rates at the comparable properties reviewed averaged approximately 97.2%, and range between 95.3% and 100%. My review of similar mixed income/subsidized portfolio properties (1,843 units) demonstrated a weighted average vacancy rate of approximately 1.72%. The property has operated as 13A subsidized property since 1974 and the average vacancy rate for the property for the past 6 years is 1.6%.

REIS, Inc. data (1st Qtr. 2018) for the subject's Boston City submarket has a vacancy rate at 7.0% YTD (5.3% Boston Metro). This rate is projected to increase to 9.2% over the next five years, while the Boston Metro is projected to increase to 6.1%. Vacancies in the Boston City submarket have averaged approximately 5.1% over the last five years, while the Boston Metro was lower at 4.7% over the last five years. REIS, Inc. submarket data for the Class A building type (8,330 units) indicates a 1st Qtr. 2018 vacancy rate of 7.7% and an average asking rent of \$2,653, while the submarket data for the subject's Class B/C building type (8,542 units) indicates a 1st Qtr. 2018 vacancy rate of 6.3% at an average asking rent of \$1,753. The development upon renovation will more closely reflect the Class B/C property type, which is reflected in both the vacancy rate and

market rent potential. The 1st Qtr. 2018 REIS, Inc. data indicates that the Boston City submarket is offering 1.05 months free rent.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (9/14/17), the City of Boston 269,482 year-round housing units, 51,283 (19%) of which are subsidized for low/moderate income households.

According to the Boston Housing Authority's (BHA) 5-year plan (2015-2019), the BHA owns and operates 63 family and elderly/disabled developments. The BHA also administers Housing Choice Vouchers (Section 8 or Leased Housing) to over 11,000 families. In addition, the City of Boston's Consolidated plan (FY2016) indicated that BHA maintain the following wait lists: There are 2,432 households on the Section 8 tenant-based assistance wait list, including 1,189 families with children, 617 families with disabilities and 75 elderly families. The BHA also had Single applicants on the waiting list. In addition, there were instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at his time. They also maintain a Public Housing Wait list with 30,411 applicants, including 12,845 families with children, 8,068 families with disabilities and 8,760 elderly families. The BHA also had single applicants on the waiting list and families that fit into one or more categories. This waiting list is open. The Boston Housing Authority (BHA) owns and/or operates approximately 63 housing developments of which 36 are elderly/disabled and 27 are family for a total of 12,623 housing units. In addition to housing developments, BHA administers approximately 14,284 Section 8 housing rental assistance vouchers.

U.S. Census data from the 2012-2016 American Community Survey (ACS) indicates that of the 259,324 households in the City of Boston approximately 69.5% earned less than the HUD published 2018 AMI (\$107,800), approximately 46.7% earned less than 50% of 2018 AMI, approximately 52.9 % earned less than 60% of the 2018 AMI, and approximately 60.8% earned less than 80% of the 2018 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 below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

(4) No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households. Although it is a low-income development, it is located in an area that includes a mix of residential and numerous retail uses.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Staff is not aware of units within the same market area that require demolition or compulsory repair. 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	<u>1BR</u>	<u>2BR</u>
Number of Units	26	105
Net SF/Unit	600	800
Elev. (E) / Non-Elev. (N)	E	E
Market Rate Rent		
(10% Rate 20-year term)	\$1,854	\$2,078
MHFA Below Market Rent		
(Cost-based Rent)	\$1,364	\$1,588
MHFA Rent Adjusted	30% of 60% of area median	
Average Underwriting Rents	\$1,215	\$1,439
Average includes Subsidized Rents where tenant contribution is limited to 30% of actual income.		
Average also include 7 unrestricted units		
Under LIHTC income averaging, there are 19 units @ 80% AMI affordability, 16 @ 30% AMI with balance @ 60% AMI.		
Rents on currently occupied units in the 80% AMI tier are held at existing levels with new rents phased on turnover.		
Underwriting rents are net of tenant paid utilities.		

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.

West Newton Rutland Apartments, Boston (South End)

Antonio Torres presented a proposal for Re-Commitments of Tax-Exempt Construction and Permanent Loan and Tax-Exempt Equity Bridge Loan and Official Action Status (OAS) for West Newton Rutland Apartments in the South End.

West Newton Rutland Apartments (the “Development”) will be a rehabilitation of 146 turn-of-the-century wood-framed brick attached townhouse style buildings. Inquilinos Boricuas en Accion (IBA) has presented the proposal, which would convert 126 of the 146 units to Project Based Rental Assistance through HUD’s Public Housing Rental Assistance Demonstration (RAD) program. The remaining 20 units will be subsidized under a Project-Based Section 8 HAP Contract to be administered by the Boston Housing Authority (BHA). The proposal presents a transaction that includes 4% LIHTC, a MassHousing tax-exempt construction and permanent loan insured under the HUD/HFA Risk-Sharing Program, and an uninsured tax credit equity bridge loan. An allocation of approximately \$34,500,000 in tax-exempt volume capacity will be required for this transaction. Upon a motion duly made and seconded, it was

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 permanent loan commitment for the multifamily development known as “West Newton Rutland Apartments” (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 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of \$34,500,000 in principal amount for the Development; (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Code or Treasury Regulations promulgated thereunder.

Official Action Status Findings

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

1. The Inquilinos Boricuas en Accion (IBA)(“Developer”) has acceptable multifamily housing development experience and acceptable credit history.
2. The Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site of the Development is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

VOTED: To approve the findings and determinations contained in Attachment A hereto and to authorize (a) a construction/permanent first mortgage loan in a principal amount

of up to \$5,290,000, with the construction/permanent loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to \$29,210,000, in each case to be made to West Newton Rutland LLC or another single-purpose entity controlled by Inquilinos Boricuas en Accion, Inc (the "Borrower") as owner of the multifamily residential development known as "West Newton Rutland Apartments" (the "Development") and located in Boston, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved by the Board, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: "None."

**FURTHER
VOTED:**

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

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

**FURTHER
VOTED:**

To authorize the Executive Director, the Deputy Director, the Director of Rental Business Development, the 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 Board vote.

**FURTHER
VOTED:**

To authorize the Executive Director and Deputy Director, and their respective designees, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's mortgage loans, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements

pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or her designee.

ATTACHMENT A STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

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

(13) Provision of Low-income Set-aside Units

Twenty-nine units (20%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

(14) Shortage of Affordable Housing Units in the Market Area

In-house data for larger market and mixed-income complexes (appx. 951 units) in the area revealed a strong rental market. Current occupancy rates of the comparables reviewed averaged approximately 98.3 %, and range between 95% and 100%. My review of similar mixed income/subsidized portfolio properties (1,319+ units) demonstrated a weighted average vacancy rate of approximately 0.54%.

REIS, Inc. data (3rd. Qtr. 2017) for the subject's Central City/Back Bay Bay/Beacon Hill submarket have projected a vacancy rate at 5.0% YTD (4.9% Boston Metro). This rate is projected to increase to 5.7% over the next five years, while the Boston Metro is projected to increase to 5.8%. Vacancies in the Central City/Back Bay/Beacon Hill submarket have averaged approximately 4.6% over the last five years, while the Boston Metro has averaged 4.5%.

REIS, Inc. submarket data for the Class A building type (15,314 units) indicates a 3rd Qtr. 2017 vacancy rate of 6.2% and an average asking rent of \$4,157. REIS, Inc. submarket data for the subject's Class B/C building type (11,109 units) indicates a 3rd Qtr. 2017 vacancy rate of 3.4% at an average asking rent of \$2,420. The development as proposed more closely reflects the Class B/C property type, and is reflected in both the vacancy rate and market rent potential.

None of the comparables reviewed were offering rent concessions, although the use of concessions continues in the Boston Metro. The 3rd Qtr. REIS, Inc. data indicates that the Central City/Back Bay Bay/Beacon Hill submarket is offering .61 months free rent.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (9/14/17), the City of Boston 269,482 year round housing units, 51,283 (19.0%) of which are subsidized for low/moderate income households. The Boston Housing Authority (BHA) owns and/or operates approximately 63 housing developments of which 36 are elderly/disabled and 27 are family for a total of 12,623 housing units. In addition to housing developments, BHA administers approximately 14,284 Section 8 housing rental assistance vouchers.

According to the Boston Housing Authority's (BHA) 5 year plan (2015-2019), the BHA owns and operates 63 family and elderly/disabled developments. The BHA also administers Housing Choice Vouchers (Section 8 or Leased Housing) to over 11,000 families. The City of Boston's Consolidated plan (FY2016) indicated that the BHA maintains the following wait lists: There are 2,432 households on the Section 8 tenant based assistance wait list, including 1,189 families with children, 617 families with disabilities and 75 elderly families. This waiting list has been closed since November 2008, and there are no plans to reopen it at this time. The BHA also maintains a Public Housing Wait list with 30,411 applicants, including 12,845 families with children, 8,068 families with disabilities, and 8,760 elderly families. This waiting list is open. On both wait lists the BHA includes single applicants as well as families that fit into one or more categories.

U.S. Census data from the 2011-2015 American Community Survey (ACS) indicates that of the 256,294 households in the City of Boston approximately 69.7% earned less than the HUD published 2017 AMI (\$103,400), approximately 47.0% earned less than 50% of 2017 AMI, approximately 53.1 % earned less than 60% of the 2017 AMI, and approximately 61.8% earned less than 80% of the 2017 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 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. The development will provide housing for tenants earning less than 60% of AMI.

(5) Elimination of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Staff is not aware of units within the same market area that require demolition or compulsory repair. 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:

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.

Number of Bedrooms	0	1	2	3	4	5
Number of Units	44	58	20	11	12	1
Net SF/Unit	450	600	800	1000	1200	1400
Elev./Non-Elev.	Non	Non	Non	Non	Non	Non
Market Rate Rent (10% Rate 20 Yr. Term)	\$2,909	\$2,969	\$3,249	\$3,623	\$4,030	\$4,777
MHFA Below Market Rent (Cost-Based Rent)	\$1,685	\$1,745	\$2,025	\$2,399	\$2,806	\$3,553
MHFA Adjusted Rent	30% of Income					
Underwriting Rents						
S8 Units	\$1,211	\$1,378	\$1,688	\$2,113	\$2,302	\$2,659
Tax Credit at 60%	\$749	\$832	\$1,032	\$1,277	\$1,366	\$0
UAs	\$106	\$123	\$162	\$198	\$235	\$271

*Underwritten rents are net of utility allowances.

Covenant House

Sarah Hall presented a proposal for Covenant House in Brighton, MA under the MAP/Ginnie Mae Joint Venture Lending Initiative. Covenant House I & II is a 200-unit senior housing development consisting of two buildings. The development contains 12 studios, 180 one-bedroom units, and 8 two-bedroom units. The development is located at 30 Washington Street, Boston, MA, 02135. Covenant House I was originally built in 1982 and Covenant House II was constructed in 1992. They were refinanced together with MassHousing in 2005. The property has been very well maintained; in the past three years alone, the owner has completed \$386,000 in improvements subject to a proactive maintenance plan. The Development receives assistance from two twenty-year Renewal HAP Contracts, which commenced on November 1, 2012 and together cover 199 of the Development's 200 units (there is one non-revenue unit). As part of the proposed transaction, the owner proposes to terminate the existing Section 8 contracts and execute two new twenty-year Section 8 contracts under Option 1-B. The new Section 8 contracts will include the "Preservation Exhibit," which requires the owner to renew the contract for a period of twenty years plus the remaining term of the existing contract (approximately 14 years).

The Borrower is seeking MassHousing's commitment for a new loan of approximately \$44,820,000, (the "New Loan") or such other amount as evidenced in the HUD Firm Commitment, in permanent first mortgage financing under the MAP/Ginnie Mae Program; provided, however, that the New Loan shall not be more than \$49,302,000 nor less than \$40,338,000. The New Loan will be insured by the Federal Housing Administration under the provisions of Section 207, pursuant to Section 223(f) of the National Housing Act, and the Regulations thereunder now in effect, and MassHousing's credit risk will be approximately 1% of the loan amount as a result. A portion of the proceeds of the New Loan will be used to prepay the Borrower's existing mortgage loan obligations to MassHousing, as authorized under and subject to the conditions set forth in the vote taken by the Board on October 14, 2014 providing prepayment approval for certain MassHousing Multifamily Mortgages. The New Loan will also be subject to the General Conditions for the MAP/Ginnie Mae Program approved by the Board on November 12, 2014, and MassHousing and the MAP Lender Partner will always comply with the terms of HUD's identity-of-interest guidance provided in HUD's letter to MassHousing dated June 13, 2014.

In addition to retiring the MassHousing debt, capitalizing the replacement reserve account, and funding repairs and transaction costs, the New Loan will also fund a sizeable equity take-out. As a mission-oriented nonprofit, B'nai B'rith is committed to using this equity to build more high-quality affordable housing elderly and disabled households. The organization, which recently underwent a strategic planning process with the aim of establishing sustainable approaches for growth, has an expanding pipeline of new deals. The capital from this transaction is critical for their ability to achieve their mission in the future. Upon a motion duly made and seconded, it was

VOTED: To approve the findings and determinations contained in Attachment A 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 \$44,820,000, 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 \$49,302,000 nor less than \$40,338,000 to CCC Washington I & II LP (the "Borrower") for Covenant House I & II and (2) to make the FHA-insured first mortgage loan to the Borrower for Covenant House I & II in the approximate amount of \$44,820,000 subject to the limitation that the final amount of such loan shall not be more than \$49,302,000 nor less than \$40,338,000 on terms acceptable to MassHousing, in compliance with the terms of the Prepayment Approval for MassHousing Multifamily Mortgages granted by the Board 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 duly authorized officers, 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 Covenant House I & II.

**ATTACHMENT A
FINDINGS AND DETERMINATIONS**

Statutory Findings:

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

(1) Provision of Low-income Set-aside Units

40 of the 200 total units (20%) will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

(2) Shortage of Affordable Housing Units in the Market Area

In house data for larger market and mixed-income complexes (approximately 1,655 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 98.2%, and range between 95.3% and 100%. My review of similar mixed income/subsidized portfolio properties (821 units) demonstrated a weighted average vacancy rate of approximately 3.34%. The property operates as a Section 8 Elderly Restricted property and the average vacancy rate for the property for the past 3 years is 0%.

REIS, Inc. data (4th Qtr. 2018) for the subject's Brookline/Brighton/Newton submarket has a vacancy rate at 4.3% YTD (5.3% Boston Metro). This rate is projected to increase to 4.4% over

the next five years, while the Boston Metro is projected to increase to 6.1%. Vacancies in the submarket Brookline/Brighton/Newton have averaged approximately 3.2% over the last five years, while the Boston Metro is higher at 4.7% over the last five years.

REIS, Inc. submarket data for the Class A building type (6,790 units) indicates a 4th Qtr. 2018 vacancy rate of 6.2% and an average asking rent of \$3,103 and, REIS, Inc. submarket data for the subject's Class B/C building type (11,939 units) indicates a 4th Qtr. 2018 vacancy rate of 3.2% at an average asking rent of \$1,988. The development when completed will along with the proposed amenities, more closely reflects the Class B/C property type and is reflected in both the vacancy rate and market rent potential. The 4th Qtr. 2018 REIS, Inc. data indicates that the Brookline/Brighton/Newton submarket is offering .46 months free rent.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (9/14/17), the City of Boston 269,482 year-round housing units, 51,283 (19%) of which are subsidized for low/moderate income households.

According to the Boston Housing Authority's (BHA) 5-year plan (2015-2019), the BHA owns and operates 63 family and elderly/disabled developments. The BHA also administers Housing Choice Vouchers (Section 8 or Leased Housing) to over 11,000 families. In addition to the City of Boston's Consolidated plan (FY2016) indicated that BHA maintain the following wait lists: There are 2,432 households on the Section 8 tenant-based assistance wait list, including 1,189 families with children, 617 families with disabilities and 75 elderly families. The BHA also had Single applicants on the waiting list. In addition, there were instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at his time. They also maintain a Public Housing Wait list with 30,411 including 12,845 families with children, 8,068 families with disabilities and 8,760 elderly families. The BHA also had single applicants on the waiting list and families that fit into one or more categories. This waiting list is open. Boston Housing Authority (BHA) owns and/or operates approximately 63 housing developments of which 36 are elderly/disabled and 27 are family for a total of 12,623 housing units. In addition to housing developments, BHA administers approximately 14,284 Section 8 housing rental assistance vouchers.

U.S. Census data from the 2012-2016 American Community Survey (ACS) indicates that of the 259,324 households in the City of Boston approximately 69.5% earned less than the HUD published 2018 AMI (\$107,800), approximately 46.7% earned less than 50% of 2018 AMI, approximately 52.9 % earned less than 60% of the 2018 AMI and approximately 60.8% earned less than 80% of the 2018 AMI.

(3) Inability of Private Enterprise Alone to Supply Affordable Housing

Based on information provided by the MAP Lender Partner, 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 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 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. Staff is not aware of units within the same market area that require demolition or compulsory repair. 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 based on the underwriting performed by the MAP Lender Partner for units within the proposed Development:

RENT SCHEDULE:

Number of Bedrooms	0	0	1	1	2	2
Number of Units	10	2	143	36	6	2
Net SF/Unit	400	400	559	559	656	656
Elev./Non-Elev.	E	E	E	E	E	E
Market Rate Rent	\$2,275	\$2,275	\$2,600	\$2,600	\$3,400	\$3,400
(10% Rate 20 Yr. Term)						
MHFA Below Market Rent	\$2,135	\$1,368	\$2,550	\$1,466	\$2,840	\$1,758
(Cost-Based Rent)						
MHFA Adjusted Rent	30% of Income					
MassHousing Underwriting Rents						
Section 8	\$2,135	\$1,368	\$2,550	\$1,466	\$2,840	\$1,758

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.

Clippership Apartments, East Boston

Meaghan McCarthy presented a proposal for Official Action Status for Clippership Apartments in East Boston

WinnDevelopment is currently seeking OAS to protect its ability to reimburse any appropriate project expenditures with the proceeds of a future tax-exempt financing transaction. Clippership Apartments is part of a larger redevelopment proposal for the site that includes the demolition of the existing buildings and the construction of two new buildings, one building will include 22 affordable rental units, and the second building will include 30 condominiums. The tax-exempt bond proceeds from MassHousing will be used as project financing for the site work and the development of the affordable rental units, Clippership Apartments. Upon completion, the site redevelopment will result in 52 units of housing, including the 22 affordable rental units, and 30 condominiums, of which 14 will be available for purchase by households earning between 80-120% of Area Median Income. Upon a motion duly made and seconded, it was

VOTED: To approved 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 permanent and bridge loan commitments for the multifamily development known as “Clippership Apartments” (the “Development”) at such time as it is submitted; (ii) this vote serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of \$12,000,000 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

Official Action Status Findings

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

1. The WinnDevelopment Company Limited Partnership (“Developer”) has acceptable multifamily housing development experience and acceptable credit history.
2. The Developer has demonstrated an arms’-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site,

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.

Clippership Apartments, East Boston

Meaghan McCarthy presented a proposal for Official Action Status for Clippership Apartments in East Boston

WinnDevelopment is currently seeking OAS to protect its ability to reimburse any appropriate project expenditures with the proceeds of a future tax-exempt financing transaction. Clippership Apartments is part of a larger redevelopment proposal for the site that includes the demolition of the existing buildings and the construction of two new buildings, one building will include 22 affordable rental units, and the second building will include 30 condominiums. The tax-exempt bond proceeds from MassHousing will be used as project financing for the site work and the development of the affordable rental units, Clippership Apartments. Upon completion, the site redevelopment will result in 52 units of housing, including the 22 affordable rental units, and 30 condominiums, of which 14 will be available for purchase by households earning between 80-120% of Area Median Income. Upon a motion duly made and seconded, it was

VOTED: To approved 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 permanent and bridge loan commitments for the multifamily development known as "Clippership Apartments" (the "Development") at such time as it is submitted; (ii) this vote serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of \$12,000,000 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

Official Action Status Findings

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

1. The WinnDevelopment Company Limited Partnership ("Developer") has acceptable multifamily housing development experience and acceptable credit history.
2. The Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site,

and/or other legal evidence of site control, with the land price and/or ground lease rent evident.

3. The proposed site of the Development is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

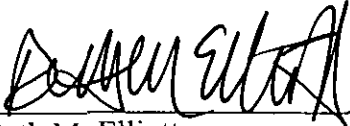
Acting Chairman Chai asked if there was any other old or new business for the Members' consideration. There was none.

Acting Chairman Chai asked for a motion to adjourn the meeting at 2:53 p.m. Upon a motion duly made and seconded, it was

VOTED: To adjourn the MassHousing meeting at 2:53 p.m.

A true record.

Attest.



Beth M. Elliott
Secretary



Carol G. McIver
Assistant Secretary

Meeting Materials:

1. Draft Minutes of the 7/10/2018 MassHousing Meeting
2. Memorandum regarding Amendment to 9/12/2017 MassHousing Meeting and draft amended minutes
3. Princeton Chelmsford – Presentation & Memorandum
4. Agenda of Loan Committee Items
5. King Pine – Presentation & Memorandum
6. 233 Hancock – Presentation & Memorandum
7. Worcester Courthouse – Presentation & Memorandum
8. 808 Memorial Drive – Presentation & Memorandum
9. Haynes House– Presentation & Memorandum
10. West Newton Rutland Apartments– Presentation & Memorandum
11. Covenant House– Presentation & Memorandum
12. Clippership Apartments– Presentation & Memorandum
13. Rental Pipeline Report
14. Delinquency Report