

Minutes of the
Loan Committee of MassHousing
Held on
March 6, 2018

The regular meeting of the Loan Committee was held at 2:00 p.m. on Tuesday, March 6, 2018 at MassHousing's offices at One Beacon Street in Boston, Massachusetts.

In attendance were:

Members

Present: Rebecca Frawley-Wachtel, designee
Carolina Avellaneda
Sushil Tuli
Lisa Serafin

Staff:

Katrina Holman
Antonio Torres
Deb Morse
Sarah Hall
Henry Mukasa
Cynthia Lacasse
Matt Deych
David Keene
Antonio Torres
Sergio Ferreira
Daniel Staring
John McCormack
Carol McIver
Kelly Johnson
Karen Kelleher
Matthew Deych
Hanna Schutt
Margo L. O'Connell
Kelly Condon
Doug O'Brien
Zan Bross
Josiah Madar
Rachel Carlson
Daniel Barbanell
LaVergne Randolph
Peter Cooper
Casey Baines
Ricky Ochilo
Tom Farmer
Paul McMorrow

The meeting began at 2:00 pm.

1. Summary of the February 6, 2018 Loan Committee Meeting

The summary of the February 6, 2018 Loan Committee meeting was presented. The members approved the summary.

2. Bedford Village and 447 Concord, Bedford – Commitments of Tax-Exempt Construction and Permanent Loan, Tax-Exempt Syndication Bridge Loan and Commitment of 13A Preservation Fund Subordinate Loan, presented by Sarah Hall:

Bedford Village and 447 Concord will involve the acquisition and rehabilitation of two properties. Bedford Village is a 13A property with 96 units in 10 buildings located on 10.3 acres. 447 Concord is a nearby 14-unit affordable housing community currently owned and operated separately from Bedford Village. Preservation of Affordable Housing has presented the proposal, which would combine the two properties under new ownership and conduct rehabilitation work at both properties. The proposed transaction includes 4% LIHTC, a MassHousing \$8,274,000 tax-exempt construction and permanent loan, a \$9,232,000 tax credit equity bridge loan, and a \$5,000,000 13A Preservation loan. An allocation of approximately \$17,506,000 in tax-exempt volume capacity will be required for this transaction.

3. Concord Highlands, Cambridge – Official Action Status, Commitments of Tax-Exempt Permanent Loan, Tax-Exempt Syndication Bridge Loan and Commitment of Opportunity Fund Loan - Workforce Housing, presented by Deborah Morse:

Concord Highlands is a proposed 98-unit new construction development located in the City of Cambridge. An affiliate of Homeowner 's Rehab, Inc. is seeking permanent financing upon completion of construction for this mixed-income development. The proposal presents a transaction that includes 4% LIHTC, a MassHousing \$10,500,000 permanent loan insured under the HUD/HFA Risk-Sharing Program, an uninsured \$11,527,000 Tax-Exempt syndication bridge loan and a \$3,800,000 Workforce Housing loan. This project will be a new addition to MassHousing 's mortgage portfolio. An allocation of approximately \$22,027,000 in tax-exempt volume capacity will be required for this transaction.

4. The Close Building, Cambridge – Commitments of Tax-Exempt Construction/Permanent Loan, Tax-Exempt Syndication Bridge Loan and Taxable Syndication Bridge Loan, presented by Deborah Morse:

The Close Building is a 61-unit development located in the City of Cambridge. An affiliate of Just-A-Start Corporation is seeking construction and permanent financing for the rehabilitation and recapitalization of this property. The proposal presents a transaction that includes 4% LIHTC, a MassHousing \$9,300,000 permanent loan insured under the HUD/HFA Risk-Sharing Program, an uninsured \$6,500,000 tax-exempt syndication bridge loan and a \$2,500,000 taxable syndication bridge loan. An allocation of approximately \$15,800,000 in tax-exempt volume cap will be required for this transaction.

5. Arborpoint at Woodland Station, Newton – MAP/Ginnie Mae Multifamily Joint Venture Lending Initiative, presented by Antonio Torres:

Woodland Station LLC requests approval to refinance with MassHousing under the MAP/Ginnie Mae Multifamily Joint Venture Lending Initiative. Rockport Mortgage will work directly with the borrower to underwrite the \$59,808,000 mortgage loan and apply to the local HUD office for FHA mortgage insurance under Section 223(f) of the National Housing Act. MassHousing 's credit risk exposure for loans insured by FHA under this program will be approximately one percent (1%) of the loan amount. MassHousing will enter into an agreement with Rockport Mortgage to accept the assignment of the HUD Firm Commitment at loan closing, and MassHousing will make the FHA-insured loan to the borrower. MassHousing will issue a Ginnie Mae Mortgage Backed Security to fund this loan.

6. Oxford Place, Boston (Chinatown), – Prepayment of Existing MassHousing Loan and Recommitment of Taxable Permanent First Mortgage Loan, presented by David Keene:

This loan for Oxford Place was previously presented and approved at the June 2017 board meeting with a proposed loan amount of \$7,750,000. The proposed recommitment for the higher loan amount of up to \$9,881,000 is based upon an expected increase in Section 8 rents, which were previously less than appraised market rents. Depending on whether HUD will insure the increased loan amount, the loan may be bifurcated with \$7,750,000 to be insured under the HUD/HFA Risk-Sharing Program and \$2,131,000 to be an uninsured subordinate loan. Substantially rehabilitated in 1983, Oxford Place is a 39-unit apartment community, with one six-story building. All of the units are Section 8 units for families and include two fully-handicapped accessible units. The site is well maintained and has had extensive improvements over the last year.

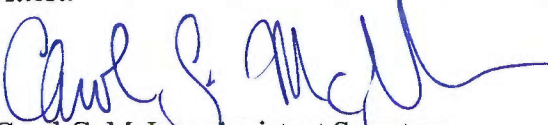
7. FY 18 Rental Loan Commitments to Date Update –

Karen Kelleher and Cynthia Lacasse, with input from staff of the Rental Business Development division, provided a report on the Fiscal Year 2018 Rental Loan Commitments to Date. The report included a summary of the rental lending goals for the fiscal year and the progress to date.

The meeting concluded at approximately 3:25 pm.

A true record.

Attest:


Carol G. McIver, Assistant Secretary

Materials:

- Proposed Agenda
- Draft Meeting Summary for February 6, 2018
- Proposed Commitments of Tax-Exempt Construction and Permanent Loan, Tax-Exempt Syndication Bridge Loan and Commitment of 13A Opportunity Fund Subordinate Loan for Bedford Village and 447 Concord
- Proposed Official Action Status, Commitments of Tax-Exempt Permanent Loan, Tax-Exempt Syndication Bridge Loan and Commitment of Opportunity Fund Loan - Workforce Housing for Concord Highlands
- Proposed – Commitments of Tax-Exempt Construction/Permanent Loan, Tax-Exempt Syndication Bridge Loan and Taxable Syndication Bridge Loan for The Close Building
- Proposed MAP/Ginnie Mae Multifamily Joint Venture Lending Initiative for Arborpoint at Woodland Station
- Proposed Prepayment of Existing MassHousing Loan and Recommitment of Taxable Permanent First Mortgage Loan for Oxford Place
- Proposed Rental Loan FY '18 Commitments to Date PowerPoint Update