

Minutes of the
Loan Committee of MassHousing
Held on
April 3, 2018

The regular meeting of the Loan Committee was held at 2:00 p.m. on Tuesday, April 3, 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
Kathleen Evans
Anne Marie MacPherson
Sergio A. Ferreira
Matt Deych
Christopher Burns
Henry Mukasa
Hanna Schutt
Sarah Hall
Meaghan McCarthy
Deb Morse
Paul McMorrow
Carol McIver
LaVergne Randolph
Daniel Staring
Kelly Condon
Margo O'Connell
Nick Pepe
Kelly Johnson
Zan Bross
Tom Farmer
David Keene
Antonio Torres
Casey Baines
Hana Migliorato
Josiah Madar
John McCormack
Beth Elliott
Cynthia Lacasse
Chrystal Kornegay

The meeting began at 2:00 pm.

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

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

2. Rental Pipeline Summary

Cynthia Lacasse a report and gave a brief explanation on the Fiscal Year 2018 Rental Loan Commitments to date.

3. Oak Woods, Bellingham – Commitment of Cash Collateralized Tax-Exempt Loan (“Bond Loan”), Commitment of 13A Opportunity Fund Tenant Protection Loan and Official Action Status, presented by Kathleen Evans:

Oak Woods Apartments is a 90-unit development located in Bellingham. The National Foundation for Affordable Housing Solutions is seeking an allocation of up to \$9,700,000 in tax-exempt loan proceeds for the preservation and rehabilitation of this matured Section 13A property. The transaction represents the preservation of all 90 Section 13A units. MassHousing will issue the tax-exempt obligations to fund the uninsured tax-exempt Bond Loan of \$9,700,000 or the minimum amount necessary to pass the 50% test, which is not to exceed \$10,000,000. The tax-exempt obligations will be secured by a cash collateral account, funded at the borrower’s obligation, for the full amount of the tax-exempt debt issued by MassHousing. The tax-exempt obligations will be repaid by the proceeds of the cash collateral account after the placed-in-service date, and the Borrower’s obligations under the Bond Loan will be satisfied simultaneously. The proposal also includes a \$5,500,000 subordinate 13A-specific Capital Improvement and Preservation Fund loan from DHCD, and a subordinate 13A Tenant Protection Loan of \$678,419 to be made from the MassHousing Opportunity Fund. Rockport Mortgage Corporation will be making a Section 223(f) MAP first mortgage loan in the amount of \$8,325,300.

4. Martensen Village, Quincy – Commitment of 13A Capitalized Payment Grant and Approval of Prepayment of Section 13A Mortgage, presented by Kathleen Evans:

Martensen Village is a 12-unit townhouse community in Quincy originally financed with a Section 13A mortgage which will mature on March 1, 2019. The transaction represents the preservation of all 12 Section 13A units. The current owner filed a 40T Intent to Sell Notice and DHCD designated the Asian Community Development Corporation to act as their preservation buyer. The Asian Community Development Corporation has negotiated a purchase and sale agreement, and intends to close on the acquisition of the Development and record a new long-term use restriction. The proposal includes a request to permit the current owner to prepay the Section 13A mortgage at the time of sale. The acquisition will be supported by a 13A-specific Capital Improvement and Preservation Fund award from DHCD and HOME funds from the City of Quincy. The Asian Community Development Corporation has requested that the Agency make a grant of up to \$26,618 to new owner, ACDC Martensen Village Holding LLC

5. Neptune Towers, Lynn – Map/Ginnie Mae Multifamily Joint Venture Lending Initiative, presented by Kathleen Evans:

Neptune Lynn Apartments Limited Partnership 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 \$51,200,000 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 the Rockport Mortgage to accept the assignment of the HUD Firm Commitment at loan closing, and MassHousing will at closing make the FHA-insured loan to the borrower. MassHousing will issue a Ginnie Mae Mortgage Backed Security to fund this loan.

The meeting concluded at approximately 3:25 pm.

A true record.

Attest:



Beth M. Elliott, Secretary

Materials:

- Proposed Agenda
- Proposed Rental Pipeline Summary
- Draft Meeting Summary for March 6, 2018
- Proposed Commitment of Cash Collateralized Tax-Exempt Loan ("Bond Loan"), Commitment of 13A Opportunity Fund Tenant Protection Loan and Official Action Status
- Proposed Commitment of 13A Capitalized Payment Grant and Approval of Prepayment of Section 13A Mortgage
- Proposed MAP/Ginnie Mae Multifamily Joint Venture Lending Initiative