

**Minutes of the Regular Meeting
of the Members of MassHousing
held on
May 9, 2023**

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing was held on May 9, 2023. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Members Jeanne Pinado, Chair
 Carolina Avellaneda, Vice Chair
 Tom Flynn
 Carmen Panacopoulos
 Jennifer Maddox, ex officio
 Patricia McArdle
 Kaitlyn Connors, Designee of Matthew Gorzkowicz, ex officio

Members

Not

Participating Michael Dirrane
 Jerald Feldman

Staff *Due to the remote convening, a list of MassHousing staff participating or observing the meeting was not available*

Guests *Due to the remote convening, a list of guests observing the meeting was not collected*

Chair Pinado convened the meeting to order at 2:00 p.m. Chair Pinado then indicated that the first order of business was the approval of the minutes of the previous meeting. Upon a motion duly made and seconded, by roll call vote, of all the present Members (Jennifer Maddox abstained), it was:

VOTED: That the minutes of the Regular Meeting of the Members held on April 11, 2023 are hereby approved and placed on record.

Executive Director’s Report

Chrystal Kornegay began her report by giving an update on several MassHousing developments. There was a recent groundbreaking for the Preserve at Olmsted Green, which is the final phase of

the Boston State Hospital Development. Eighty units will be created using \$7.7 million in Commonwealth Builder financing. Flat 9 at Whittier in Boston begins the third phase of redevelopment. This development is being financed with \$189 million from MassHousing and will serve 200 residents of the public housing community. Ms. Kornegay continued by talking about the ribbon cutting at The Loop at Mattapan Station which is financed by \$36.5 million from MassHousing and will create 135 units in the mixed-use development. There was a groundbreaking with Beacon Communities for Harborlight Homes which will create 85 units of affordable housing for low-income seniors, including six live/work studios with an artist-occupancy preference, community performing arts space and many other amenities.

Ms. Kornegay continued by mentioning various MassHousing staff who participated in recent housing and finance panels. Mounzer Aylouche discussed the state of the Massachusetts real estate market at an event hosted by the Consumer Financial Protection Bureau. Ms. Kornegay was a panelist on Building Diversity in Real Estate and Our Communities at Boston Business Journal's Race, Equity and Business series and Paul Scola was a panelist at Smith's Ratings conference on the topic of ESG (Environmental, Social and Governance) bonds.

Ms. Kornegay continued her presentation by discussing the Inflation Reduction Act (IRA) of 2022. The IRA directs new federal spending toward reducing carbon emissions and has many implications for the building sector and specific provisions for affordable housing, the low-income housing tax credit, and renewal energy communities through a variety of tax incentives, loans and grants to improve energy efficiency with the goals of lowering the nation's carbon emissions by the end of this decade.

Ms Kornegay continued by stating the IRA provides nearly \$370 billion in clean and renewable energy provisions, a significant share of the direct appropriations is available for various housing initiatives and low-income and disadvantaged communities.

Ms. Kornegay went on to state MassHousing is engaged with the Healey-Driscoll administration and other key partners at MassCEC and MassDevelopment on how we can best coordinate to utilize federal IRA and other climate-focus funds effectively. Ms. Kornegay added we have participated in discussions regarding the creation of a climate bank in Massachusetts that could, among other things, lend and distribute IRA funds.

IRA provides over \$40 billion in direct spending resources that will impact housing – not including various consumer energy and efficiency tax rebate credits. The largest and most systemically important fund is the Greenhouse Gas Reduction Fund (GGRF), which is designed to generate a recurring source of climate-related lending for high-impact sectors (including the building sector.) Other programs are in public comment periods or are to be announced in the coming months.

Chair Pinado asked if this process was competitive and Ms. Kornegay answered that yes it is intended to be competitive. Based on its most current framework, we understand the EPA expects to award GGRF moneys to a handful of national organizations through a competitive process and those awardees would then push the money further out. Chair Pinado asked who these

organizations are and Ms. Kornegay replied they are expected to include a coalition of green capital and green banks but it is not yet clear who that pool might include.

Ms. Kornegay continued by detailing the Castle Square Deep-Energy Retrofit. MassHousing structured the public-private financing for Castle Square Deep-Energy Retrofit which in 2012 was the largest retrofit of its kind in the nation and preserved affordability. Castle Square Retrofit was a large-scale 500+ unit rehabilitation in partnership with Castle Square Tenants Organization (51% owners) and the developer. The rehabilitation achieved LEED Platinum Certification with 72% energy reduction (\$227K reduction in annual utility bills and aiding affordability), the highest available certification.

Vote to Appoint OPEB Committee Member

Colin McNiece presented a recommended appointment to the OPEB Trust Committee. In 2008 the Members approved the establishment of the Massachusetts Housing Finance Agency Other Post-Employment Benefits Trust (the “OPEB Trust”) to fund the Agency’s non-pension obligations to retired employees. In accordance with the Members’ vote, the Agency executed an irrevocable trust agreement (the “OPEB Trust Agreement”) to create the trust and appointed as trustee a “MassHousing OPEB Committee.” The OPEB Trust Agreement, as amended, specifies that the MassHousing OPEB Committee be composed of the following Agency personnel: (1) the Financial Director or equivalent position, (2) the Manager of Human Resources or equivalent position, (3) the Senior Director of Operations or equivalent position, (4) one member appointed by the Agency Members (previously, Henry Mukasa), and (5) one member appointed by the Executive Director (currently Cynthia Fernandes). There is presently a vacancy in the seat appointed by the Members.

It is recommended that Steve Payson, the Agency’s Senior Director of Homeownership Lending, serve as the representative of the Agency Members on the MassHousing OPEB Committee until the next Annual Meeting. Upon a motion duly made and seconded, by roll call vote, of all the present Members, it was:

VOTED: That Steve Payson serve as the Agency Members’ representative to the MassHousing OPEB Committee until the next Annual Meeting.

Multi-Family Pipeline Update

Mark Teden gave an update on the multifamily pipeline. There are 61 deals in the construction and lease-up phase which is ten more than last year. Last year was slower due to COVID and supply chain issues. The pipeline is reasonably strong with 34 deals moving through the process for approval. In the leads pipeline there are 5 Community Development oriented deals. There are 47 MassHousing oriented deals of which MassHousing is the preferred lender.

Mr. Teden detailed how the nature of MassHousing’s multifamily business has changed over the years. Preservation deals crested in 2017 and have gone down since that time. Mr. Teden also discussed how the cost of deals has changed over the years as well as the increasing complexities of deals. We had a recent deal that had nearly 20 sources of funding – 10 to 14 sources of funding typically can be in play on any given deal. For example the Whittier deal for POAH has 12 notes, 9 mortgages and 10,000 pages of loan documentation. Legal and finance work to blend these complexities which can include energy associated grants, FHLB, philanthropy, MassWorks grants and federal and state LIHTC.

Chair Pinado commented on the high number of sources of financing and commended Mr. Teden on the pipeline. Mr. Teden commented we are very pleased with the reasonable and steady pace of deals, even with the increase in interest rates.

Ms. Kornegay and Jennifer Maddox commented on the state-aided portfolio. Chair Pinado asked about the 4% cap in the pipeline. Ms. Kornegay commented that it is more and more grim. There are a number of large developments coming through the volume cap pipeline, including significant public housing development projects. We have spent 1/3 to 2/3 more of the cap in the first quarter this year compared to last year. Ms. Kornegay noted that staff is exploring how the Agency might access alternative capital sources.

Loan Committee

Shawme Heights, Sandwich

Jeff Geller presented a proposal for approval to accept assignment of a HUD-issued firm commitment for FHA Insurance, commitment of a first mortgage loan and approval to Finance the new loan through the issuance of a Ginnie Mae MBS for Shawme Heights in Sandwich.

Shawme Heights Apartments consists of 44 units for seniors and disabled residents in Sandwich. The proposed loan will provide funds to repay existing MassHousing debt, complete repairs, capitalize replacement reserves, pay transaction costs and provide equity to the owner.

The Development is centrally located in Sandwich near various businesses and amenities that run along Route 6A. A shopping plaza is conveniently located across the street from the Development, with a grocery store, pharmacy, bank, post office, restaurants, and other businesses. The Sandwich line of Cape Cod Regional Transportation Authority stops at the adjacent shopping plaza, with service to Buzzards Bay and Hyannis, which offers train and bus transportation to downtown Boston.

The Development consists of a single two-story building with 41 one-bedroom and 3 two-bedroom units. The Development provides common areas and offers its residents various amenities and activities. A resident services coordinator and a wellness coordinator organize a

variety of programs and activities at the site and also refer residents to outside services as needed. The building contains a lobby with a seating area and mail kiosk area, management offices, one elevator, a common laundry room, a community room and community kitchen. An outdoor seating area is located to the rear of the building. Residents also have access through an easement agreement with the adjacent Shawme Heights II that allows the shared use of site amenities, which include a fitness center, library, meeting room, and a hairdresser. A surface parking lot accommodates up to 64 vehicles.

The Development benefits from a Project-Based Section 8 HAP Contract (the “Contract”) covering all 44 units. In connection with the proposed refinance, the Borrower will renew the Contract for 20 years under HUD’s Mark-Up-To-Market program. The new Contract will include a preservation tail equal to the remaining number of years on the current Contract (four), bringing the total affordability term to 24 years.

At closing, the MassHousing Disposition Agreement will be recorded ahead of the mortgage and will require 20% (9) of the units to be set-aside for households earning up to 80% of AMI. The Disposition Agreement will survive foreclosure with a minimum term of 15 years.

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

VOTED: To approve the findings and determinations set forth below and to authorize the Massachusetts Housing Finance Agency (“MassHousing”) (1) to accept the assignment from Rockport Mortgage Corporation of a HUD Firm Commitment to provide mortgage insurance through the Federal Housing Administration pursuant to Section 223(f) of the National Housing Act for a first mortgage loan in the approximate amount of \$6,250,000 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 \$8,437,500 nor less than \$4,062,500 to Shawme Heights, Inc. (the “Borrower”) for Shawme Heights Apartments and (2) to make the FHA-insured first mortgage loan to the Borrower in the approximate amount of \$6,250,000 (the “New Loan”), subject to the limitation that the final amount of such loan shall not be more than \$8,437,500 nor less than \$4,062,500 on terms acceptable to MassHousing, in compliance with the terms of the Prepayment Approval for MassHousing Multifamily Mortgages adopted by the Agency on October 14, 2014 and subject to MassHousing’s General Closing Conditions for loans made under MassHousing’s MAP/Ginnie Mae Multifamily Joint Venture Lending Initiative approved by the Board on November 12, 2014.

FURTHER VOTED: That the Massachusetts Housing Finance Agency, acting through its officers duly authorized pursuant to the Government National Mortgage Association Resolution of Board of Directors and Certificate of Authorized Signatories approved by the Agency, is hereby authorized and directed to do all acts and things, and to execute and deliver any and all documents, certificates, securities and instruments necessary or desirable to effectuate the funding of a first mortgage loan insured by the U.S. Department of Housing and Urban Development, acting through the Federal Housing Commissioner, under Section 223(f) of the National Housing Act, to the Borrower for Shawme Heights Apartments.

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. The affordability of rents for 20% of the units:

Forty-four 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

The market needs data reflects the information available to A&M staff as of the date of collection April 12, 2023 , and may not fully incorporate the potentially adverse impact(s) that the COVID-19 virus has had on the overall economy or on the local housing markets, since being declared a pandemic by the World Health Organization (WHO) in March 2020. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the aforementioned collection date.

In-house data for larger market and mixed-income complexes (425 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over the past three years. Current occupancy rates of the five developments reviewed averaged approximately 98.8% and ranged between 96% and 100%. None of the comparables were offering concessions.

Second quarter 2023 CoStar data for the subject’s South Plymouth County (8,995 units) has an overall vacancy rate at 6.5% YTD, which is an increase of 1.7% from one year ago. CoStar data for the Boston market (261,832 units) has an overall vacancy rate of 5.0% YTD, which is an increase of 1.0 % from one year ago. The South Plymouth county submarket vacancy rate is projected to stay at 6.5% over the next five years, while the Boston market is projected to increase to 6.2%.

CoStar submarket data for the 4-5 Star building type (2,401 units) indicates a 2nd Qtr. 2023 vacancy rate of 7.7% and an average asking rent of \$2,607, while submarket data for the subject's 3 Star building type (3,099 units) indicates a 2nd Qtr. 2023 vacancy rate of 10.7% at an average asking rent of \$2,186 and 1-2 Star buildings (3,455 units) indicates a 2nd Qtr. 2023 vacancy rate of 1.8% at an average asking rent of \$1,752. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/21/20), the town of Sandwich has 8,183 year round housing units, 314(3.8%) of which are subsidized for low/moderate income households. The Sandwich Housing Authority (SHA) owns/operates 49 units of State public housing (13 family and 36 elderly/disabled). Per the SHA representative SHA used the CHAMP system to maintain their public housing waiting and there are 30-40 elderly applicants with a local preference and 40 applicants with a local preference for the family units, however the representative also stated the CHAMP waiting list is very long and she only had the numbers for those with a local preference. The representative also stated SHA also administers 175 Section 8 Housing Vouchers and per the representative there are 800 applicants on the waiting list.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 2,606 households in the Town of Sandwich, approximately 66.1% earned less than the HUD published 2022 AMI (\$115, 600), approximately 33.2% earned less than 50% of 2022 AMI, approximately 41.9% earned less than 60% of the 2022 AMI and approximately 54.2% earned less than 80% of the 2022 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

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

4. No Undue Concentration of Low-income Households

The financing herein proposed will change neither the current income mix of the Development nor that of its surrounding locality.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

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

administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified

Rental Determinations:

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

Rent Schedule:

Number of Bedrooms	1	2
Number of Units	41	3
Net SF/Unit	549	726
Elev./Non-Elev.	Elev.	Elev.
Market Rate Rent (10% Rate 20 Yr. Term)	\$2,408	\$2,594
MHFA Below Market Rent (Cost-Based Rent)	\$1,800	\$1,986
MHFA Adjusted Rent	30% of 80% of Area Median Income	
Underwriting Rents		
Project-Based Section 8	\$1,900	\$2,150
MH Disposition Agreement	\$1,386	\$1,657

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.

Blue Elm United Estates, Boston (Roxbury)

Jeff Geller presented a proposal for approval to accept assignment of a HUD-issued firm commitment for FHA insurance, commitment of a first mortgage loan and approval to finance the new loan through the issues of a Ginnie Mae MBS.

Blue Elm United Estates consists of 285 units in ten scattered buildings in the Roxbury neighborhood of Boston. The proposed loan will provide funds to repay existing MassHousing debt, complete repairs, capitalize replacement reserves, pay transaction costs and provide equity to the owner.

The Development consists of ten non-contiguous buildings in the Roxbury neighborhood of Boston. The neighborhood is well developed and provides numerous services in the vicinity of the Development such as grocery stores, restaurants, schools, retail businesses, medical services and public transportation. The Development also benefits from its close proximity to Franklin Park, which offers residents considerable open green space and recreational opportunities.

The Development consists of ten buildings containing six studio, 90 one-bedroom, 96 two-bedroom, 50 three-bedroom, 33 four-bedroom and 10 five-bedroom units. The three-and-four story brick buildings were originally constructed circa 1899, 1910 and 1920, with rehabilitations in 1980 and 2004. The Development includes a management office, computer center, a community room with a full kitchen, and a playground. The Development employs a full time Resident Services Coordinator who assists tenants with various support services and other community resources, engages with the residents and coordinates events and parties. The Development also provides after-school activities and field trips for children, summer school programs, music programs and a food pantry.

The Development benefits from two Project-Based Section 8 HAP Contracts (the “Contracts”) covering all 285 units. The 20-year Contracts both have a remaining term of 17 years and include a four-year preservation tail; therefore, the Contracts have a remaining term of approximately 21 years.

At closing, the MassHousing Disposition Agreement will be recorded ahead of the mortgage and will require 20% (57) of the units to be set-aside for households earning up to 80% of AMI. The Disposition Agreement will survive foreclosure with a minimum term of 15 years.

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

VOTED: To approve the findings and determinations set forth below and to authorize the Massachusetts Housing Finance Agency (“MassHousing”) 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 \$63,250,000, 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 \$85,387,500 nor less than \$41,112,500 to Grove Hall Redeveloper LLC (the “Borrower”) for Blue Elm United Estates and to make the FHA-insured first mortgage loan to the Borrower in the approximate amount of \$63,250,000 (the “New Loan”), subject to the limitation that the final amount of such loan shall not be more than \$85,387,500 nor less than \$41,112,500 on terms acceptable to MassHousing and subject to MassHousing’s General Closing Conditions for loans made under MassHousing’s MAP/Ginnie Mae Multifamily Joint Venture Lending Initiative approved by the Board on November 12, 2014.

FURTHER VOTED: That the Massachusetts Housing Finance Agency, acting through its officers duly authorized pursuant to the Government National Mortgage Association Resolution of Board of Directors and Certificate of Authorized Signatories approved by the Agency, is hereby authorized and directed to do all acts and things, and to execute and deliver any and all documents, certificates, securities and instruments necessary or desirable to effectuate the funding of a first mortgage loan insured by the U.S. Department of Housing and Urban Development, acting through the Federal Housing Commissioner, under Section 223(f) of the National Housing Act, to the Borrower for Blue Elm United Estates.

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:

Two hundred eighty five 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

The market needs data reflects the information available to A&M staff as of the date of collection April 14, 2023, and may not fully incorporate the potentially adverse impact(s) that the COVID-19 virus has had on the overall economy or on the local housing markets, since being declared a pandemic by the World Health Organization (WHO) in March 2020. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the aforementioned collection date.

In-house data for larger market and mixed-income complexes (approximately 744 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%. None of the five comparables reviewed were offering rental concessions.

2nd Qtr. 2023 CoStar data for the subject's Roxbury/Dorchester Multi-Family Submarket (7,379 units) has an overall vacancy rate at 2.6% YTD, which is a decrease of .27% from one year ago. CoStar data for the Boston market (261,859 units) has an overall vacancy rate of 5.0% YTD, which is an increase of 1.0% from one year ago. The Roxbury/Dorchester Multi-Family Submarket vacancy rate is projected to increase to 5.00% over the next five years, while the Boston market is projected to increase to 6.2%.

CoStar, submarket data for the 4-5 Star building type (1,949 units) indicates a 2nd Qtr. 2023 vacancy rate of 4.4% and an average asking rent of \$2,913, while submarket data for the subject's 3 Star building type (2,945 units) indicates a 2nd Qtr. 2023 vacancy rate of 1.8% at an average asking rent of \$2,723 and 1-2 Star buildings (2,485 units) indicates a 2nd Qtr. 2023 vacancy rate of 2.1% at an average asking rent of \$1,674. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/21/20), the City of Boston 269,482 year round housing units, 55,509 (20.6%) of which are subsidized for low/moderate income households. As of January 2023, The Boston Housing Authority (BHA) owns and operates 27 family and 36 elderly/disabled developments with a total of 12,501 units. The BHA also administers 14,574 units of Leased Housing, consisting of 12,216 Housing Choice Vouchers, 1,441 Project Based and 198 Moderate Rehab. In addition, the City of Boston's Annual Plan (FY2020-FY2024) indicated that the BHA maintains the following wait lists: There are 15,140 households on the Leased Housing waiting list. This is broken down by families with children, families with disabilities and elderly families. The BHA also had Single applicants on the waiting list. There were also instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at this time. The BHA also maintains a Public Housing Wait list with 41,038 applicants.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 271,950 households in the City of Boston approximately 74.7% earned less than the HUD published 2022 AMI, approximately 44.9% earned less than 50% of 2022 AMI, approximately 51.1 % earned less than 60% of the 2022 AMI, and approximately 62.8% earned less than 80% of the 2022 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

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

4. No Undue Concentration of Low-income Households

The financing herein proposed will change neither the current income mix of the Development nor that of its surrounding locality.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

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

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

Rent Schedule:

Number of Bedrooms	0	1	2	3	4	5
Number of Units	6	90	96	50	33	10
Net SF/Unit	424	644	843	1,059	1,273	1,569
Elev./Non-Elev.	N	N	N	N	N	N
Market Rate Rent (10% Rate 20Yr. Term)	\$2,847	\$3,044	\$3,443	\$4,158	\$4,967	\$5,435
MHFA Below Market Rent (Cost-Based Rent)	\$1,850	\$2,047	2,446	\$3,160	\$3,970	\$4,437
MHFA Adjusted Rent	30% of 80% of Area Median Income					
Underwriting Rents						
Project-Based Section 8	\$1,850	\$2,050	\$2,450	\$3,250	\$4,200	\$4,700
MH Disposition Agreement	\$1,850	\$2,036	\$2,432	\$2,802	\$3,115	\$3,387

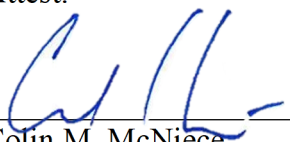
Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low- income persons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

Chair Pinado asked if there was any other old or new business for the Members’ consideration.

There being no other old or new business, the meeting adjourned at 2:51 p.m.

A true record.

Attest.



 Colin M. McNiece
 Secretary