



nerelj

Massachusetts Housing Investment Corp. places \$11.5 million in financing for rehab of a 235-unit property

August 13, 2015 - Financial Digest

Massachusetts Housing Investment Corp. (MHIC) and the Allston-Brighton Community Development Corp. (ABCDC) completed the financing for the rehabilitation of 235 units of affordable housing at Commonwealth and Glenville Apartments in the Allston/Brighton neighborhood. MHIC is providing an \$11.5 million low-income housing tax credit investment, with that investment split between a multi-investor fund (\$8.8 million) and Rockland Trust Bank (\$2.6 million).

The Commonwealth and Glenville Apartments are on 17 scattered properties, all on the same city block bounded by Commonwealth and Glenville Aves. This area is near the busy Harvard Ave. commercial district, a major neighborhood shopping area with a mix of residential, retail and commercial uses. The buildings are about 105-110 years old, and have been owned by two separate but related companies whose members include ABCDC and a corporation of elected tenant representatives, the Commonwealth Tenants Council. The properties originally were acquired and developed in 1998 using HUD financing that was prepaid by the owners in 2011 and 2013. As part of this refinancing, the current owners are selling the two projects to a single new LLC, which will undertake a rehabilitation program and ensure the rental apartments' long-term affordability.

Financing for this project, in addition to MHIC's \$11.5 million LIHTC investment, includes Boston Private's \$25.7 million in construction and permanent loans financed through tax exempt bonds issued by MassDevelopment.

"In a community that has become very transitory, with even a studio apartment going for almost \$2000 in this neighborhood, keeping these units affordable for low- and moderate-income families is of paramount importance," said Carol Ridge-Martinez, executive director of ABCD. "Now that we have this financing in place, we can finally begin the renovations and we will be able to sustain affordability of these apartments for many more decades."

Rehabilitation of the buildings will primarily include major masonry repairs, maintenance and structural repairs on all buildings, energy efficiency and safety upgrades, accessibility and common area enhancements, and new doors, kitchen and bathroom fixture replacement, and similar work as needed in individual units. Exterior work, such as paving of alleys and walkways, will also be done. The work will commence in August and be completed in September 2016. The total development cost is \$56 million.

"In a Boston neighborhood, such as this one, where many people have lived for a decade or, in many cases, several decades, it's essential to preserve affordability, but it's no easy task, said Joe Flatley, president of MHIC. "We salute Allston Brighton CDC for taking on this complex and challenging project, and thank all our funding partners including Rockland Trust for working with us to make this possible."