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MassHousing closes \$31 million affordable housing financing to CSI Support & Development Services

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Charlestown, MA MassHousing has closed on \$31 million in affordable housing financing to CSI Support & Development Services for the refinancing, renovation and extension of affordability of City Square Elderly Housing. The 120-unit property, also known as Charlestown Co-op, serves senior citizens and residents with disabilities, and as part of the transaction, residents will see affordability protections extended for at least 24 years.

“MassHousing is pleased to complete this transaction with CSI Support & Development Services to ensure that City Square Elderly Housing continues to provide quality affordable housing for the seniors and residents with disabilities who call it home,” said MassHousing executive director Chrystal Kornegay. “The substantial property improvements that are planned will extend the use of this important housing asset for many years and provide the residents with more security and comfort.”

As part of the transaction, CSI has executed a new 20-year HUD Section 8 Housing Assistance Payment contract for 119 of the 120 apartments at City Square, which will include four years remaining on the previous contract, for an overall extension of affordability of 24 years. There is an additional unit on the property for management staff.

CSI also plans \$4.9 million in property improvements, including kitchen and bathroom upgrades with accessibility modification in some units, new unit heating and cooling systems, common space upgrades, the addition of a gym and a resident service coordinator's office, brick repointing, landscaping improvements, and the addition of an accessibility ramp at a side entrance.

City Square Elderly Housing was refinanced through MassHousing's Multifamily Accelerated Processing (MAP)/Ginnie Mae Joint Venture Initiative with lender partner Rockport Mortgage Corp. MassHousing offers the MAP/Ginnie Mae loan program to the owners of rental housing through the U.S. Department of Housing and Urban Development (HUD). HUD provides expedited Federal Housing Administration (FHA) insurance approvals through the MAP program.

MassHousing has surpassed \$2 billion in cumulative MAP lending and the Agency has built the largest MAP lending program of any state housing finance agency in the nation.

The combination of FHA insurance and a Ginnie Mae guarantee enables borrowers to access taxable mortgage financing with lower interest rates, while preserving and extending affordability for hundreds of low-income individuals, senior citizens, and families. MassHousing provided CSI Support & Development Services with a \$31 million, 35-year permanent loan.

"CSI understands the importance of preserving affordable housing and we could not be more thrilled about this investment for our resident-members at City Square in Charlestown," said CEO Anne Sackrison. "Our goal is to provide the best quality housing possible at the lowest feasible cost to our resident members, while enriching the quality of life for all who reside here now and for years to come."

"City Square is such an important housing asset to the neighborhood of Charlestown and the City of Boston as a whole," noted Dan Lyons, President of Rockport Mortgage. "We are pleased to have been able to work with both CSI and MassHousing in efforts to not only extend the property's affordability but to also improve the overall quality of life for residents."

City Square was constructed around 1900 and rehabilitated by CSI in 1985. The 120 units are contained in a single brick building with four-, five- and six-story wings. There are 31 studio apartments and 89 one-bedroom apartments.

MassHousing has financed six rental housing communities in Charlestown involving 556 housing units, and an original loan amount of \$58.2 million. The Agency has also provided \$1.2 billion in financing to 8,726 Boston homebuyers or homeowners.