

Good homes, better lives

With public leadership and private funds, MHP is helping
Massachusetts build the housing its people need



2010 ANNUAL REPORT
MASSACHUSETTS HOUSING PARTNERSHIP



1985 - 2010



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Governor Deval Patrick in Roxbury at the grand opening of the Thomas I. Atkins Apartments, a 48-unit affordable rental housing development supported with a \$2.2 million loan from MHP.



As required by Section 35 of Chapter 405 of the Acts of 1985, the 2010 Annual Report of the Massachusetts Housing Partnership Fund is respectfully submitted to:

Deval L. Patrick, Governor
Commonwealth of Massachusetts

Stephen M. Brewer, Chairman
Senate Ways and Means Committee

Brian S. Dempsey, Chairman
House Ways and Means Committee

Jay Gonzalez, Secretary
Executive Office for Administration and Finance

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MHP marks 25 years with a thanks to Stan Lukowski

As we close the books on our first 25 years and look forward to the future, we must first pause and say thanks to Stanley J. Lukowski, who is stepping down as chairman of the MHP Board of Directors.

Chairman Emeritus of Eastern Bank, Mr. Lukowski joined the board in 2000 and assumed the chairmanship in 2003. Under his watch MHP's multifamily lending nearly quadrupled to \$697 million in financing supporting more than 17,000 rental homes. The number of SoftSecond loans more than tripled to 14,870 buyers and \$2.3 billion in bank financing.

"Stan's banking knowledge and passion for public service and our mission proved to be a great fit for MHP," said MHP Executive Director Clark Ziegler. "He was both pragmatic and approachable and created an atmosphere that inspired everyone at MHP to do great work."

Replacing Mr. Lukowski will be Christopher Oddleifson, President and CEO of Rockland Trust. Mr. Lukowski will remain as a member of the board and we thank him for his many years of service to MHP.

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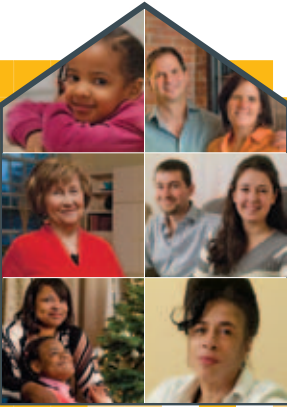
How MHP Works

MHP is a privately-funded, public non-profit organization that works with state government and with business, civic and community leaders to increase the supply of affordable housing across the Commonwealth.

MHP uses funds from the banking industry to provide long-term loans for affordable rental housing. Since 1990, MHP has provided over \$697 million in loans and commitments for the financing of over 17,000 units of rental housing.

MHP also helps communities build affordable housing and offers the SoftSecond Loan Program, which has helped 14,870 lower-income families buy their first home and leveraged over \$2.3 billion in private bank mortgage financing.

The lessons of the last **25 years** will help us build a better future



MHP was created in 1985 to help communities meet their affordable housing needs. We rose to the challenge by bringing town leaders and developers together to create affordable housing, by bringing stakeholders together to revitalize urban neighborhoods,

and by working with Massachusetts banks to develop cutting-edge financial products that address the state's unique housing needs.

Twenty-five years later, the board and staff are deeply proud of what MHP has accomplished. We have assisted more than 300 cities and towns and helped sustain the work of dozens of housing nonprofits. We have provided more than \$697 million in innovative long-term financing to support development and preservation of more than 17,000 rental homes. We partnered with banks, state government and community leaders to create the SoftSecond Loan Program, which has grown to \$2.3 billion in private mortgage financing and helped 14,870 low and moderate-income families become successful homeowners.

While proud of these accomplishments, we are not satisfied. Since the 1980s, Massachusetts home prices grew to among the highest in the nation and our per capita housing production sunk to 47th of the 50 states. Even in the midst of a recession and declining home prices, our housing costs are out of line with the rest of the U.S. Not coincidentally, our job growth has lagged behind the nation as a whole for most of the last two decades.

What holds us back? Unlike most states, every one of our 351 cities and towns has its own unique land use regulations, without any adherence to state or regional planning, and has little or no incentive to allow reasonable growth.

We know that employers can only expand here if Massachusetts is an attractive and affordable place to live,

yet in our own communities we make decisions that achieve just the opposite. Most towns make little allowance for multifamily housing and require mammoth lots for new homes. Our zoning discourages housing for young workers and families and makes it clear that new development should happen "somewhere else".

What's the solution? It's time to establish a genuine growth policy for Massachusetts. To that end, MHP has embarked on a multi-year effort to measure the impacts of housing on our economy and to frame the critical policy choices we are facing. It is within our power to allow the housing we need, build housing only where it makes sense, preserve open space and better protect the environment, and create a more enduring fiscal partnership between the state and its municipalities. As MHP strives to build consensus on this issue, we will continue to be financial innovators and to support local housing leadership across the Commonwealth.

We look forward to working with the Governor, Legislature, business and civic leaders to keep housing at the center of the state's economic agenda. The stakes are high and we believe that a robust economy and high quality of life are well within our grasp.



Christopher Oddleifson, Chairman

Clark L. Ziegler, Executive Director

YWCA Supportive Housing

Springfield



Helping lower-income families

Included in the MHP financing for the Springfield YWCA's new supportive home for women is low-interest second mortgage financing from Home Funders, a program that helps affordable housing developers make more rental homes available for extremely low-income (ELI) families.

Home Funders is a partnership of private funders that has pledged to provide \$26 million to support the creation of 1,000 rental homes for extremely low-income families. In just seven years, Home Funders funds have been used by affordable housing lenders like MHP to finance 2,027 rental homes, of which 709 are designated for ELI families.

Home Funders has proven to be an invaluable partner in helping MHP finance rental homes for families making less than \$30,000 per year. Home Funders financing helped make it financially possible for the YWCA project to include nine two-bedroom and four three-bedroom homes for families. All told, MHP has combined its first-mortgage financing with Home Funders in 27 developments totaling 923 rental homes, of which 222 are affordable to families whose income is below 30 percent of the area median income.



Western Massachusetts

Recent loans and commitments include:

New production

Amherst • Main Street Apartments, Valley CDC, 11 units, \$268,000 first mortgage, \$750,000 second mortgage.

North Adams • Clark Biscuit Apartments, Arch Street Development LLC, 42 units, \$745,000 first mortgage.

Pittsfield • New Amsterdam Urban Center, Pearson Properties LLC, 67 units, \$2.2 million first mortgage.

Springfield • YWCA Supportive Housing, YWCA of Greater Springfield, 28 units, \$320,000 first mortgage, \$300,000 Home Funders second mortgage.*

Preservation

Springfield • City View Commons I, First Resource Management Co., 152 units, \$1.8 million first mortgage.

Springfield • Liberty Hill, Better Homes Inc., 88 units, \$500,000 second mortgage.

Springfield • Worthington Commons, First Resource Management Co., 149 units, \$1.56 million first mortgage.

Neighborhood Stabilization Loan Fund

Private lenders, non-profit foundations and MHP have created a \$22 million fund to support the acquisition and long-term stabilization of foreclosed properties.

Springfield • 4-6 Nelson Street, 1810 Realty Group, 3 units, \$119,000 first mortgage.

Springfield • 66 Palmer St. & 11-15 Belmont Place, Garden Park Management Co., 5 units, \$150,000 first mortgage.

* With significant long-term foundation support, Home Funders financing through MHP helps developers make more units available to lower-income families.

More than a shelter from the storm

Springfield's YWCA empowers women like Robin Hook to hope and prepare for better days

R

Robin Hook sat in her apartment, reflecting on her life as the autumn sun streamed in her window. "I'm not afraid of dying," she said. "God would not put me in hell twice." Yet, she is positive. She's back on her meds, eating well, helping other battered women and planning to work at an animal shelter. "I have AIDS, I'm dying but I'm happy," she said.

Robin lives in the Springfield YWCA's supportive housing facility, which opened in 2010 next to the Y's battered women's shelter. The new facility gives women and families in domestic violence shelters a safe, affordable home and continued services for 12 to 18 months so they can prepare to live independently. "There needs to be something beyond shelters," said YWCA Executive Director Mary Reardon Johnson, who developed these homes with MHP financing.

Robin's attitude is a testimony to the value of supportive housing. She says she kicked her drug habit in 1994 but has been unable to escape a lifetime of abuse that began with her father, continued with her husband and climaxed with her son, who kidnapped her for nine months so he could live off her benefits. Her recovery began in the summer of 2010 when a social worker realized what was happening and brought her to the Y.

The honesty with which Hook speaks of her 53 years reveals the magnitude of her abuse and the miracle of hope she now feels. "The day I came here was the day I began my transformation," she said. "Most shelters, all they give you is a bed. Not the Y. They take care of you."



Robin Hook is putting her life back together at the Springfield YWCA's new supportive housing facility.

1-7 Piedmont Street

Worcester



A belief in non-profit development

MHP supports organizations like Worcester Common Ground (WCG) because it believes in non-profits. Since 1990, MHP has provided over \$136 million in first mortgage loans for the financing of 118 projects sponsored by community development corporations and other nonprofits. Many of these developments have also received low-interest second mortgages from MHP.

MHP's support doesn't stop there. Since 2005, MHP has used Bank of America funds to provide over \$7.9 million in grants to help WCG and more than 50 other nonprofits increase their development capacity. MHP does this because non-profits are often the ones to kick off investment in up-and-coming neighborhoods and their developments have greater affordability and serve special populations, such as the homeless.

Gateway Cities

Gateway cities are the smaller and mid-sized cities that have always been a vital part of the Commonwealth's economy. The following is a list of recent loans and commitments MHP has made in these cities:

New production

Haverhill • Hayes Apartments at Railroad Square, Planning Office for Urban Affairs, 57 units, \$1.9 million first mortgage.

Lawrence • Sacred Heart Apartments, Beacon Communities, 44 units, \$800,000 first mortgage.

Lawrence • Union Crossing, Lawrence Community Works, 60 units, \$1.5 million first mortgage, \$600,000 Home Funders second mortgage.

New Bedford • Regency Tower, Trinity Financial, 129 units, \$6.9 million first mortgage.

Lowell • Unity Place, Coalition for a Better Acre, 23 units, \$450,000 first mortgage, \$300,000 Home Funders second mortgage.*

Salem • Palmer Cove, North Shore Community Development Corp., 15 units, \$500,000 first mortgage, \$150,000 Home Funders second mortgage.*

Worcester • 1-7 Piedmont Street, Worcester Common Ground, 12 units, \$383,000 first mortgage, \$750,000 second mortgage.

Worcester • Southgate Place, South Worcester Neighborhood Improvement Center, 25 units, \$500,000 first mortgage.

Preservation

Lowell • Broadway Apartments, Common Ground Inc., 26 units, \$1.8 million first mortgage, \$650,000 second mortgage.

* With significant long-term foundation support, Home Funders financing through MHP helps developers make more units available to lower-income families.

Building what a community needs

Worcester Common Ground's latest achievement boosts neighborhood, helps couple dream

T

hey first met when he was studying finance and working his way through college in Albania as a waiter and she was a high school student who came into the restaurant in the afternoon for coffee.

They married in 2008 and immigrated to the U.S. because the job he had after college didn't pay well.

She laughs at their naiveté now, saying they thought America was a country of lights but they found no light at first. Jobs were hard to find and the housing was old and expensive. They worked at a local supermarket and lived in their uncle's basement. Driven by a belief in hard work, Olgert and Ermira Struga now have better-paying jobs at a Boxborough company that makes power supply equipment for computers and they live in a new one-bedroom apartment that is enabling them to save and plan for a family some day.

The non-profit Worcester Common Ground knocked down a set of decaying row houses and built the 12-unit affordable apartment building with financing from MHP. Long dedicated to neighborhood revitalization, this is the first WCG property that is all one-bedrooms, a decision Executive Director Steve Patton said was based partly on community feedback. The property is 100 percent handicapped accessible, includes formerly homeless residents, clients from the Department of Mental Health and young couples like the Strugas, all wanting a better life.



Ermira and Olgert Struga are happy in their brand new Worcester apartment.

Revitalized foreclosed home

Lawrence



Chris and Craig Spagnoli

Focused on foreclosures

While MHP's SoftSecond Loan Program is available everywhere, there is no doubt that it's become important in increasing homeownership in communities hard-hit

by foreclosure (see chart on right).

MHP is attacking foreclosures in other ways. It continues to support receivership programs in New Bedford, Worcester and Springfield, where Craig Spagnoli and his son Chris have stepped in to stabilize and manage a 48-unit foreclosed rental property.

MHP has also put \$8.5 million into the \$22 million Neighborhood Stabilization Loan Fund. Managed by the Massachusetts Housing Investment Corp., NSLF has provided financing or financing commitments for the rehabilitation of 77 distressed multi-family properties and 298 apartments in 10 cities.

Stabilizing neighborhoods

SoftSecond has proven to be an effective tool in increasing homeownership in cities hard-hit by foreclosures.

Region	2006	2007	2008	2009	2010
Boston	284	286	297	332	335
Brockton	5	15	26	35	24
Chelsea	18	18	13	38	37
Everett	4	8	13	41	35
Lawrence	5	26	26	64	46
Lynn	23	27	23	59	49
Revere	10	13	22	65	40
Springfield	27	12	27	46	41
Worcester	43	61	78	99	77
Totals	419	466	525	779	684

Thanks to our partners: SoftSecond has made 14,870 loans to first-time homebuyers and has leveraged over \$2.3 billion in private mortgage financing. Its success is due to support from the legislature, homebuyer education counselors and member banks. For a list of participating banks, go to www.mhp.net.

Helping homeowners and neighborhoods

In Lawrence, distressed property turns into dream come true for Gomez family

G

oogle “neighborhood stabilization” and you’ll get 1.2 million results. Skim your search and you’ll probably see the word “foreclosure.” What you won’t see right away is the word “homebuyer.”

But spend an hour with

Lawrence’s Pablo and Mary Gomez and you realize how crucial the homebuyer is in any neighborhood stabilization program. Pablo has roots in the community. His father was a Seventh Day Adventist minister in the city. Pablo has worked at Logan Airport for 10 years. His wife Mary is a health care aide. Their three-year-old daughter Mariel can already write out the alphabet. About the only thing we could find wrong: Pablo is a Lakers fan.

To buy a foreclosed two-family home, the Gomez family took all the necessary steps.

They learned how to buy a home and save for a down payment in Lawrence Community Works’ Family Asset Building Program. They worked with the City of Lawrence, Citizen’s Bank and MHP to get a SoftSecond mortgage loan that included federal Neighborhood Stabilization Program (NSP) funds to fix the home inside and out. “This family was truly invested in their dream,” said Ana Carmago of the city’s community development department.

The payoff: The Gomez family can pay their mortgage with the rent they get from their first-floor tenants. And the City of Lawrence stabilized a distressed property.



Mariel, Pablo and Mary Gomez are all smiles in their new home.



Olmsted Green

Boston

MHP in Boston

In Boston, MHP has used its bank-funded loan pool to provide over \$182 million in first-mortgage loans and commitments and over \$9 million in low-interest second mortgage loans from bank grant funds or Home Funders. These funds have supported 117 housing developments and over 4,700 rental homes. The following are recent MHP loans and commitments:

New production

Dorchester • Leveda Building, Codman Square NDC, 24 units, \$630,000 first mortgage.

Jamaica Plain • Centre-Creighton Apartments, Jamaica Plain NDC, 36 units, \$1.9 million first mortgage.

Jamaica Plain • 270 Centre Street Apartments, Jamaica Plain NDC, 30 units, \$584,000 first mortgage.

Mattapan • Olmsted Green Rental Phase II, New Boston Development Partners LLC, 50 units, \$1.2 million first mortgage.

Roxbury • Thomas I. Atkins Apartments, Nuestra Comunidad Development Corp., 48 units, \$2.2 million first mortgage.

Preservation

Beacon Hill • Peter Faneuil House, Rogerson Communities, 48 units, \$500,000 first mortgage.

Dorchester • 237-241 Walnut Ave., 1810 Realty Group, 37 units, \$563,000 first mortgage.

Jamaica Plain • JP Apartments, Urban Edge, 103 units, \$2.7 million first mortgage.

Neighborhood Stabilization Loan Fund

Private lenders, non-profit foundations and MHP have created a \$22 million fund to support the acquisition and long-term stabilization of foreclosed properties.

Dorchester • 8 Elwyn Road, 1810 Realty Group, 3 units, \$130,000 first mortgage.

Dorchester • 37 Ridgewood Street, Castle Rock Properties, 3 units, \$214,000 first mortgage.

Dorchester • 412 Talbot Ave., Codman Square NDC, 3 units, \$161,000 first mortgage.

More money for multi-family

As private capital has become harder to find, MHP has been able to expand its lending. For example, MHP has been approved into Fannie Mae's national network of multi-family affordable lenders. This helps MHP offer better pricing and flexible terms for loans over \$15 million.

In 2010, MHP was awarded a \$4 million grant from the U.S. Treasury's Capital Magnet Fund. This gives MHP the capital it needs to leverage \$100 million in private financing. With the Boston

Foundation, MHP also unveiled the Housing Reserve Assurance Program (RAP). In this program, non-profit tax-credit developers pay a premium in return for access to funds to cover operating deficits.

This costs less than a traditional cash-funded reserve and



frees up capital so that non-profits can pursue new developments.

Rental housing in the nick of time

As foreclosures take their toll, Boston woman's story shows why we need more apartments

Phyllis Lobo knew the economy was bad but she didn't think it would get her. She was too busy running her home day care business and taking care of her 28-year-old daughter Jitaynia or Tay, as she lovingly calls her. Then one day, her sister was laid off after three decades at the same job and pretty soon they couldn't afford the mortgage payments on their two-family home in Boston. "I had one foot on the sidewalk," said Phyllis, who had to close her day care business and look for housing.

Her situation was compounded by the fact that she needed an accessible unit for Tay, who has cerebral palsy. And she swore she would not move back in with her parents Boyd and Bertha. For years, they had taken care of Tay while Phyllis rose from teller to loan underwriter at a major Boston bank before switching to day care so she could take care of Tay.

As foreclosure day neared, Lobo found an accessible rental apartment at Olmsted Green, the 200-acre housing development on the grounds of the former Boston State Hospital. She was one of 800 applicants for the second phase of 50 rental apartments, both phases financed by MHP. "It was such a relief finding this place," said Phyllis. "Now, I can figure out what to do next."



With her new apartment at Boston's Olmsted Green, Phyllis Lobo can take care of her daughter Jitaynia and start putting her professional life back on track.

Making the housing-jobs connection

Prior to 1980, housing production and housing costs in Massachusetts were right in line with national averages. But as our housing production dropped and our home prices rose, our job growth began to lag behind the nation.

To reverse this trend, we need to allow more housing in the right places so we can attract more working professionals like Jennifer and Greg Hammers. That's why MHP has embarked on the Foundation for Growth, a multi-year research project dedicated to crafting policy proposals that will increase housing production and economic growth.

Analysis of 242 metro areas by economist Ed Moscovitch showed that increased housing production was a precursor to economic growth. Future research will show just how much housing we need to grow our economy, what are the costs and benefits and what policies will make it happen. For more information, go to www.massgrowth.net.



Metro Boston

Recent MHP loans and commitments for affordable rental housing:

New production

Chelsea • Atlas Lofts, Mitchell Properties LLP, 53 units, \$5 million first mortgage.

Chelsea • Spencer Row, Chelsea Neighborhood Developers, 32 units, \$1.3 million first mortgage.

Quincy • 6 Fort St., Asian CDC, 34 units, \$940,000 first mortgage, \$350,000 Home Funders second mortgage.*

Somerville • St. Polycarp Village Phase I, Somerville Community Corporation, 24 units, \$2.3 million first mortgage.

Somerville • Capen Court Senior Housing, Somerville Housing Authority, 95 units, \$7.5 million first mortgage.

Weymouth • Pond Street Apartments, South Shore Affordable Housing Inc., 20 units, \$690,000 first mortgage, \$250,000 Home Funders second mortgage.*

Preservation

Arlington • Forest & Peirce, Housing Corporation of Arlington, 10 units, \$525,000 first mortgage, \$750,000 second mortgage.

Cambridge • Cambridge Y SRO, Cambridge YMCA, 127 units, \$749,000 first mortgage.

* With significant long-term foundation support, Home Funders financing through MHP helps developers make more units available to lower-income families.



Atlas Lofts

Chelsea

It's a lofty market for rentals in Chelsea

Reborn industrial "wasteland" is now the home for couples like Greg and Jennifer Hammers

A

t the July 2010 grand opening of Atlas Lofts, Chelsea City Manager Jay Ash could scarcely believe his eyes. "I grew up four streets away and my mother wouldn't let me come down here," he said. "It was a wasteland."

Five months later, Dr. Jennifer Hammers sat in her loft apartment and explained why she, her husband Greg and their dog Pork Chop moved from New York City so she could start her new job at the state medical examiner's office. "We wanted to rent for a year or two and we liked it here because it was less expensive than (Boston's) South End, yet still close to the city. And we liked the exposed brick, the high ceilings and that it was pet friendly. That's our style."

The Hammers aren't alone. In less than seven months, all of the 47 market-rate and six affordable apartments developed by Mitchell Properties were rented, making it the latest chapter in how an abandoned factory area has been turned into a neighborhood of apartments and condominiums known as the Box District.

Other players in this success story include the non-profit Chelsea Neighborhood Developers. The supporting cast includes MHP, which financed Atlas Lofts and the affordable rental apartment building down the street. But the real stars are residents like the Hammers, who are building new lives in a new neighborhood in Chelsea.



With their beloved dog Pork Chop, Greg and Jennifer Hammers moved to Massachusetts and found the apartment they needed in Chelsea's new Box District.

Suburban

MHP also focuses on suburban developments, with special emphasis on smaller projects and developments in high-opportunity communities with good schools, proximity to jobs, and higher housing costs. Here are some recent examples:

New production

Barnstable • West Barnstable Communities, Housing Assistance Corp., 40 units, \$2 million first mortgage.

Bedford • 447 Concord Road, S-C Management Corp., 14 units, \$1.2 million first mortgage, \$1 million second mortgage.

Beverly • Cabot Street Homes, Beverly Affordable Housing Coalition, 43 units, \$570,000 first mortgage.

Gloucester • LePage Village Phase III, Caleb Foundation, 34 units, \$740,000 first mortgage.

Harwich • 916 Route 28, Harwich Ecumenical Council for the Homeless, Inc., 10 units, \$670,000 first mortgage, \$675,000 second mortgage.

Harwich • Thankful Chases Pathway, Community Development Partnership, \$730,000 first mortgage, \$400,000 second mortgage.

Holliston • Cutler Heights Housing, JN Juhl & Associates, 30 units, \$1.1 million first mortgage.

Hopkinton • Mayhew Court, Hopkinton Housing Authority, 12 units, \$1.3 million first mortgage, \$750,000 second mortgage.

Ipswich • Powder House Village, YMCA of the North Shore, 48 units, \$1.4 million first mortgage.

North Andover • Stevens Corner, NOAH, 42 units, \$1.4 million first mortgage.

Plymouth • Cherry Hill II, Plymouth Bay Housing Corp. 35 units, \$1.58 million first mortgage.

Sharon • Wilber School, Beacon Communities and Frontier Enterprises, 75 units, \$12.5 million first mortgage.

Wareham • The Village at 815 Main Street, JK Scanlan Co., Inc., 49 units, \$2.1 million first mortgage.

Wayland • 373 Commonwealth Road, Oak Tree Management Co., 52 units, \$8.1 million first mortgage.

Land of opportunity

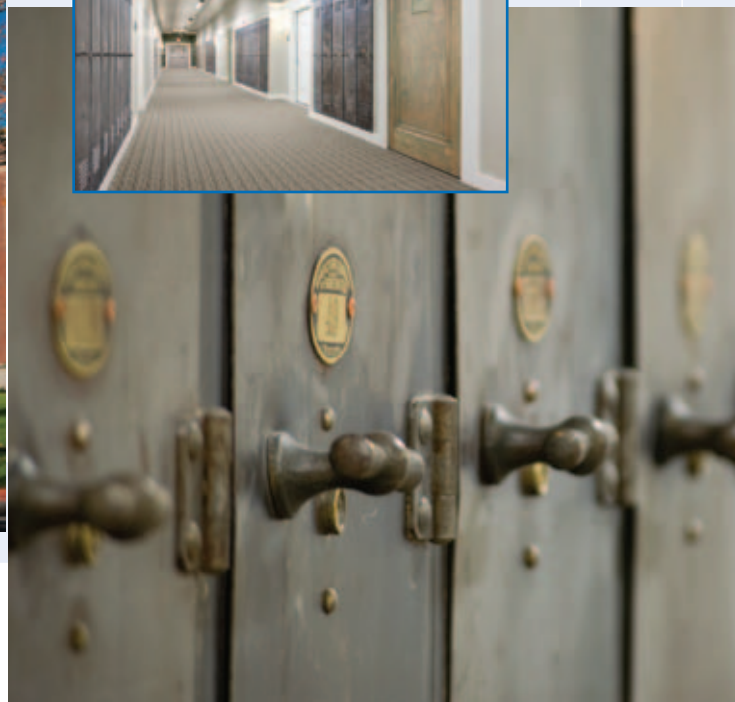
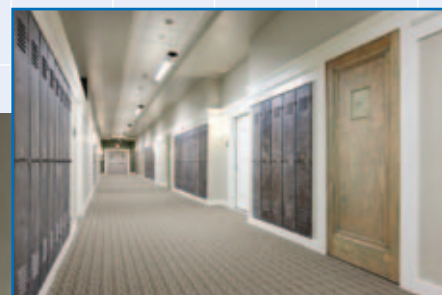
Creating homes for lower-income families and investing in housing that makes neighborhoods stronger are two MHP priorities. Another is supporting multi-family rental housing in high-opportunity communities characterized by good schools, strong employment and a lack of affordable housing.

That's why MHP helped provide \$12.5 million in long-term private financing for Sharon's Wilber School, and why it has pledged \$5 million in second

mortgage subsidy to support smaller scale affordable housing developments in communities like Sharon. Wilber School illustrates why MHP is focused on high-opportunity communities. Just eight months after its grand opening, all 75 rental homes were leased. "Sharon and the surrounding area have very little rental housing," said Josh Cohen, development director at Beacon Communities. "We believed that there would be a strong market for our affordable, workforce and market-rate apartments."

Wilber School

Sharon



Preserving communities with housing

Nobody appreciates the preservation of Sharon's Wilber School more than Ida Gold

E

very time Ida Gold looks out her window, she sees happy times. She sees herself running down Main Street with her home movie camera, chasing her family's convertible Mustang during the Fourth of July parade. She sees her children Andrea and Richard in the front seat and Tammy and Michael riding high in the back. "I love being here," she said. "It brings back good memories."

Nobody can appreciate the Town of Sharon's decision to let the historic downtown Wilber School be converted into 75 mixed-income rental homes better than Ida Gold. The development allowed her to downsize from a larger home and live in the town where she raised her family. The development allowed her to remain independent and strong, and remember the good times before Huntington's disease tore her family apart.

A rare genetic neurological disorder, the disease killed her husband Robert in 1984 at 62 and her daughter Tammy in 2008 at 54. Richard, now 60, has been battling the disease since his 20s and Michael, 45, has it too. Only her daughter Andrea

has escaped. Yet inside Ida's apartment, her family lives on. There's a picture of Bob as a child with Babe Ruth, a letter commemorating his World War II service and a picture of Bob and Ida on a date at Newton's Norumbega Park. And everywhere, there are pictures of the children, including out the windows, where Ida can still see Tammy's hair flying in the breeze.



Ida Gold's first-floor apartment looks out on Sharon's downtown and back to a time of wonderful family memories.

MHP staff

To contact an MHP staff member by phone, dial 617-330-9944 and the appropriate phone extension.

Executive|Legal

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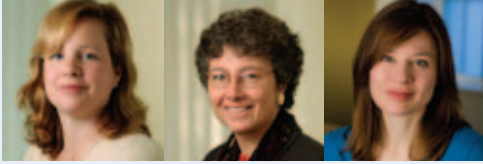
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Community Housing Initiatives

The Community Housing Initiatives (CHI) team supports communities, local housing authorities, and non-profit organizations in their efforts to create affordable housing for low- and moderate-income families.



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Homeownership

This group manages the SoftSecond Loan Program, which has helped 14,870 low- and moderate-income families purchase their first home.



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Administration & Finance

This group combines to help run the day-to-day operations and track MHP's overall financial performance.



Charleen Tyson, *Chief Financial & Administrative Officer*
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Dave Oteri, *Chief Accountant & Treasury Manager*
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Ivette Ortiz, *Human Resources & Finance Administrative Assistant*
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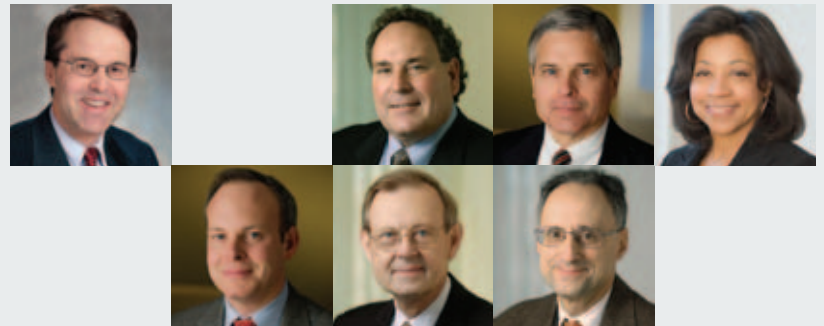
Scott MacIntyre, *Information Technology Manager*
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Mike Stillwagon, *Information Technology Assistant*
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Jazmin Vasquez, *Receptionist*
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Board of Directors

MHP is governed by a seven-member board of directors. Two are appointed by the governor, two are cabinet secretaries or their designees, and three are nominated by the Massachusetts Bankers Association.



CHAIR, **Christopher Oddleifson**
President & CEO, Rockland Trust Company

VICE CHAIR, **Vincent C. Manzi Jr.**
Partner, Manzi & McCann, Lawrence, MA

SECRETARY/TREASURER, **John Heerwagen**
Chairman, President & CEO, Middlesex Savings Bank

MEMBER, **Tina Brooks**
Undersecretary of the Executive Office of Housing and Economic Development

MEMBER, **Scott Jordan**
Deputy Secretary for Capital Finance and Intergovernmental Affairs (Designee for Secretary Jay Gonzalez)

MEMBER, **Stanley J. Lukowski**
Chairman Emeritus, Eastern Bank

MEMBER, **Nicolas P. Retsinas**
Senior Lecturer at Harvard Business School and Director Emeritus of the Harvard Joint Center for Housing Studies

MHP numbers

How MHP Is Funded

MHP was founded on the premise that housing solutions depend in part on private investment. This foundation was strengthened in 1990 when the legislature enacted the Interstate Banking Act, which requires that companies that acquire Massachusetts' banks make funds available to MHP for affordable housing.

This act addressed fears that bank industry consolidation might mean less community investment, and it gave larger consolidated banks a way to continue to channel money deep into the community.

As a result, MHP's loan pool has grown to over \$1.1 billion, meaning it will continue to play a major role in helping the state maintain and grow its supply of affordable housing. Since 1990, MHP has been a critical part of the state's effort to provide decent affordable housing, having provided over \$697 million in loans and commitments for the financing of over 17,000 rental apartments. Most of these units are affordable and most serve lower- and moderate-income residents.

MHP Financial Summary

The Massachusetts Housing Partnership Fund finances affordable housing and neighborhood development with private dollars from the following banks doing business in the Commonwealth.

Loans	Loan Agreements
Bank of Ireland	\$ 2,149,221
Bank of America	549,919,888
BNY/Mellon	163,065,654
Berkshire Bank	6,253,201
Cape Cod Five Cents Savings Bank	2,350,000
Cathay Bank	336,393
Citizens Bank of Massachusetts	32,937,599
Danvers Savings Bank	1,124,166
Flagship Bank & Trust Company	6,860,133
Great-West Life & Annuity Insurance Co.	3,809,655
Hoosac Bank	856,819
People's United Bank	11,366,732
Rockland Trust Company	1,964,419
Slade's Ferry Trust Company	223,113
Sovereign Bank	172,306,577
Toronto-Dominion (Banknorth)	154,918,389
United Commercial Bank	1,144,089
Wainwright Bank and Trust Company	9,139,063
Webster Bank	23,244,408

TOTAL LOANS \$1,143,969,519

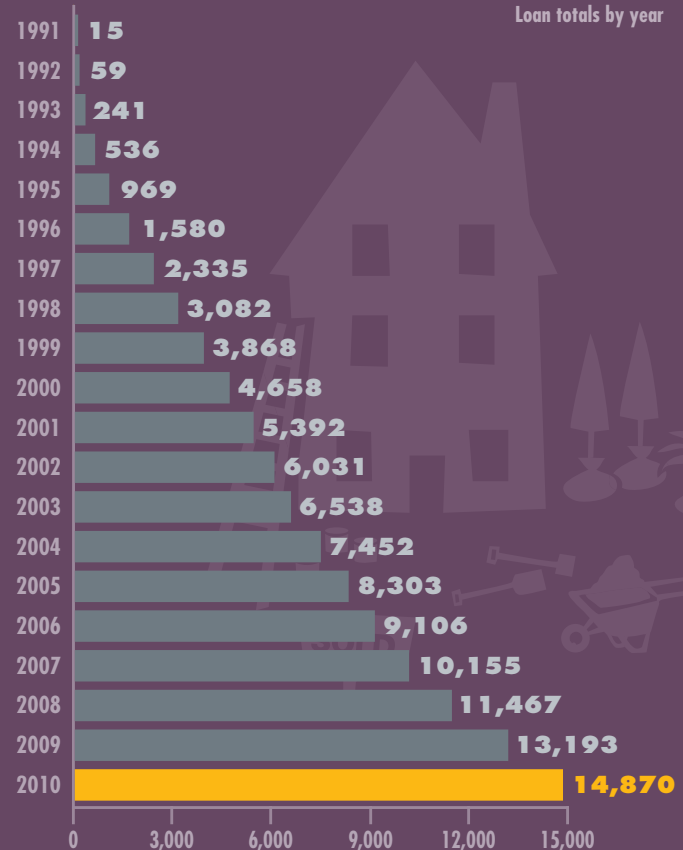
Grants

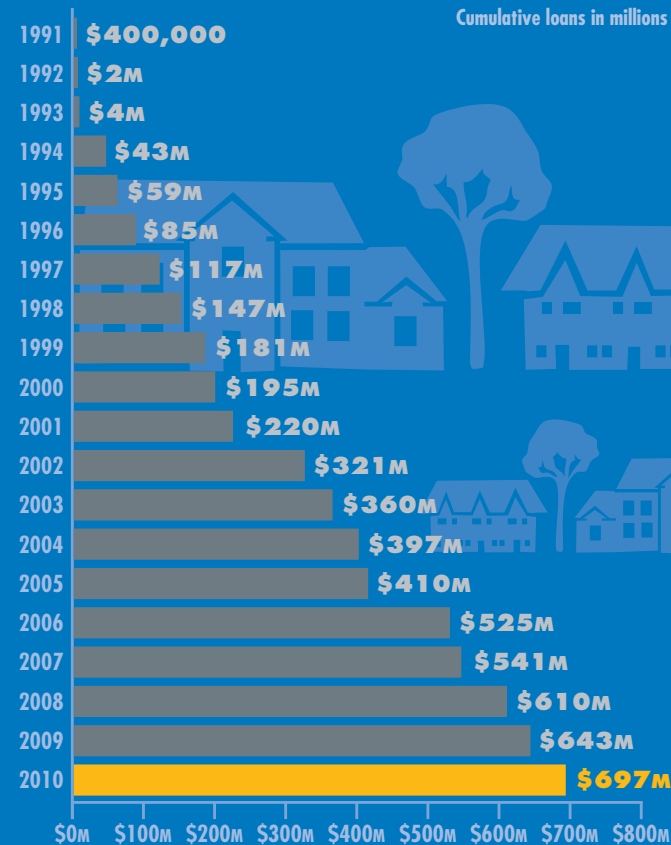
Andover Bank	\$ 13,454
BankBoston	10,000,000
Bank of America	18,000,000
Citizens Bank of Massachusetts	2,595,451
Fleet Boston Corporation	12,000,000
Lehman Brothers Bank, FSB	1,050,000
NewAlliance Bank	625,293
State Street Bank & Trust Company	13,343,742

TOTAL GRANTS \$57,627,940

Increasing homeownership

The SoftSecond Loan Program was created in 1990 to give minorities and lower-income families better access to private mortgage financing. It began as a pilot program in Boston and was soon taken statewide. It has helped thousands of low-income families buy their first home and has consistently maintained delinquency and foreclosure rates below the statewide rate for prime mortgages.





Rental financing year-by-year

In 1990, a state law gave MHP the ability to use bank funds to finance affordable rental housing. Since then, MHP has made over \$697 million in loans and commitments for the financing of over 17,000 units.

As of
June 30 2010

As of
June 30 2009

Statement of Net Assets

Cash and Investments—unrestricted	\$ 9,114,473	\$ 8,319,650
Cash and Investments—board designated	5,980,827	6,726,416
Cash and Investments—restricted	47,578,204	70,658,888
Grant, program and interest receivable	4,629,605	7,832,602
Project Loans, net of reserves	325,109,036	309,830,675
Other Assets	336,736	409,486
TOTAL ASSETS	392,748,880	403,777,717
Accounts payable and accrued expenses	1,062,780	933,332
Accrued interest on project loans	980,635	1,038,950
Notes payable, project loans	310,507,733	305,516,104
Deferred revenue and other liabilities	25,828,122	40,714,779
Reserves for SoftSecond loan losses	14,946,974	14,469,053
TOTAL LIABILITIES	353,326,244	362,672,218
Restricted Net Assets	24,841,583	26,738,819
Unrestricted Net Assets	14,581,053	14,366,680
TOTAL NET ASSETS	\$ 39,422,636	\$ 41,105,499

Statement of Revenue, Expenses & Changes in Net Assets

Income from direct lending, net of provision for loan losses	\$ 5,162,251	\$ 3,633,654
Grants and other private support	40,000	414,250
Governmental support	6,913,162	7,506,370
Interest on bank deposits and investments	344,286	1,022,193
Other income	1,115,713	1,259,258
TOTAL REVENUES AND SUPPORT	13,575,412	13,835,725
Salaries and Benefits	4,212,799	4,107,806
Professional fees and contracted services	499,524	420,084
Homebuyer support	747,250	727,650
Mortgage subsidies, reserves and grants	8,713,615	14,432,930
Occupancy and equipment	487,052	496,901
Other program and operating costs	598,035	620,170
TOTAL PROGRAM AND OPERATING COSTS	15,258,275	20,805,541
CHANGE IN NET ASSETS	\$ (1,682,863)	\$ (6,969,816)

MHP's audited financial statements are available on request.

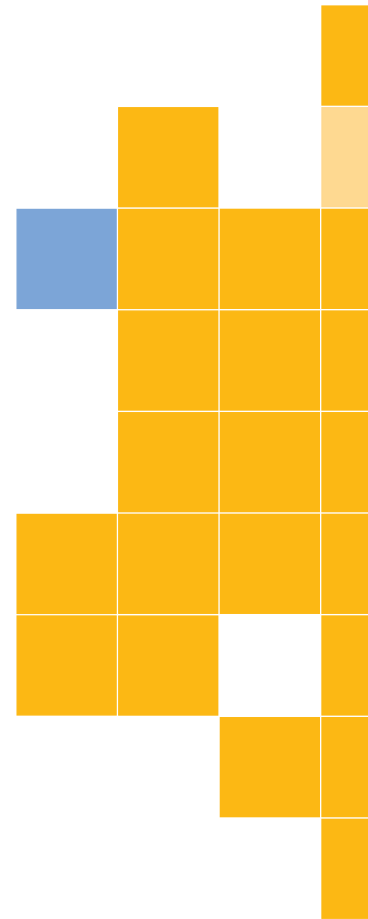


Massachusetts Housing Partnership

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Lawrence Community Development Department