

October 22, 2013

MHIC News

Boston nonprofit acquires Tribune Apartments in Framingham to preserve as affordable housing

Rapid closing allows seller to exit ahead of a deadline imposed by existing financing

Preservation of Affordable Housing (POAH), a national affordable housing nonprofit based in Boston, today announced that it has closed on the purchase of Tribune Apartments, a 53-unit affordable apartment building in Framingham.

POAH closed on the acquisition transaction within 90 days to allow the property's seller to exit ahead of a deadline imposed by the property's existing financing, and will now proceed to structure the property's long-term permanent financing. This rapid acquisition was made possible by **\$5.3 million loan from the MHIC** and a \$2.75 million loan from **Community Economic Development Assistance Corporation (CEDAC)**.

Tribune Apartments consists of two adjoining four-story buildings that were built in 1910 and housed the former *Framingham Tribune* newspaper. The property was converted to affordable housing for low-income elderly, handicapped and disabled persons in 1982.

POAH's acquisition of the property ensures that affordability at the property will be preserved. Under the previous ownership structure, the affordability provisions would expire in 2023, but POAH proposes to extend these for a much longer term.

"As is often the situation, POAH pursued a narrow window of opportunity to acquire this property and preserve its affordability for the long term. It was essential for MHIC to approve funding quickly to make it happen", said MHIC Director of Capital Development Peter Sargent.

"Preserving affordable housing developments like Tribune Apartments is a critical priority for Massachusetts," said Roger Herzog, executive director of CEDAC. "POAH has a successful track record in ensuring that quality affordable housing is maintained, and we were pleased to support them in their purchase of Tribune Apartments."

In addition HUD has approved the transfer of \$800,000 of "Residual Receipts" to support the subsidy assistance the property receives. POAH will seek to quickly secure permanent financing, including Low Income Housing Tax Credit equity, for this development as part of its

long-term strategy to complete significant upgrades at Tribune Apartments.

“There has been a very significant public investment in creating this housing over the years; POAH’s purchase will preserve the value of those public funds,” said POAH President Amy Anthony.

The property includes two community rooms, onsite management, and is about 100 yards from the commuter rail and MetroWest transportation services.

“The Town is pleased to learn that POAH has acquired this property and is now one of the many new exciting stakeholders associated with the momentum to revitalize the downtown,” said Framingham Town Manager Robert J. Halpin.

-end-

