



## **Affordable Housing Preservation Successes in Massachusetts**

### **Fact Sheet and a Review of Chapter 40T**

In late 2009, Chapter 40T, An Act Preserving Publicly Assisted Affordable Housing, was signed into law by Governor Patrick. This innovative law was designed to help preserve existing affordable housing in the Commonwealth of Massachusetts. The most pressing need concerns the roughly 100 projects with federal and state mortgages that will mature in the next decade, thus terminating use restrictions that regulate affordability.

Starting in the mid-1960s and continuing through the late 1970s, almost a million affordable rental housing units were produced nationwide through federally-assisted mortgage programs to private developers that tied affordability restrictions to below-market-rate 40-year mortgages. Over the past 5 years, Massachusetts has lost more than 2,500 units, which have converted to market rate apartments. But more recently, Chapter 40T has helped to preserve affordability in communities across the state, ensuring that families are able to stay in their homes and neighborhoods.

**In the past two years, Massachusetts has seen some important successes preserving affordable housing in the state.** Chapter 40T and a positive environment for housing preservation fostered by the Patrick Administration have led to an increasing focus on existing affordable housing.



### **Chapter 40 T Statistics—January 2010 through January 2012** ***Since Chapter 40T was enacted in 2009 , no project has lost affordability as a result of a sale***

- Total notices: 150
- 1 and 2 Year Notices: 59
- Notice of Intent to Sell: 11
- Requests for Exemption: 61
- Other Notices: 19
- Affordable projects: 109 with 9,134 total units
- Projects are located in 58 municipalities across the state
- Boston had the most projects (31) followed by Cambridge (7) and Brockton (5)
- To date 28 properties have been sold to preservation purchasers (2,888 affordable units).



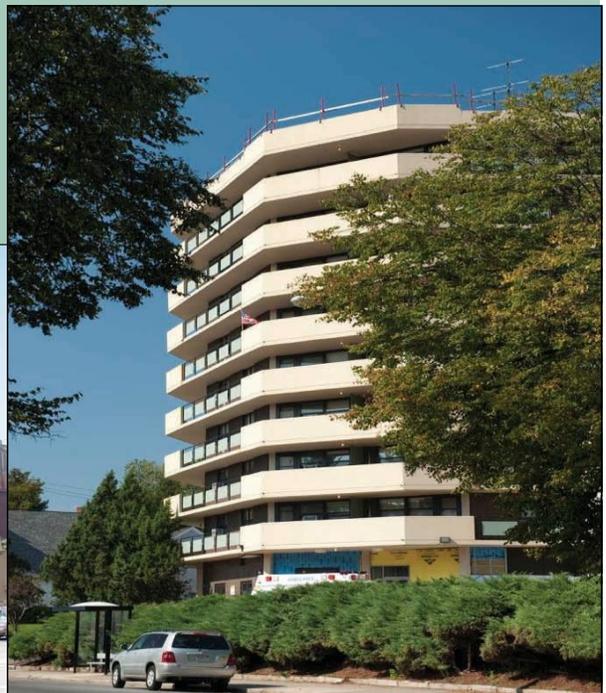
## Affordable Housing Preservation Successes Across Massachusetts

Chapter 40 T is not the only way in which Massachusetts is preserving affordable housing across the Commonwealth. The **high level of housing preservation** during the past two years is likely a result of a combination of factors – the high priority that the Patrick-Murray administration

has placed on preservation efforts, including the allocation of financial resources to support preservation transactions; the regulatory structure provided by 40T, which creates processes that support preservation outcomes; and the increased collaboration of the Preservation Advisory Committee and the Interagency Working Group. The working group includes membership from 5 state agencies, the U.S. Department of Housing & Urban Development, the City of Boston and Mass Housing Investment Corporation. The Community Economic Development Assistance Corporation (CEDAC) has played a convener role for the IWG, and the state’s preservation initiative is supported by the John D. and Catherine T. MacArthur Foundation.

### Housing Preservation Statistics (2010—mid 2012)

- Units Preserved: 7,702 units
  - Affordable Units Preserved 2010: 3,854
  - Affordable Units Preserved 2011: 2, 246
  - **Aff. Units Preserved 2012 (YTD): 1,602**
- Units lost: 1154 units
  - Affordable Units Lost 2010: 776
  - Affordable Units Lost 2011: 308
  - **Aff. Units Lost 2012 (YTD): 70**



For more information on CEDAC’s affordable housing preservation efforts, please visit [www.cedac.org//preservation.html](http://www.cedac.org//preservation.html)

