



Community Economic Development  
Assistance Corporation

**Media Contact:**

Hugh Drummond

Ph: (617) 646-1083

[hdrummond@oneillandassoc.com](mailto:hdrummond@oneillandassoc.com)

## **Affordable Housing Hits Milestone with Most Units Ever Preserved in a Calendar Year**

**Boston, Mass. (May 11, 2016)** – Massachusetts preserved almost 4,400 units of affordable rental housing during 2015, according to data released today by the Community Economic Development Assistance Corporation (CEDAC). CEDAC is a public-private, community development finance agency that provides financial and technical assistance to non-profit organizations involved in affordable housing development and preservation, agencies that promote workforce development, and child care facilities that serve families in low income communities. 2015 marks the largest number of units preserved for affordable housing using state resources in a single calendar year since CEDAC began collecting data.

CEDAC's data shows that 5,259 total units from 38 project developments across the state were preserved using various types of state financing in 2015. From the total, 4,397 units were affordable and the remaining units were market rate. In addition to the units maintained through state financing programs, long term federal Section 8 contract renewals preserved 2,078 additional affordable apartments. The projects span the state and consist of large- and small-scale developments in both urban, suburban and rural communities, including Beverly, Boston, Cambridge, Greenfield, North Andover and Worcester, to name a few.

"Preservation is a critical part of the affordable housing equation and a priority in the state," said Bill Brauner, CEDAC's Director of Housing Preservation and Policy. "There are a variety of federal and state incentives available to support affordable housing in Massachusetts. It is quite an achievement for the Commonwealth when more than 5,000 units of housing are preserved and it shows that many of our innovative tools are working effectively."

The Commonwealth, through the Massachusetts Department of Housing and Community Development (DHCD), along with quasi-public state agencies MassHousing, Mass Development and Mass Housing Partnership utilize a variety of resources to support affordable housing preservation, including (housing tax credits, subordinate loans and various forms of mortgage financing) and the tools enabled by Chapter 40T that help to monitor and address affordable housing challenges in Massachusetts. CEDAC also provides acquisition loans and other financing to nonprofit developers seeking to preserve affordable units.

Chapter 40T, which celebrated its six year anniversary as a law in 2015, has helped to preserve affordability in communities across the state, ensuring that families are able to stay in their homes and neighborhoods. It establishes public notification provisions for tenants and state and local officials, a right of offer and right of first refusal for DHCD or its designee to purchase publicly-assisted housing, and modest tenant protections for projects with affordability restrictions that terminate. As a result of Chapter 40T, no project has lost affordability as a result of sale since 2009, and DHCD has helped to preserve more than 19,000 units of affordable rental housing with the use of state resources.

“Chapter 40T has been a success in helping the Commonwealth of Massachusetts preserve affordable housing,” said Roger Herzog, CEDAC’s executive director. “The Commonwealth has applied innovative thinking and resources into maintaining affordability for low income families and individuals, and we can see that such efforts are paying off. But we are still at risk of losing thousands of badly-needed affordable units over the next few years.”

Chapter 40T was enacted in 2009 in response to a crisis that evolved out of the way that many large-scale affordable housing developments were financed in the late 1960s and 1970s. At that time, these apartments were built by private owners utilizing state and federally-funded mortgage programs that connected access to below market rate 40 year mortgages to affordable housing use restrictions. Many of those mortgages are reaching maturity in the next several years, at which point the use restrictions terminate and the owners may convert the affordable housing to market rate.

CEDAC maintains a database of the privately-owned stock of publicly assisted affordable housing on behalf of DHCD and other Massachusetts public lenders. This database tracks over 1,500 projects with 130,000 housing units. CEDAC also works with its state partners to focus resources in support of the non-profit development system for production of affordable housing. CEDAC is also active in national housing preservation policy research and development and is widely recognized as a leader in the non-profit community development industry.

### **About CEDAC**

CEDAC is a public-private community development finance institution that provides financial resources and technical expertise for community-based and other non-profit organizations engaged in effective community development in Massachusetts. CEDAC’s work supports three key building blocks of community development: affordable housing, workforce development, and early care and education. CEDAC is also active in state and national housing preservation policy research and development and is widely recognized as a leader in the non-profit community development industry. For additional information on CEDAC and its current projects, please visit [www.cedac.org](http://www.cedac.org).