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## **Affordability Extended for Lower-Income Seniors and Families at Fitchburg Housing Community as a Result of \$14.4 Million in MassHousing Financing**

*The refinancing of the 159-unit Fitchburg Green will also involve more than \$2 million in property improvements*

BOSTON – January 15, 2020 – MassHousing has provided \$14.4 million in affordable housing financing to an affiliate of the [Barkan Companies](#), to extend the affordability of the Fitchburg Green affordable housing community in Fitchburg, and make property improvements to the 159-unit property. As a result of the MassHousing financing, affordability protections for lower-income senior citizens and families living at Fitchburg Green will be extended for at least 35 years.

“Fitchburg Green is an important source of affordable housing for lower-income seniors and families and we are pleased that this transaction will not only extend affordability there for at least 35 years but also that the owner will further invest in the community with substantial property improvements,” said **MassHousing Executive Director Chrystal Kornegay**.

“We are proud to partner with MassHousing to preserve and improve the Fitchburg Green Apartments. This property is an important part of our legacy and commitment to developing and managing affordable housing throughout New England,” said **Peter M. Barkan, CEO of the Barkan Companies**.

The Barkan Companies refinanced Fitchburg Green through MassHousing’s Multifamily Accelerated Processing (MAP)/Ginnie Mae Joint Venture Initiative with lender partner [Rockport Mortgage Corporation](#). 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.

The combination of FHA insurance and a Ginnie Mae guarantee enables borrowers to access mortgage financing with lower interest rates, while preserving and extending affordability for hundreds of low-income senior citizens and families. The \$14.4 million refinancing allowed the Barkan Companies to refinance an existing MassHousing loan, with a 6.8 percent interest rate into a new 35-year mortgage with a 3.30 percent interest rate.

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“It was our pleasure to work on Fitchburg Green to preserve this 159-unit elderly housing project in Fitchburg. This transaction will ensure the property will be maintained well into the future and preserves affordability for 35 years. This transaction is another great example of the successful Joint Venture program between Rockport Mortgage and MassHousing, which has successfully preserved more than 5,000 affordable housing units across the state of Massachusetts,” **said Dan Lyons, President of Rockport Mortgage Corporation.**

Built in 1980, Fitchburg Green provides 143 units of affordable housing for senior citizens in an eight-story building consisting of 130 one-bedroom apartments and 13 two-bedroom apartments. Additionally, three two-story townhomes for families contain 14 two-bedroom apartments and two three-bedroom apartments.

Among the property improvements planned for Fitchburg Green are kitchen and bathroom upgrades, repaving parking areas and walkways, new landscaping, site lighting and signage, common area flooring replacement, as well as in-unit accessibility improvements.

MassHousing has financed three rental housing communities in Fitchburg involving 373 housing units and \$37.6 million in original financing. The agency has financed 934 home mortgage loans in Fitchburg totaling \$85.8 million in financing.

### ***About MassHousing's MAP/Ginnie Mae Initiative***

MassHousing has partnered with two well-known and experienced MAP lenders: CBRE and Rockport Mortgage Corporation. The MAP lender prepares the submission of each transaction for HUD's approval. MassHousing then closes the new loan and issues a Ginnie Mae Mortgage Backed Security (MBS), which has consistently provided the multifamily mortgage industry its most competitive long term, taxable interest rates.

With each MAP/Ginnie Mae loan, MassHousing continues as the mortgagee of record and becomes a Ginnie Mae servicer. This ensures affordability, as each completed transaction will require the property owner to rent at least 20% of the units to those earning less than 80% of the area median income. Affordability at many properties could be at risk were MassHousing unable to offer this product, as owners could refinance with other lenders who do not require affordability restrictions.

### ***About the Barkan Companies***

Headquartered in Boston, the Barkan Companies are a privately owned, diversified group of real estate businesses with a solid record of success. For more than 55 years, Barkan has established itself as an industry leader in the residential real estate sector, with projects ranging from city high rises to suburban town homes, from ultra-luxury to affordable housing. In all situations, Barkan's mission is to advance the goals of owners and residents with an uncompromising focus on quality and integrity. Barkan's multi-disciplinary team of the best people in the industry provide their expertise in areas such as regulatory compliance for affordable housing communities as well as in consulting with developers of new projects. Encompassing five related real estate service businesses, including property management and accounting, renovation, development and affordable housing compliance, Barkan has more than 750 employees and 190 properties with more than 29,000 housing units under management in seven states, The Barkan Companies remain a family-owned and family-run business. For more information please visit [www.barkanco.com](http://www.barkanco.com).

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***About Rockport Mortgage Corporation***

Rockport Mortgage Corporation is a privately owned commercial mortgage banking firm founded in 1992 and located on the North Shore of Boston. Rockport specializes in providing FHA-insured loans to market-rate, affordable and senior housing communities and healthcare facilities through the Department of Housing and Urban Development (HUD) and has been approved under HUD's Multifamily Accelerated Processing (MAP) Program since the program inception in 2001. The Rockport team works collectively to navigate the complexities of FHA/HUD-insured finance programs, developing strategic solutions to meet the needs of our clients. For more information about Rockport Mortgage Corporation please visit [www.rockportmortgage.com](http://www.rockportmortgage.com).

***About MassHousing***

MassHousing (The Massachusetts Housing Finance Agency) is an independent, quasi-public agency created in 1966 and charged with providing financing for affordable housing in Massachusetts. The Agency raises capital by selling bonds and lends the proceeds to low- and moderate-income homebuyers and homeowners, and to developers who build or preserve affordable and/or mixed-income rental housing. MassHousing does not use taxpayer dollars to sustain its operations, although it administers some publicly funded programs on behalf of the Commonwealth. Since its inception, MassHousing has provided more than \$24.3 billion for affordable housing. For more information, visit the MassHousing website at [www.masshousing.com](http://www.masshousing.com), follow us on Twitter [@MassHousing](https://twitter.com/MassHousing), subscribe to our [blog](#) and Like us on [Facebook](#).

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