



For Immediate Release

## Massachusetts Housing Investment Corporation finances preservation of affordable housing in Springfield

BOSTON, June 26, 2017 – Massachusetts Housing Investment Corporation (MHIC) has closed on an \$8.4 million low-income housing tax credit (LIHTC) investment for the preservation of 42 affordable rental apartments in Springfield’s Old Hill neighborhood.

Called St. James Commons, the project is owned and is being rehabilitated by Springfield-based Paul. L. Oldenburg of Valley Real Estate. The project involves two adjacent buildings on State and Oak Streets, an area that has been identified by the city of Springfield as a key economic development zone and has received over \$13 million in infrastructure and beautification improvements over the past several years.

This project will preserve 42 rental apartments reserved for households at an income level less than 60 percent of area median income (AMI); nine units will be reserved for households at an income level less than 30% of AMI. All units are subsidized under a Section 8 HAP contract with HUD.

St. James Commons was last fully rehabilitated in 1982. The buildings now are undergoing substantial renovation, including new roofing, insulation, energy efficient boilers and heating systems, kitchen and baths, windows, updated fire alarms systems, and other major improvements. The State Street property was found to have structure deficiencies, so the residents were re-located to another property owned by Valley Real Estate while the building is being renovated.

Besides MHIC’s LIHTC investment, major financing sources are: the Massachusetts Housing Partnership (\$700,000); the state Department of Housing and Community Development (\$849,051); and state historic tax credits (\$1,274,000). The total development cost is \$13.67 million.

The architect for St. James Commons is Studio One, Inc. in Springfield; the development consultant is Tilman Lukas of MBL Housing and Development in Cambridge; and the contractor is N.L. Construction, Inc., a certified Woman-owned Business Enterprise and Disadvantaged Business Enterprise general contractor based in Ludlow. The project will be completed in June 2018.

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