



## **BOSTON CAPITAL FINANCE CLOSES CONSTRUCTION/PERMANENT LOANS ON AFFORDABLE DEVELOPMENTS IN MS, CO & SC**

September 5, 2006 – Boston Capital Finance announced the closings of three construction/permanent construction loans: Sunshine Peak Apartment Homes, a to-be-built 49 unit apartment community in Montrose, CO; Brookstone Park Apartments III, a to-be-built 96 unit apartment community in Gulfport, MS; and Anderson Village, an existing 99 unit apartment community in Anderson, SC. The Boston Capital Affordable Housing Mortgage Fund LLC provided the loans; Boston Capital provided the tax credit equity for the developments.

“The opportunity to partner with these outstanding firms is very exciting for us. We are pleased to be aiding in the rebuilding effort in Gulfport, MS, providing new, high-quality multifamily housing units to residents of this hurricane-ravaged area,” stated Jeff Goldstein, executive vice president and director of real estate at Boston Capital. “Through our mortgage fund, we are providing our developer partners the best in equity and debt financing for acquisitions such as Anderson Village and new affordable communities such as Brookstone and Sunshine Peak Apartment Homes.”

Boston Capital Finance manages the mortgage fund which originates construction, permanent and construction/permanent loans between \$750,000 and \$10,000,000. The mortgage fund will target new construction or substantially rehabilitated LIHTC (Section 42) properties in which Boston Capital is the equity investor.

### **Sunshine Peak Apartment Homes**

Sunshine Peak will consist of 49 apartment and townhouse units, contained in seven two-story buildings situated on a 3.7-acre site. Common project amenities will include a 1,632 square foot clubhouse and outdoor recreational and leisure facilities

The construction loan amount was \$1.0 million, with an anticipated conversion to a permanent loan amount of \$750,000. The interest rate on the loan was fixed at 7.38%, which equated to a spread of 235 basis points over the 10-year treasury yield. An additional HOME grant of \$651,000 from the State of Colorado and a \$600,000 loan from the Montrose Housing Authority comprised additional construction fund proceeds. The general partner is Luckenbill-San Juan Development LLC.

### **Brookstone Apartments III**

Brookstone Apartments III will consist of 28 one-bedroom units and 68 two-bedroom units. Project amenities will include a community room/ recreation center with a swimming pool, while unit amenities will include central air conditioning and washer and dryer hookups.

Brookstone Apartments III utilizes the specially created Gulf Opportunity Zone tax credits. This will represent Boston Capital's 37th joint venture with The Park Companies. The construction loan amount was \$2.3 million, with an anticipated conversion to a permanent loan amount of \$2.156 million. The interest rate on the loan was fixed at 7.38%, which equated to a spread of 235 basis points over the 10-year treasury yield.

### **Anderson Village**

Anderson Village will be extensively rehabilitated and upgraded with new roofs, windows and doors and other exterior upgrades. The unit interiors will receive new kitchen appliances, cabinets and countertops, as well as new flooring and carpeting. The total rehab budget is over \$22,000 per unit.

The construction loan amount was \$3.0 million, with an anticipated conversion to a permanent loan amount of \$1.9 million. The interest rate on the loan was fixed at 7.33%, which equated to a spread of 235 basis points over the 10-year treasury yield. Boston Capital has closed over 20 transactions with Ambling Development Company, the sponsor of the project.

### **About Boston Capital:**

Boston Capital, headquartered in Boston, MA, is a private equity firm specializing in real estate and tax advantaged investments for multifamily housing. As of January 2006, Boston Capital's holdings included over 2,600 multifamily apartment properties in 48 states and the District of Columbia, constituting over 147,000 apartments with a development cost in excess of \$11.3 billion. Boston Capital is the fourth largest owner/investor of apartment properties in the country and the 11th largest owner of real estate property in general.

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