



**BOSTON CAPITAL FINANCE CLOSES CONSTRUCTION/PERMANENT LOANS ON AFFORDABLE MULTIFAMILY DEVELOPMENTS IN TX, NJ & MS**

January 2, 2007– Boston Capital Finance announced the closing on three construction/permanent loans: Central Place, a to-be built, 32-unit garden style development located in Hereford, TX, Magnolia Towers, a 157-unit mid-rise acquisition located in Jackson, MS and Parker Lane, a to-be-built, 70 unit mid-rise development located in Austin, TX. Boston Capital Finance also closed a construction-only loan for Heritage Village at Manalapan, a to-be-built, 100 unit mid-rise development in Manalapan, NJ.

“Through our mortgage fund, Boston Capital is providing our developer partners the best in equity and debt financing for acquisitions such as Magnolia Towers and new affordable communities such as Central Place, Parker Lane and Heritage Village at Manalapan,” stated Jeff Goldstein, executive vice president and director of real estate at Boston Capital.

Boston Capital Affordable Housing Mortgage Fund LLC provided the loans; Boston Capital provided the tax credit equity for the developments. 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.

**Central Place Apartments**

Central Place will consist of 32 garden-style apartments, contained in three one- and two-story buildings situated on a two-acre site in Hereford, TX. Amenities will include a community building, a business/computer room and a playground.

The construction loan amount was \$1 million, with an anticipated conversion to a permanent loan amount of \$464,100. The interest rate on the loan was fixed at 7.39%, which equated to a spread of 235 basis points over the 10-year treasury yield.

**Heritage Village at Manalapan**

Heritage Village at Manalapan will consist of 100 garden-style apartments, contained in one four-story building situated on 6.6 acres in Manalapan, NJ. Amenities will include a community room with a fireplace and full kitchen, an exercise room, a library, a computer room and meeting rooms and lounges on all upper floors.

The loan was a construction only loan which totaled \$7.6 million. The permanent financing on this development will be provided by the New Jersey Housing and Mortgage Finance Agency. 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.

**Magnolia Towers**

Magnolia Towers will consist of 157 rehabilitated garden-style apartments, contained in one eleven-story building situated on a one-acre site in Jackson, MS. The development is an acquisition rehabilitation that will be extensive in nature with \$35,000 being allocated per unit for improvements.

The construction loan amount was \$3.3 million, with an anticipated conversion to a permanent loan amount of \$2.1 million. The interest rate on the loan was fixed at 6.95%, which equated to a spread of 235 basis points over the 10-year treasury yield.

**Parker Lane Apartments**

Parker Lane Apartments will consist of 70 garden-style apartments contained in one four-story building and situated on a 4.77 acre site in Austin, TX. First floor amenities will include a building and fitness center, business center, theater, management office, dining/community room and a kitchen. The second floor of the building will include a library and common laundry room.

The construction loan amount was \$3.8 million, with an anticipated conversion to a permanent loan amount of \$3.6 million. The interest rate on the loan was fixed at 6.89%, which equated to a spread of 235 basis points over the 10-year treasury yield.

**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 September 2006, Boston Capital’s holdings included over 3,000 multifamily apartment properties in 48 states and the District of Columbia, constituting over 152,000 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.

**For more information:**

Bill Fazzano  
Vice President  
Mortgage Finance  
Boston Capital  
One Boston Place  
Boston, MA 02108-4406

617-624-8711  
[bfazzan@bostoncapital.com](mailto:bfazzan@bostoncapital.com)

David Gasson  
Vice President  
Director of Corporate Communications  
Boston Capital  
One Boston Place  
Boston, MA 02108-4406

(617) 624-8896  
[dgasson@bostoncapital.com](mailto:dgasson@bostoncapital.com)

*The securities sold in the private placement have not been registered under the Securities Act of 1933, as amended, or the securities laws of any other jurisdiction and may not be offered or sold in the United States in the absence of an effective registration statement or exemption from registration requirements.*

*This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state.*