



Massachusetts Housing Finance Agency
One Beacon Street, Boston, MA 02108

TEL: 617.854.1000 | FAX: 617.854.1029
TDD: 617.854.1025 | www.masshousing.com

January 14, 2003

By Fax & U.S. Mail

Ms. Marcia Hannon
CASCAP, Inc.
678 Massachusetts Avenue
Cambridge, MA 02139

**RE: Nonantum Village Place
MassHousing #02-101-N**

Dear Ms. Hannon,

I am pleased to advise you that the Affordable Housing Trust Fund Selection Committee has recommended your request for \$600,000 in funds from the Affordable Housing Trust Fund (the "Trust") for the Nonantum Village Place project (the "Project").

This is the first step in the approval process. The Director of the Department of Housing and Community Development, Jane Gumble, must approve the recommendation as well. There are several things that need to happen prior to final approval by DHCD.

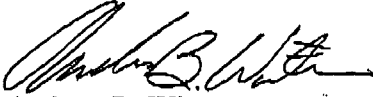
First, the Trust must receive its second installment of funds for the fiscal year, which are typically available in January. While I believe that the Trust ultimately will receive the funds necessary to support the Project, given the Commonwealth's fiscal difficulties and the possibility of budget cuts it seems prudent to be certain that the funds are available before an award is made to the Project. I anticipate that this issue will be resolved before the end of January.

Second, you must provide evidence satisfactory to MassHousing staff that the Project has received a commitment of CPA funds in the amount of \$850,000 from the City of Newton. I fully expect that MassHousing and DHCD will resolve the issue of funding prior to final decisions being made on CPA funding, which I understand will occur in February or March. This will allow the City to proceed with an award of its funds secure in the knowledge that funding from the Trust will follow.

Nonantum Village Place
Page 2 of 2

Should you have questions regarding any point raised in this letter, please feel free to contact me at 617-854-1381. I look forward to working with CASCAP and City officials to make this important project a reality.

Sincerely,



Andrew B. Winter
Development Officer

cc: Sarah Young, Deputy Director, DHCD