

For-sale sign on affordable apartment building in Mattapan raises fears tenants will be forced out

Nonprofits, city teaming up to try to buy Morton Village, head off rising rents

By **Tim Logan** Globe Staff, Updated July 20, 2020, 5:22 p.m.



Morton Village Apartments in Mattapan is up for sale, raising concerns that residents could eventually be forced to move because of higher rents. MATTHEW J. LEE/GLOBE STAFF

In Boston these days, inexpensive apartments are scarce. So when a building full of them goes up for sale, people worry they won't stay inexpensive for long.

That's what's happening at Morton Village Apartments in Mattapan, a modest mid-century apartment building off Morton Avenue that has been listed for sale for the first time in decades. On the one hand, it's a routine transaction — a longtime owner cashing out in a hot market. On the other, it's a potential crisis, putting 207 low-cost apartments at risk in a city that needs all the affordable housing it can get.

That has housing nonprofits and the city scrambling to buy Morton Village while they still can.

Mattapan-based Caribbean Integration Community Development is leading the push to purchase Morton Village, saying it's a chance to preserve relatively affordable housing in a part of the city that has not been transformed by big-time real estate investment, and the displacement of working-class renters that often follows. Add to the mix the pandemic, which has hit Mattapan hard, with fears of [a wave of evictions](#) in the coming months, and the stakes are even higher, said the CIDC's president, Donald Alexis.

"This is not the time for this," Alexis said of the possible sale to a developer. "Affordable housing has become a public health necessity."

So his nonprofit and the Planning Office for Urban Affairs, a housing agency affiliated with the Archdiocese of Boston, are scrambling to raise tens of millions of dollars, with help from the city and perhaps state housing financing agencies. Together, they aim to make a bid that will compete with those from the kinds of deep-pocketed investors who often snap up buildings like Morton Village. Alexis figures they might need as much as \$40 million.

That sum, and the urgency of raising it, highlight just how prized buildings like this can be in the hot market for multi-family housing in Boston. Rents at Morton Village start at around \$1,200 for a one-bedroom, well below prices in the city as a whole, with none of the protections or restrictions found in more traditional affordable housing built with state or federal subsidies. To a potential investor, that creates an upside – the chance to raise rents to match the market. To current residents, it's a threat that rents will inevitably rise, perhaps out of reach for many.

That's what has happened at Fairlawn Apartments, one stop down the MBTA commuter rail's Fairmount Line off of Cummins Highway in Mattapan. New owners bought the 347-unit complex in 2018 for \$65 million, renamed it SoMa, and [started raising rents, forcing many tenants to leave](#).

"Probably every week we get a call from someone about Fairlawn, struggling to pay the rent," said Alexis, whose group manages a rental relief program, as well. "This could wind up a lot like that."

Some housing advocates fear there could be a lot more buildings in a situation like this if the coronavirus pandemic upends the area's housing market. That could prompt more longtime owners, who often charge lower rents, to sell their buildings, said Joe Kriesberg, president of the Massachusetts Association of Community Development Corporations. New owners might invest in renovations, but they would also raise rents sharply.

"We saw what happened in the last big recession," he said. "A lot of investors who are motivated by short-term gain may just come in and buy buildings and raise rents."

To help prevent that, Kriesberg and others are pushing for state legislation that would give tenants – or housing nonprofits – an ["opportunity to purchase"](#) multifamily buildings when they come up for sale. A similar measure exists in Washington, D.C., and has kept hundreds of units affordable over the last two decades, Kriesberg said. A bill that would do so in Massachusetts is stalled in committee on Beacon Hill, but Kriesberg said he's hopeful it could be included in more comprehensive housing legislation.

"It basically just slows the process down," he said. "A seller can still sell for whatever the market can bear, but this creates an opportunity for a conversation. That's the least we should be able to do right now."

Still, buying a big building takes a lot of money.

Mayor Martin J. Walsh in 2016 launched, and gradually expanded, a program to help nonprofits buy market-rate buildings and keep them at affordable rents. The city funds help a buyer – typically a nonprofit housing operator – fill the gap between what it can raise in financing and the market-rate purchase price, in exchange for a promise to keep rents affordable. The program has helped buyers acquire dozens of smaller buildings in neighborhoods such as East Boston and Hyde Park, and could help at Morton Village, said Sheila Dillon, Walsh's chief of housing. She said the city plans to make a "sizable, healthy, commitment" to help buy the building.

"This is a very good test case," Dillon said. "This is something we'd like to see happen at scale across the city."

Of course, the seller has to agree to a deal, and it might prefer an investor's quick cash over the complex financing that a nonprofit must put together. At Morton Village, the broker handling the sale said the building's owners – which Suffolk County property records indicate are Arlington-based developers the Mirak family – are open to dealing with a nonprofit, at the right price.

"The family has continuously strived to provide a safe and affordable place for its residents to live," Simon Butler, a broker with the real estate firm CBRE, wrote in an e-mail. "It is the family's hope that the property will be sold to an entity that will make Morton Village Apartments an affordable housing community."

Butler did not say when they hope to close a sale.

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