

MassHousing Announces a Subsequent Offer Period for Certain of its Bonds and an Extension of the Expiration Time for Certain of its Bonds in Connection with its Invitation to Bondholders to Sell its Outstanding Bonds for Cash

New York, October 26, 2009/PRNewswire-First Call/ -- Massachusetts Housing Finance Agency ("MassHousing") invited beneficial owners ("Bondholders") to offer to sell to MassHousing for cash, upon the terms and subject to the conditions set forth in the Invitation dated September 25, 2009, as amended (the "Invitation"), certain of its Single Family Housing Revenue Bonds and/or Housing Bonds (the "Bonds").

Subsequent Offer Period

MassHousing announced today that it has determined the Purchase Prices at which it expects to purchase certain series and maturities of the Bonds. A list of these Bonds can be found on the website of the Information Agent (www.dfking.com/masshousing). Bondholders who offered these Bonds at Offer Prices that exceeded the determined Purchase Prices are invited to submit amended offers to sell their previously offered Bonds at the Purchase Prices. To be effective, an amended offer must be received by the Depository prior to 5:00 p.m., New York City time, on Monday, October 26, 2009.

Amendment of Expiration Time

MassHousing also announced today that, based on current market conditions, it has not yet received offers that it expects to accept with respect to certain series and maturities of the Bonds. A list of these Bonds can also be found on the website of the Information Agent (www.dfking.com/masshousing). MassHousing has extended the Expiration Time for these Bonds to 5:00 p.m., New York City time, on Monday, October 26, 2009. Bondholders are invited to submit offers to sell such Bonds up to this amended Expiration Time.

All other terms and conditions set forth in the Invitation shall remain unchanged. This announcement is made upon the terms and subject to the conditions set forth in the Invitation. Copies of the Invitation can be obtained from D.F. King & Co., Inc., the Depository and Information Agent, toll free at (800) 967-4612 and at www.dfking.com/masshousing.

Barclays Capital is the Dealer Manager for the offer. Questions concerning the terms of the offer may be directed to Barclays Capital toll-free at (800) 438-3242 or collect at (212) 528-7581.

This news release is neither an offer to purchase nor a solicitation of an offer to sell Bonds. The offer is made solely by MassHousing's Invitation. The offer is not being made to holders in any jurisdiction in which the making or acceptance thereof would not be in compliance with the Bonds, blue sky or other laws of such jurisdiction. In any jurisdiction in which the offer is required to be made by a licensed broker or dealer, it shall be deemed to be made on behalf of MassHousing by the Dealer Manager.

Neither MassHousing, the Dealer Manager, or the Depository and Information Agent makes any recommendation as to whether or not holders should sell Bonds pursuant to the Invitation, and no one has been authorized by any of them to make such a recommendation. Holders must make their own decisions as to whether to sell Bonds, and if so, the principal amount of Bonds to sell.