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Westmass Area Development Corp. secures \$13 million financing for Ludlow Mills

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The Westmass Area Development Corp. (Westmass) has secured \$13 million in funding for the acquisition and initial development of the Ludlow Mills project.

Through a combination of state grants, private debt financing and equity investments, Westmass has authorized final work relating to the site that will culminate in the acquisition of the Ludlow Mills site in June.

According to Kenn Delude, president and CEO of Westmass, subsurface environmental and geotechnical investigations will commence asoon as a final step in advance of the acquisition of the property. This work is expected to be complete in approximately six weeks putting Westmass on track to acquire the Ludlow Mills property in June. Permitting, a zone change, and infrastructure commitments will be worked on simultaneously over the next 60-90 days.

Delude said, "Obtaining commitments for this portion of the Mills' financial plan is a huge success given the challenges accessing capital in current economic conditions. Westmass has successfully reached this milestone in its development efforts because of \$5.2 million in grant commitments governor Patrick has made to this project, to the town of Ludlow and to our region."

The grants will be provided through programs administered by secretary Gregory Bialecki of Housing and Economic Development and secretary Richard Sullivan Jr. of Energy and Environmental Affairs. "These grant funds were the catalyst needed to stimulate the project's private equity investments and debt financing. A consortium of our local lenders has joined together to commit \$2 million toward the debt financing for this initial phase of the project. Without the strong support of these local lenders and the involvement of the seller, Westmass would not have been able to advance toward acquisition of the Mills," Delude said.

Important Facts about the Ludlow Mills Site

- *The project is the largest mill brownfield reÂ-use development initiative in New England.
- *There are currently 66 buildings on the site and approximately 1,450,000 s/f of space.
- *The site has close access to exit 7 off the Mass. Turnpike and IÂ--291.
- *The property is 170 acres in area and is bordered by 1.5 miles of riverfront.
- *Build out of the project will occur over 15 or more years.
- *Westmass envisions redeveloping the complex integrating green technologies from concept to completion. The project will embrace sustainable development principles and will seek to encourage LEEDS quality new construction at the site.

When redevelopment is complete, preliminary estimates indicate the site could host between 2,000 and 2,500 jobs for residents of the region and potentially stimulate up to \$300 million of private

investment. The project's primary focus will be on commercial and industrial development with a limited number of residential housing units.

Delude said, "The direct continued involvement and support, from day one, in this regionally significant project by state representative Thomas Petrolati, state senator Gale Candaras, the board of selectmen and the community of Ludlow have been instrumental. We are grateful for their continued support and encouragement. Westmass is committed to seeing that the Ludlow Mills once again becomes a major contributor to the economic prosperity of our region."

Westmass is a founding affiliate of the EDC of Western Massachusetts and has successfully developed large-scale projects in our region for over 50 years.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540