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KeyBank CDLI secures \$41 million for The Community Builders to renovate phase 2 of Lyman Terrace Apartments in Holyoke, MA

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Holyoke, MA KeyBank Community Development Lending and Investment (CDLI) secured \$41 million of financing for The Community Builders (TCB), a nonprofit real estate developer, owner and manager based in Boston, to renovate Lyman Terrace Apartments, an affordable housing property in a qualified opportunity zone of the city.

“The Lyman Terrace Apartments renovation is a two-phased initiative designed to significantly improve city of Holyoke’s core downtown,” said Susan McCann, regional vice president of development, New York and New Jersey for TCB. “We completed the first phase of Lyman Terrace in late 2018, and the investment helped transform the neighborhood.”

The second phase includes renovating the property’s final 76 units, which will be reserved for households earning between 30% and 60% area median income. Some units will be set aside for the disabled and formerly homeless. The 76 units will benefit from a 20-year, project-based, Section 8 housing assistance payment contract administered by the Holyoke Housing Authority. The financing includes a \$23 million construction loan provided by CDLI and an \$18 million low-income housing tax credit (LIHTC) and opportunity zone investment. The tax-exempt bonds were underwritten by KeyBanc Capital Markets. Funding sources include the city and state, as well as federal and state LIHTC. The Massachusetts Housing Partnership is providing permanent financing.

“Through our integrated platform, KeyBank was able to provide TCB with a broad range of debt and equity financing to meet their project needs,” said Rob Likes, national manager of the CDLI team.

Kelly Frank and Victoria O'Brien of Key's CDLI team arranged the financing in cooperation with Sam Adams of KeyBanc Capital Markets.

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