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MassDevelopment and Washington Savings Bank provide \$3.062 million loan to Degmar Development affiliate for Residence at Mill Sq.

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Lowell, MA MassDevelopment has participated with Washington Savings Bank to provide a \$3.062 million loan to Residence at Mill Square LLC, an affiliate of Degmar Development Corp. Degmar used proceeds to buy a parcel at 27 West Third St., on which it is building a 21-unit affordable rental housing facility to be called Residence at Mill Sq. MassDevelopment also enhanced the bank portion of the loan with a mortgage insurance guarantee.

“Participating with MassDevelopment has enabled us to offer favorable financing packages to borrowers which ultimately contributes to the creation of quality housing for residents in the City of Lowell,” said Washington Savings Bank vice president of lending Jerry Frechette.

“Our communities thrive when residents of all backgrounds have access to safe, quality, and affordable housing,” said MassDevelopment president and CEO Lauren Liss. “We are excited to partner with Washington Savings Bank to support the creation of 21 new homes in Lowell.”

Degmar Development is owned by David Degan and Peter Marlowe. A separate company also managed by Degan and Marlowe, Marlowe Building & Design, is completing construction of Residence at Mill Sq.

Degan’s brother, Dennis Degan, is overseeing the day-to-day operations of the project, including supervising plumbers, electricians, HVAC and drywall installation, etc. The developers are utilizing Structural Insulated Panels (SIPs) at Residence at Mill Sq., a type of building material insulated with R40 spray foam insulation and framed with electrical junction boxes, conduit, piping, and exterior sheathing preinstalled.

“David Degan and I are excited to have partnered with MassDevelopment and Washington Savings Bank to bring modern affordable housing to the Merrimack Valley in an area where it is greatly needed,” said Peter Marlowe, co-owner of Degmar Development Corp. “With over 35 years in business in both design and construction of residential and light commercial projects, we have the expertise to handle the special aspects of this project.”

MassDevelopment and Washington Savings Bank have previously partnered to finance the creation of housing in Lowell. In 2013, the organizations provided a \$1,755,000 loan to Underwood Property, Management, and Development, LLC to buy and convert the former Varnum School on Sixth St. into

20 units of market-rate housing with one affordable housing unit. This financing was also enhanced by a MassDevelopment guarantee.

MassDevelopment, the state's finance and development agency, works with businesses, nonprofits, financial institutions, and communities to stimulate economic growth across the Commonwealth. During FY2018, MassDevelopment financed or managed 384 projects generating investment of more than \$4.1 billion in the Massachusetts economy. These projects are estimated to create or support 10,994 jobs and build or rehabilitate 830 housing units.

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