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MassHousing provides \$15 million financing to Farragut Investments

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Leominster, MA MassHousing has provided a total of \$15 million in affordable housing financing to an affiliate of Farragut Investments Inc., to undertake substantial property improvements at the 181-unit Whitney Carriage Park apartments. As part of the MassHousing financing, the affordability of the 45 affordable rental homes at Whitney Carriage Park will be preserved in perpetuity.

“This transaction advances MassHousing’s commitment to providing safe, decent, modern affordable housing to residents across the Commonwealth,” said MassHousing executive director Chrystal Kornegay. “We are proud that this refinancing accomplishes a number of important objectives: Preserving affordable housing in perpetuity, securing critical repairs to an historic property, and positioning Whitney Carriage Park to be a true mixed-income community that serves residents of all incomes, well into the future.”

“We’re excited to renew Whitney’s physical plant and restore its historic character, while at the same time providing our residents with the living spaces and amenities that today’s market demands,” said Michael Greenfield, Farragut Investments’ CFO. “We are investing over \$2 million of our own capital, which, together with MassHousing’s financing, will help us to create a community that will address Leominster’s rapidly growing multifamily housing needs.”

Whitney Carriage Park is a former baby carriage mill complex that was originally built in the 1800s and converted to rental housing in 1987. The property now contains 181 mixed-income apartments across nine former mill buildings and two townhomes.

MassHousing is providing the property’s owner with a \$10.9 million taxable permanent mortgage, as well as a \$4.1 million capital needs loan. Farragut will utilize the MassHousing financing to make critical repairs at the property, including replacing historic windows, repairing roofs and exterior masonry, upgrading units and common areas, upgrading sprinkler and HVAC systems, and performing elevator, accessibility and security system maintenance work. The MassHousing financing will also ensure that the property’s replacement reserves are well-capitalized.

The transaction ensured that the 45 affordable apartments at Whitney Carriage Park remain affordable to low and moderate-income households in perpetuity.

Thirty-seven units at the property are affordable to households earning at or below 50% of the Area Median Income (AMI) and eight units are affordable to households earning at or below 80% of AMI. The AMI for the town is \$85,800 for a household of four. The remaining 136 apartments at Whitney Carriage Park are rented at market rates.

Whitney Carriage Park is located at 124 Water St., and contains 13 one-bedroom apartments, 135 two-bedroom apartments and 33 three-bedroom apartments, 28 of which are townhomes. The property is managed by Peabody Properties.

MassHousing has financed three rental housing communities in the town involving 486 units and \$30.8 million in total financing. The agency has also provided 737 home mortgage loans to local homebuyers and homeowners for a total of \$89.6 million in financing.

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