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## **CBRE sells Mill Falls Apartments for \$13.8 million on behalf of the seller, Methuen Mills LP, an affiliate of Silver Street Development Corp.**

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Methuen, MA CBRE has arranged for the sale of Mill Falls Apartments for \$13.8 million.

CBRE Capital Markets' multihousing experts Simon Butler, Biria St. John and John McLaughlin exclusively represented the seller, Methuen Mills LP, an affiliate of Silver Street Development Corp., and also procured the buyer, Standard Communities, in their first acquisition in Mass.

Originally built in 1826, the former Methuen Cotton Mills went through redevelopment in 2001, utilizing a combination of Low-Income Housing Tax Credits, state and federal Historic Tax Credits to fund the conversion of the building into a 97-unit mixed-income apartment community. Sitting along the Spicket River and adjacent to the Spicket River Greenway, the six-story elevator building offers 11' to 14' ceilings and over 50 different floor plans, including some with an additional office or loft.

The community was permitted pursuant to Chapter 40B Comp Permit and funded by 4% tax exempt bonds through MassHousing. As part of the financing, the property entered into a Tax Credit Regulatory Agreement which required 40 apartments to be rented to residents whose incomes are no higher than 60% of AMI where the area is defined as Lawrence MSA.

This loan was refinanced in 2017 with MassHousing and the buyer was required to assume this loan as part of the transaction.

Additionally, as part of the original financing, the Department of Housing and Community

Development (DHCD) provided a Housing Stabilization Fund Rehabilitation Loan that is non-interest bearing and has no monthly principal installments. In return, the property entered into an Affordable Housing Restriction, which requires the property to rent 39 of the 97 units at the property (40%) under the HSF Program until 2057.

“We are pleased to have represented Silver Street in the sale of Mill Falls Apartments,” stated St. John. “Silver Street redeveloped this property in 2001 through a complex structure of Low Income Housing Tax Credits and State and Federal Historical Tax Credits and other subsidies. Mill Falls is providing much needed affordable housing for the region and Standard Communities was able to purchase this property under a 40T exemption, by agreeing to continue to rent the restricted units to affordable households.”

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