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Berkeley Investments purchases five building portfolio for \$95.5m

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Photo credit: Robert Simonds

Lawrence, MA Boston-based Berkeley Investments has closed on a \$98.5 million purchase of a five-building portfolio consisting of three residential and two light industrial buildings along the Merrimack River. The residential buildings – Mill 240 and Washington Mills – host 435 units, and the light industrial buildings total 340,000 s/f.

“We support the ongoing efforts of the city of Lawrence to re-imagine the Canal District and the city as a vibrant economic engine for the entire region and look forward to further investment in these historic and unique buildings,” said Berkeley president Young Park.

Mill 240 and Washington Mills, which sit adjacent at 240 and 270 Canal St., are former mills recently reimagined as class A multifamily spaces. Originally built in 1918 and consisting of two buildings, Mill 240 was converted into 217 luxury lofts and apartments in late 2019. Washington Mills was built in 1886 and redeveloped into 155 luxury live/work lofts in 2007. Berkeley plans to make strategic renovations across the complex as well as convert an empty wing of self-storage units into an additional 63 new units at Mill 240.

The residential buildings share amenities including multiple roof decks overlooking the Merrimack River, garage parking, dog park, fitness center, yoga studio, bike storage, cyber lounge, and a Riverfront park with fire pits and lawn games. Berkeley intends to enhance the overall amenity experience with additional outdoor amenities and new work-from-home space.

In a separate transaction, Berkeley purchased 246 and 250 Canal St., situated next to Washington Mills. These two mill buildings consist of a total of 340,000 s/f currently used as flex/warehouse space.

Berkeley is a strong believer in the potential of the city as an exciting example of smart urban revitalization. The Merrimack Valley submarket has established itself as a technology and science cluster, attracting both national and international investments to the area. The properties are close to a strong employment base including Amazon, Pfizer, Oracle, Raytheon, IBM, Kronos, Corning, Fidelity Investments, BAE Systems, Elbit Systems, New Balance, and Thermo Fisher Scientific. These tech belt workers who are looking for quality housing options are drawn to the historic character of the Canal District and the convenient highway and commuter rail access.

Berkeley has extensive experience in renovating and redeveloping brick and beam structures while preserving attractive features including high ceilings, large windows, and exposed brick. The firm's earlier acquisitions this year include purchase of the Sasaki Building at 64 Pleasant St. in Watertown, which also housed a variety of mill and industrial buildings dating back to the 1800s.

The seller of the residential component, SMC Management, was represented by Berkadia in the transaction. The seller of the commercial component, Andrea Management, was represented by Hunneman. Berkeley has partnered with Global Gate Capital, a New York-based subsidiary of an international investment management firm based in Geneva, Switzerland. Financing for the residential component of the transaction is provided by Toronto-based CIBC. Princeton Properties will provide property management services for both Mill 240 and Washington Mills while Berkeley Management will provide property management services for 246/250 Canal St.