nerej
CELEBRATING 55 YEARS

Cornerstone Realty Capital arranges $4.18 million financing for acquisition of a mixed-use property in Medford, MA

June 18, 2021 - Front Section

Medford, MA Cornerstone Realty Capital recently arranged $4.18 million for the acquisition of a mixed-use property located in Medford Center. The property consists of three ground-floor retail units, two office spaces totaling 1,400 s/f, and twelve residential apartments that are a mix of studio, one, and two-bedroom units. The property has been well-maintained by the former owner, and the residential units currently feature hardwood flooring throughout the living areas, hardwood cabinets and white appliances in the kitchens, and tile flooring with plastic surround showers in the bathrooms. Common laundry facilities are available in the basement for tenants' use. The retail units, comprising of 7,000 s/f, are rented to an optometrist, a liquor store, and a café.

The city is a close-in suburb, consisting of residential and commercial development, that is anticipated to continue experiencing population and household growth for the foreseeable future.

The property itself, benefiting from being directly located in Medford Center, is situated among a plethora of dining and shopping options, and is heavily trafficked by pedestrians and vehicles alike. The property is located along the Mystic River, near the Cradock Bridge, which leads to the central thoroughfare of the Mystic Valley Pkwy. It is also located only 0.2 miles from an on-ramp/off-ramp for I-93, one of the most significant north-south highways in Eastern Massachusetts. Directly across the street, public transit is available to tenants and retail patrons alike at a bus stop for the #94, 95, and 134 bus routes, which provide services throughout Medford, Malden, and Somerville. Tenants can enjoy the green space at Clippership Park, 0.1 miles east of the property, as well as Veterans Memorial Park, 0.25 miles west.

Patrick Brady, executive vice president at Cornerstone, said, “This incredibly well-located asset was meticulously maintained by the previous owner. It also had a strong track record near 100% occupancy, which was a welcomed bright spot in the market, given how mixed-use assets have performed during the pandemic. We were able to obtain a loan structure with an aggressive fixed rate and an interest-only period that will allow the borrower to “break-in” the asset, perform updates as needed, and enjoy the cash flow on his investment.”

Cornerstone secured a low, fixed-rate financing structure with 18 months of interest only followed by a 30-year amortization schedule.