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Rockport Mortgage closes \$42.4 million in financing for Market Mill Apartments - will preserve affordability at the rental housing development

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Lowell, MA Rockport Mortgage has completed the closing of a \$42.4 million, HUD Section 223(f) refinance loan. The transaction will preserve affordability at the rental housing development for 39 years.

Market Mill Apartments is a 230-unit affordable housing community serving seniors and families located at 246 and 256 Market St. The development, located in the downtown historic district of the city, has been designated an Opportunity Zone and consists of one five-story elevator building for seniors, and one four-story elevator building for families. Both adjacent buildings feature one and two-bedroom units. The property's location serves the tenants well, as it is conveniently located to shopping, restaurants and public transportation.

Peabody Properties manages the property on behalf of the owner, Market Mill Associates.

The HUD 223(f) loan, with a fixed interest rate of 2.5%, has a 35-year fully amortizing term. As part of the transaction, the owner entered into a new 20-year Mark-Up-To-Market Section 8 Contract with HUD at loan closing. The new Section 8 Contract will require the owner to renew the contract through 2061.

“Market Mill is a vibrant community, and we are glad to have worked with Rockport Mortgage to

achieve this refinancing.” said Melissa Fish-Crane, principal and COO of Peabody Properties. “Affordability is a key factor in maintaining successful, long-term tenancies. These efforts will not only help preserve those tenancies, but also allow us to augment them with a wide range of social-service and wellness benefits in the decades to come.”

“The demand for safe and affordable housing in the city of Lowell remains extremely high, especially for a growing senior population,” said Dan Lyons, managing partner of Rockport Mortgage. “In locations where there are a limited number of planned new developments, HUD’s preservation programs allow owners to significantly extend the useful life of their properties, improve the quality of life for residents, and at the same time ensure these properties remain affordable for years to come. We’re very pleased to work again with the principals of Market Mill Associates and Peabody Properties to ensure this valuable multifamily housing asset remains affordable for the next 39 years.”

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