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Cambridge Savings Bank is lead bank in \$93m construction loan for Innes Apartments project

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Chelsea, MA Cambridge Savings Bank (CSB) is the lead bank in a \$93 million construction loan to support the Innes Redevelopment project, with the development of two new multi-purpose buildings. The project is being led by co-developers John M. Corcoran & Company and Joseph J. Corcoran Company, in partnership with real estate private equity firm Marcus Partners. The redevelopment team will utilize the capital to replace the eight existing buildings at the Innes Apartments constructed in the 1950s and build a 350,000 s/f mixed-use community in its place.

The redevelopment will provide new homes for the current residents of Innes with 96 units of public housing while offering 40 units of middle-income opportunities for new tenants, including 194 market-rate apartments near public transportation. The mixed-income redevelopment will also include onsite amenities for residents and much needed ground-floor retail space to activate the Central Ave. Smart Growth area.

“The recent groundbreaking for the Innes Redevelopment project marks a significant milestone as it sets a definitive course for a mixed-income community that will bring promise and possibility to individuals and families in the Chelsea neighborhood,” said Peter Mahoney, executive vice president at John M. Corcoran & Co. “It has been a long journey to get to this point in the process and our partners at Cambridge Savings Bank have played a huge role in making it all possible. With their expert financial guidance and seasoned experience in the development of mixed-income housing, we are confident that this project will be a success and provide value to the community for years to come.”

The project is being carried out in collaboration with the Chelsea Housing Authority (CHA), City of Chelsea, the Massachusetts Office of Housing and Economic Development, and the Department of Housing & Community Development (DHCD). The Innes Redevelopment is the first demonstration of DHCD’s Partnership to Expand Housing Opportunities (PEHO) program, which establishes public-private partnerships between housing authorities and developers to preserve public housing through the creation of mixed-income communities.

“Supporting affordable housing projects is always a privilege, but doing so alongside companies like John M. Corcoran & Company, Joseph J. Corcoran Company, and Marcus Partners makes it that much more rewarding,” said Peter Olivier, SVP - commercial real estate at CSB. “CSB will always seek to support members of the communities that we serve, bringing solutions to people facing housing challenges via partnerships with dedicated and accomplished organizations.”

With a shared mission to offer housing and support to underserved communities, the project aims to bring opportunity to the residents of Chelsea, where more than 87 percent of residents are considered low-to-moderate income. This construction loan follows other recently highlighted affordable housing projects by CSB including a \$61.7 million loan provided to The Michaels Organization and \$84.5 million in aggregate loans to Strategic Land Ventures for two separate developments.

“This partnership is an important milestone in our commitment to create safe and affordable housing opportunities in the greater Boston area. The Innes Redevelopment project is sure to be transformative for the Chelsea neighborhood as it will ultimately uplift residents and increase economic mobility across the community,” said Ian Brandon, SVP, head of commercial real estate at CSB. “It is of the utmost importance for CSB to support affordable and mixed income housing projects now and in the future that will provide resources to individuals and families who need them the most.”

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