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MassDevelopment issues \$126.33m to Puddingstone at Chestnut Hill, LLC

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Brookline, MA MassDevelopment has issued a \$77.9 million tax-exempt bond and a \$48.43 million taxable bond on behalf of Puddingstone at Chestnut Hill, LLC, an affiliate of Chestnut Hill Realty Corp., which will use proceeds to build a six-story, 250-unit mixed-income multifamily rental-housing facility on 3.78 acres of undeveloped land at 201 Sherman Rd. The building, dubbed Puddingstone at Chestnut Hill, will include 90 one-bedroom units, 135 two-bedroom units, and 25 three-bedroom units. Brookline Bank purchased the bonds, which helped Chestnut Hill Realty achieve a lower cost of capital.

Of the facility's 250 units, 50 will be affordable. Forty-two units will be rented to households earning up to 50% of the area median income (AMI) (\$70,100 for a four-person household) and eight units will be rented to households earning no more than 30% of AMI (\$42,060 for a four-person

household). The property will include 377 surface parking spaces provided through a two-level parking garage and surface parking. The site is within the town's portion of Hancock Village, an existing 978-unit apartment community also owned by Chestnut Hill Realty.

"This new building will add 250 mixed-income apartments in Brookline, bringing much-needed relief amid the housing shortage the greater Boston region is experiencing," said MassDevelopment president and CEO Dan Rivera. "MassDevelopment is proud to be a continued partner in Chestnut Hill Realty's efforts to develop Hancock Village with a vibrant mix of housing for residents at various income levels."

In addition to the tax-exempt and taxable bonds, MassDevelopment assisted the Massachusetts Department of Housing and Community Development with the approval of federal low-income housing tax credits that will provide approximately \$12.6 million in equity for the project.

"Brookline Bank is committed to working with our clients by assisting in the capitalization of affordable housing projects whether through investing in tax credits or providing debt as we did for Chestnut Hill Realty's recent developments at Hancock Village," said Brookline Bank executive vice president of commercial real estate Bob Brown. "Peter Lennon and his team arranged a \$126.3 million construction and permanent loan for the development of 250 units of which 50 are affordable, while Ali Abdullah's community development team invested directly in the low-income housing tax credits."

In 2019, MassDevelopment issued a \$47.16 million tax-exempt bond and a \$33,488,331 taxable bond on behalf of The Residences of South Brookline LLC, an affiliate of Chestnut Hill Realty, to help the company build 175 new units of mixed-income housing at Hancock Village. Known as the Residences of South Brookline at Hancock Village, the project included 11 two-story, three-bedroom townhome-style infill buildings that created 48 units of housing, as well as one three/four-story apartment building called the Asheville Building that created 127 units of housing.

Established in 1969, Chestnut Hill Realty owns and manages more than 4,800 apartment units, comprising 28 apartment home communities in Greater Boston and Rhode Island, and over 180,000 square feet of commercial space. The company manages all of its rental communities and will manage Puddingstone at Chestnut Hill.

"We are very proud of our new development and our enduring relationship with MassDevelopment," said Chestnut Hill Realty President of Development and Construction Marc Levin. "With MassDevelopment's crucial help, we have been able to significantly advance our mission of creating mixed-income housing while addressing a critical need in the Commonwealth."

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