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## **MassHousing Closes on \$28.8 Million in Financing for the Creation of New, 180-Unit, Affordable Housing Community in Downtown Lawrence**

***Pac 10 Lofts will involve the adaptive reuse of the historic former Pacific Mills cotton complex and will provide housing for households with a range of incomes***

BOSTON – April 17, 2018 – MassHousing has closed on a total of \$28.8 million in financing to [Reed Realty Advisors LLC](#) for the creation of a new, 180-unit affordable housing community in the Gateway City of Lawrence. Reed Realty will transform a section of the former Pacific Mills cotton complex into new mixed-income housing for households with a range of incomes, including 40 workforce housing units for moderate-income households.

“Pac 10 Lofts will fill a critical need for mixed-income housing in downtown Lawrence, while transforming a vacant mill property into a vibrant, new housing community,” **said MassHousing Executive Director Chrystal Kornegay.** “The redevelopment of the former Pacific Mills marks another step forward in Lawrence’s revitalization. Mayor Rivera is attracting investment to Lawrence, to create a more vibrant, welcoming city. MassHousing is pleased to be part of the Mayor’s efforts to create more quality, affordable housing for lower-income residents and working families. I congratulate the Mayor, and Reed Realty Advisors, for their work on this important project.”

MassHousing provided a \$14 million tax-exempt permanent loan, a \$1 million taxable permanent loan, an \$8.8 million tax credit equity bridge loan, and \$5 million from MassHousing’s \$100 million [Workforce Housing Initiative](#). The MassHousing financing generated \$16 million in Low-Income Housing Tax Credit equity. The transaction also involved \$1.8 million from an allocation of state historic tax credits, a \$3.6 million seller note, a \$2.5 million deferred developer fee and \$210,000 in financing from the City of Lawrence.

Pac 10 Lofts is MassHousing’s first transaction with Reed Realty Advisors.

“Reed Realty Group is excited to be part of the great things happening in Lawrence’s downtown and North Canal District,” **said Scott Reed, Managing Director of Reed Realty Group.** “We identified Lawrence as one of the small cities in the country poised for the greatest economic growth in the coming years. We’ve been on the ground in Lawrence for two years now and are watching this transformation take place in real-time. Our historic mill, important both as part of the city’s proud industrial heritage and a place where generations of the ‘Immigrant City’s’ residents went to work every day, will be reimaged as a beautiful home for dozens of Lawrence families. It has been a real pleasure

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working with all parties to take a project of this size from the drawing board to the start of construction. When Mayor Rivera says, 'Lawrence is open for business,' he clearly means it."

"Lawrence continues to be a place where the private industry is looking to invest," **said Mayor Rivera.** "These 180 units of housing will transform a portion of our Downtown and bring the desired consumers to patronize the many retail establishments in the area. The mixed-income nature of this project makes it especially impactful as it allows us to move toward filling housing gaps for lower-income families while also making units available for young professionals."

Of the 180 new apartments, 18 will be for low-income households earning at or below 30% of the Area Median Income (AMI), 112 will be for households earning at or below 60% of AMI, 40 will be workforce housing units for households earning at or below 80% of AMI and 10 units will be rented at market rates. The area median income for a family of four in Lawrence is \$95,000

The redevelopment of Pac 10 Lofts advances the Baker-Polito Administration's goal of creating up to 1,000 new workforce housing units affordable to middle-income households through MassHousing's \$100 million Workforce Housing Initiative. Since the inception of the initiative in 2016, MassHousing has committed or closed workforce housing financing totaling \$57.5 million, to 25 projects, located in 14 cities and towns. To date, the Workforce Housing Initiative has advanced the development of 2,309 housing units across a range of incomes, including 616 workforce housing units.

Pacific Mills, a former cotton mill was originally built at 5 Franklin St. in the 1890s. The Pac 10 Lofts project is the first phase of a two-phase redevelopment of the mill complex. The Pac 10 Lofts will offer 82 one-bedroom apartments, 10 two-bedroom apartments and 88 three-bedroom apartments. The development will also include a fitness center, event space and each floor will have a conference room.

The contractor will be [LaRosa Construction Company](#). The architect is [AURALITH Architecture LLC](#) and the management agent will be [WinnCompanies](#).

MassHousing has financed or administers the subsidy contract for 16 rental communities in Lawrence, for a total of 1,965 housing units and an original loan amount of \$103 million. The Agency has also provided \$121 million in financing to 1,343 Lawrence homebuyers or homeowners.

### ***About Reed Realty Advisors***

Reed Realty Group is a fully integrated project management and real estate development firm with mid to large-scale commercial and multi-family residential properties in the United States. Reed Realty is focused on financial structures that "twin" tax credit subsidies. Beginning in 2008, Reed Realty focused on the rehabilitation and development of urban historic buildings using federal and state historic tax credits. In 2014, Reed Realty closed its first twinned tax credit transaction using new markets tax credits (NMTCs) in addition to state and federal historic tax credits (HTCs) to rehabilitate the 20-story Thomas Jefferson Tower in Birmingham, Alabama. The firm is now focused on twinned transactions combining HTC and either NMTC or low-income housing tax credits (LIHTCs) in markets with low acquisition costs and high demand. Because of its expertise in these types of transactions, Reed Realty is often able to redevelop historic properties. For more information please visit [www.reedrealtyadvisors.com](http://www.reedrealtyadvisors.com).

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***About MassHousing***

MassHousing (The Massachusetts Housing Finance Agency) is an independent, quasi-public agency created in 1966 and charged with providing financing for affordable housing in Massachusetts. The Agency raises capital by selling bonds and lends the proceeds to low- and moderate-income homebuyers and homeowners, and to developers who build or preserve affordable and/or mixed-income rental housing. MassHousing does not use taxpayer dollars to sustain its operations, although it administers some publicly funded programs on behalf of the Commonwealth. Since its inception, MassHousing has provided more than \$22 billion for affordable housing. For more information, visit the MassHousing website at [www.masshousing.com](http://www.masshousing.com), follow us on Twitter [@MassHousing](https://twitter.com/MassHousing), subscribe to our [blog](#) and Like us on [Facebook](#).

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