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Rockland Trust provides \$17.7 million in financing to Capstone Communities LLC and Hope Real Estate Enterprises LLC

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Cambridge, MA Rockland Trust has provided \$17.7 million in financing to local developers Capstone Communities LLC and Hope Real Estate Enterprises LLC. The financial package includes an \$8.7 million construction loan and \$9 million in low income housing tax credit equity. The funding will be applied towards the development of Frost Terrace, a 40-unit affordable housing residential community located at 1785-1791 Massachusetts Ave. in Porter Sq. The development will infuse much-needed affordable housing into the city.

“Rockland Trust is excited to support a transformative project like Frost Terrace that emphasizes affordability and family,” said John Quintal, first vice president and Boston lending center manager at Rockland Trust. “Housing is one of the cornerstones of community and this development will help to strengthen the vitality and diversity of Cambridge and the Porter Sq. neighborhood.”

Frost Terrace will feature 40 affordable apartment residences, including 1 studio, 13 one-bedrooms, 13 two-bedrooms, and 13 three-bedrooms, rented to individuals and families earning between 30 and 60% of the area median income. The property offers a unique affordable living option for families in a prime city location.

Frost Terrace will be built to LEED sustainability standards and will incorporate a multitude of sustainable design strategies including solar panels, preservation of the site’s mature trees, preservation of the site’s three historic homes, and installation of energy-efficient equipment and insulation. Amenities at Frost Terrace will include shared outdoor space for residents and a

community room that will offer programming for all residents. The three existing houses on site will be retained, restored and rehabilitated into multiple apartments, and a new four-and-five story addition will be constructed on site.

Frost Terrace's immediate proximity to Porter Sq.'s MBTA Red Line and Commuter Rail Station offers a valuable transit-oriented opportunity for residents. Capstone Communities, Hope Real Estate, and Rockland Trust will hold a ceremonial groundbreaking later this summer.

The Massachusetts Department of Housing and Community Development is supporting the project with low income housing tax credits and subsidy funds. The city provided significant additional funding through city trust funds and the Massachusetts Housing Investment Corp. provided a \$4.3 million permanent loan. Stratford Capital Group LLC is the Housing Tax Credit syndicator.

"We are thrilled to partner with Rockland Trust to construct 100% affordable housing for families and individuals in one of the most expensive housing markets in the nation," said Jason Korb and Sean Hope, the developers of Frost Terrace. "Rockland Trust, the city of Cambridge, the Commonwealth of Massachusetts, MHIC and Stratford Capital Group provided the crucial financing to ensure the project could break ground so quickly, we appreciate their tireless efforts and strong commitment to this exciting development."

Jared Rand, vice president of Stratford Capital Group, said "Stratford Capital Group is honored to be involved in this transformative project steps away from vibrant Porter Sq.. Frost Terrace is the result of years of hard work, dedicated effort and steadfast commitment by a group of devoted partners from both the public and private sectors. Spearheaded by the vision and creativity of Capstone Communities and Hope Real Estate Enterprises, this collaborative partnership will bring 40 units of much needed affordable housing to the underserved Cambridge market. Special thanks to Rockland Trust for donning their 'debt and equity hats,' and congratulations to Jason Korb, Sean Hope and the staff of Capstone Communities for wearing the countless hats necessary to make this development a reality."

"Once again, Capstone Communities and Hope Real Estate Enterprises have demonstrated their capacity and commitment to adding new affordable housing in Cambridge, a community known for having among the highest rents in the country," said Joe Flatley, president of Massachusetts Housing Investment Corp. "Not only are the developers creating new housing, they are creating new opportunities for low-income households who will be able to take advantage of all that Porter Sq. and Cambridge have to offer."

"We are thrilled that construction is underway at Frost Terrace, which will create 40 affordable rental units in Cambridge's Agassiz neighborhood," said city manager and chair of the Cambridge Affordable Housing Trust Louis DePasquale. "This project is a testament to the hard work of the city and the Cambridge Affordable Housing Trust in our mission to create and preserve high quality affordable housing. This year, the city's annual commitment to the Trust will surpass \$20 million, bringing the total funding that the Trust has received to more than \$200 million. Through this investment, we look forward to expanding our efforts to increase access to affordable housing for

Cambridge residents.”

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