

# Real Estate Journal

THE LARGEST WEEKLY COMMERCIAL/INVESTMENT NEWSPAPER COVERING THE STATE

## Beacon Communities breaks ground on \$29 million redevelopment of Wilber School



Rendering, 75 South Main Street - Sharon, MA



Pam Goodman

Beacon Communities Development LLC, Frontier Enterprises, Inc. and a consortium of public and private finance and development organizations have broken ground on a project to revitalize the 43,600 s/f Charles R. Wilber School located at 75 South Main St. Just steps from the downtown business district, the commuter rail and major interstate transit routes, the historic redevelopment will feature 75 units of housing for families earning a mix of incomes. The development incorporates green design principles and features and is registered under LEED for Homes. Construction began on January 2nd, and the development's first residents are expected in spring 2010.

"This project will serve as a critical economic driver for Sharon," said Beacon Communities president Pam Goodman. "The Charles R. Wilber School - recognized for its historic significance by the Mass. Historical Commission - sat vacant for nearly 30 years before we acquired the property. Our project is a model for smart growth, transit oriented development, and we are indebted to the town, the Department of Housing and Community Development, the Mass. Historical Commission and our many finance and development partners for their support."

The town constructed the Wilber School in 1922 to serve as its primary elementary education facility. In 1929 town officials expanded the building and converted it into a high school. The school and its grounds played an important role in the community until it closed in 1981, serving as a meeting place for town functions including weekly movies and the annual town meeting. When the current redevelopment is completed, 15 units will be designated affordable and rented to households earning up to 50% of the area median income. Of those 15 units, the developer will set aside 3 for households earning up to 30% of the area median income. An additional 7 units will be designated as workforce housing and rented to households earning up to 100 % of the area median income.

Beacon Communities is partnering with Frontier Enterprises, Inc. to redevelop the Wilber School. Part of the \$29 million project is being financed through federal and state low-income housing tax credits and historic rehabilitation tax credits, which were purchased by AEGON USA Realty Advisors to generate over \$15 million in equity financing for the project. An additional \$14 million in construction and permanent financing is being provided through a low-interest, tax-exempt bond issued by MassDevelopment, underwritten by RBC Dain Rauscher and guaranteed by Bank of America during the construction phase and the Mass. Housing Partnership (MHP) upon completion and occupancy of the project. This financing enabled the developers to borrow funds at an

"all-in" interest rate of 4.11% that is fixed for the first 12 years of the 18-year term of the loan.

"Restoring this historic building and returning it to useful service has been a priority of the town for many years, and it has taken the collaborative effort, input and cooperation of many local residents, boards and committees to get us to this point," said Richard Powell, chairman of the Sharon Board of Selectmen. "This project will positively impact the revitalization of our downtown area, help us to achieve our affordable housing goals, and provide critical revenue to the town. Its successful completion will truly represent a positive example of a public/private partnership."

"The number of investors and development partners willing to step forward to support this project, even in difficult economic times, is a testament to the quality of Beacon Communities' development proposal," said Robert L. Culver, MassDevelopment president/CEO.