

\$6M Transforms Holden Mill into Housing

MassDevelopment & Fidelity Bank Partner to Finance Conversion of Vacant Building into 28 Apartments, First Phase in Effort to Redevelop Entire Jefferson Mill Complex

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Matthew Mogavero, 857-248-0868
mmogavero@massdevelopment.com

Tim Adler, Bluestone Residential Inc.
tim@toadler.com

HOLDEN, Mass. – MassDevelopment has partnered with Fidelity Bank to provide \$6.1 million in loan financing to Jefferson Mills LLC, an affiliate of Bluestone Residential Inc., which will use proceeds to redevelop a long-vacant mill building at 1665 Main St. in Holden, part of the Jefferson Mill complex, into 28 one-, two-, and three-bedroom apartments. The overall 2.67-acre complex features two mill buildings, totaling 62,922 square feet, which have been vacant for nearly 30 years. The buildings were built in the early 1900s and previously housed textile manufacturing companies. The redevelopment of 1665 Main St. is the first phase of an expected two-phase project by Jefferson Mills LLC to redevelop both mill buildings in the complex. MassDevelopment and Fidelity Bank were 50-50 participants in the loan.

“Communities across the Commonwealth feature vacant mill and factory buildings that are prime sites for residential and commercial redevelopment,” said Housing and Economic Development Secretary Mike Kennealy, who serves as chair of MassDevelopment’s Board of Directors. “MassDevelopment offers a number of financing tools and technical assistance to help developers and municipalities breathe new life into these blighted properties.”

“The location on Route 122A and proximity to downtown Worcester will make these apartments ideal for professionals and families alike,” said MassDevelopment President and CEO Dan Rivera. “By working with banks like Fidelity Bank, MassDevelopment can fill financing gaps to help turn challenging properties into assets for a community. We are pleased to support Tim Adler and Daniel Stroe at Bluestone Residential Inc. as they begin to transform the vacant Jefferson Mill complex into much-needed housing in Holden.”

“We had been actively encouraging the former owners of the Jefferson Mill to redevelop the property after decades of dormancy,” said Holden Town Manager Peter Lukes. “Tim Adler and Daniel Stroe have a great



Picture of the Jefferson Mill complex in Holden, courtesy of Bluestone Residential Inc.

track record and when they entered the picture we knew that things were on the right track. MassDevelopment is always instrumental in these types of projects and their partnership in Holden is no different. The Town is looking forward to assisting further to facilitate a quick and successful transformation of the old mill into attractive housing.”

Founded in 1888, Fidelity Bank is one of the strongest independent community banks in central and eastern Massachusetts. Fidelity Bank’s unique LifeDesign approach to banking provides the care and clarity needed to make informed decisions with confidence. The bank offers a range of personal and business banking solutions to clients in 13 full-service banking centers in Leominster, Worcester, Fitchburg, Needham, Gardner, Shirley, Barre, Millbury, Paxton, Princeton, and Winchendon. It has consistently earned a “5 Star” rating from BauerFinancial, Inc., the nation’s leading independent bank rating and research firm. In 2020 Fidelity Bank was voted Worcester Telegram & Gazette’s Best Financial Services in central Massachusetts and was named to the Boston Globe’s Top Places to Work list for the sixth time. As of December 31, 2020, the bank had total assets of approximately \$1.1 billion. For more information, visit fidelitybankonline.com.

“Fidelity Bank values relationships and cares deeply about helping our clients, like Bluestone Residential, get where they want to be,” said Fidelity Bank Chairman and CEO Ed Manzi, Jr. “By partnering with MassDevelopment on this project, we are doing our part to grow our communities and revitalize buildings into beautiful housing for individuals and families to live in for years to come.”

Bluestone Residential Inc. creates high-quality housing through the adaptive reuse of vacant or underutilized buildings. The company specializes in renovating buildings to historic standards, and takes pride in the ongoing ownership and management of each development. Bluestone is family-owned and operated, with a particular dedication to investing in the revitalization of properties across central Massachusetts. Previous projects include the Norwich Lofts, North Village Lofts, and the just-completed Torrey Lofts, all located in Worcester.

In 2018, MassDevelopment partnered with Main Street Bank to provide nearly \$2.8 million in loan financing, enhanced with a MassDevelopment guarantee, for Bluestone Residential, Inc.’s North Village Lofts project, which converted the former Indian Hill Schoolhouse at 155 Ararat St. in Worcester into 23 units of market-rate rental housing.

“We are proud to again partner with MassDevelopment to restore another longtime vacant building and create high quality rental housing options in an area of high demand,” said Bluestone Residential Inc. Partner Tim Adler. “Fidelity Bank and MassDevelopment have been the ideal partners for us, recognizing that these are complex projects and being nimble and supportive with each phase of work. We are excited to begin construction and look forward to joining the Holden community.”

MassDevelopment, the state’s development finance agency and land bank, works with businesses, nonprofits, banks, and communities to stimulate economic growth across the Commonwealth. During FY2021, MassDevelopment financed or managed 416 projects generating investment of more than \$1.86 billion in the Massachusetts economy. These projects are estimated to create or support 6,578 jobs and build or preserve 1,909 housing units.