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Wakefield, Mass.—Miami-based Federated Cos. has bought a 4.17-acre multifamily development project, Legacy Park Wakefield in Wakefield, Mass. The project is a market-rate/affordable rental property that will consist of two four-story garden buildings and a single three-story townhouse building. All together, Legacy Park Wakefield will contain 128 units.

The garden buildings will feature a mix of one-, two- and three-bedroom layouts, with units ranging from 842 to 1,230 square feet. The 2,250 square-foot townhouse residences in the adjacent three-story structure, 14 units in all, will each have three bedrooms and one and a half baths. Federated Cos. did not disclose the purchase price.

Construction on Legacy Park Wakefield is scheduled to begin later in May, with completion slated for the first quarter of 2012. The property is close to being transit oriented, with two MBTA commuter rail stations not far away to provide access to downtown Boston and other points.

Lately Federated Cos. has been eager to buy sites on which to develop multifamily properties in this part of the country. Legacy Park Wakefield is the fourth such development acquisition for the company in 2011. Earlier this year it acquired land in Lynn, Mass.; Salisbury, Mass.; and Manchester, N.H. for the same purpose.

The reason is probably that Boston-area apartment market is particularly hot, and likely to remain so. Investment specialist Marcus & Millichap predicts that the metro Boston apartment vacancy rate will drop to 4.2 percent by the end of 2011, down to pre-recession levels. Concurrently—because of high demand and a still-small development pipeline—effective apartment rents will increase by year’s end to nearly \$1,700, up 4.5 percent from the end of 2010.

“We were fortunate to have acquired this property at a time when the market was in significant distress and, therefore, contracted it at a very attractive cost basis,” Dung Lam, CEO of Federated Cos., tells *MHN*. “In addition to the low land basis, our construction expertise and the timing of the closing makes this development ideal, as we will deliver brand-new product in a strong rental market.”