

# The Real Reporter

A COMPENDIUM OF COMMERCIAL PROPERTY & CAPITAL NEWS

THIS WEEK'S ISSUE

DECEMBER 28, 2020

## C&W Brokers 99-Year Ground Lease; Urban Spaces to Convert Church Site

BY JOE CLEMENTS

**C**AMBRIDGE — Urban Spaces has signed a 99-year ground lease expected to prove a blessing for the Roman Catholic Archdiocese of Boston which owns the four-building campus at 49 6th St. The historically designated Sacred Heart Catholic Church that sits on about 19,000 sf is expected to be restored as housing while the church remains open for services.

The agreement struck after a process run by Cushman & Wakefield avoids an uncertain future for the complex which in recent years had been partly occupied via a lease with the Cambridge School Department for administrative offices. Urban Spaces will renovate the convent, rectory and school buildings totaling about 85,000 sf after what principal Paul Ognibene says will be an analysis of the properties on the number of units that can be created and what areas of aesthetic or historic value needs to be preserved or incorporated into the design.



Brian Doherty



David Pergola



Peter Rogers



Jay Driscoll

continued on page 57

## C&W Ground Lease

CONTINUED FROM PAGE 4

Having developed a number of notable mixed-use and residential projects in Greater Boston, Ognibene says the latest endeavor brings his firm “full circle” in having launched the business 16 years ago renovating another religious property into housing. “We are honored and privileged to be given the opportunity to convert this significant property into something will contribute to the community and allow these beautiful buildings to be enjoyed in a whole new way,” he says. “It is a great opportunity and we are looking forward to moving ahead.”

The listing was pitched minus any pricing guidance, a topic Ognibene declined comment on while C&W Capital Markets members did not respond to inquiries as of press deadline. The team is led by C&W Executive Managing Directors Brian Doherty and David J. Pergola along with Director Peter Rogers, while principal Jay Driscoll is also credited with his role in the process prior to moving recently to Avison Young.

“It went smoothly,” Ognibene says of the approval process while crediting Rogers for being “super helpful” in helping on the assignment. As to value, not expected to be included in the ground lease filings, one multifamily expert suggested it could be based on the number of units such as \$100,000 per buildable units while another felt a yield of 6 to 6.5 percent might be achievable.

Ognibene did say he expects the for-



Sacred Heart Church, 49 6th St., Cambridge MA

mat will have a range of layouts including studios up to three-bedrooms, the latter considered a way of accommodating families. The numbers could run between 40 and 60 apartments, and there is an affordability minimum of 20 percent of the units. Urban Spaces has yet to hire an architect, says Ognibene, and that move should help clarify the footprint going forward, as well as whether the Covid-19 impact will trickle into residential design.

The property does have historical significance, Ognibene confirms, but whether it qualifies for tax credits is unclear. “We will be exploring that,” he says.

Marketing materials from C&W also

list John Driscoll and Mary Kensinger for helping the Roman Catholic Archdiocese of Boston achieve its aims for a 99-year ground lease. The site is in “an established walking neighborhood” and close to the city’s epicenter of technology and life sciences, aka Kendall Square, while transit options to downtown Boston and Harvard Square are also close by the site.

“I think this will transform that whole area,” one CRE professional familiar with 49 6th St. opines of the development pact in maintaining its use by the school department did not do much to enliven the street scape. “It’s great news for East Cambridge,” says the market watcher. ■