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HAVERHILL — The 1 Water Street high-rise apartment building overlooking the Merrimack River has been sold for \$15.6 million to a Lawrence-based company that owns and manages apartment buildings in Lawrence, Methuen and Pelham.

Located across from Central Plaza and opposite the new Harbor Place development, the 1 Water Street complex is at White's Corner, one of the busiest intersections in the city.

According to Southern Essex Register of Deeds John O'Brien, a Delaware limited partnership with the address c/o John M. Corcoran & Co. LLC, 100 Grandview Road, Suite 207, Braintree, sold the building to Arrowpoint Burlington LLC, 49 Blanchard St., Suite 414, Lawrence.

O'Brien said the excise tax on the sale generated \$71,136 for the state.

Arrowpoint Properties is a real estate management and investment company. Its president is North Andover native David Lamattina.

Arrowpoint manages several apartment buildings in the area, including Water's Edge Apartments, Boxford Street Apartments, Salem House Apartments, Salem Village Apartments, Essex House Condominiums and Shawsheen Heights Apartments, all in Lawrence, as well as Oakland Heights Apartments in Methuen and Pelham Estates in Pelham.

Lamattina said that as part of the contract, his company will continue to set aside 20 percent of the apartments at 1 Water Street for low-income residents until the requirement expires in 2021. The other 80 percent of the apartments are market rate.

"We will continue to support our current residency," Lamattina said, adding that residents received a letter from the prior owner indicating transfer of ownership and also received a welcome letter from his company.

Lamattina said his company is very familiar with Haverhill and excited to add 1 Water Street to its portfolio.

"I'm a Merrimack Valley guy born and raised in North Andover and I have ties to the area," he said. "My dad, Richard, built The Loft (restaurant) in North Andover, then built Joe Fish (restaurant), and later sold them both. My family also operates Boston Chowder Co. in North Andover."

Lamattina said the 1 Water Street property was attractive to his business for several reasons.

"We are targeting 100-plus unit size properties and this is our first transaction of more than 100 units," he said. "This is our largest by far. We took a leap on this and we were fortunate to take this big step up."

Lamattina said the 1 Water Street property is more than three times the size of his company's last purchase, which was a 48-unit complex in Pelham.

"We sold an 18-unit property in Lowell a few months ago and combined the proceeds with private investor equity and turned 18 units into 164," Lamattina said. "In the real estate world, you don't usually go from 18 to 164 units. It just doesn't happen."

Another factor that influenced the purchase was that 1 Water Street is about 15 minutes from Arrowpoint's Lawrence offices.

"We like to buy older properties we can then improve," Lamattina said, "so in the end you have a much better product that is more attractive to residents, to the city, and increases the value of the property, which results in more tax revenue for the city."

Lamattina said his company plans to invest about \$600,000 in improvements to 1 Water Street, including replacing carpeting in all of the apartments with a laminate flooring, which can be a benefit to people with allergies and is easier to maintain.

"We also plan to make some minor cosmetic improvements to give the building a fresh look, including new exterior signage and resurfacing and re-stripping the parking lot," he said.

Lamattina said the 5,900 square feet of ground-floor commercial space has one longtime tenant, a rheumatologist who rents 2,500 square feet.

"There's about 3,400 square feet that has been vacant for several years, and our plan is to divide it into smaller office suites and rent to a business such as an insurance agent or accountant, although there are endless possibilities," Lamattina said.

Lamattina said he is excited about the nearby Harbor Place complex because it will bring new jobs, new restaurants and new retail space to the Merrimack Street end of downtown. Harbor Place is being built at the site of the former vacant Woolworth building. Harbor Place will have a UMass Lowell satellite campus and several businesses. An extension of the project will have dozens of apartments on upper floors.

"We are thrilled to see this increased investment in our city," Mayor James Fiorentini said of Harbor Place and now the 1 Water Street sale. "We're particularly thrilled to see so much investment along the waterfront. This is exactly what we hoped would happen when we created waterfront zoning. We said it would increase property values along the river and that is exactly what is happening."

According to the city assessor's office online listings, 1 Water Street was last sold in 2006 for \$9.2 million.

The building, erected in 1970, sits on 1.1 acres, according to the assessor's office. Total assessed value in 2016 is \$8.4 million.

William Pillsbury, the city's economic development and planning director, said he is looking forward to meeting with officials from Arrowpoint on Thursday.

"We will encourage them to continue with commercial use on the ground floor, including office space," Pillsbury said. "There is a very high rental rate as it's mostly occupied and we would expect that would continue since it's in the downtown and close to Harbor Place.

"It's a very high profile property and we look forward to them becoming part of the downtown's continuing renaissance," Pillsbury said.

The deed may be viewed at www.salemdeeds.com under "Searches" then "Search our Records" then clicking on the tab for "Book and Page Search" and entering Book 35150, Page 426.