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‘Taj Mahal of Passive House’ Gets $281M Green Financing

By Steve Adams

The Winthrop Center and 75-101 Federal St. towers are seen on Oct. 1, 2025. Photo by James Sanna | Banker & Tradesman Staff

Boston’s Winthrop Center skyscraper will save on borrowing costs after tapping into the PACE Massachusetts program that rewards energy-efficient buildings.

Developer Millennium Partners received $281 million from Nuveen Green Capital, which will be used to extend the financing term for the residential portion of the office-condominium building, using permanent lower-cost financing.

The deal is the largest in New England to be financed through the Property Assessed Clean Energy [PACE] program, which allows financing terms up to 20 years and is repaid through a betterment assessment on the local property tax bill. In Massachusetts, the program is administered by MassDevelopment and the Massachusetts Department of Energy Resources.

The 62-story tower at 115 Federal St. is the world’s largest Passive House-certified office building. Completed in 2023, it contains 800,000 square feet of offices and 317 condos. It broke ground in 2020 after receiving a $775 million construction loan.

The PACE program has been approved in 89 Massachusetts communities including Boston. If a property is sold before the loan has been paid off, the assessment is transferred to the new owner.

“The Millennium Residences at Winthrop Center is the Taj Mahal of Passive House!” Massachusetts Climate Chief Melissa Hoffer said in a statement. “This PACE climate financing from MassDevelopment illustrates how the state can partner with developers to advance cutting edge approaches that will become the commonplace standards of tomorrow.”

In June, the state updated the PACE Massachusetts guidelines for new construction properties to reflect compliance with local building codes and expanded eligibility for allowable costs.

The changes are expected to increase participation in PACE Massachusetts by removing the requirement for a cumbersome technical analysis of future returns, according to a recent analysis by Foley Hoag.

In 2021, Nuveen provided $787,523 to Cargo Ventures for energy upgrades at its 440 McClellan Highway warehouse in East Boston.