The Townsend House was also known as The Parsonage. It was built for the Rev. Jonathan Townsend, first minister of the First Parish Church, by his father-in-law Capt. Gregory Sugars when Townsend was called to the Needham pulpit. Townsend was Minister of the First Parish from 1720 until his death in 1762; he is buried in the Old Cemetery. The next three parish ministers, Samuel West, Stephen Palmer, and William Ritchie, also resided in the house. As the Minister’s residence, the house was a center of community activity.

In April 1775, Needham’s East Militia Company assembled at the house to collect their shot and gunpowder before marching out to Lexington. The militia’s illicit stores of powder and shot were more safely hidden from the British in the Minister’s house, than in the more obvious Powder House up the road. Later, the town’s first Post Office was located here, established in 1826. The house had two stories and a hipped roof when it was first built. It was L-shaped, with an ell (for kitchen and storage) behind the main house block. It was remodeled to its present form, with a third floor and mansard roof, sometime around 1870.