



# The Real Reporter

A COMPENDIUM OF COMMERCIAL PROPERTY & CAPITAL NEWS

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## THE REAL REPORT

### A Loan Again

CAMBRIDGE — Sports fans in these parts favor players who can get things done, and so, too, does the lending community. That element was a significant factor in **Oaktree Development** landing construction financing for a 37-unit apartment project that broke ground this week near **Davis Square**, according to mortgage broker **Michael C. Surprenant**. **Belmont Savings Bank** is delivering on the venture at **7 Cameron** via a \$9.06 million loan arranged by **Goedecke & Co.**



Michael C. Surprenant

“They have a proven track record and a pretty attractive project,” Surprenant says in relaying multiple options were available for the borrower, a “dramatically different” situations from the scant availabilities for construction loans in 2008 and 2009, the Goedecke & Co. VP acknowledges. One reason, he says, is a general rise in financing this year, but Surprenant cautions that “spon-

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## Going for Brokers: NAI/Hunneman Adds Another Vet to Growing Team

BY JOE CLEMENTS

**B**OSTON — It's a new year all right, and that goes double for veteran South Shore broker J.P. Plunkett, who begins 2011 as a partner at NAI Hunneman Commercial Co., joining the full-service real estate firm after 15 years at rival Cushman & Wakefield. While stressing that “I enjoyed every minute of it,” Plunkett tells the



J.P. Plunkett

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Photo: Derek Szabo

## JLL Office Review a Shade Better

BY JOE CLEMENTS

**B**OSTON — It is not a fashion statement, but Jones Lang LaSalle's annual office market survey bears only a hint of the crimson hue that dominated the regional review a year ago when 13 of the 16 submarkets posted negative net absorption, amassing an alarming 3.5 million sf of forsaken space. In the Q4 2010

results, JLL shows positive results for a dozen of the submarkets, enabling the total sampling of 157 million sf to finish the year in the black by 174,000 sf.

“We are making some progress,” JLL Managing Director William C. Motley tells The Real Reporter, providing an in-depth assessment of the Boston landscape during JLL's kickoff CRE

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Tamie Thompson



Peter Bekarian

## Mount Vernon Co. Tops \$10M in Buys

BY JOE CLEMENTS



86 Charles St., Boston MA

**B**OSTON — Accountability was in full force trading 21 prime rental units on Beacon Hill, as **Boston Realty Advisors** pledged its client a full-court press to close the deal by year's end, then followed through by securing the Mount Vernon Co., a local veteran investment group led by Bruce A. Percelay. The assets at 86 and 120 Charles St. were among three deals closed on by the

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## Mount Vernon

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Boston-based firm in the past week, considerations totaling \$10.05 million.

“There was zero re-trade risk,” BRA principal **Jason S. Weissman** and broker for 86 and 120 Charles St. says in explaining why Mount Vernon Co. was tabbed after 250 offering memorandums were issued and 50 property tours conducted. “Bruce does what he says he will do,” Weissman relays of the longtime Boston investor whose firm has proven as active regionally as any entity during the past quarter. As relayed this week at therealreporter.com, the Mount Vernon Co. separately paid \$4.0 million for a five-story office building in the South End, plus \$1.2 million to secure a multifamily asset in Cambridge, 229-235 Charles St. In all three deals total, First Republic Bank provided \$5.8 million of financing, with \$1.93 million for the Beacon Hill assets.



Bruce A. Percelay

“It has been a busy six weeks,” Percelay acknowledges, attributing the flurry of purchases to a combination of happenstance and a desire among some sellers to close by year end due to unrealized fears of higher capital gains taxes. That might have increased the import of having a reliable buyer, he concurs, a notion shared by others including Weissman who says his clients did have that timetable as a mandate. But Mount Vernon Co. also priced the deal correctly, he says, paying \$464 per sf to secure the buildings from a pool of 10 bidders. According to one analysis, the properties collectively throw off more than \$270,000 in annual net operating income, but that figure is projected to exceed \$300,000 this year.

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120 Charles St., Boston MA

**BRA**, which does promote co-broker arrangements, handled both sides of this deal that includes 12 units at 86 Charles St. and eight at 120 Charles St., including a pair of retail units that have been combined. The seller is a trust run by Susan E. Fine. Beside Percelay, Mount Vernon Co. principal Jay Bisognano played an active role in the Charles Street negotiations.

For Percelay, the investment is worth it, with his firm already owning 34 units on Charles Street and finding they feed off workers of nearby Massachusetts General Hospital and Cambridge’s booming Kendall Square, a quick hop over the Longfellow Bridge. The apartments tend to be smaller and more affordable, adds Percelay, who has been buying in the Hub

since the 1970s. “It is an incredibly desirable rental location,” he says.

Percelay also praises First Republic Bank and loan officer Douglas Smith for ongoing support of Mount Vernon’s varied ventures. The firm now has 1,400 residential units in Massachusetts and Providence, RI, and has another purchase presently in the works, says Percelay, who declined to provide details.

Looking to the coming year, Weissman says he is optimistic that the dire conditions enveloping the region are wearing off, opening up the likelihood of greater investment sales activity. “We think we are going to see a lot of action,” he says, especially in the \$1 million- to \$10 million- realm that BRA specializes in for sales listings. ■