



The Real Reporter

A COMPENDIUM OF COMMERCIAL PROPERTY & CAPITAL NEWS

SEPTEMBER 16, 2011

THIS WEEK'S ISSUE

Healthy Result	3
Clay Date	4
Kendall Square Living	5
Natick Notion	12
Pineapple Picking.	13



THE REAL REPORT

Out Shopping



80 Central St., Boxborough MA

BOXBOROUGH — **Griffith Properties** has kept busy in 2011 prepping its **HarborSouth** building in North Quincy for a \$31.3 million July sale and putting the finishing touches on a \$3.2 million upgrade of the **Ballardvale Office Park** in Wilmington. In



Marci Griffith Loeber

between, however, the firm formed by namesake **J. Brad Griffith** and **Tod Brainard** nine years ago this month has been quietly shopping for new opportunities, and is rumored to be homing in on a first-class asset at Boxborough's **80 Central St.**, a 150,000-sf building considered among the best in the Interstate 495

continued on page 14

National REITs Adore NatDev RE As Twin Office Assets Yield \$142M

BY JOE CLEMENTS

WOBURN — National Development is long gone from the creations, but two suburban Boston office properties erected by the Newton-based firm a decade ago showed their staying power this past week in trading for a collective \$142 million, each snagged by a national real estate investment trust seemingly drawn by the stabilized,



continued on page 16 250 Royall St., Canton MA

Suburban Office Market Still in Flux

BY MIKE HOBAN

NEWTON — No one going to real estate brokerage events with any regularity has the expectation of hearing bad news—even in the worst of times. But the Colliers International suburban office market review Thursday at the Newton Marriot provided a frank assessment of

the choppy climate, with speakers balancing the positive aspects of 2011 by acceding that the sector still faces a prolonged road to recovery.



James L. Elcock



Mary Sullivan Kelly

“We don’t deal in negatives—we’re brokers,” joked Colliers VP Nick Herz to the crowd of about 125 during his investment sales presentation. And despite weak

continued on page 15

Apartment Sale Yields \$591,000 Per Unit

BOSTON — Whether having Cheers as one neighborhood watering hole and the Public Garden pond as another enhanced its allure is unclear, but a prominent six-unit apartment building was fluid with prospects before trading this week for \$3.55 million to a new owner who some say may be mulling conversion to single-family. Negotiated by



5 Marlborough St., Boston MA

Boston Realty Advisors and Coldwell Banker, the sale of 5 Marlborough St. exceeds \$591,000 per unit.

“The amount of activity was unbelievable,” reports BRA President Jason S. Weissman, attributing the interest to investor desire for urban multifamily, especially Boston centric, plus being a “classic” Back Bay brown-

continued on page 14

Back Bay

continued from page 1

stone parked “on the sunny side of the street” mere steps from the aforementioned Public Garden and in stumbling distance of the legendary Cheers Pub on Beacon Street. “Five Marlborough St. was an extremely unique offering . . . a rare opportunity,” says BRA partner Christopher D. Sower, who joined Weissman and Kristy Ganong as advisors for the seller, while CB Vice President Michele DeAngelis counseled the buyer, DEK Holdings LLC, a Connecticut-based entity. Barbara E. Driscoll and William G. Driscoll had purchased 5 Marlborough St. in July 2003 for \$2.46 million.

Weissman credits the arrival of multifamily veteran Sower to BRA earlier this year and Ganong’s local contacts for helping generate traffic towards 5 Marlborough St. and a bevy of other 2011 listings secured by the firm. The BRA multifamily contingent has already harvested multiple properties in metropolitan Boston this



463 Beacon St., Boston MA

year, including a mixed-use building on nearby Beacon Hill purchased this spring by local investor John R. Parsons Jr., and 20 apartments at 9 Summit Ave. in Brookline’s Coolidge Corner that fetched \$5.85 million in July. BRA is presently peddling two other prime Back Bay buildings, 86 Commonwealth Ave. and 463 Beacon

St. “It has been great,” Weissman says of ramping up the multifamily group at a time when such product has become intensely popular.

Even sporting the in-house talent, Weissman stresses BRA is “eager” to work with cooperating brokers, evidenced by the influence of DeAngelis in the 5 Marlborough St. offering. “We have always believed that this adds value to the owners of the properties that we represent,” explains Weissman, whose firm is celebrating its 10th anniversary and is active throughout Greater Boston, as well as New York City.



Jason S. Weissman



Christopher D. Sower



Michele DeAngelis

The Real Report

continued from page 1

North office submarket.

“We are in discussions,” confirms **Griffith Properties principal Marci Griffith Loeber**, with **Eastdil Secured** handling the listing on behalf of **KBS Realty Advisors**. Loeber stresses there is no agreement at present, but acknowledges “we like” the three-story structure that sits along Route 2 close to the intersection of Interstate 495. Loeber would not discuss pricing or other terms, and calls to Eastdil Secured were not returned by press deadline. One source spoken to pegs bidding in the \$14 million range, which at that rate would equate to \$93 per sf. It is unclear what the occupancy rate is for 80 Central St., or how much rollover is in the offing.

Given a dearth of such details, it is difficult to assess what sort of investment 80 Central St. might be regarded as, and industry watchers were also unable to

determine whether Griffith Properties is facing any competition for the asset that dates to 1988 and was renovated in 1999.

While Loeber remains mum on the Boxborough particulars, she does convey that her company is focused on value-add office investments, favoring assets that could benefit from an experienced owner and patient capital. “That’s really our play right now,” she says, adding that ventures are being scoped out from Boston to Washington, D.C., a region the company’s leadership is familiar with after decades of activity throughout the northeast megalopolis. As the former head of **Leggat McCall Properties**, J. Brad Griffith has completed dozens of deals in those markets, expanding a legendary career that began at the dawn of Greater Boston’s office market in the 1960s.

Loeber recently joined her father’s firm after distinguishing herself as a top investment sales broker who has peddled billions of dollars in assets throughout the northeast. Besides Philadelphia and the

nation’s capital, Griffith Properties is on the prowl in northern New Jersey, metropolitan New York and Connecticut’s robust Fairfield County. “We’re looking at a lot of opportunities,” says Loeber, again passing on specifics. Boston has been promising, she says, but the sheer size of the Washington, D.C. submarket has made for greater availabilities.

KBS Realty Advisors has been trading holdings in suburban Boston during the past few years, including last summer’s disposition of 385,000 sf at the nearby **Nagog Office Park** in Acton. The California-based firm still owns several other assets in suburban Boston as part of diverse national portfolio.



J. Brad Griffith



Tod Brainard

The Real Reporter

VOLUME 3, NUMBER 30

© 2011 The Real Reporter, Ten Post Office Square, Boston MA 02109, 617-692-2997. All rights reserved. No part of this publication may be reproduced without the written consent of the publisher. The Real Reporter is a trademark of Launch Pad Boston.