



The Real Reporter

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THE REAL REPORT

The Summer Wind

BOSTON—Rainfall that beset New England last June at record levels has been largely subdued in 2010, and so too has the drenching sense of foreboding that inundated commercial real estate



Hans Nordby

in the midst of the industry's worst downturn in a generation. Set against the improving backdrop, next Thursday's market review co-sponsored by **NAIOP of Massachusetts** and **SIOR's** regional chapter is also expected to be decidedly sunnier than that delivered at last year's semi-annual program. Whereas speakers and audience members alike last June recognized the coming months would be cataclysmic for many, the tenor preparing for the 2010 event does seem substantially more positive.

“Way better,” **SIOR New England chapter President Gregory Klemmer** says of the current situation, even in stressing that

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Simon Hires Eastdil To Market Atrium Mall Plus NE Portfolio

BY JOE CLEMENTS



Atrium Mall, Newton MA

NEWTON—The tony Atrium Mall in suburban Chestnut Hill is being put on the market by Simon Property Group, industry sources are telling the Real Reporter. Said to be seeking upwards of \$75 million, Simon has retained Eastdil Secured to peddle that 215,000-sf asset as well as a portfolio of New England malls that could trade above \$500 million by one estimate.

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Hynes Departure Rocks Hub Market

BOSTON—This week's split between Boston real estate icon John B. Hynes III and Gale International raises as many questions as it provides any concrete answers. Whereas some observers view the departure as a natural evolution following a fruitful partnership that lasted more than a decade, others question whether it represents Gale's hasty retreat from a myriad of upside down real

estate ventures including Boston's own poster-child of the latest boom/bust cycle, the partly-finished redevelopment of One Franklin St. in Downtown Crossing into 1.2 million sf of mixed use commercial space.



John B. Hynes III

As was exclusively relayed Thursday afternoon by therealreporter.com, Hynes has left his post as CEO of Gale International after opening the Boston office in

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'Spectacular' Spec Project Gets Notice

BY JOE CLEMENTS



175-185 Wyman St., Waltham MA

WALTHAM — Hobbs Brook Management's gleaming 175-185 Wyman St. office park is its own mini-universe with everything necessary to attract and sustain a 21st century enterprise, from state-of-the-art mechanicals and technology to wide-open floor plates, covered parking and lush landscaping set on 29 acres across from the bucolic Cambridge Reservoir and just “28 steps from Route 128,” notes leasing agent Charles E.

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Photo: Warren Patterson



Photo: Warren Patterson

175-185 Wyman St., Waltham MA

Wyman Street

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Batchelder. Polished plaques recognizing its LEED Gold designation awarded last month by the USGBC are already on display, and the landlord has shown off the finished 335,000 sf to community members and CRE professionals whenever possible, hosting a recent dinner in the well-appointed cafeteria of 175 Wyman St., at 225,000 sf of the larger of the two structures.

The only missing ingredient to complete the picture are the tenants intended to occupy 175-185 Wyman St., with the speculative project coming on line during one of New England's harshest economic periods ever, a bust that has sent office rents plummeting in the core Waltham market known for the priciest rates west of Boston's Back Bay. The 175-185 Wyman

St. space is being peddled at the upper end of that scale, supposedly in the high \$30's to low \$40's range.

For some, the situation might seem a recipe for disaster, but Hobbs Brook VP Donald Oldmixon maintains his firm's proven formula for success has given the right alchemy to 175-185 Wyman St., which is set on a site abutting the Hobbs Office Park that HBM has owned since developing it in the early 1980s. HBM is a rare breed in CRE circles, almost always retaining the properties it buys or develops, such as 601 and 701 Edgewater Dr. in Wakefield, two speculative office buildings on Route 128's northern tier that have thrived since completion nearly a decade ago at Edgewater Office Park. Architect Marc Margulies, whose firm designed 175-185 Wyman St., terms HBM "the ideal client" in that the firm is committed to a

quality product and had extensive in-house knowledge, funding and experience to deliver the venture regardless of market conditions.

"It was a fabulous opportunity for us," says Margulies, founder of Margulies Perruzzi Architects, a Boston-based firm whose experience in corporate facilities was considered a key reason for its selection. The architect delivered on its promise, says Oldmixon, explaining the efficiencies afforded in the buildings make the result more functional for companies and therefore add value to the per-sf sticker price.

"It's wide open," Oldmixon said during a recent tour of the complex, showing how 175 Wyman St. can be easily subdivided into three distinct sections, each with their own entrance and lobby. And while it

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Wyman Street

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could be dissected even further, HBM is not interested in such a scenario, says Oldmixon, at the outset only entertaining deals of 50,000 sf and above, with Batchelder relaying that six-figure options are the most desired. Given the project's



Charles E. Batchelder

prominence, HBM "is being selective," says Batchelder, a principal at Wyman Street Advisors, exclusive leasing agents for 175-185 Wyman St.



Marc Margulies

"The ownership wants the right deal, and they are willing to be patient," says Batchelder. "It's the best location on Route 128, bar none, and they aren't just going to give it away." The broker and Oldmixon declined to provide rental rates or prospects consider-

ing a deal, but Oldmixon says he is encouraged by the pace of activity. "We've had a lot of nice traffic," he says, terming 175-185 Wyman St. "the only game in

town" for newly constructed office space in chunks of 100,000 sf and above in the Waltham submarket.

On-site management from the same team at Hobbs Brook Office Park next door should provide further comfort, says Batchelder, who is confident the package will produce results. "We'll get a tenant," he predicts, a view shared by a broker active in the Waltham area who knows the property and the major tenants circulating. "It will lease," concurs that market professional who cites the LEED Gold status and location as substantial lures, plus the range of on-site and nearby amenities. "It's gorgeous," says the broker.

Oldmixon says the ability of Margulies to "wrap" the building into the landscape in an intimate enough way to provide picturesque vistas even in back office areas is one positive not seen in competing buildings. A so-called prow that accentuates the front of 175 Wyman St. is another feature drawing awe from visitors. "It's spectacular," Oldmixon says of the overall park that previously housed a massive industrial building that had fallen into disrepair during the past decade.

Margulies says he is also impressed about how the parcel lent itself to the buildings, but praises HBM for being reserved in its vision, foregoing visions of

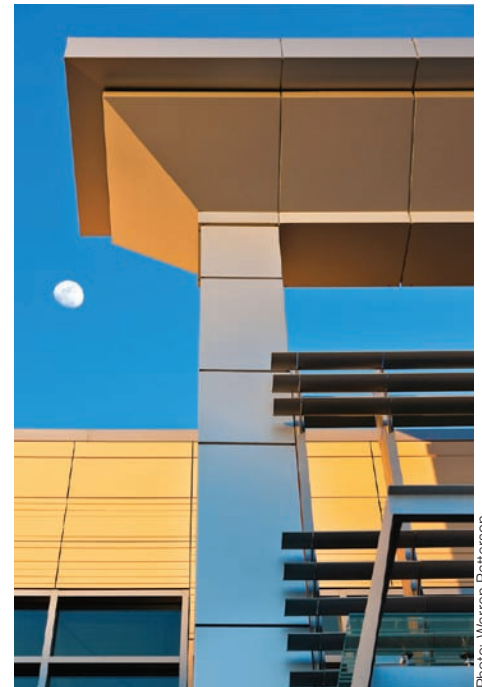


Photo: Warren Patterson

175-185 Wyman St., Waltham MA

other developers who wanted to construct as high a building as possible. Extensive glass lines enhance the experience, says Margulies, adding he is proud to say that the outcome "met or exceeded (HBM's) standards, which are extremely high" in developing buildings. "They were great to work with," says Margulies, "and that really shows in the end." ■

Commercial Deals

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BUYER: Worcester Area Plumbers & Pipefitters Union Local No. 4

SELLER: ept Inc.

PRICE/ADDRESS: \$1,575,000; 150 Hartwell St., West Boylston

NOTES: last sold for \$1,700,000 in July 2001

MORTGAGE: \$1,500,000 from **Martha's Vineyard Savings Bank**

ADDRESS: 111 Edgartown Vineyard Haven Rd., Oak Bluffs

BORROWER: YMCA of Martha's Vineyard

BUYER: Joan McVey, trustee of 662 Arsenal Street Nom TR

SELLER: Who-Lee LP

PRICE/ADDRESS: \$1,250,000; 660 Arsenal St., Watertown

MORTGAGE: \$850,000 from **Watertown Savings Bank**

NOTES: Single-story warehouse property, constructed 1940; building size is 8,800 sf, lot size

is 21,000 sf; last sold for \$310,000 in Oct. 1983

BUYER: Greater Lowell Family YMCA

SELLER: Cambridge Young Men's Christian Association

PRICE/ADDRESS: \$1,200,000; 234 Hall St., Dunstable/Groton

MORTGAGE: \$1,200,000 from **Enterprise Bank and Trust Co.**

NOTES: Property on 6.6 acres in Dunstable and Groton

MORTGAGE: \$1,100,000 from **Rockland Trust Co.**

ADDRESS: 377 West Broadway, South Boston
BORROWER: Ferdinand J. Kiley 3rd and James L. Pransky, trustees of 377 West Broadway Realty TR

JUNE 1ST

BUYER: 10 Brookline Place LLC

SELLER: ND/CR 10 Brookline LLC

PRICE/ADDRESS: \$102,097,027; 10 Brookline Place West, Brookline

NOTES: Mixed-use commercial property; building size is 155,000 sf, lot size is 69,529 sf; last sold for \$62,000,000 in Jan. 2009

BUYER: Lumintron LLC

SELLER: William E. Shea, trustee of Ames Realty TR

PRICE/ADDRESS: \$4,500,000; 15 Presidential Way, Woburn

NOTES: Single-story industrial property, constructed 1999; building size is 67,800 sf, lot size is 6.6 acres; property last sold for \$5.05 million in Sept. 1998

BUYER: 244 Vanderbilt Avenue LLC

SELLER: Amero LLC

PRICE/ADDRESS: \$3,200,000; 244 Vanderbilt Ave., Norwood

MORTGAGE: \$2,400,000 from **Sovereign Bank**

MORTGAGE: \$2,850,000 from **Chicopee Savings Bank**

ADDRESS: 962 Southampton Rd., Westfield
BORROWER: Stephan C. Chase, manager of SMC Investments LLC