



Condyne and Westport Capital acquire Brookwood Business Center for \$40 million

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Tewksbury, MA Transwestern Consulting Group (TCG) brokered the sale of Brookwood Business Center at 101 Billerica Ave. in Tewksbury and Billerica, on behalf of Brookwood Financial Partners, LLC. According to public record the sale price was \$40 million. The six-building, 448,707 s/f park was purchased by a joint venture partnership between Condyne Capital Partners and a fund managed by Westport Capital Partners LLC.

The TCG team of Chris Skeffington, Joe Olin and Roy Sandeman represented the seller and sourced the buyer, while James Lipscomb, Brian McKenzie and John Wilson have been retained by the new ownership to continue providing leasing services for the park.

Working with the new ownership team, TCG's Andrew Stone helped arrange financing with HarborOne Bank and Brookline Bank for the acquisition.

When Brookwood acquired the park out of foreclosure in 2010, it rejuvenated the property with an infusion of capital and made various cosmetic upgrades. Brookwood acquired the property for a purchase price that was well below the estimated replacement cost. This low basis in the asset enabled Brookwood to offer tenant improvement and leasing packages.

“We invested significant capital in landscaping, roofs, a new café, signage and the common areas,” said Kurt Zernich, Brookwood’s director of acquisitions and general counsel. “These improvements greatly enhanced the image of the property and consequently resulted in us being able to secure long-term leases with quality tenants.”

“The new ownership team of Condyne and Westport successfully identified an asset that they believe has and will continue to outperform the market for years to come,” said Skeffington.

“The supply of flex space in the market has gone down dramatically in the past 10 years, making more recently constructed parks like Brookwood Business Center very attractive to tenants and investors.”

“The investment was attractive due to low vacancies and increased demand for flex space in the New England region,” said Russel Bernard, managing principal of Westport.

Brookwood Business Center consists of four single-story flex buildings and two two-story office buildings situated in a 44-acre, master-planned park approximately 30 miles north of Boston alongside I-495, less than three miles from its interchange with Rte. 3. The park straddles the I-495 North and Rte. 128 North submarkets, which combined have 14.5 million s/f of flex space that was 13.4% vacant as of the close of third quarter 2017. However, 72% of the market vacancy is concentrated in five properties that we believe are functionally or geographically obsolete. Excluding those properties, the vacancy rate drops to 4.6%.

Notable tenants include the Potpourri Group, MC Assembly and MRSI Systems.

In 2017, TCG has completed 13 building sales, totaling more than 2.3 million s/f of space and \$306 million in value.

Brookwood is a nationally-recognized private equity investment firm that specializes in acquiring and managing value-add commercial real estate and related operating businesses on behalf of a select group of institutional investors, family offices and high net worth individuals. Since its founding in 1993, Brookwood has raised over \$907 million of equity to acquire a portfolio of 185 commercial real estate properties, seven operating companies, and 73 gas stations and convenience stores, which have a realized and unrealized value in excess of \$2.4 billion. The portfolio has spanned multiple asset classes, geographical markets and industries across the United States.

Condyne was formed in 1998 to capitalize on development opportunities within the warehousing and transportation industries originating from clients of Condyne Freezers and Condyne Logistics, both owned and operated by the O’Neill family. After the principals of Condyne divested of the warehousing and transportation companies in 2001, the focus was

targeted exclusively on creating real estate development opportunities within the industrial market, primarily high-bay distribution centers. As part of the company's continued entrepreneurship additional entities have been formed making up Condyne and its affiliates as a fully vertically integrated real estate development firm providing a single source for all development needs in the New England market; including consultation, design, engineering, construction, and property management. To date, the principals have developed in excess of 10 million square feet of space in multiple real estate product segments based on their knowledge, strengths, and relationships within the real estate industry.

Westport Capital Partners LLC is a real estate investment firm focusing on adding value to real estate and "hands-on" solutions to complex situations. Westport provides domestic and international real estate related investment opportunities to institutional and private clients. Through its various funds, the firm invests in a wide variety of distressed, opportunistic and core plus real estate assets. The firm has offices in Los Angeles, California, Wilton, Connecticut, Bozeman, Montana and London, England.

Transwestern Consulting Group works with owners and occupiers of real estate to design and execute customized, labor-centric strategies that consider corporate objectives, economic drivers and industry trends to solve complex business challenges. Using a data-driven approach, our dedicated team of multimarket specialists integrates transactional expertise with the appropriate mix of site selection and demographic analyses; financial modeling; supply chain management; incentives negotiation; portfolio optimization; workplace strategy; and branding solutions for the achievement of each client's goals.

Transwestern is a privately held real estate firm of collaborative entrepreneurs who deliver a higher level of personalized service – the Transwestern Experience. Specializing in Agency Leasing, Tenant Advisory, Capital Markets, Asset Services and Research, our fully integrated global enterprise adds value for investors, owners and occupiers of all commercial property types. We leverage market insights and operational expertise from members of the Transwestern family of companies specializing in development, real estate investment management and research. Based in Houston, Transwestern has 35 U.S. offices and assists clients through more than 180 offices in 37 countries as part of a strategic alliance with BNP Paribas Real Estate.

