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Colliers International secures \$25 million interim bridge loan for Two Oliver St.

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Colliers International has secured a \$25 million interim bridge loan for Two Oliver St., an 11-story, 223,445 s/f class A office building located in the center of the Financial District.

Kevin Phelan, Stephen Horan and Ryan Bradley of Colliers International represented the borrower, P6/Saracen Two Oliver Real Estate LLC, a joint venture between Saracen Properties, LLC and AEW Capital Management, L.P.

Webster Bank, N.A., the main subsidiary of Webster Financial Corporation, financed the transaction.

"With market fundamentals in the Financial District improving, and a client with both local experience and a strong balance sheet, we were able to secure very competitive terms," noted Bradley.

Acquired by the Saracen and AEW joint venture in 2010 at a compelling cost basis, Two Oliver St. had an occupancy rate of 55% at the time of loan closing. The loan will provide additional funding for capital improvements, leasehold improvements and leasing commissions to reposition the property.

Proposed capital improvements include upgrades to the HVAC system, elevator cabs, main entrance, increased ceiling heights, and the creation of a second office lobby at the opposite side of the building on Batterymarch St.

According to Travis Powell, principal of Saracen, "We are pleased to implement a multi-faceted improvement program to bring Two Oliver St. back to prominence. Our partnership with AEW recently completed a similar program to reposition One Washington in the city's Financial District. Occupancy at One Washington has increased from approximately 60 to 90%."

"We thank Webster Bank for sharing our vision and seeing the opportunity to dramatically upgrade this well-located landmark building," said AEW managing director, Marc Davidson.

Originally built in 1903 and renovated in 1980, Two Oliver St. features a modern entrance lobby on Oliver St., energy efficient windows, five passenger elevators, and 19,500 s/f floor plates. The property offers on-site dining and shops, and close proximity to area amenities including numerous restaurants, The Hilton and Langham hotels, banks and health clubs.

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