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The Federated Cos. sells 402-bed Bayside Village student housing for \$18.2 million to Blue Vista Capital Management

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The Federated Companies has completed the sale of Bayside Village, a student housing complex located at 132 Marginal Way to Blue Vista Capital Management for \$18.2 million. The five-story building, completed in 2009, consists of 402 beds and includes 3,300 s/f of retail space, and a 117 parking space garage. The property is located in an infill location less than a mile from the University of Southern Maine; across the street from Whole Foods, Trader Joe's, and Planet Fitness; and provides easy access to downtown Portland, the Historic Old Port, and I-295.

The Federated Cos. acquired the non-performing mortgage which was secured by the property in December 2010 from KeyBank, and negotiated a deed-in-lieu with the defaulted borrower and mezzanine lender.

"Over the past fourteen months, our efforts have resulted in a 2.5x equity multiple and 125% internal rate of return for our investors," stated Brian Connell, chief executive officer of The Federated Cos. "The property was stabilized through value-added management including revamped marketing and pricing strategies, which allowed us to achieve 100% occupancy for fall 2011 versus 45% occupancy for fall 2010."

With over 3,100 residential units currently in the development and construction pipeline, The Federated Cos. will continue to build projects that serve a range of needs.

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