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Phelan and Black of Colliers International New England arrange \$22.425 million mortgage financing

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Colliers International New England arranged \$22.425 million in commercial mortgage financing for The Innovation Center of Vermont, a two-building, 205,000 s/f office complex located at 128 Lakeside Ave.

Colliers worked on behalf of the borrower, an entity controlled by Palm Beach Gardens, Florida-based Lost Tree Village Corp., to secure the ten-year, fixed-rate loan through Goldman Sachs Mortgage Company. Loan proceeds were used to recapitalize the asset, fund tenant improvements, and return capital to the borrower.

Situated on 11.52 acres off I-89 in the city's South End, this historic two building complex underwent a significant capital improvement project from 2011-2013 that repositioned the property from a surplus corporate real estate asset occupied by General Dynamics Armament and Technical Products (GDATP) to a multi-tenanted class A office campus. GDATP at one time actually occupied the entire complex and has been consolidating and phasing itself out of the property over the last several years. In response to this exodus, the ownership has been retrofitting and re-tenanting the vacancies created by this former tenant with Colliers acting as financial advisor throughout the transition.

Innovation Center of Vermont is one of the most sought after properties in the area's office market. Originally built in 1894, the main building is a one, two and four-story brick-and-beam office asset that contains a total of 165,683 s/f. It serves as the headquarters for Vermont Energy Investment Corporation (VEIC), a mission-driven nonprofit organization that is dedicated to reducing the economic and environmental costs of energy consumption. Other tenants are the U.S. Department of Veterans Affairs (VA), the IRS, University of Vermont and Fletcher Allen Health Care. Amenities include a fitness center, full-service café, and free surface parking for 720 vehicles.

The second building (building 21) is a two-story, 39,320 s/f high-bay office/flex facility that was built in 1975 and had a 15,000 s/f addition completed in 2004. It was leased to a single tenant, Dealer.com, in May. The entire facility will be redeveloped by the tenant as an extension of its 65,000 s/f, LEED Certified headquarters facility located one-block north of the property. A leading provider of marketing and operations software for the automotive industry, Dealer.com has been recognized by Vermont Business Magazine as the state's fastest-growing technology company over the past five years, with revenue growth of 840%.

The Colliers team representing the borrower was led by co-chairman Kevin Phelan and vice president Jeff Black.

On a current basis, the Innovation Center complex is 90% leased including several signed leases that have yet to commence.