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Senior Housing Properties Trust buy LEED Gold buildings for \$1.13 billion

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Senior Housing Properties Trust has agreed to acquire two 15-story biotech buildings in the city's Seaport District for \$1.125 billion.

The buildings developed and owned by The Fallon Co. LLC include biomedical research facilities, corporate office space, structured parking and street-level retail totaling 1.65 million s/f, including two 15-story newly constructed LEED Gold-certified buildings at 11 Fan Pier Blvd. and 50 Northern Ave.; 50,000 s/f of ground-level retail, and 390,000 s/f of subterranean parking.

The REIT, which chiefly owns independent and assisted living communities, nursing homes, wellness centers and medical office buildings (MOBs), views the acquisition as "a unique opportunity" to further diversify its portfolio and increase its exposure to the MOB sector, explains David Hegarty, president and COO. Hegarty described the deal as "consistent with our stated strategy to focus on medical office buildings and private-pay properties." It's also a play on the city's booming Seaport District, the city's hottest submarket at present and among the strongest in the nation.

Global biopharmaceutical company Vertex Pharmaceuticals, Inc., occupies 96% of the space for its new corporate headquarters.

SNH expects to fund the acquisition with long-term financing from a mix of debt and equity capital, depending on cost and market conditions. The acquisition is expected to close before mid-year.

Jefferies Finance LLC acted as financial advisor to SNH for this acquisition.

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