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Marcone of Marcone Capital, Inc. arranges \$29.6 million financing for Northstar Properties site

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/Haverhill, MA Mike Marcone of Marcone Capital, Inc. has arranged financing for a 180,000 s/f anchored retail center owned by an affiliate of Northstar Properties. Stateline Plaza derives its name from being located on both sides of the Mass. and N.H. border.

The property is 99% leased. It is anchored by Shaw's Supermarkets, T.J. Maxx, CVS, Petco, and Party City, all on long-term leases. The remaining space is leased to retailers including Sleepy's, T-Mobile, GameStop, Great Clips, and some "local" tenants including two restaurants. Panera opened in late February, capping a multi-year redevelopment program at this in-fill location.

The center is located on Rtes. 125 and 121 at the beginning of what is referred to as the retail "Magic Mile". In addition to tenants at Stateline, tenants include Wal-Mart, Market Basket, Home Depot, and Kohl's. The property also benefits from being the end-point of a Haverhill bus line. Amtrak rail service is also available in Haverhill; an extension of that service to Plaistow is in the planning stages. Area demographics have 329,000 people living within a 10-mile radius, with an average household income of about \$80,000.

Northstar Properties purchased the property in 2004 and added five abutting parcels. The property was an old, tired looking 135,000 s/f center anchored by a small Market Basket (since demolished), T.J. Maxx, World Gym, and an in-line CVS store. Northstar completed a major renovation and expansion. The redevelopment accommodated a new 64,000 s/f Shaw's grocery store, a relocation of a smaller, older store from across the street. Northstar also constructed a pad site to accommodate a free standing CVS. Since completing the redevelopment, Northstar has leased most of the available space. Stateline Plaza is a dominant center in its trade area.

The property is managed by Northstar Centers, which manages a portfolio of primarily retail properties throughout the northeast. Most of the properties owned by Northstar are credit-anchored shopping centers that include such anchors as Lowe's, Shaw's, Stop & Shop, and ShopRite. Marjorie Hession of Northstar Centers was responsible for the implementation of the redevelopment program for Stateline Plaza.

The financing was provided by a Connecticut based bank.

According to Marcone, "The lender provided not only a very competitive interest rate but was able to provide a full loan without personal recourse given the quality of the property, tenancy, and location. The lender took comfort in the expertise of the sponsor, which was evidenced by the success of the redevelopment and the incredible lease up."

Marcone Capital is a mortgage banking and real estate consulting firm based in Quincy, MA.

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