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Marcone of Marcone Capital, Inc. arranges \$7.3 million financing of Ocean State Plaza

June 12, 2014 - Financial Digest

Mike Marcone of Marcone Capital, Inc. has arranged the \$7.3 million financing of Ocean State Plaza, a single-story, 61,006 s/f retail strip center.

The property is centrally located at 361 Reservoir Ave. (Rte. 2), a true urban "in fill" location serving a population which includes 275,000 people living within a five mile radius. The property is accessed off of Rte. 10 and is close to I-95.

The property is currently 98% leased and anchored by Ocean State Job Lot, Advanced Auto Parts, and Family Dollar. Other tenants include Eblens, H&R Block, Radio Shack, and a number of local retailers. The property, which is 98% occupied, has been well leased historically with minimal to no vacancy. The majority of tenants have been at the center since the 1990s.

The property is managed by Aegean Capital, LLC, which is owned by Constantine Alexakos. Aegean Capital is a private equity real estate firm that currently owns and manages a variety of commercial real estate assets located throughout New England. The owner originally acquired the property in 1996.

The non-recourse financing was provided by a Connecticut-based bank.

Marcone said, "We were able to secure very competitive financing not only due to the credit quality of the tenancy but the lender appreciated the property's truly exceptional "in fill" location which should restrict further competition."

The owner has elected not to renew the Ocean State Job Lot lease as they have just recently signed a new lease with Save-A-Lot to take most of their space. Save-A-Lot, founded in 1977, is one of the nation's leading hard-discount, carefully selected assortment grocery chains, operating more than 1,300 stores in 36 states from Maine to California.

Although this change will leave some vacant space as Save-A-Lot is smaller than Ocean State Job Lot, the owner would prefer to have a credit, grocery anchor. With the addition of Save-A-Lot, almost 70% of the tenants in the center will be national companies. In addition, Save-A-Lot should serve as an excellent draw for the property. Save-A-Lot is expected to perform very well at the center as the demographic profile of the neighborhood which is very densely populated is ideal for their stores. The property will be re-named Ocean State Plaza versus the current name of Ocean State Job Lot Plaza.

Marcone Capita is a mortgage banking and real estate consulting firm based in Quincy, Mass.

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