



nerej

The Grossman Companies acquire two Citizens Bank locations for \$6 million

April 07, 2017 - Front Section

Jake Grossman, The Grossman Companies Marc Mandel, CBRE

Somerville, MA The Grossman Companies, Inc. has purchased two properties that are home to branches of Citizens Bank in East Boston and Somerville.

The news was released by Jake Grossman, co-president of The Grossman Cos., who managed the acquisition process. The combined purchase price was \$6 million. Citizens Financial Group, based in Providence, RI, has \$145 billion in assets.

The acquisitions include two high-visibility locations:

Citizens Bank, 40 Union Square - Somerville, MA

- 26 Central Sq., East Boston, a 3,812 s/f building on 0.29 acre, for which Grossman paid \$1.75 million; and
- 40 Union Sq., a 5,438 s/f building on 0.75 acre, for \$4.25 million.

Representing the seller was Marc Mandel, first vice president/retail investments at CBRE.

Financing was by Brookline Bank, spearheaded by assistant vice president James Burns and senior vice president Henri Soucy.

Grossman said, "These are great properties that fit our closely-held family partnership's decades-long investment strategy in which we pursue a variety of property types with varying levels of risk and investment time horizons. Both buildings are in 'A+' locations, and are ideal additions to our 'Main Street' portfolio which includes long-time family-owned assets in Newton, Wellesley, Brookline and Hingham, Mass."

In 2013, The Grossman Cos. bought the Citizens Bank branch in the Coolidge Corner section of Brookline.

Grossman noted several other factors that made the properties attractive: Citizens Bank has long-term triple net leases; both are in densely-populated, high-visibility, heavy-traffic locations; and both are near numerous blue-ribbon regional and national retailers. Most importantly, both are in popular squares that are in the midst of significant local/state infrastructure upgrades. The city of Somerville, two miles from Boston, plans to invest \$1 billion to redevelop Union Sq. In East Boston's Central Sq., the city is in the midst of a \$4 million redesign to improve parking and traffic flow.

Grossman, whose family history in the Boston area's retail and real estate business dates back to the 1890s, says his company has invested heavily in both East Boston and Somerville residential property. In Somerville, through its private lending affiliate, First Boston Capital Partners, the Grossmans have provided in excess of \$25 million in acquisition and construction financing to numerous builders since 2011.

Since 2013, in East Boston with joint venture partner Alex Hodara, The Grossman Cos. has purchased and renovated 45 multi-family properties totaling 140 units, mainly in the Jeffries Point neighborhood, with a combined value in excess of \$50 million. These investments are overseen by company co-president David Grossman, Jake's brother. On the commercial side, the company has owned a portfolio of air freight terminals along Rte. 1A near Logan Airport for decades. In 2014, it sold an 1,100 unit self-storage facility on Route 1A, which it developed in 2005. As an indication of future prospects for both areas, each is an easy drive to modernized Logan Airport and to the \$2 billion Wynn Boston Harbor Hotel/Casino complex slated to open in 2019.

The Grossman Companies, Inc. a full-service real estate firm, is actively involved in the acquisition, development, management and brokerage of commercial real estate. The firm owns a commercial and residential portfolio of over three million square feet in southern New England. Jake Grossman noted that his company continues to seek investment opportunities: "We enjoy creating near-term value, and also excel in buying property where we can unlock future value."

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540