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A&G Realty Partners closes sale of 53-acre Daniel Webster College's campus for \$11.6 million

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Nashua, NH A&G Realty Partners has closed the sale of Daniel Webster College's 53-acre campus, formerly owned by ITT Educational Services, to a Hong Kong-based user for \$11.6 million. The transaction—approved October 25, 2017 by the U.S. Bankruptcy Court in Indianapolis—followed the closing in November of A&G's sale of the college's aviation-specific facilities to Southern New Hampshire University (SNHU).

"We are excited about the activity we have been getting for all our sales in both the for-profit and non-profit education sectors, allowing us to maximize value for these properties," said Andy Graiser, co-president of A&G Realty. "As with our recent sales of other educational assets—some formerly owned by ITT Educational Services, others by Dowling College on Long Island—the Daniel Webster process attracted several bidders. In the end, we achieved above-market-rate values."

Daniel Webster College's 53-acre campus housed 13 buildings totaling 281,000 s/f. Assets at the former aviation school included a hangar, flight center, library, gym, townhouses and six other centers/halls. In October, SNHU won its \$410,000 bid for the school's tower building, flight center and hangar in a court-approved transaction.

The sale process for the Daniel Webster campus, located near an airport in Hillsborough County, highlights how the real estate assets of educational institutions can be quite attractive to international users looking to expand in the United States, said Emilio Amendola, co-president of A&G Realty.

The key, he said, is to reach those potential buyers with an effective marketing campaign. "With our marketing strategy here, we went wide," Amendola said. "We targeted commercial real estate developers, office and educational users and other potential buyers via extensive media placements and ad buys around the globe."

The effort netted four qualified bidders, including a stalking horse bidder responsible for an initial \$6.7 million bid for the assets. "The trustee was quite pleased to see the total price, including the earlier SNHU sale, come in at \$12 million—an excellent result for assets of this type in the Nashua marketplace," Amendola said.

This past April, A&G and Madison Hawk Partners sold Dowling College's 25-acre Oakdale campus on Long Island for more than \$26 million. Prior to the auction, experts assumed the assets—six

buildings as well as the former William Kissam Vanderbilt estate overlooking the Connecticut River—would sell for between \$10 and \$15 million.

In disposing the nationwide real estate assets of ITT, formerly one of the largest for-profit technical schools in the country, A&G has achieved prices literally tens of millions of dollars higher in total than what the bankruptcy trustee had expected, Amendola said. “Including Daniel Webster, to date we have sold or put under contract 30 out of 31 ITT properties and are already at \$85 million in value,” he said. “When all is said and done, the total recovery value here is likely to approach \$90 million.”

Known for its work on behalf of healthy and distressed retail companies alike, A&G launched its non-retail properties division earlier this year. The company continues to broaden its work in areas such as office, warehouse, residential, and, in particular, higher education. In 2017, the firm sold 31 office buildings, two college campuses, three warehouses, 28 residential properties, and a mulch farm.

In addition to office and warehouse, A&G’s non-retail division focuses on a wide range of residential properties, including rental apartments, condos and single-family homes; its specialists also help clients maximize the value of vacant land. A&G Realty was founded in 2012 by Graiser and Amendola, who have more than 50 years of combined experience in commercial real estate. Collectively, the experts on A&G’s team have been responsible for more than 12,000 transactions, more than \$5 billion in sales, and lease mitigation for more than 400 companies. Retail clients have included Sports Authority, Office Depot, CVS, Supervalu, The Great Atlantic & Pacific Tea Co., Pier1 Imports, Radio Shack, Aerosoles, and Ascena Retail Group, to name a few.