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Berkeley Investments commences construction at Exchange 200

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Malden, MA Developer Berkeley Investments has confirmed that construction has begun on Exchange 200, a four-story, 300,000 s/f mixed-use building. Working closely with the city, Berkeley is transforming the transit-oriented property located in the heart of Malden Center into a modern facility that can accommodate new creative office and flex/R&D space, data center, potential lab and life science users, and ground-floor retail and restaurants. Berkeley also confirmed that Caffè Nero, the premium European coffee house, will occupy over 2,500 s/f on the building's ground floor, including outdoor patio seating.

Stantec is the architect for the redevelopment of Exchange 200, while Dellbrook JKS is general contractor. Project financing is being provided by DeutscheBank with additional financing from The Arden Group.

Dan McGrath, Berkeley's vice president and director of asset management, predicts Exchange 200 will appeal to a wide assortment of companies ranging from R&D, tech-start-ups, robotics, health-care and non-profit office tenants who are looking to tap into a talented, transit-oriented workforce but who may be looking for space at a cost below the surging rents in places like Boston and Cambridge.

"We are excited to begin construction at Exchange 200," said McGrath. "Malden is a very compelling location for forward-thinking, creative companies who crave the amenities and transportation options of a dynamic urban location at a significant value compared to the downtown core. We believe that tenants will be attracted from higher cost downtown locations by this authentic, urban environment, while tenants from more suburban locations will find the city-proximate location and transit-access compelling without having to break-the-bank with a move into the city. Being one-hundred feet across the street from one of the busiest stops on the MBTA Orange Line is a huge selling point for us."

Pat Paladino, senior managing director of Newmark Knight Frank, who along with Ted Chryssicas serves as exclusive leasing agents for the retail space at Exchange 200, "Offering a Caffè Nero to prospective tenants and nearby residents presents a built in amenity for the building that further enhances Exchange 200's appeal." There's a built-in, millennial workforce, a talented employee work pool who already lives nearby that will welcome the coffee house with open arms, he says.

The new Caffè Nero will offer premium Italian style Espresso based coffee and freshly made food with a welcoming, friendly local coffee house feel for tenants and residents to meet and enjoy high quality coffee.

Exchange 200 offers a number of unique features for a building immediately adjacent to public transit and less than 15 minutes from downtown Boston including large, flexible floorplates, redundant high-capacity power infrastructure, high ceilings, heavy floor loads, and six loading docks. Berkeley expects these features to be attractive to tenants who may have R&D requirements that often can only be accommodated in more suburban locations.

According to McGrath, construction will include a comprehensive redevelopment of the existing building, which served for many years as a bank operations center. The project will include extensive replacement of the red-brick façade with floor-to-ceiling glass and retail storefronts to increase natural daylighting within the building, enhance the exterior design, and create a much more inviting street experience. The building's base building infrastructure will be thoroughly replaced with efficient, modern systems. Additional features of the redevelopment include a new two-story lobby atrium intended to create an entrance; a skylight to enhance natural light on the top floor; and new amenities including a fitness center with lockers and showers, and bike storage.

JLL is serving as the exclusive leasing broker for the office, R&D, and data center space. According to JLL's managing director Molly Heath, "We see Exchange 200 as a compelling option for companies looking for space on the T at a meaningful value to their bottom line. We are especially excited to present it to the robotics, start-up, and nonprofit communities, who are facing increased financial pressure due to escalating rents in places like Boston, Cambridge and Somerville, but who want their employees to have the highest 'quality of work-life balance' possible." In addition to Heath, the JLL leasing team includes managing director Pete Bekarian, executive vice president Kelly Lockberg, and executive vice president Chris Decembrele, a team specifically constituted to market to tenants both in the suburbs and in Cambridge and Boston. JLL managing director Gabe Cole is marketing the data center component of the building.

Malden Center is a growing residential and commercial community six miles north of Boston and home to one of the busiest stations on the MBTA's Orange Line. Mayor Gary Christensen is excited to see Caffè Nero signing a lease at Exchange 200 and looks forward to the building opening in 2020. "Our vision for Malden Center is happening right now, as new breweries, restaurants, entertainment and gaming destinations, and new residential options complete the revitalization of downtown," said Christenson. "For major companies looking to attract a talented, dynamic workforce, Exchange 200 in Malden Center offers a bustling downtown with excellent transit access as a compelling alternative to Somerville and Cambridge."

Young professionals have taken notice of Malden's city-proximate, transit-oriented and amenity-rich location. At nearly 30% of its total population, Malden is home to 19,000 millennial-aged individuals, and that figure is expected to increase by more than 9% by 2023, a rate higher than the projected millennial growth rates of Boston, Cambridge, and Somerville.