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Davis Investment Ventures sells One Cabot and Cityside for \$260 million

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One Cabot Road - Medford, MA

Medford, MA Davis Investment Ventures Fund II (Davis) completed the sale of two of its premier office properties – One Cabot Rd. in Medford and Cityside in Waltham – totaling over 620,000 s/f, to a new venture comprised of Partners Group, a leading global private markets firm, acting on behalf of its clients, together with Davis affiliates, for a total of \$260 million. In connection with this transaction, the newly capitalized joint venture will own and manage these two assets and the conversion of One Cabot from all office use to a first-class office/R&D/life science facility.

“We are thrilled to enter into this new venture with Partners Group, enthusiastic about its prospects for growing value in the assets and proud of the outstanding return which this transaction has created for our Fund II investors,” said Quentin Reynolds, Davis’s chief investment officer. “We look forward to working with Partners Group on the conversion at One Cabot Rd. and the continued leasing success at Cityside.”

Ron Lamontagne, managing director, private real estate Americas, Partners Group, said, “We see strong thematic investing opportunities within life sciences and this investment is well positioned to capitalize on future tailwinds in the sector. The life sciences sector is experiencing record growth, with an increase in employment fueling demand for R&D, laboratory, and lab-office space. We look forward to partnering with The Davis Companies on these assets.”

Davis will remain as the operating partner for both Cityside and One Cabot Rd.

One Cabot Rd. sits at the Wellington T stop of the MBTA Orange Line, located four miles from both downtown Boston and Kendall Sq. With an impressive 3 per 1,000 s/f parking ratio and bike storage, the building offers access to both Boston and Cambridge, major highways and Logan Airport. Additionally, One Cabot benefits from being close to some of best-in-class retail amenities, including Assembly Row in Somerville and Station Landing, which is within walking distance. Since its acquisition in 2014, Davis has undertaken a comprehensive capital improvement program of One Cabot’s common areas and amenities, which has attracted R&D and technology companies, including Inkbit, an MIT spinoff which is developing AI informed/vision controlled 3-D printing technology, Clario, a global leader in electronic support for clinical research, and an engineering/R&D division of Amazon.

Seizing upon the superior infrastructure of the building, including 14’ average clear heights, oversized HVAC and power availability, three 2,200 KW generators, which allow continuous operation of the entire building and floor plates that are exceptionally well suited to laboratory uses, as well as proximity to the fast-growing life science clusters in neighboring Somerville and Charlestown, the new Davis-led joint venture plans to continue to convert the building’s vacancy to accommodate life science and laboratory uses.

Evident of growing lab demand in this neighborhood, and positive response to the building’s infrastructure and amenities, Davis recently leased its first lab suite to Torus Biosystems, a spinout from Harvard’s Wyss Institute that is developing a novel system for infectious disease diagnostics at the patient point of care. Frank Petz and the Capital Markets team at Colliers represented Davis.

Cityside, located at 1025-1075 Main Street in Waltham, is a 95 percent leased Class A office building which delivers a vibrant, convenient location with connectivity to neighborhoods, high-end amenities and multiple transportation options. Following its acquisition of Cityside in 2015, Davis reimagined the property to provide world-class amenities, including a two-story, all-glass atrium lobby, modern fitness studio, window-lined café and common workspace and collaboration areas. The building’s outdoor plaza, with ample green space, and its indoor parking garage have proven to be highly valued by tenants during the pandemic. Since acquisition, Davis has successfully leased

193,000 square feet to new tenants, including close to 130,000 square feet in the midst of the global pandemic in 2020 and 2021.

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