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JLL Capital Markets closes \$9.6 million sale-leaseback of 113,000 s/f industrial building

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Gardner, MA JLL Capital Markets has closed the \$9.6 million sale-leaseback of 77 Industrial Rowe, a 113,000 s/f industrial building.

JLL represented the seller, Garlock Flexibles, a portfolio company of Astara Capital Partners, in the sale to Philadelphia-based Valley Forge Private Equity. Garlock Flexibles occupies the building and will lease the property on a long-term basis.

The one-story building, which was originally built in 1959 and expanded in 2004, features six dock doors and 30 ft. clear heights. Situated on Rte. 2, 77 Industrial Rowe offers access and connectivity to major interstates, including I-495 and I-190, which provide same-day access to all the major population hubs across the Northeast. The Rte. 2 corridor market has strong leasing fundamentals

with an 8.5% increase in direct rents over the past year paired with no square footage of new supply in the 100,000 s/f range planned to hit the market. This stretch of the Rte. 2 corridor is home to AIS, Masonite, DGC Cable, Seaman Paper and Atlantic Door.

The JLL Capital Markets team representing the seller out of Boston was led by senior director Lenny Pierce and associate David Coffman. JLL's Capital Markets net lease platform is led by senior managing directors Coler Yoakam and Alex Sharrin.

"The sale-leaseback is a hugely compelling liquidity source for most corporate owner-occupiers of commercial real estate - especially in the industrial sector," said Pierce. "Cap rates for warehouse, logistics and manufacturing assets remain dramatically lower than many other capital costs available to operators in this sector of the economy, and for many groups, the funds generated from this transaction are deployed to more fruitful avenues such as investing in new machinery, expanding workforces, or extinguishing corporate level debt."

"The sale-leaseback of this and our other Garlock facilities made obvious financial sense" said Astara's Rob Groberg. "JLL's size and scale allowed them to access the widest possible buyer pool. Lenny and his team were able to generate attractive bids from both local and national buyer groups and qualify those groups most likely to execute seamlessly."

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