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The Real Reporter

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New Suitor Seeking to Buy 206,000SF Pease Building

BY JOE CLEMENTS

PORTSMOUTH, NH—Just when 72 Pease Blvd. was out of the investment sales loop, a determined suitor has pulled the 206,000-sf asset back in, according to CRE sources who peg the resuscitator as Winstanley Enterprises of Concord. Winstanley is the second Massachusetts-based investor to make a run at the triple-bay, mixed-use property, which is fully



72 Pease Blvd., Portsmouth NH

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Maggiore Touch has Ames in Back Bay

BOSTON—**This Old House** it is not—sort of—but the revival of a five-story luxury condominium project at **161-163 Commonwealth Ave.** is being undertaken by one of



Paul J. Maggiore

the area's ultimate do-it-yourselfers, contractor **Paul J. Maggiore**. The **Maggiore Cos.** namesake is purchasing rights to construct the five-unit building abutting the historic

Oliver Ames Mansion from developer **Neil St. John (Ted) Raymond** for an undisclosed price.

"We're going to live there," explains Maggiore, a Winchester native whose family is taking the top floor of the 30,000-sf structure designed by **Richard J. Bertman**. **The CBT Architects** principal calls 161-163 Commonwealth Ave. "the most beautiful site in the Back Bay,"

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Small Steps Mean Big Meritage Win

BY JOE CLEMENTS

ANDOVER—It took a commitment to small-ball and the proverbial team effort, but Meritage Properties has seemingly



Kerry Olson

delivered in making a winner out of the Shattuck Office Center. The New York-based real estate investor and leasing agent CBRE/NE are celebrating the 14,000-sf renewal and

expansion by Yankee Alliance, a deal that brings the 64,000-sf Class A office building at 138 River Rd. to full occupancy.

"We're thrilled," says the building's leasing agent and CBRE/NE vice president Kerry Olson, who along with colleagues Jason Levendusky and Robert LeClair have brokered four leases recently at the property. The velocity is especially notable given the dire conditions of suburban Boston, with CBRE/NE estimating a 34 percent availability rate for office space in the I-93/495 corridor. That figure and a

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A CRE Tour de South Shore

BY MICHAEL J. WALSH

BRAINTREE—Under this Tuesday's sunny skies, and presenting positive temperaments, a few hundred business executives boarded buses and toured several new—and one rejuvenated—commercial properties, organized by the South Shore Chamber of Commerce's



J.P. Plunkett

Economic Development Tour. With The Real Reporter in tow, the early morning caravan started at the (as marketed) "brand new," posh Flatley property at 30 Braintree Hill Office Park, and wound down Route 3 to Rockland, proceeding through Hingham then reversing course on Route 3A before ending at the LEED-rated Harbor South Towers at the base of the Neponset River in North Quincy.

Cushman & Wakefield Senior Director J.P. Plunkett, CB Richard Ellis FVP

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MERITAGE

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28 percent vacancy rate are daunting, concurs Olson, who says Shattuck Office Center was uniquely positioned to overcome the soft environment.

Besides "creativity" by the landlord in helping Yankee Alliance accommodate its growth needs, Olson says the vast amount of leasing velocity in I-495 North has been among tenants needing 15,000 sf and less, a constituency that the Shattuck Office Center has catered to since Meritage acquired the building in 2005. "It's of a size that you can't get lost in," explains Olson, who reports I-495 North is limited in that type of measured opportunity. Most of the nearby space is concentrated in a few large blocks, she says, and those offerings are responsible for the flaccid availability rate.

The largest occupant of the three-story Shattuck Office Center is John Hancock Financial Services, which has 23,000 on the top level. The smallest is in just 1,600 sf. All are made to feel welcome by the landlord, says Olson, a notion shared by Danielle Zenus, director of corporate services for Yankee Alliance Inc. "Meritage Properties has made a continuous effort to create a desirable location here at 138 River Road," relays Zenus in a press release celebrating the pact. Cresa Partners VP Mitch Jacoby negotiated terms for Yankee Alliance, a national group that assists healthcare providers.

"We are pleased to see the building reach 100 percent occupancy with such a



161-163 Commonwealth Ave., MA

high-quality group of tenants," Meritage asset manager Erin Shaw adds in the release touting the building's milestone. Olson's praise for Meritage's performance was returned by Shaw, relaying that the firm "is grateful to the entire CBRE team for bringing all of the recent deals to fruition."

Rental terms for the Yankee Alliance lease were not divulged, but a Q1 review by Richards Barry Joyce & Partners puts the average asking rate for Class A space in I-495 North at \$19.54. At 21.8 percent for 14.5 million sf, RBJ's vacancy rate is lower than CBRE/NE's estimate for the submarket, but does record negative net absorption of 81,000 sf in the opening frame.

Although the start to 2009 has been slower than desired in suburban Boston, Olson expresses optimism that smaller

tenants will prevent a total shutdown. CBRE/NE is seeing encouraging activity at the nearby New England Business Center owned by New Boston Fund, she says, primarily from prospects in the small- and mid-sized tier. Owned by the New Boston Fund, NEBC is also geared towards smaller requirements, she says.

As for the submarket going forward, sublease space is up 2 percent in I-495 North, reports CBRE/NE, but Olson says "no way" will it spiral out of control similar to that occurring after the technology bust early in the decade. Tenants have learned from that debacle, she says, keeping excess space in check. A more diverse tenant base that features several promising life sciences companies also bodes well for a recovery, according to the broker, including some at 138 River Rd. ■



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Photo: Derek Szabo