

Bifurcated MA Industrial Sale Via CBRE Seen Bringing Albany Road Over \$42M

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65 Sunnyslope Ave., Tewksbury MA

TEWKSBURY—Last autumn’s harvest of two Billerica buildings for \$12.4 million was deemed “a good story” by Albany Road Real Estate Partners in paring 14 and 16 Progress Rd. from a five-building industrial portfolio acquired in September 2015, and

the same CBRE brokerage crew handling that \$27.4 million purchase and the October 2019 sale of 127,500 sf to Berkeley Partners has the other three assets in circulation seeking to pen a happy ending for their client should unofficial estimates of another \$30 million in value be generated from the 275,000 sf portion located here in Tewksbury plus Auburn and Hopkinton.

CBRE Capital Markets principal Douglas Jacoby declined comment on particulars about those properties headlined by 65 Sunnyslope Ave. in Tewksbury, at 152,400 sf the largest in the entire portfolio and considered a plum by many observers thanks to having EBS Supply Solutions—fka Eastern Bag & Paper Co.—filling the entire space as part of a distribution platform serving northern New England by the firm Albany Road was able to renew, the tenant’s in-place lease having been slated to expire next year.



Christopher Skeffington



Douglas Jacoby



Scott Dragos



Christopher J. Knisley

EBS would seem poised to

do well in the current business environment which is focused on sanitation measures since the venerable wholesale distributor features cleaning supplies in its quiver of products serving commercial customers from Maine to Virginia. Constructed in 1987 on 20.7 acres close to Interstate 495, 65 Sunnyslope Ave. is among a trio of distribution facilities run by the family owned firm whose lineage stretches across three generations, its founding poignantly dating to 1918 when America’s last major pandemic hit home.

Five loading docks and “flexible column spacing” are among the physical attributes cited by CBRE in marketing materials that also note the Tewksbury warehouse is close to public transportation, selling points for the property along with “superior highway access” near the New Hampshire line and multiple routes extending to Maine via I-495 connecting to I-95 while also serving northern Massachusetts and southern Vermont. EBS is headquartered in Milford, CT.

Albany Road paid an even \$11 million for 65 Sunnyslope Ave. Its 70,250-sf warehouse complex at 82 South St. in Hopkinton is fully leased to Barry Controls, that tenant in place when Albany Road spent \$5.02 million five years ago was also renewed, a deal contributing to a current average weighted lease term of about 5.7 years in the assets being peddled. Cash flow and anticipated long-term upside are among the factors said by one market watcher to be fomenting “significant” interest thus far for the listing that is rounded out by 52,500 sf at 19 Technology Dr. in Auburn, oldest of the three available with its construction dating to 1973. Situated on 11 acres close to the Massachusetts Turnpike, 19 Technology Dr. was bought for \$3.29 million by its current steward.



Daniel Hines



Roy Sandeman



Timothy Mulhall



Anthony Hayes

Based in Boston, Albany Road is a homegrown

investment firm founded in 2012 by President Christopher J. Knisley which now has a national footprint including a healthy dose of industrial, the bulk of those assets presciently acquired prior to industrial’s ascension as an institutional-grade sector.

Led by Jacoby and CBRE Executive VP Scott Dragos plus Executive VP Christopher Skeffington, the CBRE team advising Albany Road in last October’s sale and on the current assignment includes First VPs Anthony Hayes, Timothy Mulhall and Roy Sandeman and Vice President Daniel Hines. The Dragos/Jacoby group was also exclusive agent procuring the buyer in September 2015 when they were representing seller Colony Realty Partners on the deal that kicked off Albany Road’s tenure just as industrial in Greater Boston was catching the eye of capital players from across the land, a trend which has resulted in compression of capitalization rates regionally and a higher cost of entry for newcomers to the arena.

“Industrial is extremely popular today,” one CRE professional familiar with the developing trend says in predicting Albany Road could indeed find the assets now in circulation bringing upwards of \$30 million. If so, that would put its cost of entry at about \$68 per sf and exit results at \$105 per sf when tallying the entire 402,500 sf

acquired. The observer spoken to credits the enhanced profile of industrial aided by a boost from e-commerce and life sciences tenants, and maintains Albany Road contributed to the value via the lease renewals and “fixing anything that needed it” to provide suitors a stabilized, income-producing opportunity in a supply constrained market where rental rates have increased steadily since the mid-2010s.