

FEATURING

Connecticut

The acquisition of Phoenix College Apartments in Phoenix  
**Vogel of Mortgage Resources**  
 arranges \$2.32m permanent mtg.



# NEW ENGLAND REAL ESTATE JOURNAL

FEATURING

Northern N.E.

The \$100M project provided by South, Boston, & O'Day  
**Henson & O'Day complete \$4.4m**  
 Gould Academy science center



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 40<sup>th</sup>  
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THE LARGEST BUSINESS PUBLICATION OF ITS KIND IN THE NATION

## Cushman & Wakefield of NJ and Mass., SalomonSmithBarney brokers Hall Gillespie acquires 500,000 s/f from Lucent Technologies for \$27.5m

OCTOBER 4 - 10, 2002

### HI-LIGHTS

#### Burgess Properties leases 56,000 s/f to Armatron Int'l.

Armatron was represented by Jayson Rhuda, formerly of CRF and now with Mohr. Phillip Burgess of Burgess Properties represented Maldex LP. See page 10A.



#### Williams of Kane negotiates four deals totalling 72,800 s/f

Katherine Williams of The Kane Co. has brokered four transactions in southern New Hampshire totalling 72,800 s/f. See page 2B, Northern New England.



#### Boyle of Chozick Realty sells Gateway Condos for \$4.5m

Tom Boyle of Chozick Realty was the listing and selling broker in the sale of Gateway Condominiums in East Hartford for \$4.5 million. See page 6D, Conn.



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**M**ARLBOROUGH, MA. - Hall Gillespie LLC has purchased a 500,000 s/f three building office/R&D complex for \$27.5 million, or \$55 per s/f.

Located at 55 Fairbanks Blvd., the property was sold by Lucent Technologies. Total project costs, including acquisition, construction, soft costs and tenant improvement expenditures are projected to be \$46.5 million, according to Ian Gillespie and Denison Hall, partners.

"The acquisition of the Addition Hill complex at 35% of replacement cost is an excellent investment, and we're pleased to own this product," said Gillespie. "The site also has approvals from the city to allow construction of another 500,000 s/f of space. When the market returns, this development capability will be very important."

The 106 acre site is located about five minutes from I-495. Two of the buildings are 200,000 s/f and one is 100,000 s/f. The smaller building has been cleared and updated for new tenants. Rehab and tenant improvement work will be phased to coincide with the leasing of space to tenants.

CapitalSource of San Francisco provided debt financing. Cushman & Wakefield of N.J. and Mass. negotiated the sale along with SalomonSmith Barney of N.Y.

"The Marlborough/Metrowest commercial market has historically been one of the strongest Greater Boston submarkets," Hall said. "Recently the entire market has experienced a substantial increase in vacancy, but we believe that the Metrowest market will recover more quickly. After all, it is the best high tech labor market in the coun-



try." Improvements to the site are underway, such as enhancement of the lobbies and exteriors of the buildings, re-landscaping, renovation of court-

yards and improving the parking areas. A new main entranceway to the site is being built which will cut the travel time to Rte. 495 to two minutes.

### Sanford Goodkin's The Leading Edge



Thoughts on the Other Side of a Paper Napkin

Thought: "Remind me to tell them what I really think about the economy and un-real estate." After intense and lengthy attention to what appears to be happening - including presentations at various conferences, as well as listening to the many experts invited to these conferences, I've concluded the following:

- The economy is wearing out and the fundamentals are no longer sound.

- California real estate has reached its apex, especially in the apartment market. Prices are ridiculous and lenders all too willing to add their liquidity to the crowded extraordinary delusions and the power of the madding crowd. If people can get something financed, they will either buy or build;

common sense has no liquidity in this culture.

- The stock market has lost its moorings, if indeed it ever had them; every time "the bottom" is announced, it is breached. This is no cycle. Rather it is reaction to poor profitability, consumer and business debt, mistrust, mismanagement and investment bankers' short term mentality, which affects everything long term.

- The Administration has no apparent practical experience in finance, just a philosophic conservatism that knows no policy except to trust government only when "I am speaking" - a major miscalculation when trust will prove to be everything.

Thought: "The greater fool theory" has entered the apartment - **continued on page 20**