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The Real Reporter

Presidential Woods Gets the Vote For New 105,000SF Career Center

By Joe Clements



WOBURN—In a six-figure agreement that fills an empty building here and introduces a growing career training school to suburban Boston's northern tier, the Porter & Chester Institute has leased all of 8 Presidential Way from the Campanelli Cos. of Braintree. Branded as Presidential Woods, the 105,000-sf flex/office property will be retrofitted to house a diverse mix of classrooms and support space, and will be the Connecticut-based school's fourth Massachusetts operation.

"It's a huge deal," says one broker familiar with the transaction. Even though that industry professional insists the lease "is signed, definitely," Campanelli

officials and others involved declined comment on the matter or did not return phone calls by press deadline. Sources say Campanelli was represented in-house by Director of Leasing Peter Brown and by the Richards Barry Joyce & Partners team led by Robert Byrne, James Lipscomb, Brian McKenzie and John Wilson. Vincent Albanese of Paramount Partners negotiated for the tenant.

Acquired by Campanelli and Commonfund Realty in July 2007 for \$11.6 million, 8 Presidential Way was originally slated for an expansion and upgrade to 160,000 sf of high-end office product that could accommodate tenants in a dynamic market where rents were suddenly eclipsing \$30 per sf. The program came tantalizingly close to achieving that vision until national economic woes put the country in a deep freeze that is only now beginning to thaw. Major requirements vanished and speculative construction became equally invisible.

One observer following 8 Presidential Way's resolution says the Porter & Chester decision reflects a veteran landlord's ability to respond to challenging conditions. "Campanelli is a very savvy and innovative group," says the source. "They know how to put a deal together and were very creative in meeting some really specialized requirements to get it done."

Terms of the lease have not been released, save for being described as a "long-term" commitment and said to be priced in the range of \$12 per sf NNN. One broker says only limited TI dollars will be required to make the building usable for Porter & Chester. About 20 percent of 8 Presidential Way was constructed as office space, according to that broker, who says the manufacturing sections will be retrofitted for training purposes.

According to its website, Porter & Chester offers training in such fields as automotive, computer technology, electronics and healthcare. Three of its eight locations are in the bay State, those being Canton, Chicopee and Westborough.

A broker familiar with the tenant's requirement says it was looking to find an easily accessible and functional property and geographically wanted to accommodate students north of the Massachusetts Turnpike and up into the Route 128 region and southern New Hampshire.

Sources could not say how long it will take for Porter & Chester to be open in its new home, but one rumor has an August launch on the dais. As for expanding 8 Presidential Way to 160,000 sf on the 13.7-acre parcel, one broker insists the concept is still viable physically, either for the inaugural tenant or perhaps to accommodate another prospect. Sources could not say whether Porter & Chester invoked any expansion options into the lease.

Observers accede that such a move would likely require an advanced commitment given the lingering troubles for suburban Boston's office market, although the upper end of Route 128 from Burlington to Wakefield has been among the best performers in New England during 2010. Colliers Meredith & Grew's latest research shows positive net absorption of 115,000 sf through mid-year for a submarket of 7.5 million sf. That has the vacancy rate there at 19.8 percent versus a suburban average of 21.8 percent.



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