

Tuesday, June 28, 2011, 12:14pm

National Grid's Former HQ Sold For \$20.1M

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National Development and Charles River Realty Investors have purchased National Grid's former U.S. headquarters in Westborough for \$20.1 million.

The 321,000-square-foot building sits on 68 acres at 25-29 Research Drive. The buyers obtained an approximately \$15 million mortgage on the property from People's United Bank, said Brian Kavogian, president of Charles River Realty.

Last year, BJ's Wholesale Club signed a 15-year, 282,000-square-foot lease to use as a new corporate headquarters. BJ's relocated its corporate headquarters from facilities in Framingham and Natick.

The lease with BJ's remains in effect after the Westborough property sold. National Grid's corporate office is now in Waltham although the utility company still has as many as 25 employees at the Westborough building.

The site comes with up to 500,000 square feet of expansion potential. While it is still "very early" and the firm has "no immediate plans," the developers are currently mulling over the amount of additional area they would consider adding at the property, Kavogian told Banker & Tradesman.

"This for us is as much about buying a property leased for 15 years to a company we think is a very good company with very good growth prospects on which we can make a very solid current yield on our investment prior to any additional development on the property," Kavogian said. "Buying a property with a long-term net lease to a company like BJ's is appealing to us."

The property was last assessed for more than \$25 million, according to records obtained by The Warren Group, publisher of Banker & Tradesman.

Jones Lang LaSalle's investment sales and leasing team, consisting of managing directors Scott Jamieson, Michael Smith and Phil DeSimone, Executive Vice President John Duffy and Assistant Vice President Brandon Dickason, executed the sale of 25 and 29 Research Drive, containing Class A office space with up to 500,000 square feet of expansion potential, according to a statement.

The buildings at 25 and 29 Research Drive consist of a six-story office building, a two-story office and lab facility and depot garage. Based on current zoning, the property can accommodate a wide variety of development alternatives including office, hotel, retail, medical and industrial uses.