

# Bierbrier Sells Brockton Retail Plaza to VEREIT Via Marcus & Millichap in \$18.7 Million Exchange

July 29, 2015 By Joe Clements

BROCKTON—Preparing to expand the firm’s urban retail footprint, Bierbrier Development of Lexington has successfully completed its trade of Montello Plaza, a 64,500-sf Super Stop & Shop and gas station located at the juncture of Routes 28 and 37. The property which serves consumers on Brockton’s north side, was harvested for \$18.7 million to VEREIT, successor of American Realty Capital in a deal negotiated by Marcus & Millichap. The capitalization rate was pegged at about 6.7 percent.

Led by namesake Leonard Bierbrier, who celebrated 40 years in the retail business last year, Bierbrier Development built the freestanding Brockton plaza in 2003 after completing a three-parcel assembly, successfully rezoning the property, creating an overlay district for retail use and securing a 15-year Tax Increment Financing agreement for the project. Its sale comes barely five months after Bierbrier’s most recent acquisition, the \$41.5 million purchase of a first-class retail complex in Braintree known as South Shore Place. Fully leased, the newly constructed 45,000-sf property across from South Shore Plaza counts such marquee tenants as AT&T, Jared Jewelers, Legal Seafood, Starbuck and TGI Friday.

“The disposition of Montello Plaza is part of Bierbrier Development’s ongoing growth strategy to acquire or build service/convenience shopping centers in the core and near-core areas of Greater Boston,” Leonard Bierbrier says in a statement provided to therealreporter.com. “Proceeds will allow our acquisition and development team to continue to grow the company’s asset base while strengthening the infrastructure important to managing this enhanced portfolio.”

Bierbrier Development already has extensive retail holdings in eastern Massachusetts, among them Walgreens Plaza in Haverhill, Wellington Circle Plaza in Medford and Arlington Village Shops in Arlington, that a highly successful community shopping center that gave birth to a concept known as the Village Shops, the second of which Bierbrier Development just opened in Newton under the name Needham Street Village Shops.

Legal counsel for Bierbrier on the Brockton transaction was provided by Frank Giso, General Counsel, and David Currie of Choate, Hall & Stewart. The seller engaged the Marcus & Millichap team of Vice Presidents Robert Horvath and Todd Tremblay, a Boston-based contingent active throughout New England and beyond with a concentration on net-leased sales. Montello Plaza is one of the group’s largest deals of 2015 in an event-filled first-half that saw over \$360 million put under contract or sold by the team after a record \$640 million processed in 2014.

The brokerage professionals cite Montello Plaza as a popular listing designed with four points of egress along Albion and North Montello Streets. “This is a well-established site for Stop & Shop, as they have operated this location for nearly 13 years,” observes Tremblay of a tenant which signed its original double-net lease in May 2002. The agreement includes 10 five-year options with scheduled rent escalations every five years through the base term and option periods. “They have done well there for quite a long time,” says Tremblay.

Besides quality construction from a proven developer and the project’s track record, Montello Plaza was also attractive thanks to the on-site gas station and a 4,000-sf pad site available for future development, according to Horvath. Vehicular traffic amounts to 24,000 vehicles passing by daily and a local demographic within five miles of 188,000 people. “It is an excellent urban infill location,” Horvath says, with the retail corridor including the likes of Dollar Tree, Domino’s, McDonald’s, Walgreens and Walmart.