

Howard/Arundel REPORT

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'Gateway' Pair To Grow School

'Have at it,' is, roughly translated, what a resolution newly before the Anne Arundel County Council means.

The resolution reflects the willingness of Greenberg Gibbons Commercial and Ribera Development to fund a 12-classroom addition to Meade High School, currently 'closed' to new residential development. The partnership's approximately \$4.5 million promise of an addition is a key lever in advancing 'Arundel Gateway,' a 238-acre mixed-use community at the BW Parkway and Route 198.

Greenberg and Ribera, as PR II Arundel Gateway Land, are following the trail blazed by Koch Associates, which bought itself adequate school capacity to build Deep Creek Village, with an addition to Broadneck High School. Koch paid about \$2 million, while PR II is willing to spend \$4.5 million, given the potentially 1600 units of residential at issue.

Greenberg / Ribera must sign the construction agreement and then post a letter of credit. With those in hand, the Council could approve a change in the school chart, which could happen in March.

Meanwhile, the same developers are prepared to expand Maryland City Elementary if capacity remains a problem there.

'Main Street,' Redux Annapolis Developer Buys Project Second Time

After selling it to an Ohio buyer at the height of the market, developer John Bruno has returned to buy a Crofton retail project a second time.

As Parole Bestgate LLC, Bruno paid \$3.3 million for 'Main Street at Waugh Chapel,' a 10.5 acre undeveloped tract on Route 3 North at Reidel Road. It was a Bruno partnership that had originally entitled the small center opposite the Village at Waugh Chapel, and then sold it for \$12 million in 2007 to the Ohio investors. Though that group took a game run at the project, including breaking ground and lining up over 30,000 feet in tenants, its timing was atrocious. Ultimately, it lost the 90,000 foot project back to lender RBS Citizens.

It is from an RBS affiliate that Bruno has now purchased 'Main Street' for a second time, but with a different plan in mind. Instead of the 90,000 foot layout that included office over retail, Bruno has chosen to concentrate only on retail, and mainly pad sites at that. Written deals include a McDonald's and a Buffalo Wild Wings, leaving Bruno with three more pad sites and about 14,000 feet of in-line retail space.

Main Street sits opposite the two behemoths of south Crofton retail, including the newly developed Waugh Chapel Town Center. The powerful pull of Wegmans, Target and Dicks have pushed leasing well along at the Town Center, leaving Main Street to capitalize on those pad site and small in-line retailers who haven't landed.

The deal suggests that light is filtering back in on previously stalled projects. It was a 'shovel ready' project that the Ohio investment group was buying back in 2007, and now, with new ownership and direction, it's still shovel ready. Construction could begin within 60 days. Victor White and David Weiss of the Hogan Companies brokered the deal on behalf of Servo, the RBS affiliate. Streetsense Inc. is handling the retail brokerage.

Amberton Drive Auction Yields Warehouse Sale

An auction of an Elkridge warehouse last week brought just over \$2 million. A small cluster of people, most with their hands firmly in their pockets, watched as two bidders raised the price only slightly from the opening ask of \$1.8 million for 6601 Amberton Drive. An affiliate of the Agam Group, which owns the building but had relocated operations, reportedly sought at least \$2 million, and in the end, got it. Auctioneer Alex Cooper Inc. said the final sales price was \$2,073,750.

The auction was not a foreclosure sale. Instead it appears that putting the building up for a public bid was the route Agam felt would bring the best price. The 39,500 square foot building is located just north of Route 100, improved with about 5,000 feet of office space and has six loading docks.

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