

## KBS REIT II ACQUIRES \$90 MILLION INDUSTRIAL PORTFOLIO

**PENNSYLVANIA** — KBS Real Estate Investment Trust II has purchased a 1.6 million-square-foot Pennsylvania industrial portfolio for \$90 million. The portfolio contains four properties located at 325 CenterPoint Blvd. in Pittston, 125 Capital Road in Pittston, 550 Oak Ridge Road in Hazleton and 14-46 Alberigi Dr. in Jessup. The first three buildings are wholly leased to Kimberly-Clark, Grupo Bimbo and Amazon.com, respectively. The final building is fully leased to four tenants. KBS Capital Advisors provided in-house representation to the REIT. Michael Hines and Michael Blunt of the Philadelphia office of CB Richard Ellis represented the undisclosed seller.

## CONVENTION CENTER EXPANSION COMPLETE

**PHILADELPHIA** — Construction is complete for the \$786 million expansion to the Pennsylvania Convention Center. The project, which was completed by a joint venture between Tishman Construction Corp. and Joseph Jingoli & Son, included the construction of 935,000 square feet of new space. The expansion includes more than 528,000 square feet of contiguous exhibit area, 23 additional meeting rooms, three new exhibition halls, a 56,000-square-foot ballroom, a new main entrance atrium lobby, an extension of the Arch Street Concourse, a new central power plant and new support space. The expansion spans 13th Street and extends a city block to Broad Street. Vitetta Group was the architect.

## MARCUS & MILLICHAP ARRANGES TWO SALES

**MIFFLINBURG, PA., AND NEW YORK CITY** — Marcus & Millichap has arranged the sale of Buffalo Valley Shopping Center, a 73,542-square-foot retail center located in Mifflinburg for \$2.83 million. The property was 88 percent leased at the time of closing and most of the tenants had recently renewed their leases. The property traded at a 10.25 percent cap rate. The Marcus & Millichap team of Derrick Dougherty, Mark Taylor and Dean Zang represented the seller and procured the buyer, both undisclosed parties. In addition, Marcus & Millichap's New York City office brokered the sale of a 5,408-square-foot mixed-use property located at 1373 First Ave. in New York City for \$2.38 million. The brokerage team included Peter Von Der Ahe, Joseph Koicim and David Lloyd. The buyer and seller were not disclosed.

## APARTMENT PORTFOLIO REFINANCED

**BETHLEHEM, PA.** — The Solomon Organization has procured a \$27.85 million loan to refinance three of its multifamily properties in Bethlehem. The portfolio comprises the 176-unit Meadows at Leigh, the 156-unit Hills at Leigh and the 80-unit Waters Edge. All three properties have been upgraded in the past 5 years. The loan carries a fixed interest rate, a 7-year term, a 30-year amortization schedule, 2 years of interest-only payments and 6.5 years of yield maintenance. Beech Street Capital arranged the loan through Freddie Mac. Meridian Capital Group originated the financing.

## LEXINGTON REALTY TRUST INKS 241,977-SQUARE-FOOT INDUSTRIAL LEASE

**BRISTOL, PA.** — Lexington Realty Trust has signed a 15-year lease with an undisclosed tenant for 241,977 square feet of industrial flex space at 250 Rittenhouse Circle in Bristol. The tenant will use the property, located within Keystone Park, for light assembly, warehouse/distribution and office space. The Binswanger team of Frank Cullen and Chris Pennington represented Lexington in lease negotiations. The CB Richard Ellis team of Michael Mullen and Pat Green represented the tenant.

## APARTMENT COMMUNITY REFINANCED FOR \$31.4 MILLION

**STATE COLLEGE, PA.** — Berger Rental Communities has procured \$31.4 million in Fannie Mae DUS financing for Toftress Apartments, a six-property, 541-unit multifamily community located in State College. The properties were constructed between 1970 and 1984, and they are operated as a single community. The loan carries a fixed interest rate, a 10-year term with 9.5 years of yield maintenance, and a 30-year amortization schedule. Beech Street Capital arranged the transaction and Meridian Capital Group originated it.

## NEW BEST WESTERN PREMIER OPENS

**HARRISBURG, PA.** — The grand opening has been held for the Best Western Premier The Central Hotel and Conference Center in Harrisburg. Located at 800 E. Park Drive, the hotel contains 174 guest rooms, including three suites, as well as 15,000 square feet of meeting and banquet space. Amenities include an on-site restaurant and lounge, a fitness center, an indoor swimming pool and a business center. This is the sixth Best Western Premier hotel to open in North America.

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## HEALTH CARE REIT ACQUIRES GENESIS PORTFOLIO FOR \$2.4 BILLION

**TOLEDO, OHIO, AND KENNETT SQUARE, PA.** — Shortly after news of Ventas' \$7.4 billion acquisition of Nationwide Health Properties, Health Care REIT agreed to acquire almost all of the portfolio of Genesis Health-Care in a \$2.4 billion sale-leaseback deal.

Health Care REIT will purchase 147 of Genesis' more than 200 post-acute care, skilled nursing and assisted living facilities. The properties are located in 11 eastern U.S. states, with the largest concentrations in Maryland, Massachusetts, New Jersey, Pennsylvania and West Virginia. Genesis will lease the facilities back for a 15-year term on a triple-net basis. The lease is valued at approximately \$3.86 billion. In addition, Health Care REIT will retain the option to purchase a 9.9 percent interest in Genesis for \$47 million and will have the right to own certain facilities Genesis develops or acquires during the initial lease term.

Genesis is headquartered in Kennett Square and is a wholly owned subsidiary of a joint venture between McLean, Va.-based JER Partners and Alpharetta, Ga.-based Formation Capital. The partnership purchased the company in 2007 in a public-to-private deal. Since then, Genesis has generated 9 percent annual average revenue growth and 14 percent average annual EBITDAR. Genesis has completed \$405 million in capital improvements to its portfolio in the past 6 years and has maintained a 91 percent occupancy rate during that time.

"The sale of Genesis' real estate assets enables JER Partners to achieve our business plan objectives for this investment and distribute capital back to our investors by taking advantage of today's exceptionally strong demand for health real estate assets operated by best-in-class management teams," said Frank Small, managing director of JER, in a statement.

The deal is subject to approval by Health Care REIT's board of directors and is expected to close during the second quarter. The Toledo-based company currently maintains a portfolio of 880 properties located in 41 states.

— Coleman Wood

## CONCORD BREAKS GROUND FOR 124-ROOM MARRIOTT

**WASHINGTON, PA.** — Concord Hospitality Enterprises has broken ground for the construction of a new Courtyard by Marriott in the Pittsburgh suburb of Washington. The new hotel will be located at 1800 Tanger Blvd. near an existing Tanger Outlets Mall. It will contain 124 suites and will be designed for LEED certification. Braun & Steidl Architects is designing it, and McCay Contracting is the general contractor. Completion is slated for summer 2011.

## TEMPLE STUDENT HOUSING PROPERTY SELLS FOR \$5.85 MILLION

**PHILADELPHIA** — Marcus & Millichap has completed the sale of a student housing property located on the campus of Temple University in Philadelphia for \$5.85 million. Sydenham Commons is a four-story masonry structure that was built in 2006. It contains 90 beds in 27 units and has

remained fully occupied since its completion. Ken Wellar and Corey Lonberger of Marcus & Millichap's Philadelphia office represented the seller, Sydenham Commons LLC, as well as the buyer, a local partnership.

## NAI COMMERCIAL, HIGH ASSOCIATES BROKER TWO DEALS TOTALING \$4.78M

**LANCASTER, PA.** — MBJA Partners has purchased a 136,542-square-foot industrial property located at 180 Greenfield Road in Lancaster from Union National Community Bank for \$3.7 million. Thomas McDermott of NAI Commercial Partners represented the seller, and James Wentz of High Associates represented the buyer. In addition, Groff Page LP has acquired the former Faulkner Suzuki dealership in Lancaster from Judith S. Faulkner for \$1.08 million. The 31,282-square-foot property is located on 1.6 acres at 1208 Harrisburg Pike. McDermott represented the buyer, and William Boben III of High Associates represented the seller.