



SOUTHBRIDGE

INNOVATION CENTER



40 Optical Drive

Former R&D Building for Medical, Office or Light Manufacturing

AVAILABLE FOR SALE OR LEASE



40 OPTICAL DRIVE

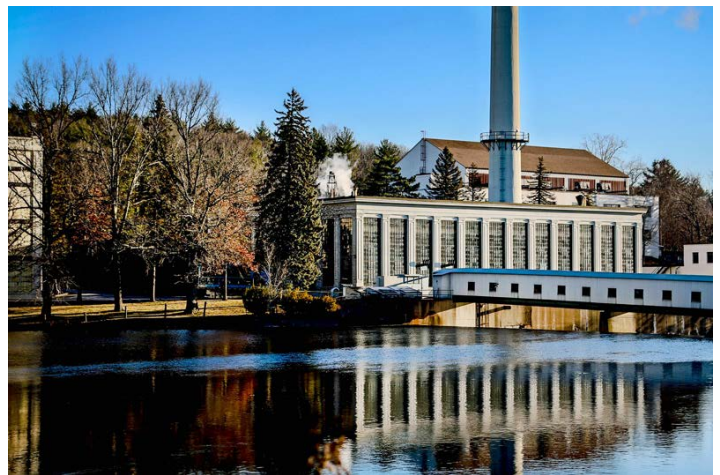
Kelleher & Sadowsky Associates, on behalf of the Southbridge Innovation Center, is pleased to provide this 24,700 SF former R&D building, perfectly suited for medical, office, education or light manufacturing which is allowed under current zoning.

KEY ADVANTAGES OF THIS PROPERTY:

- Electricity, chilled and hot water are generated on-site by a co-generation plant delivering utilities at market-competitive rates.
- True redundant power with National Grid also providing power to the Southbridge Innovation Center.
- Historic Tax Credits available which could be applied to offset up to 20% of the total project development costs.
- A single story building with ceiling heights of 12' and excellent window lines, making this facility perfect for multiple uses.



- Convenient Central Massachusetts location with access to Route 20 and I-90.
- Deep labor force in Southbridge and the surrounding community.
- On-site, 24 hour security as part of the Southbridge Innovation Center amenities.
- Hotel & Conference Center abutting the Southbridge Innovation Center with restaurant, health club, pool and meeting rooms; and
- Experienced, well capitalized developer/owner



40 OPTICAL DRIVE

Proposed Use: Laboratory and office

Built: 1950

Number of Floors: One

Net Rentable Area: 24,700± SF

Fire Safety: Fully Sprinklered

Parking: 45 spaces adjacent to the building

Utilities: Building served by electricity, steam, hot/chilled water and fiber; utilities provide by on-site co-generation equipment; natural gas available on-site

Loading: Yes/Drive-In

Ceiling Height: 12'

Column Spacing: Clear span / no existing columns

Roof Type: Tar and gravel

Construction: Masonry/Steel

Water/Sewer: Municipal

Zoning: American Overlay District (residential, commercial, and industrial)

Floor load: On grade

Property Management: Franklin Realty Advisors LLC (on-site)

Commercial Tax Rate: \$19.44 per \$1,000

This single-story, 24,700 square-foot building, built in the 1950s was the former research and development laboratory for American Optical. The building can accommodate a single user or be subdivided. The building contains one loading dock.

The building is sited on the most beautiful portion of the Innovation Center – the riverfront park. A generous lawn and mature plantings lead to the river edge. Parking is available at the front of the building.

Tenants are invited to cross to the Conference Center via the Quinebaug River footbridge. All of the Conference Center facilities are easily accessible and available to the building tenants; these include the Conference Center, pub and fitness center.

Given the building's floor-to-ceiling height of 12', its excellent window lines and location within the park, 40 Optical Drive is ideally suited for multiple uses.





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SOUTHBRIDGE, MA
southbridgeinnovation.com

AERIAL OF SITE



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& Sadowsky**

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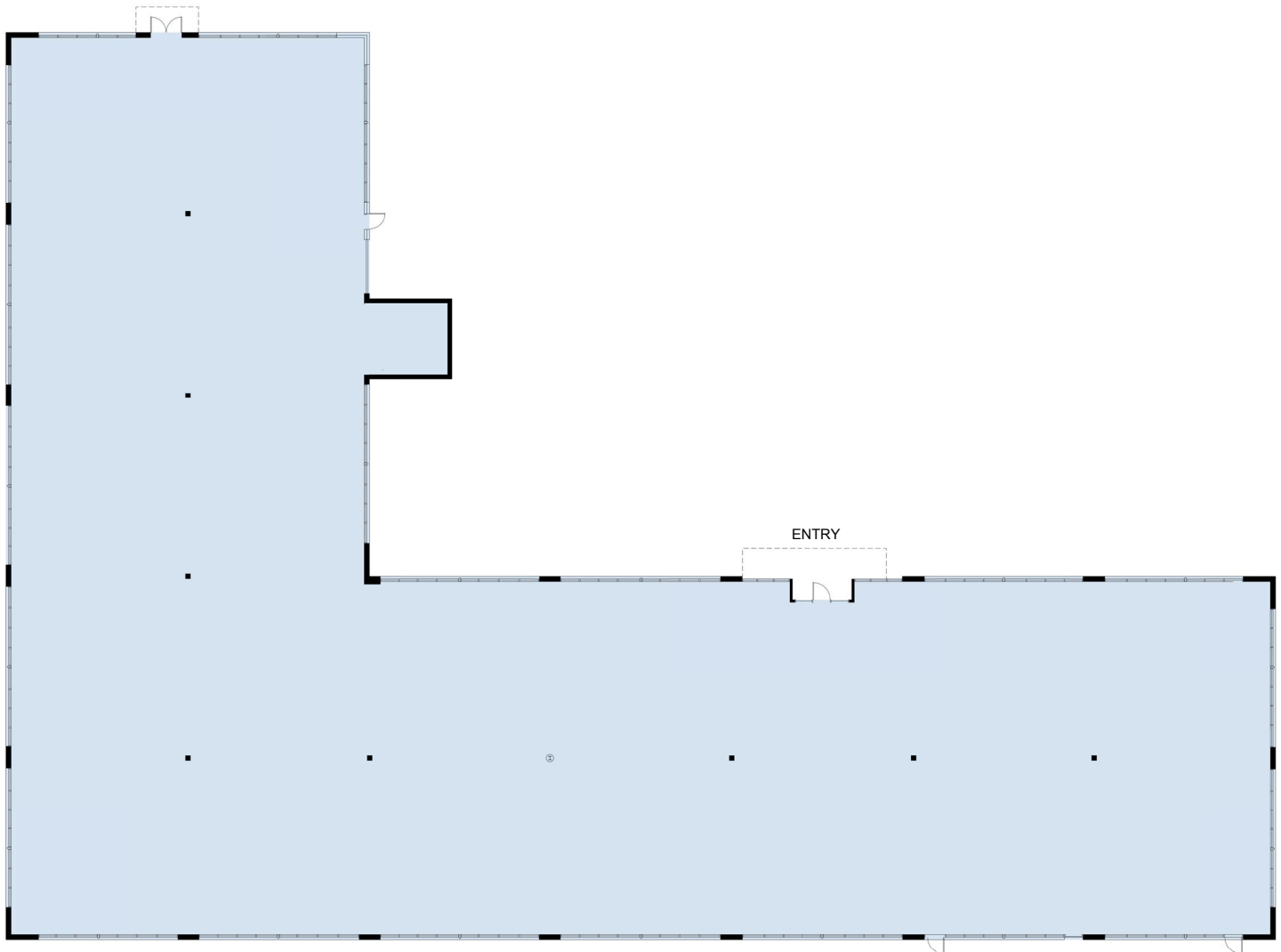
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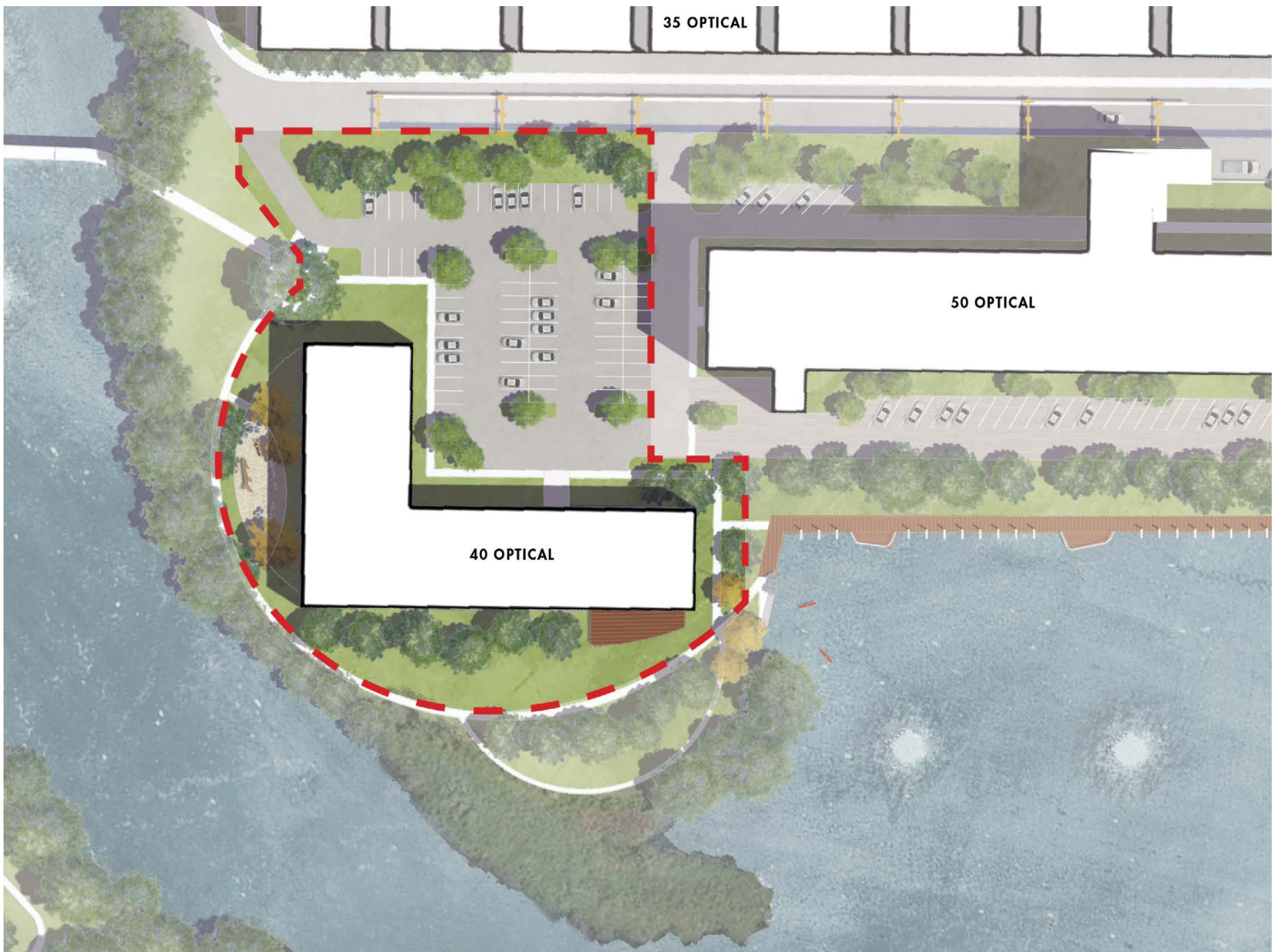
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FLOOR PLAN



The property is available for either sale or long-term lease. Under a sale structure, the buyer would be acquiring an interest in a long-term ground lease for both the building and land (approximately two acres) including land under and around the building, loading area and parking areas (as noted in the red dotted areas) containing approximately 45 spaces.



The purchase price for a ground lease interest would be \$650,000, "as-is". In conjunction with the purchase, the buyer would enter into a long-term ground lease with the current owner, Southbridge Associates II LLC on the following basic terms: (See next page)

1. **Term:** 50 years with 2/10 year options to extend.
2. **Annual Ground Lease Payment:** \$15,000 per year increasing by 10% every five years beginning in year 6 and including the extension options.
3. **Appurtenant Rights:** The ground lessee will retain the right to use the ground lease area as well as other access roads and land area within the park in common with other park tenants.
4. **Additional Rent:** The ground lessee will be responsible for its proportionate share of operating expenses related to the park to include such expenses as insurance, landscaping, snow removal and repairs/maintenance. In 2020 the annual CAM charges for the park were \$1.34 per SF. The ground lessee will also be responsible for real estate taxes assessed for the building and its proportionate share of real estate taxes attributable to the park common areas. In 2020 the real estate taxes on the building/land were \$0.14 per SF.
5. **Utilities:** The ground lessee will be obligated to purchase all of its utilities (electricity, chilled water, hot water and water/sewer services) from the ground lessor on a metered basis. The cost of the utilities will be billed at market competitive rates.
6. **Services/Maintenance:** The ground lessor will be responsible for maintaining the ground lease area as well as the access roads and common area within the park. The ground lessee will be responsible, at its cost, to maintain the building exterior consistent with the guidelines established by the ground lessor for the other building owners within the park.

Under a lease structure, the lease terms would be as follows:

1. **Term:** Minimum of 5 years.
2. **Base Rent:** \$5.00 per square foot in year 1 escalating at 2.5% annually.
3. **Additional Rent:** Tenant would be responsible for its share of operating expenses and real estate taxes related to the park which in 2020 totaled \$1.48 per square foot, annually.
4. **Landlords Work:** Based on the above Base Rent, the premises would be delivered “as-is”. The landlord would consider delivering the space on a “turn-key” basis consistent with the tenants’ build-out requirements. Under this structure, the Base Rent would be increased to cover the landlords’ cost of capital and the lease term would need to be a minimum of ten years.
5. **Utilities:** Tenant shall be responsible for all metered building utilities billed at market competitive rates.
6. **Parking:** Tenant shall have use/access to approximately 45 spaces, adjacent to the building, at no additional cost.
7. **Signage:** Tenant shall have the right, at its cost, to affix signage to the building, consistent with local sign and historic guidelines.
8. **Cleaning/Trash Removal:** Tenant shall be responsible for its cleaning/trash removal.

SOUTHBRIDGE INNOVATION CENTER PROFILE

TOTAL SF

1.2 million

TOTAL ACRES

150 acres

(20–30 acres of developable land)

LEASED

535,000 SF

AVAILABLE

665,000 SF

USES

Lab, data center, educational, conference center, office, manufacturing, warehouse distribution, housing

Located in Southbridge, Massachusetts, the Southbridge Innovation Center is 1.2 million square feet of hotel/conference, commercial, industrial and manufacturing space in 14 principal buildings on a campus setting of 150 acres.

Southbridge Innovation Center offers visionary corporate facilities planning professionals a wide variety of building types offering terrific potential uses as R&D, office, light manufacturing space, biotechnology, life sciences, high technology, and other business operations.

The center's numerous single- and multi-story buildings are primed for conversion to office, industrial, warehouse, manufacturing, and classroom space. Two of the existing buildings are readily adaptable for residential use, which could provide housing for the full-time training, technical support, or other operational staff.



CURRENT TENANTS

**Southbridge Hotel &
Conference Center**

5 OPTICAL DRIVE
Quinsigamond | Workforce Central

25 OPTICAL DRIVE | 15 WELLS STREET
Schott | Metalogics | Stonebridge Press

10 CABOT STREET
Cleanpart | Element Precision

60 OPTICAL DRIVE
SBC Energy

80 OPTICAL DRIVE
**Massachusetts Department of Transitional Assistance
Franklin Realty Advisors**



PROJECT TEAM



OWNER & DEVELOPER

Franklin Realty Advisors LLC: Franklin Realty Advisors LLC is a regional real estate development and advisory firm headquartered in Wellesley, Massachusetts with specific expertise in public/private partnerships and historic preservation projects throughout the northeast region of the United States.

franklinra.com



LEASING AGENTS

Kelleher & Sadowsky: Kelleher & Sadowsky has been serving the Worcester and Central Massachusetts market since 1981. During this time they have earned a reputation as the area's premier commercial real estate company by forging strong relationships with landlords, tenants, and a wide network of business leaders. They have consistently achieved outstanding results for clients while conducting business with the highest level of integrity.

kelleher-sadowsky.com



MARKETING & EVENTS COORDINATOR

Conventures, Inc.: New England's leading event planning, marketing and public relations company. Conventures collaborates with their clients to provide customized strategic communications, activation and branding from creation to completion.

conventures.com



PUBLIC/PRIVATE PARTNERSHIP

Worcester Business Development Corporation (WBDC): A collaboration of public/private partners whose mission is to strengthen the region's position as an economic leader in the Commonwealth through targeted investment and strategic partnerships.

thewbdc.com