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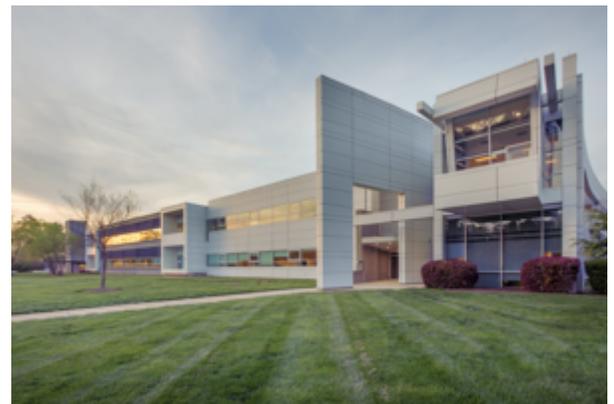
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Years in the making: Bain Capital sells RTP portfolio for over \$400 million

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Over a million square feet of converted life science space in RTP changed hands after the sale of a massive portfolio closed a deal that was five years in the making.

Bain Capital Real Estate sold the 1.34-million-square-foot portfolio to Longfellow Real Estate Partners for approximately \$405 million after the company spent years accumulating what were then traditional office spaces and outfitting them with labs and life sciences amenities.



C/O JLL

A more than 1-million-square-foot portfolio at RTP has been sold.

Longfellow served as the company's operating partner on the portfolio.

"The RTP portfolio has played a key role in Longfellow's positioning as the market leader in Class A life sciences and tech space," says Jessica Brock, Partner, Longfellow Real Estate Partners. "We are excited to continue our long-running association with these premier assets."

The portfolio features 18 buildings across four campuses including 11 buildings at Keystone Technology Park, five at Imperial Center, and the Biopoint and Hopson buildings.

The properties were 93 percent leased at the time of the sale, with 44 tenants, most of whom require lab space.

“Bain Capital Real Estate developed a high-conviction theme based on secular tailwinds that are fueling demand for life science real estate in key cluster markets,” says [Elizabeth Carrillo Thomas](#), a Managing Director at Bain Capital Real Estate. “Through incremental investments and transformative physical and operational improvements, we created an ecosystem of flexible spaces for vibrant companies that are at the forefront of game-changing scientific innovations.”

The company began developing the portfolio in 2014, acquiring what was then mostly traditional office space and converting much of it into medical and life science facilities, complete with lab space for technology, life science and research tenants.

“(It’s) really one of the most competitive deals I’ve ever been a part of, which speaks well to the market,” says [Scot Humphrey](#), a managing director at JLL Capital Markets who served as the exclusive advisor to Bain Capital Real Estate.

Humphrey says these conversions were done on a speculative basis and soon managed to attract a wide variety of tenants to fill the new spaces.

“They were very successful in doing that and taking pure office space to varying degrees of lab space,” he says. “That’s why they sold the portfolio when they did.”

Humphrey says the sale shows the profit-potential in office-to-lab conversions, and while there are a few companies pursuing similar projects, he expects this recent sale will increase interest in office conversions.

“To date they’re aren’t a lot of groups that are doing that, but after the sale of this portfolio it kind of proves out the thesis,” Humphrey says. “I think there will be other groups that follow suit with this strategy.”

The JLL Capital Markets team representing Bain also included senior managing directors Ryan Clutter, Coleman Benedict and Chris Norvell and director Zack Drozda.

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