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Five Tower Bridge in W. Conshohocken sold for \$70M

Premium content from Philadelphia Business Journal by Natalie Kostelni, Reporter

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WEST CONSHOHOCKEN — Five Tower Bridge, one of the crown jewels of the suburban office market, has sold less than two months after coming on the market. It traded for an estimated \$70 million to MIM-Hayden Real Estate Fund I, which is a partnership comprised of Hayden Real Estate Investments, Miller Investment Management, both of Conshohocken, and the Davis Cos. of Boston bought the building.

The last time Five Tower sold was in October 2008 when **KBS Realty Advisors** of Newport Beach, Calif., bought it for \$73 million, or around \$327 a square foot. CBRE Inc. arranged the most recent transaction.

The eight-story, 222,058-square-foot building at 300 Barr Harbor Drive in West Conshohocken is one of the few premier office buildings to trade in recent years as investor appetites have gotten picky about which commercial property buildings, particularly office, they will invest in. When it comes to office structures, many want to buy well-leased, Class A buildings in prime locations.

"It was actively sought after this time as well as previous times for simple reasons," said [Robert Fahey](#), an investment broker with CBRE who helped market the property for sale. "It's the best of the best. If you're in the office building investment business, West Conshohocken is undoubtedly the center of the universe." The building commands \$35 a

square foot in rent, which is the highest in the suburbs with just a couple of other office properties managing to attain that level.

"It's a gem," Fahey said. "An absolute jewel box."

The MIM-Hayden fund is no different from those selective buyers seeking high-quality office buildings.

"This is a core property in a core market," said J. Anthony Hayden, chairman of Hayden Real Estate Investments.

The MIM-Hayden fund, which totals a little more than \$100 million, had been seeking to buy in the Conshohocken area for the last three years without much success. It decided to take a run at Five Tower in early December and KBS wanted to close by mid-January. The transaction was a "little complicated," Hayden said.

A mortgage had to be assumed and typically the MIM-Hayden fund doesn't like to put in more than 10 percent of the fund into a deal; it decided to put in a little more but was still short.

"We had to scramble," Hayden said.

It sought out extra money from James J. Maguire Sr., founder of **Philadelphia Consolidated Holding Corp.** who is also an investor of the MIM-Hayden fund, and other undisclosed high-net-worth individuals to help close the funding gap. The transaction was finalized Jan. 23.

"We bought it right," Hayden said.

The building is fully occupied and many of the tenants are in the space for the long term. Keystone Foods leases 50,000 square feet through 2019, Oracle America Inc. is in 49,000 square feet until 2020 and Hirtle Callaghan & Co. occupies nearly 30,000 square feet through 2021. Those three tenants account for 50 percent of the building's occupancy.

Five Tower was constructed by Oliver Tyrone Pulver in 2001 as part of the company's Tower Bridge complex that has developed over the years in West Conshohocken and Conshohocken. It is the 10th property the MIM-Hayden fund has closed on in the past 11 months. Of the \$100 million, 45 percent of the fund has been deployed on a range of office, industrial and other property acquisitions.

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