



# SOUTHBRIDGE

INNOVATION CENTER



## 35 OPTICAL DRIVE

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Industrial Building for Marijuana Cultivation  
and Manufacturing Available for Sale



## 35 OPTICAL DRIVE

Kelleher & Sadowsky Associates, on behalf of the Southbridge Innovation Center, is pleased to provide this 144,000 SF industrial building, perfectly suited for marijuana cultivation and manufacturing. The voters of the Town of Southbridge resoundingly voted in favor of overturning the ban on adult-use marijuana in June 2019. Town Counsel adopted the ban reversal in October 2019. Town Counsel adopted the final version of adult use marijuana zoning bylaws in November 2019. Adult Use Marijuana is a permitted use at the Southbridge Innovation Center with Special Permit and Site Plan Approval from the Town of Southbridge. As part of a 1.2 million square foot Industrial and Technology Park, with the most advantageous zoning, park security, and no residential abutters, the Southbridge Innovation Center is the ideal location for marijuana cultivation in Southbridge.

### KEY ADVANTAGES OF THIS PROPERTY FOR MARIJUANA CULTIVATION ARE AS FOLLOWS:

- Electricity is generated on-site by a co-generation plant delivering electricity at below market rates, translating to annual savings for a marijuana cultivator in excess of \$500,000 annually.
- 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 40% of the total project development costs.
- Ceiling Heights range from 15' - 22' making this facility perfect for marijuana cultivation and controlling heating costs.
- Electric capacity already in place and the ability to deliver as much power as needed to the building.
- 8 tailboard loading docks for shipping and receiving.



- 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
- A town that is eager to negotiate a host agreement and generate tax revenue for its community



## 35 OPTICAL DRIVE

**Proposed Use:** Office, Warehouse, Manufacturing

**Built:** 1942

**Renovated:** 2006

**Total Square Feet:** ±198,300 SF

±144,200 SF Manufacturing/Warehouse

±54,100 SF Lower Level

**Land Area:** 50.04 Acres (Total Complex)

**Loading Docks:** 8 with Tailboard, Levelers & Dock Light

**Drive-in Doors:** 0

**Ceiling Height:** 15' - 22'

**Column Spacing:** 40' on average

**Roof Type:** Membrane

**Construction:** Concrete/Brick/Wood Truss

**# of Floors:** One, with Lower Level on grade

**Sewer:** Public

**Water:** Public

**Gas:** Natural Gas Available

**Electric Service:** Onsite Cogeneration Plant w/ market competitive pricing

**Current Electrical Capacity:** 7,600 Amps

**Lift/Elevator:** Freight – 2 x 6,000 capacity,  
Passenger – 1 x 6,000 capacity

**Fire Safety:** Fully Sprinklered

**Utilities:** Building will be serviced by electric; chilled water, low pressure steam, hot water; and fiber

**Zoning:** To be zoned for adult use marijuana cultivation/manufacturing in November 2019

**Rail Onsite:** No

**Parking:** 100 Spaces in Common adjacent to building

**Cam Charges (2019):** \$1.83 per SF

**Floor Load:** 150 LBS PSF

**Roof Type/Age:** Needs Replacement

**Property Management:** Franklin Realty Advisors, (onsite).

**Commercial Tax Rate (2019):** \$20.38 per \$1,000

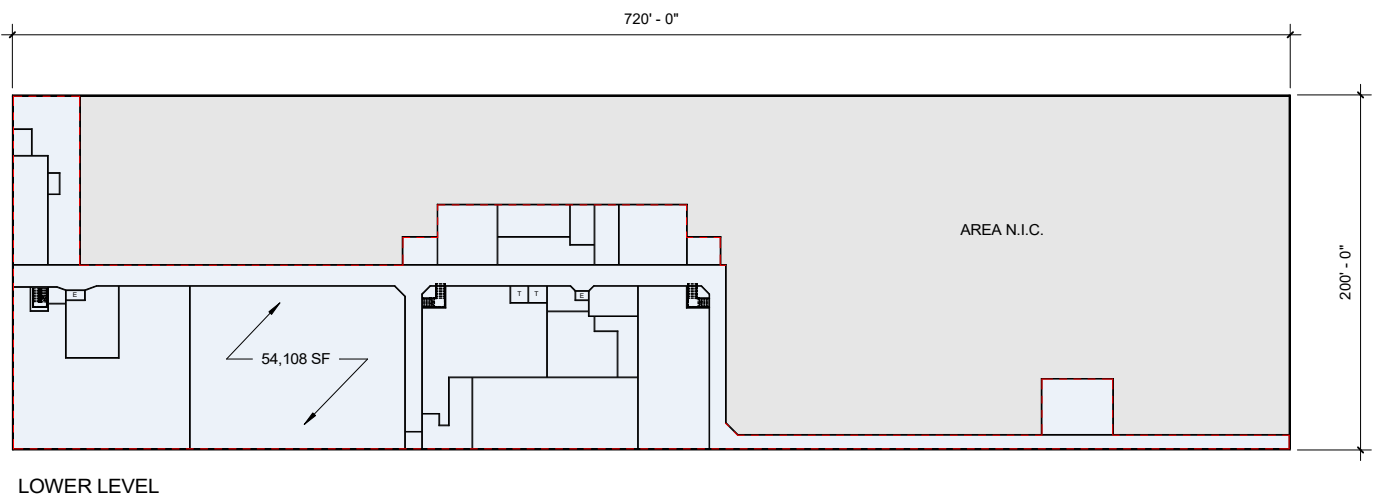
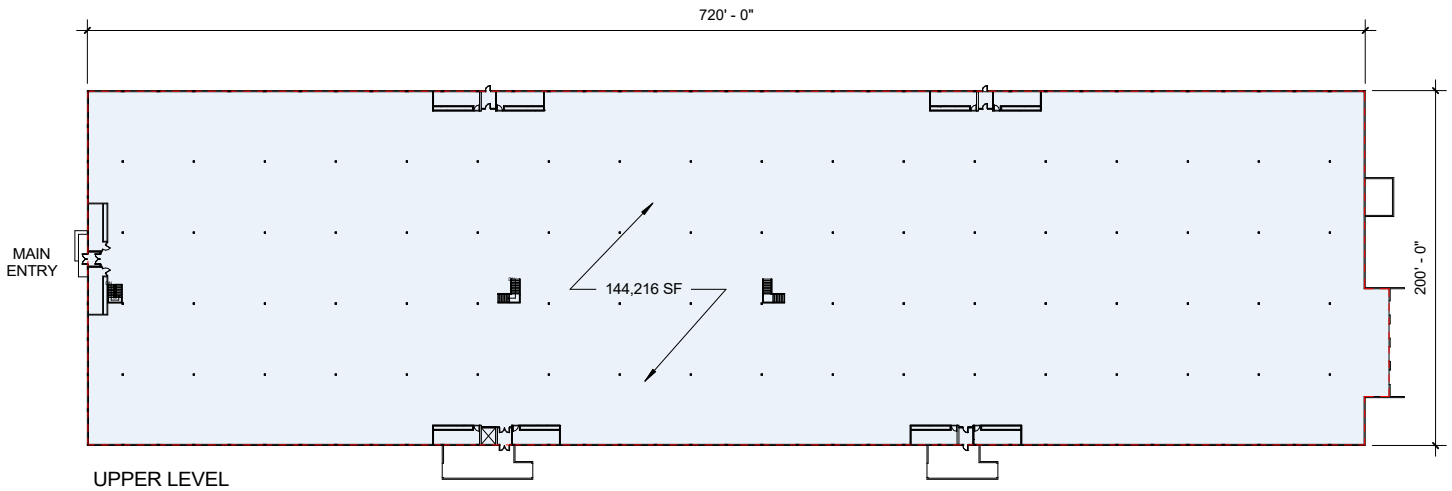


Originally constructed in 1942, this brick and wood beam two-story structure containing 198,300 SF, was originally used by American Optical as a manufacturing/warehouse facility for eyeglass and plastic products for the face, eyes and ears. The building has gone through a series of renovations over the years which includes extensive investment by its prior tenant, 3M.

The building is positioned geographically in the center of the site with 15' - 22' clear ceiling height on the main floor totaling 144,200 SF and ample natural light provided by nine roof monitors and over 200/4' x 6' windows on the perimeter. The main floor is served by four loading docks on the south and two on the east side of the building.

The ground level of 54,000 SF has direct access from the street and sufficient ceiling height to be used for office or storage space.

## FLOOR PLANS





**SOUTHBRIDGE**  
INNOVATION CENTER

**AVAILABLE FOR SALE**  
35 Optical Drive, Southbridge, MA  
[southbridgeinnovation.com](http://southbridgeinnovation.com)

## INTERIOR PHOTOGRAPHS



 **Kelleher  
& Sadowsky**  
[kellehersadowsky.com](http://kellehersadowsky.com)

**James Umphrey**  
Principal  
508.635.6790 direct  
508.579.6080 cell  
[umphrey@kellehersadowsky.com](mailto:umphrey@kellehersadowsky.com)

**Chris Naff**  
Vice President  
508.841.6212 direct  
508-277-6275 cell  
[naff@kellehersadowsky.com](mailto:naff@kellehersadowsky.com)

## GROUND LEASE

In conjunction with the purchase of 35 Optical Drive, the buyer will enter into a long-term ground lease with the property owner, Southbridge Associates II, LLC which will include the land under and around the building, loading dock areas and parking areas (as noted in the red dotted areas) containing approximately 100 spaces.

### GROUND LEASE SITE PLAN



The basic terms of the ground lease will be:

1. **Term:** 50 years with 2/10 year options to extend.
2. **Annual Ground Lease Payment:** \$60,000 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. 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.
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 on a pre-negotiated rate/charge basis.
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.

## TERMS OF OFFERS

- 1. Price** - Formal asking price is \$6 million. Price is a significant driver for the ownership. Preference will be given to the highest priced offers.
- 2. Deposits** - Each offer shall provide a certified cashier's check in an amount equal to \$250,000 made payable to Fletcher Tilton PC. The \$250,000 with be selected offer shall be placed into escrow at Fletcher Tilton and shall be considered non-refundable but applicable toward the purchase price. All other deposit checks shall be returned to the other buyers.
- 3. Financing** - All purchase offers shall be based on an all cash sale, not subject to any bank or third-party financing.
- 4. Ground Lease** - The property does not reside on a public road with frontage. As such, the building will be sold on a ground lease basis. The ground lease will be for a term of 50 years with 2/10 year options at a starting rent of \$60,000 escalating 10% every 5 years.
- 5. CAM Charges** - The owner shall pay its CAM charges to SAIL on a monthly basis as charged bedone due. The current CAM charges at the park, inclusive of real estate taxes, are \$1.83 per square foot per year.
- 6. Historic Property** - The property, and the entire park, are on the National Historic Register. Any renovations to the building must comply with historic renovation specifications. The property does qualify for state and federal historic tax credits. Buyer to look into the feasibility and criteria for qualifying for the 20% state and 20% federal tax credit. Seller makes no warranties or representations that buyer will be able to secure any tax credits.
- 7. Environmental** - Seller can provide a Phase 2,21 e report which was completed on the entire property with no known issues around the subject property. Ground Lessor will indemnify Ground Lessee for any claims/liability related to the ground lease area.
- 8. Utilities** - the property is serviced by electricity, steam and chilled water from SBC Energy, LLC, an on-site cogeneration power plant. Buyer shall be obligated to purchase ALL utilities from SBC Energy, LLC at market competitive prices.
- 9. Brokerage commission** - Seller shall compensate its broker, Kelleher & Sadowsky, as per separate agreement. If buyer is represented by its own agent, buyer shall compensate its agent at buyers sole cost and expense.
- 10. No Exclusivity** - Buyer acknowledges that the Southbridge Innovation Center is a 1.2 Million square foot commercial complex and that other buildings within the park may be suitable for cannabis cultivation. Buyer hereby agrees that it shall not appeal, disrupt, petition, or otherwise act in any manner to prevent another cannabis cultivator from locating within the Southbridge Innovation Center.

## 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.



## AERIAL OF SITE



## 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**

35 CASE STREET

**Industrial Transfer**



## 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](http://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](http://kelleher-sadowsky.com)



### CONSULTANTS

**The Kunian Group:** Led by Dennis Kunian, The Kunian Group brings to the team a deep expertise in both the cannabis and real estate industries. For many years they have been working at the intersection of the public and private sectors within these industries.



### 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](http://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](http://thewbdc.com)