

NORMANDY REAL ESTATE PARTNERS

NEW YORK TRI-STATE EDITION

JOHN HANCOCK TOWER

At a March 31st auction that was over in two minutes, Normandy Real Estate Partners – along with investment partner Five Mile Capital – became the owners of Boston's iconic John Hancock Tower, New England's tallest building and the latest evidence of Normandy's reputation as a smart, savvy, commercial real estate investor/operator.

The 60-story Hancock Tower, located at 200 Clarendon Street, has been called "an achievement in minimalist, modernist skyscraper design." Designed by I.M. Pei and Henry N. Cobb, and completed in 1976, the sharp-angled tower is comprised of large, highly reflective panes of glass that are tinted slightly blue, giving the structure an amazingly beautiful appearance on a clear, sunny day – reflecting the rest of the Boston skyline while creating only a

slight contrast with the blue of the surrounding sky.

Although the March auction took only minutes, Normandy's road to ownership of this icon was carefully traveled over the course of nearly a full year. Starting in June 2008, a joint venture of Normandy and Five Mile began acquiring, at discounted prices, pieces of a mezzanine loan secured by the equity interests of the Hancock's former owner, Broadway Partners, in three buildings – the Tower, its adjacent parking garage, and a California building, 10 Universal City Plaza, that is home to NBC Universal's headquarters. Normandy had foreseen the pressures market conditions were creating for such mezzanine borrowers – and recognized the opportunities that would be created for investors like Normandy who combined available capital



John Hancock Tower, Boston MA

Green News

Across the Normandy portfolio, we've been increasing our focus on "green" initiatives in ways that are paying off for our tenants and the greater community. Our latest initiatives are focused on Sustainability Planning and Demand Response Implementation.

Sustainability Planning

Normandy has recently hired NotHot in alliance with 2pi to assist in creating a sustainability plan that will identify and establish best practices, and guide asset planning as well as utility analysis.

As a first step, data gathering on building systems, operations, energy use, population density & utility data has been completed and analysis is well underway – at over 60 Normandy properties.

For our second phase of the work, NotHot and 2pi will help us create a measurement benchmark utilizing the EnergyStar rating system to properly identify which properties meet or exceed the benchmark – or which ones require further action.

Demand Response programs at electric utilities encourage electricity users to control their power consumption during times of peak loads. Participating property owners and manag-

ers agree in advance that during certain times (mainly the hottest days of the year), they will take specified steps to save electricity.

Through "demand response" – utilities are able to relieve stress on the power grid and help prevent rolling brownouts. This energy curtailment in no way hinders the property owner's ability to serve their clients but rather promotes power savings through awareness campaigns and such other simple steps as turning lights off in vacant offices, lowering of window shades, and promoting the use of stairs, among other things.

Normandy has enlisted consultant CPower to work across all Normandy's regions, on a detailed asset analysis that has already identified over 15 properties that qualify for the local power company "demand response" programs in their area.

Put these two programs together – and Normandy's belief is that in partnership with our tenants we can reduce the carbon footprints of our properties, cut back on the use of fossil fuels, improve the environments of our communities – and our planet – and do it all while saving costs for the tenants we serve. A win-win all around. ■

with real estate management expertise to acquire distressed debt as a means to eventual ownership of the real estate assets themselves.

Normandy's comment after winning the auction sums up the company's approach to real estate investing – and to serving the needs of its commercial tenants:

"As a leading owner/operator of first-class commercial properties, we believe these...buildings are each one of the top properties in their respective markets, and we will look forward to serving their tenants in keeping with the high standards for which Normandy is known in the commercial real estate sector. We are committed to investing in these properties and owning them over the long-term."

As Normandy has shown across the full breadth of its growing Northeastern U.S. portfolio, that commitment to investment and long-term ownership is

a signature of the firm – and a major benefit for tenants. While getting ready to take on the work of revitalizing Boston's tallest landmark – Normandy is no stranger to such worthy projects. The Company is currently redeveloping the classic Ames Building, Boston's first skyscraper and tallest building when it was constructed back in 1889. Indeed, the Boston Historical Society awarded Normandy its 2009 Preservation award for the skillful preservation of the historical elements of the building as Normandy moves to convert the property into a first class hotel.

Although many elements of the commercial real estate market may be feeling the effects of the economic downturn, Normandy is committed, as always, to adding value to its properties, creating a direct line of contact with tenants, and working with them to lease available space that best meets their needs. ■

NORMANDY UNVEILS 'THE EXCHANGE' AT WESTCHESTER

In the earliest days of Spring, commercial tenants in Westchester's prestigious Platinum Mile buildings began to see encouraging signs of change – new signage with the name of a new owner/manager – Normandy Real Estate Partners. And now that change has been topped by a whole new identity for the complex – which Normandy has rebranded 'The Exchange'. Why the new name The Exchange? According to Normandy's Ray Trevisan, "The Exchange is all about community, networking and business contacts – in an extraordinary location with unrivaled access to a network of transportation alternatives. We feel the name The Exchange captures

the essence of the property – a place for the productive exchange of contacts and business ideas."

The Exchange includes 14 buildings that comprise this 1.5 million square foot collection of Class A office parks along suburban New York's I-287 corridor which have been hailed for their "beautiful plazas, architecturally styled entries and sophisticated, richly decorated lobbies" in park-like settings with access to major regional highways and transport hubs. Originally constructed in the 1970s and 1980s, and featuring many popular amenities like cafeterias and fitness centers, these buildings afford companies great spaces, tasteful surroundings, and a convenient commute. No



925 Westchester Avenue at The Exchange at Westchester

wonder The Exchange has attracted such top tier tenants as JPMorgan Chase, Wells Fargo, and Travelers Insurance, as well as Westchester Medical Group – which recently signed a new lease for its headquarters office totaling more than 30,000 square feet at The Exchange's 2700 Westchester Avenue location.

Normandy's hands-on approach to property management means a committed and active landlord who is dedicated to working with tenants to ensure the long-term success of the portfolio. Mr. Smith added, "We're installing our best management practices and our best teams of managers to make sure we're delivering for The Exchange tenants."

Another key move Normandy

has made is to bring in as leasing agent Newmark Knight Frank – a firm known for its energetic posture in making sure buildings are well-marketed and well-filled. According to Newmark Knight Frank's Brian Carcaterra, "Thanks to Normandy's commitment – we can offer tenants and prospective tenants great flexibility in leasing. The Exchange is a unique space in an excellent location – and because we're prepared to work with prospective tenants who need smaller spaces and shorter terms – these properties are highly competitive offerings in today's suburban real estate market."

All told – Summer 2009 is a new beginning with Normandy for The Exchange! ■

THREE OUTSTANDING NEW LEASES

The first six months of 2009 for leasing transactions in New Jersey has been good for Normandy Real Estate Partners, who marked the success by recently announcing that three properties leased more than 68,000 square feet with five notable tenants.

Those tenants include Global Crossing, the global telecommunications solutions provider which executed a 34,908 square foot lease extension at Park Place, Florham Park, Mitsubishi Pharma, a company committed to the scientific progress, pharmaceutical advancement, and the creation of products that contribute to the overall improvement of health and well-being, which executed a 20,423 square foot lease extension at 25 Independence Boulevard, Warren, Texas Instruments – a global analog and digital semiconductor IC design and manufactur-

ing company – executed a 5,521 square foot lease extension at 25 Independence Blvd., Warren, JNET Communications, a provider of customer management and fulfillment services, executed a 5,002 square foot lease extension at 25 Independence Blvd., Warren, and mental health services company Stepping Forward Counseling Center, leased 2,595 square feet at 26 Main Street, Chatham.

Ray Trevisan, principal at Normandy Real Estate Partners stated, "Although the commercial real estate industry is currently experiencing challenging times, Normandy's focus on our tenants has enabled us to execute prominent leasing transactions in New Jersey. Being a trusted partner is a core value we rely on – and our tenants find our flexibility in leasing terms and our open communication management style as real advantages. We are able to provide companies, both large and small, with corporate homes they will be proud of. ■



Community Corner

13TH ANNUAL GOLF OUTING

Normandy's Paul Teti and Ray Trevisan recently spearheaded USRowing's 13th annual Golf Outing and Live Auction, held in early June at the Bedens Brook Golf Club in Skillman, NJ. The nonprofit is recognized by the U.S. Olympic Committee as the governing body for the sport of rowing – and proceeds from the Outing and Auction will benefit the United States National Team.

The all-day function is USRowing's primary fundraiser of the year and included a shotgun round of golf, dinner, and a live auction. The generous contributions of the participants make it possible for USRowing to provide athletes with the best possible coaching, training, and competitive experiences necessary for success at the international level.

Last year, thanks to the help from sponsors and donors, the U.S. Olympic Rowing Team traveled to Beijing to

win a gold medal in the women's eight, a silver medal in the women's single sculls and a bronze medal in the men's eight. This year, the team will again make their fellow Americans proud as they compete at the World Championships in Poznan, Poland and set the tone leading up to the 2012 Olympic Games in London.

As members of the organizing committee, Teti and Trevisan were both instrumental in securing golfers, donors, and auction items. Paul himself is an eight-time senior national rowing team member and three-time Olympian, and was a member of the men's straight four that finished ninth at the 2008 Olympic Games.

Support for USRowing is just one way Normandy gives back to the larger community – in 2009 Normandy supported the following charities in various ways: Special Olympics, the James Hirsch Foundation, and United Way, among others. ■