

Friday December 07 2007

BPG Properties buys Eagan's Grand Oak Business Park

Former owner Interstate Partners will still manage complex

Staff Writer REJournals.com

Chicago-based BPG Properties Ltd. has acquired the Grand Oak Business Park in Eagan from Interstate Partners. The purchase was made on behalf of BPG Investment Partnership VIII LP, a private equity fund with total equity commitments of \$850 million.

The purchase price was not disclosed. Grand Oak is adjacent to Interstates 494 and 35E, as well as to Highways 149 and 55. The 10-building campus comprises 530,000 square feet of office space, ranging from data/tech to Class A, and 12,000 square feet of retail. More than 90 percent leased, Grand Oak has space available ranging from 1,000 to 19,000 square feet.

"With its easy transportation access, wide variety of space, and convenience to desirable housing options, Grand Oak Business Park is poised to attract diverse tenants from across the metropolitan area," says Joseph Neverauskas, senior vice president of BPG and head of its Midwest regional office in Chicago. "BPG is committed to expanding its portfolio by continuing to acquire and redevelop properties in Minnesota and throughout the Midwest."

The business park is situated on 100 landscaped acres surrounding a private pond. It features two fitness centers, a mile-long walking trail, putting green and conference center. On-site retail includes Time Out restaurant and bar, Jimmy John's Gourmet Sandwiches and Caribou Coffee, complementing convenient area restaurants, hotels and shopping centers.

Each building in the park has indoor or surface parking, with a ratio of five spaces per 1,000 square feet.

The Grand Oak purchase follows BPG's acquisition and repositioning of Metropoint in St. Louis Park. Since acquiring the 917,500 square foot office park in August 2006, BPG has invested more than \$10 million in capital improvements and generated more than 338,000 square feet of leasing activity.

Kelly Gibbel, vice president of BPG, will be the asset manager for the Grand Oak property. Mark Stevens, Pete Dufour and Anna Engstrom of Colliers Turley Martin Tucker have assumed the leasing assignment, while Interstate Partners, previous owner of the property, will continue to provide on-site property management.

Terry Kingston and Tom O'Brien of Cushman & Wakefield represented Interstate Partners in the transaction.