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Making it at the mill

By *Alex Bloom*

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NORTH ANDOVER — Last month, BeyondTrust Software moved from New Hampshire into 11,000 square feet of office space in East Mill, one half of the former Davis & Furber Machine Shop.

The new tenant brings the refurbished North Andover mill up to 93 percent occupancy, from about 20 percent when owner RCG LLC, of Somerville, bought the property in 2007.

The mixed-use mill, located on Water and High streets next to Osgood Pond, boasts a pizza place and a yoga studio as well as 27 apartments and a solar panel installer.

With easy access to Interstate 495 and just blocks from Main Street in North Andover, the mill has consistently attracted new tenants at a time when the economy has been sinking.

"People had to understand that we weren't just going to let that property go to waste," said David Steinbergh, a principal at RCG LLC. "We were just getting started."

Cambridge SoundWorks, a research and development group that develops audio and sound systems, was one of the first tenants to move into the area under RCG management. Rob Mainiero, general manager of Cambridge SoundWorks, said the company is blown away with what RCG LLC has done with the mill.

"If you had put all of these things on a checklist to your broker, you couldn't get it," Mainiero said of the diversity of businesses.

The mill buildings were part of the Davis & Furber Machine Shop during the height of the wool industry in North Andover from the late-1800s until the 1980s. The area is listed on the National Register of Historic Places.

RCG bought the East Mill after having achieved success refurbishing old mill buildings in Cambridge and Salem. But Steinbergh said an important part of the purchase was knowing that North Andover would work closely with the owners to spur development.

"We had confidence that we could work with the town, which is always important, even before we closed the deal," Steinbergh said.

The building purchase happened at the same time that town leaders decided to designate the mills and the housing around them as the Machine Shop Village Neighborhood Historic District, preserving the area. The town's Community Preservation Committee also used \$250,000 of Community Preservation Act funds toward streetscape repairs in the area. The town is also implementing recommendations in a master plan created to restore the area.

Mainiero said the proximity to Main Street was a selling point for Cambridge SoundWorks.

"I just got this wonderful vibe and it was really in this wonderful sort of downtown space where our team could walk into town," Mainiero said.

The East Mill had leased only about 50,000 square feet of office space when the company moved in. Mainiero said RCG LLC worked closely with them to help them find the best space and offer any accommodations they needed, such as extra storage space.

"We built our space and we moved in and (Steinbergh) couldn't have been more cooperative in so many ways," Mainiero said. "It's not like we're a big deal. We're a little research and development shop here."

Good Day Cafe, opened by John and Kathy Santoro in the mill 10 months ago, had similar compliments for RCG LLC.

"They're very receptive to all our needs. They're great to work with and I think that's a part of why they're successful in filling up their building," John Santoro said.

Santoro said he notices how different the East Mill is now, remembering the mills a few years ago as a quiet area. The West Mill, owned by Indianapolis-based HDG Mansur, houses the Converse corporate headquarters and an office of energy management supplier Schneider Electric, and offers 380,000 square feet of office space.

A Somerville native, Santoro has seen converted mills working in other parts of Massachusetts.

"I didn't think that was something that would fly necessarily up our way," Santoro said. "It was a great that they were able to do that."

Steinbergh said the East Mill offers tenants more than a traditional suburban office, with different amenities, a downtown location, and an interesting and historic building. Attracting broad tenants, he said, was always part of the plan.

"Everything you can picture at any office building, we have that type of tenant," Steinbergh said. "We weren't just appealing to one part of the market. We weren't saying that we're just a medical building."

The building also caters to multiple needs because the Davis and Furber mills handled wide-ranging responsibilities. The space offers a warehouse, storage, loading docks and manufacturing floors, as well as office space.

When the economy worsened in 2008, the company pressed on and continued to pursue tenants by offering flexible deals.

"You can never blame it on the recession," Steinbergh said.

Selectman Rosemary Smedile said the flow of people into the town is helping other local businesses.

"We see people who are going to the restaurants, to the drug stores, to the dry cleaning, to the bakeries," Smedile said. "You see the foot traffic."

She said that RCG's ability to fill the mills during the recession has been amazing.

"It gives people hope," Smedile said.

Steinbergh said he believes the Massachusetts mailing address and the proximity to Boston keeps the mills

competitive to other office spaces as well.

He said RCG's job will not be finished until the mills are fully occupied and he hopes to add more apartment buildings in the future.

"That is still in our vision is the opportunity to add more housing, add a little bit more density to the site," Steinbergh said.

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East Mill Rent Roll

120 Water Street 19 Residences

21 High Street/120 Water Street Businesses

9 High Street Stachey's Pizzeria

15 High Street Cambridge Soundworks

19 High Street Good Day Café©

25 High Street Jaime's Restaurant

Building 34 East Mill Artspace

Suite 201 Leapyear Publishing

Suite 206 Bradford Medical Associates

Suite 207 TR Design

Suite 208 & 209 NexAmp

Suite 210A, 305B&C The Vesume Group

Suite 210B Cunningham Lindsey/GAB Robins

Suite 211 DSA Detection LLC

Suite 212 Veolia Water

Suite 213 Petroleum Wholesalers, Inc.

Suite 214 xFact, Inc.

Suite 301 Smolak & Vaughan

Suite 302 Nelsons

Suite 305A, D, E Franklin Pierce LLC

Suite 306 Dowslake Microsystems

Suite 310 Schneider Electric

Suite 350 Energy & Resource Solutions

Suite 355 Park Street Travel

Suite 401 BeyondTrust Software, Inc.

Suite 403 New England League of Middle Schools

Suite 405 eSupport, Inc.

Suite 406 Swimfish, Inc.

Suite 407 Converse, Inc.

39 High Street Aurora Imaging Technology, Inc.

43 High Street

Suite 110A Serenity Massage

Suite 110 B&C Dr. Patrick Marasco Plastic Surgery

Suite 110C Pulsecare Medical

Suite 120 An Easier Recovery (TAW)

Suite 210 Harvey & Martin, PC

Suite 220 Michaud Rowe & Ruscak Insurance

Suite 310 Bikram Yoga Merrimack Valley

45 High Street 8 Residences

57 High Street The Dentists Collaborative