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First Capital purchases Wilmington buildings, hints at future buys

Two Wilmington commercial buildings, including the offices of Kendle International Inc., have been acquired by First Capital Group, the investment partnership said Monday.

The acquisition by the Bloomington, Ind., company includes 47,500 square feet of space, with 8,300 square feet available for lease, at 1011 and 1013 Ashes Drive in the Westfall research park complex.

Kendle occupies the majority of the complex and has been located at the property since 2002, First Capital said. Based in Cincinnati, Kendle is a publicly held clinical research company.

"We're broadening our real estate portfolio to regions of the United States that are experiencing aggressive economic development, especially in the biotechnology and life science industries," said John Fernandez, First Capital Group partner and senior vice president. "Wilmington is a community rich in emerging industries and high-tech organizations. We're quite optimistic about the area's economic forecast."

The acquisition is the first in North Carolina for the five-partner firm, which acquires properties for its own portfolio, Fernandez said Monday.

First Capital is seeking other acquisitions and investments in Wilmington and North Carolina, Fernandez said, adding that he and another partner have several connections to Wilmington and Myrtle Beach, respectively.

"We try to identify areas where there will be strong and sustainable growth," he said.



"We're particularly interested in biotech and bio science companies. One of the reasons we were so interested in the Ashes Drive investment was because of the tenant, Kendle," Fernandez said. "We like to look at projects that have strong tenants."

Fernandez would not disclose the price or other terms of the transaction, but said it "was a very attractive acquisition on price and the condition of the building."

He cited its location near Mayfaire Town Center and Landfall, and said "we tend to buy things that we want to hold on to," rather than flip for a profit.

Fernandez said the Wilmington deal is part of a strategy for broadening First Capital's portfolio, whose 1 million-plus square feet of real estate is centered in Indiana. "Since we have many connections to the region, it makes sense to look for other investment opportunities" here.

The partnership targets single-tenant offices, but it also does build to suit for the life sciences industry. "We do quite a bit of construction and new development," Fernandez said.

The company has \$170 million in assets and is invested in 40 businesses.