

BANKER & TRADESMAN

ESTABLISHED IN 1872

In Person

Monday, October 25th, 2010

Relationship Builder

By Jim Cronin

Banker & Tradesman Staff Writer

Anthony Simboli, a Chelsea-based commercial real estate developer, recently purchased his family-owned company, ACS Development. The company owns approximately 325,000 square feet of office space, worth roughly \$60 million, spread across nine Chelsea buildings, all within walking distance of each other.

Anthony Simboli, a Chelsea-based commercial real estate developer, recently purchased his family-owned company, ACS Development. The company owns approximately 325,000 square feet of office space, worth roughly \$60 million, spread across nine Chelsea buildings, all within walking distance of each other. After changing the company's name to AJSimboli Real Estate, Simboli recently signed deals to develop approximately 50,000 square feet of new office space in Chelsea. He has secured loans from multiple banks, including TD Bank and Citizens Bank, at a time when most lenders are essentially keeping their vaults shut.

Anthony Simboli
Title: Principal, AJSimboli Real Estate; Chelsea
Age: 47 Experience: 25 years
You recently purchased your family's assets and are already expanding.
How have you secured the funds when so few others can?

I still believe that even in this day and age it's still about relationships.... In this tough market I am doing very well based on some people that remember dealing with me in the past. TD Bank did not know me from a hole in the wall when I showed up there in December, needing a loan between \$10 million and \$15 million ... I told them I needed a loan to finalize this purchase. They said, 'Who are you? No one's loaning money.' But even at TD Bank, one of the people higher up worked at a bank that I worked at in the past. Then I started talking with them and they got to know me, and knock on wood, I closed the deal.

What do you have in the works?

I'm in the drawing stages for a state-of-the-art federal training facility for federal law enforcement agencies, with a concept that has been well-received that I am hoping to launch in the next 12 months to 14 months. I will likely put about \$3 million into the building, which is now basically a refrigerated produce building. In Chelsea, currently I do have a lot of federal tenants, like Social Security and aspects of the Transportation

Security Administration. It's a real opportunity to be on the cutting edge of something new. But I won't do anything until I know the city is 100 percent comfortable with it. Thankfully Chelsea's City Manager Jay Ash is very pro-business and goes out of his way to help. I'm also close to closing on one of the oldest historic buildings in Boston, hopefully in the first week in November. It's an economically sound building. I want people to understand from my background that I'm not just all about Chelsea. What will your new company offer that others do not? I feel that my strength is looking at how to position and restructure properties. I'm still very bullish and aggressive on Chelsea and its future. I've gotten to know this market over the years. Here, you have to know your neighbors, and you have to be a good neighbor. It's all about service. That's my approach to things. It's a handful of tenants that make or break a company, and I want my tenants to be able to call me on the weekend. When you call a company, I want it to be a real person that answers the phones, I don't like voicemail. In Chelsea we have a very good mix of tenants between buildings that I would call a neighborhood building with 15 or 16 small tenants, and then buildings that have more of an open plan concept, with something like the Department of Revenue in it. We started here in 1985 when no one wanted to be in Chelsea. Conceptually when I looked at the real estate market it's obviously not a great time to own real estate. I looked at it and said 'What do I know and what do I know well?' And that's the inner suburbs. We're an office park, but we're also in a city environment.

Your company retains its own construction company and is quite vertically integrated. How has this contributed to your success? In the last few years when the economy wasn't doing well, I made a concerted effort to keep a staff that in some respects is probably more people than I think could be needed to run these buildings. But there are more things that I want to do and want to provide for my tenants and employees, and there are creative ways to keep people busy rather than just looking at your bottom line. So when I bought a portion of the portfolio, I felt very loyal in this economy to my employees, and I thought, 'How am I going to keep them busy?' So I went out and bought some snow plowing trucks last week and said, 'If you guys want to do some snow plowing, it'll help keep you employed,' as opposed to outsourcing the snow plowing. Plus we have a lot of construction that's coming up, so I'll be able to use the vehicles.

Simboli's Top Five New England Skiing Destinations
The Balsams - Dixville Notch, N.H.
"The Balsams are still a place where you can feel the history."
Mount Sunapee - Newbury, N.H.
Okemo Mountain Resort - Ludlow, Vt.
Killington Resort - Killington, Vt.
Cannon Mountain Aerial Tramway & Ski Area - Franconia, N.H.

<http://www.bankerandtradesman.com/news140943.html?Type=search>