

City Men Buy Former Waumbec Mill Building

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Two local men bid \$15,000 for the five-story, 400,000-square-foot former Waumbec Mill on Commercial Street in Manchester's Millyard district yesterday in a bank-sponsored foreclosure auction.

Shane Brady, 26, and Arthur Sullivan, 37, representing Brady Sullivan Properties, 530 Chestnut St., ended up being the high bidders. In fact, they were the only bidders in an audience of about 35 people at the auction.

Once the deal is closed, the new owners will be responsible for almost \$208,000 in back property taxes and other fees to the city. They must pay almost \$57,700 of that this year to prevent the city from taking the property in lieu of tax payments.

After the auction Sullivan said they plan to renovate the building and then lease the space, most likely for warehousing, distribution and possibly some manufacturing.

"Anything the city would allow us to put in here," said Sullivan, who added they believe the Millyard has a future.

Sullivan said they have purchased other Manchester buildings at auction in the past and are accustomed to being the lone bidders. He said they bought the Inn at Amoskeag Falls in March of 1995 and 156 apartment units on Log Street, which were turned into Bass Island Estates.

Both have been successes, the buyer said.

He said Brady Sullivan Properties owns about 800 apartment units in New Hampshire and Massachusetts.

Attorney John Allen, representing first mortgage holder Fleet Bank, would not say at the auction how much the bank is owed. The property is assessed at \$1,344,300.

This is at least the second foreclosure on the historic building, touted in 1992 as a shining example of the Millyard's potential to generate new jobs.

Last year the National Council for Community Development foreclosed on Bridge Street Associates, which had purchased the building for \$1.85 million.

Yesterday's bank foreclosure, through the community development council, was on 1899 Associates.

The council received the building as a donation from Berkshire Hathaway Inc. Manchester Economic Development Office industrial agent Jay Taylor said he was pleased yesterday to hear Sullivan's optimism about the Millyard.

"Obviously, I think there's a future here, too," he said. Progress has been made but "we know we have a long ways to go."

Dean Kamen, who owns other Millyard buildings, attended the auction but said he did not intend to bid. The building's shape, size and condition, as well as leases with some tenants, contributed to his decision, he said.

Another property owner, Bernard Gasser, who owns a building at Elm and Merrimack streets, said he looked into the building but his research scared him off.

He was at the auction yesterday but said he was willing to bid no more than \$1, noting the tax bill liability. In addition to that bill, Gasser said, any new owner would face major renovation expenses, including roof and elevator repairs.

Robert M. Caro, of Caro Properties Inc. of Nashua, also was on hand but not bidding. It's a sturdy building, he said, but there is too much vacant space in Manchester. "I think it's going to be hard to fill up," he said.