

CRISP developer secures \$63M in new financing

By Jacob Owens

WILMINGTON – MRA Group, the Pennsylvania-based development firm behind the Chestnut Run Innovation and Science Park (CRISP), has secured \$63 million in new financing that will help to build out the first phases of the project.

The 164-acre former DuPont campus just west of downtown Wilmington is set to be transformed into a multi-tenant campus focused on high-tech sciences, but the cost of developing it has grown with the rising cost of building and financing. MRA Group plans to invest about \$500 million into the project that it believes will have a lifetime value of more than \$1 billion, according to Phil Butler, executive vice president and partner at the firm.

The new debt includes \$50 million originated with Nuveen Green Capital and Fulton Bank as a commercial property assessed clean energy (C-PACE) loan, which are limited by a property's assessed value but paid annually over the loan's term as part of a property's tax bill. WSFS Bank has loaned an additional \$13 million.

The relatively new C-PACE financing option has not been extensively utilized in Delaware but it allows property owners to make significant upgrades to buildings without having to put capital up front or make monthly loan payments. The loans are also transferable to new owners, meaning they don't have to cut into an owner's profit on a property sale.

The utilization of C-PACE financing via Nuveen is a first for MRA, and one that the parties

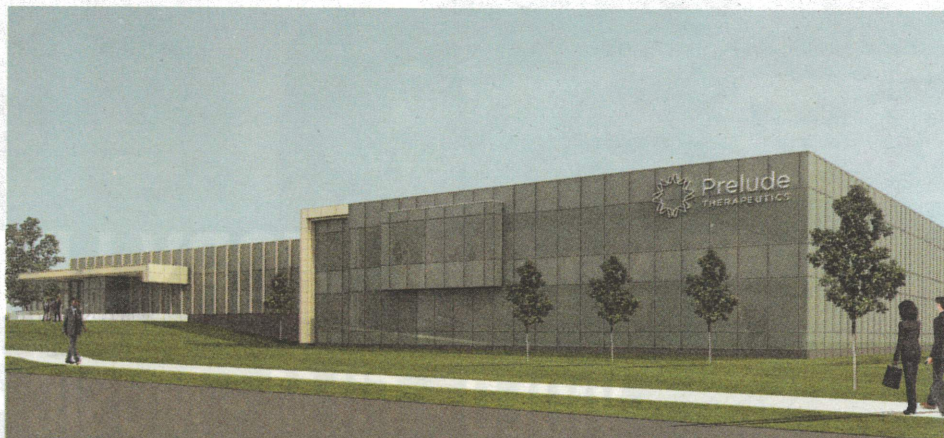
had investigated for several years before closing the deal. "It was a pleasure to work with MRA Group and Fulton Bank on this major deal," Nuveen Green Capital Senior Director of Originations Shelah Wallace said in a statement. "We are excited to see the energy efficient developments at CRISP."

Butler said the firm appreciated the value of the unique financing vehicle that is a good fit for the complete renovation project at CRISP, and they would likely look to utilize future C-PACE deals.

While a significant part of the new funding will support the building of the new 102,000-square-foot Solenis research facility set to open next year, the remainder would be invested in site improvements and other projects as well, Butler said.

DuPont and Celanese Corp., which acquired a former DuPont division last year, are already working on the campus, and Prelude Therapeutics is scheduled to occupy its new 81,000-square-foot headquarters building on the campus before the end of the year, Butler said.

Meanwhile, MRA Group is continuing to make progress on offering other amenities to attract and retain tenants. It has already signed a deal with Marriott to develop a 127-room Residence Inn hotel on the site and is negotiating with a prospective operator for an on-site daycare facility as well, Butler said. The developer also has active plans for a pad-site restaurant, fitness center, amphitheater and conference space that haven't yet progressed. **DBT**



The future headquarters of Prelude Therapeutics will open at CRISP by the end of the year.
PHOTO COURTESY OF MRA GROUP