



Newly developed Melville industrial property sells for \$44M

David Winzelberg // May 6, 2024

A newly built warehouse and distribution property in Melville has sold for \$44 million.

BGO, a Miami-based global real estate investment firm, acquired the 103,000-square-foot building on 8.18 acres at 125 Baylis Road.

The warehouse and distribution facility was developed by Phoenix-based Creation Equity and its joint-venture partner J.P. Morgan Asset Management. The developer purchased the 100,000-square-foot office building that had previously occupied the site for \$10.716 million in August 2021, in a deal brokered by Adam Rochlin of The Rochlin Organization.

After demolishing the office building, it was replaced with the new warehouse



and distribution center, featuring 32- foot ceilings, 20 dock doors and two drive-in bays. The new building, dubbed Baylis 495 Business Park, features 96,900 square feet of warehouse space and 6,600 square feet of office space.

In 2022, national beverage distributor

Keurig Dr. Pepper signed a long-term lease for the property, relocating from an adjacent building it had been leasing at 135 Baylis Road. The following year, the leasing of the new facility, brokered by Phil Heilpern, Paul Leone, Martin Lomazow and Matt Manoogian of CBRE, was recognized by the Association for a Better Long Island and the Commercial Industrial Brokers Society of Long Island as the “Most Ingenious Deal of the Year.”

“The sale of Baylis 495 epitomizes nearly three years of dedicated effort and remarkable execution by our team. From identifying the site in 2021 and swiftly obtaining approvals to the remarkable transformation of the property into an award-winning logistics facility, pre-leased to a key player in the beverage sector, every aspect has seamlessly come together,” Luke Georgiadis, vice president of transactions at Creation, said in a company statement. “Thank you to the teams at J.P. Morgan, Premier Design + Build Group, Bohler Engineering and Weber Law Group for making this project a success. Working with the BGO team on this transaction has been a pleasure, and we wish them the best with the property.”

Founded by David Sellers and Bob Agahi in 2018, Creation entered the Northeast market a few years later, embarking on \$200 million worth of industrial projects spread across three prime locations in New York and New Jersey, including 125 Baylis Road and the Old Nichols Commerce Center in Islandia. The company’s portfolio consists of \$4.5 billion in ground-up developments in Arizona, Texas, California, Tennessee, New York, and New Jersey, with industrial projects totaling more than 6.5 million square feet and valued over \$1.5 billion, according to the statement.

BGO (BentallGreenOak), the real estate investment arm of Sun Life Financial, has \$83 billion of assets under management. The firm has more than 1,400 employees in 27 offices in 13 countries, according to its website.

Marc Duval of JLL represented the seller in the Melville sales transaction.

