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Cummings Properties' execs eye shifts in strategy

BY MICHELLE HILLMAN
JOURNAL STAFF

WOBURN — **Bill Cummings** may not be an essential part of day-to-day decision-making at **Cummings Properties LLC** any longer, but his successors insist they will not stray far from the model he created.

That said, **Dennis Clarke**, the new chief executive officer, and **Michael Pascavage**, the chairman, are considering small shifts in strategy as the company moves forward. In November, after 20 years as president, Cummings stepped down and turned the North Shore real estate company over to Clarke and Pascavage.

The duo now oversees the management the 8 million-square-foot portfolio, including leasing at 500 Cummings Center in Beverly — a 300,000-square-foot speculative office and research building that currently houses **Agencourt Biosciences Corp.** in 30,000 square feet. There is also a new, 150-room hotel in the pipeline at the site.

“Cummings Center is one of those challenges foremost in our minds, certainly one we knew about as soon as we broke ground on the building,” said Clarke.

Another challenging project — a proposed 575,000-square-foot office building at Trade Center Executive Park in Woburn in the works for years — will have to wait until the office market recovers before it forges ahead.

Cummings has built its business by providing smaller companies with full-services real estate options. While that will not change, Clarke said he is considering acquiring several assets that

could be leased to larger firms on a triple-net basis, which means the tenant takes care of taxes, insurance and maintenance.

Another slight shift Clarke is considering: Rather than acquire a property and break it up into smaller leaseable units, the company hopes to buy properties it can lease in larger, “turnkey” spaces. Cummings currently has an offer on a property along Route 128.

Clarke has been with the company since 1996 and Pascavage has been there since 1983.

Bill Cummings may not be the chief decision-maker at Cummings Properties, but he is calling the shots at the Cummings Foundation — where he has transferred 60 percent of his office portfolio. Despite recent changes, Cummings has kept his office at 200 W. Cummings Park, where he runs the nonprofit that retains ownership of the assets.

In his new role, Cummings will oversee the foundation, which currently operates two assisted-living facilities — the 120-resident New Horizons at Choate in Woburn and 400-resident New Horizons at Marlborough.

Cummings said he first got the idea for the foundation 20 years ago, and for the first 10 years he contributed 10 percent of all the company's pretax earnings to it. Today, the foundation is worth more than \$500 million.

Cummings' goal is to build the foun-



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Bill Cummings stepped down from Cummings Properties LLC to head up the Cummings Foundation, which he plans to grow to \$1 billion.

ation to a \$1 billion organization by 2011 and switch it from an operating foundation to a grant-making foundation, which would require it to give away at least 5 percent a year. Cummings has donated almost all of his properties to the foundation except for his favorite property, Cummings Center in Beverly, because of tax consequences that would have resulted from the transfer of the entire portfolio to the foundation.

Cummings has not bowed out of real estate deal-making altogether, saying he would consider acquiring additional assisted-living facilities if the opportunity were to arise.

MICHELLE HILLMAN can be reached at
mhillman@bizjournals.com.