
Capital Realty Buys First Office Asset in Tampa;

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TAMPA, FL—On a shopping spree throughout the Southeast, Capital Realty Investors LLL has added its first office asset to an industrial, retail and office portfolio now totaling 597,640 sf and valued at \$39 million.

The locally based firm paid Tampa I Associates Ltd. \$8.5 million or \$98.33 per sf for Palm Lake at Tampa Palms, a class A, 86,000-sf building. The 16-year-old building is \$100% leased with an average asking base rent of \$19.50 per sf, giving it a potential one-year gross rent volume of \$1.7 million.

The acquisition was done at this time because "it was the right opportunity at the right time," Capital Realty co-founder Ben Wacksman tells *GlobeSt.com*. He says there were no special marketing or closing challenges to overcome by either buyer or seller.

Wacksman is a former Hillsborough County commissioner who went into commercial real estate when he started CRI in fall 2001. Dan Wallace, founder and former owner of LazyDays RV Center in Tampa, is Capital Realty's other co-founder. Wacksman negotiated for his firm. Nancy Herz of Herz Office Solutions in Tampa represented the seller.

"We believe that Palm Lake is uniquely positioned in the market," Wacksman says. "Demand for space in the building is high and we are forecasting growth from the surrounding population and companies. Add to that easy access from either Interstate 75 or 275 and Capital Realty Investors has acquired an outstanding asset."

The property was also purchased right since the \$98.83 per-sf price is below replacement cost of comparable class A structures today. Area construction industry estimators tell *GlobeSt.com* most class A projects now going up are at least in the \$150-per-sf hard cost range.

Palm Lake at Tampa Palms, located at 15310 Amberly Dr. in the affluent Tama Palms suburb, "provides professionals with the amenities of a Downtown office building without incurring the costs of a lengthy commute," adds Wacksman. Near Palm Lake are the University of South Florida and the Moffitt Cancer Center and Research Institute.

Songy Partners Realty Ltd. of Atlanta will continue to manage the property which it has done since 1996. Herz Office Solutions Inc. of Tampa will stay on to lease up and market the property.

Three industrial properties Capital Realty acquired in the past 20 months are the 107,540-sf Airport Corporate Center near Tampa International Airport; the 216,000-sf Hopewell Industrial Center, a distribution warehouse; the 112,000-sf Black & Decker manufacturing plant; and the 76,100-sf Marketplace at Cypress Creek, anchored by a Kash n' Karry in Sun City, FL.

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