

## Commercial Value Add Case Study – Suntree Office

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- Acquisition Date: April 2013
- Acquisition Price: \$5.4 Million
- Total Investment: \$6.4 Million
- Sale Date: May 2016
- Sale Price: \$9.8 Million

### Summary

Real Capital Solutions purchased the Suntree Office Complex in April 2013 for \$5.4 million. The five-story 74,793-square-foot building was built in 2006 in Melbourne, FL. RCS underwrote a conservative 40-month lease-up plan with a focused repositioning strategy centered on shifting the identity of the building from a corporate headquarters to Class A multi-tenant office space.

At the time of the acquisition, the building was only 35% occupied due to general market conditions and the prior owner's inability to fund necessary improvements to attract tenants.

### Results

Real Capital Solutions put in place an aggressive capital improvements and leasing strategy aimed at securing smaller five- to ten- year leases while offering competitive renewal rates, tenant improvement packages and incentives. RCS was able to stabilize the property within 28 months. The project was then sold for \$9.8 million in month 37 of the investment, well ahead of the original 40-month lease-up plan and nine-year projected hold.