

# Office Turnaround Comes With 88 Percent Sale Premium

*Samantha Joseph, Daily Business Review*

January 7, 2016 | 0 Comments



A three-year hold and capital improvement investment in an Aventura office mid-rise yielded a notable return for Steelbridge Capital LLC.

Miami-based Steelbridge cinched a \$38 million deal for Aventura View, a 107,304-square-foot office building at 2999 NE 191st St. within walking distance of the Aventura Mall. COFE Properties, a Coral Gables-based commercial real estate investor, is the buyer.

The price represents a premium of more than 88 percent, or about \$17.8 million, on the property that last sold for \$20.2 million in 2012.

"It was a great deal," Steelbridge Capital managing principal Jay Caplin told the Daily Business Review. "If we did a handful of those, we'd be quite happy."

The disposition is consistent with Steelbridge's strategy of acquiring office assets, making multimillion-dollar outlays to improve infrastructure and adding amenities before divesting.

With Aventura View, the company invested about \$3 million to renovate the ground floor, lobby, common areas and restrooms. It also purchased a neighboring quarter-acre parcel to reconfigure a parking lot and add 40 spots.

The improvements helped attract two financial institution tenants—JGB Bank and City National Bank N.A.

City National moved from a property next door to occupy 3,500 square feet in Aventura View's revamped lobby.

"It's significant because they were in the neighboring building 100 yards away," Caplin said. "They decided to move into our building because of the improvements and the image we made."

Occupancy rose to 91 percent from 75 percent as new tenants accounted for more than 90,000 square feet. Rental rates also spiked about 40 percent to average \$27 to \$30 per square foot.

"Overall, we dramatically changed the complexion of the property," Caplin said. "We took what was a C property and moved it up to an A Class, and people responded."