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# SunTrust Complex Sells for \$90 Million in Fort Lauderdale

Carla Vianna, Daily Business Review

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Steelbridge Capital managing principal Michael Manno is banking on Fort Lauderdale's real estate market catching up to Miami.

The Miami-based investment company sitting on busy Brickell Avenue was lured north for its latest investment.

On Wednesday, Steelbridge purchased the two-building Class A SunTrust Center office complex on Fort Lauderdale's famed Las Olas Boulevard.

The purchase price was a hefty \$90 million, sources close to the deal said. A deed has not yet been recorded.

The office trade was touted as the largest sale in a year in terms of value and square footage in downtown Fort Lauderdale.

The complex at 501 and 515 E. Las Olas Blvd. is comprised of a 17-story office tower, a three-story office annex building and a parking garage covering a city block.

Both local and national investors went after the offices, which have a combined 270,000 square feet of space, Steelbridge said.

SunTrust Center has a 77 percent occupancy rate, but Steelbridge plans on bringing that up. Fort Lauderdale is a market the group believes in, Manno told the Daily Business Review. The downtown market posted a 12 percent vacancy rate during the first quarter, according to CBRE Inc.

"This is a quintessential value-add opportunity," he said.

The group plans on spending millions of dollars to renovate the complex, which will include gutting the 52,000-square-foot annex to give it a new façade, first-floor retail space and a remodeled interior.

While several potential buyers competing with Steelbridge planned to demolish the smaller building and replace it with a high-rise, Manno said his company chose a different approach, seeing potential in reviving the space as a high-end boutique asset.

The taller office tower will receive a technology upgrade as well as aesthetic renovations to its lobby and common areas.

The seller, SunTrust Banks Inc., owned the property since 1999. The bank has committed to long-term retail and office leases in both buildings, and plans to open a branch on the annex's ground floor after renovations, Manno said.

"We are pleased to partner with SunTrust Bank, our lead tenant and an established financial brand within the Southeast, to elevate this asset to compete at the highest level within the downtown submarket," he said.

CBRE's South Florida capital markets team, which is composed of Christian Lee, Amy Julian and Jose Lobon, arranged a \$75.4 million loan for Steelbridge from the Blackstone Group for the purchase.

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