

Boca Raton News

ARTICLE

Date
6/14/2021

ArticleType
General

MHCommercial Real Estate

MHCommercial Real Estate Fund and Contrarian Capital Management Acquire Lakewood Ranch Office Property from The Dilweg Companies – 9000 Town Center Parkway - for \$20,250,000

West Palm Beach, Fla. – MHCommercial Real Estate Fund LLC (“MHC”) a Florida based discretionary private real estate fund has formed a joint venture with Contrarian Capital Management, LLC (“Contrarian”), a Connecticut based hedge fund, to acquire 9000 Town Center Parkway, a 101,312 SF, Class-A office building located in Lakewood Ranch, Florida for \$20,250,000.

Cushman & Wakefield’s Rick Brugge, Mike Davis, Rick Colon and Dominic Montazemi represented the seller, The Dilweg Companies, in the transaction with support from Zach Eicholtz and Brooke Tulley. “9000 Town Center is a high-quality, Class-A office asset in a high barrier to entry location within Lakewood Ranch,” Brugge said.

9000 Town Center, a two-story building, was originally developed in 1998 as a single tenant build-to-suit that has been solely occupied by TriNet USA, Inc. (NASDAQ: TNET) until recently. The property is located east of I-75 on 11.28 acres within the master planned community of Lakewood Ranch with a parking ratio of 5.84/1,000 SF.

The 75% occupied property is the fourth acquisition for MHC which was formed in the fall of 2019 by Neil E. Merin, SIOR, CCIM, Jordan Paul and Dung Lam, Principals of West Palm Beach, Florida based NAI/Merin Hunter Codman, Inc. along with Florida based real estate veteran Joe Sprouls to acquire income producing properties with strong cash flow potential in dynamic markets throughout the Southeastern United States.

Corey Winsett, MHC Director of Acquisitions and Asset Management spearheaded the due diligence for MHC working with Grant Fridkin Pearson, PA who served as counsel for the purchaser under the direction of Richard Grant and Charles Whittington.

“We are pleased to have successfully closed this transaction in a challenging environment,” said MHC Principal Jordan Paul. “This asset aligns perfectly with MHCommercial Real Estate Fund’s investment strategy to acquire high-quality properties in growing Southeastern markets. The property benefits from the strong creditworthiness of the current tenancy as well as significant upside from leasing the currently available space in a market that is in very high demand for office space. We are particularly pleased to have an exceptional financial partner that shares our investment thesis.”

The project is representative of a continued relationship between MHC and Contrarian with regard to value-add office acquisitions in South Florida. Contrarian, a Connecticut based fund with over \$5 billion in assets under management has been a specialist in opportunistic real estate investing for the past 30 years with one of the most stable management teams in the industry.

Financing for the project was provided by Servis1st Bank under the direction of SW Florida President Mario Bringas. MHC Principal Dung Lam, who structured the financing with Servis1st Bank stated, “We were pleased to complete our first loan with Servis1st Bank that will allow us to realize this asset’s potential. We look forward to this being the first of many future deals with Servis1st Bank.”

NAI/Merin Hunter Codman will provide property management with leasing services provided for the new ownership by Steve Horn, CCIM and Principal of Ian Black Real Estate, Inc.

Steve Horn and Melissa Harris will oversee leasing for the venture and may be contacted at 941-906-8688.