

Thursday, July 1, 2021

## Office Near Sarasota, Fla., Sells for \$20.25Mln

MHCommercial Real Estate Fund has paid \$20.25 million, or \$200/sf, for 9000 Town Center Parkway, a 101,312-square-foot office building in Lakewood Ranch, Fla.

The fund, sponsored by NAI/Merin Hunter Codman of West Palm Beach, Fla., partnered with Contrarian Capital Management of Greenwich, Conn., on the purchase from the Dilweg Cos., which was represented by Cushman & Wakefield.

MHCommercial funded its purchase in part with mortgage financing provided by ServisFirst Bank of Birmingham, Ala., which has an office in Pensacola, Fla.

The 23-year-old property, which is 75 percent occupied, is MHCommercial's fourth investment. The fund was launched two years ago by NAI/Merin's investing operation, which is led by Neil Merin, Jordan Paul and Dung Lam.

The 9000 Town Center property, on an 11.3-acre site near Interstate 75, was constructed as a single-tenant property and is anchored by staffing company TriNet USA Inc. It is 10 miles east of Sarasota, Fla., and 50 miles south of Tampa.

"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," explained MHC's Paul.

Marketing material that Cushman had distributed noted that the property's vacancy represented the only large block of available space in Lakewood Ranch, a 34,000-acre master-planned community with more than 44,000 residents. It noted that the property would generate \$2.1 million of net operating income upon stabilization, which would give the price paid by the MHCommercial/Contrarian venture a capitalization rate of 10.26 percent.

It also noted that office rents in the Sarasota market had increased by 16 percent over the past five years. The Lakewood Ranch area has a 2.9 percent vacancy rate.