

Friday, Feb. 24, 2023

## Tampa, Fla., Office Property Sells for \$40Mln

A venture of MHCommercial Real Estate Fund II and Siguler Guff & Co. has paid \$40 million, or nearly \$222/sf, for Bridgeport Center, a 180,247-square-foot office building in the Westshore area of Tampa, Fla.

The venture purchased the nine-story property, which was constructed in 1980 and renovated in 2010, from FDG Bridgeport LLC, an affiliate of Americas Capital Partners of Coral Gables, Fla., which had acquired it in 2013. It was represented by Cushman & Wakefield.

The property, at 5201 West Kennedy Blvd., is 91 percent occupied by tenants that include Delta Air Lines, which occupies 60,815 sf through April 2029, and Laboratory Corp. of America, which is in 24,317 sf through August 2027.

The MHC/Siguler venture, which was represented in the deal by law firm Shutts & Bowen, funded its purchase with a loan from M&T Bank. That loan takes out a \$14.9 million mortgage that was securitized through JPMBB Commercial Mortgage Securities Trust, 2013-C12, and was slated to mature in April.

The venture plans to upgrade the property and create speculative suites within it. The property last year had generated \$2.53 million of net operating income, according to servicer data compiled by Trepp Inc. That would give the MHC/Siguler venture's purchase price a 6.33 percent capitalization rate.

Last year, the Westshore market was the strongest in the Tampa area, based on absorption. It had 224,274 sf of positive absorption, which amounts to just less than 2 percent of the 12.75 million sf in the entire market, according to JLL. Most other markets in Tampa had negative absorption, where previously occupied space became vacant. Asking rents in Westshore also are among the highest in the area, at \$34.13/sf, after the central business district's \$38.81/sf. Asking rent at Westshore's class-A buildings, which include Bridgeport Center, is \$36.93/sf. Meanwhile, the area isn't expected to see any new space come online anytime soon.

Bridgeport Center becomes the third investment for MH-Commercial Real Estate Fund II, which was launched nearly a year ago by Neil E. Merin and Jordan Paul of NAI Merin Hunter Codman Inc. of West Palm Beach, Fla. The fund has the capacity to make up to \$300 million of investments. It's a follow-up to Fund I, which was raised in 2019 and had made \$125 million of property investments. Like its predecessor, the latest fund pursues value-add properties in the Southeast.

Siguler Guff is a New York investment manager with \$3.2 billion of assets under management through its real estate strategy.

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