

Tampa Commercial Real Estate Wrap-Up – August 2020

BY ADRIANA MARINESCU September 4, 2020

TAMPA BAY, FL. - Tampa Bay showed some signs of recovery in August as the coronavirus slowed its spread in the metro. However, various economy sectors continued to feel the health crisis' effects: Ports will remain closed for cruise ships at least until winter, and many of the region's major employers kept employees at home, stifling activity in the office sector. Despite the metro's challenges, the industrial sector emerged as a prime driver, fueled by the growth of e-commerce, as Amazon moves forward with plans for two more facilities in Temple Terrace and Lutz. Here's our August list of Tampa must-reads:

1. DEVELOPMENT – Central Florida's largest spec industrial project begins in Lakeland.

Brennan Investment Group and Grandview Partners started construction on the three-building, 165-acre CenterState Logistics Park East. Located at 8565 State Road 33 along the Interstate 4 corridor, the park will offer more than 1.5 million square feet of warehouse space at full build-out. The project's first phase—the 1 million-square-foot Building 400—is slated for delivery in the first quarter of 2021. Site work began shortly after the joint venture sold the neighboring, 440,000-square-foot CenterState West to Nuveen Real Estate for \$41.2 million.

2. DEAL – CTO Realty Growth pays \$26.9 million for Tampa office building.

The company purchased the 120,000-square-foot Sabal Pavilion from Pacer Partners in a 1031 exchange. Ford Motor Credit Co. has been the building's sole occupant since Highwoods Properties developed it at 3620 Queen Palm Drive in 1998, and the tenant's lease has been extended through March 2026. The Class A, four-story asset features 30,125-square-foot floorplates and parking at a ratio of roughly 7.5 spaces per 1,000 square feet, according to Yardi Matrix.

3. DEAL – New Lakeland facility changes hands for \$15.1 million.

Blue Steel Development sold the 222,134-square-foot speculative industrial building in Lakeland to Bobeck Real Estate shortly after completion. The rear-load facility at 5275 Drane Field Road was more than 50 percent leased at the time of the sale, with the tenant planning to occupy its space in December. The 20-acre property is 3 miles from Interstate 4 and less than 3 miles west of Lakeland Linder International Airport.

4. FINANCING – Denholtz Properties refinances St. Pete business park.

Thorofare Capital provided a \$13.1 million loan for the 206,000-square-foot Pinellas Business Center. The six-building property occupies 18 acres at 10901 to 11001 Roosevelt Blvd. and 1000 112th Circle N. in the Pinellas Gateway District. Developed between 1985 and 1986, the park has single-story office and industrial facilities with grade-level and dock-high doors and showroom space. Denholtz has owned the asset since 2001, Yardi Matrix shows.

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