

CASE STUDY



THREE CROSSWOODS

200 E. Campus View Blvd. | Columbus, Ohio 43235

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| CLIENT: | Triangle Capital Group, LLC |
| ASSET TYPE: | Class A Office Building |
| ASSET SIZE: | 115,228 Square-Feet |
| LOT SIZE: | 7.256 Acres |
| YEAR BUILT: | 1987 |
| SALE PRICE: | \$7,482,500 |

CLIENT CHALLENGES

Triangle Capital Group, LLC ("TCG"), a real estate investment firm specializing in commercial debt acquisition, purchased Three Crosswoods from CWCapital in October 2014. Three Crosswoods had just emerged from receivership, placed there due to negative impacts suffered from Great Recession. The original acquisition debt matured and the property was unable to be refinanced at an acceptable LTV. In addition, one of Three Crosswoods larger tenants was financially distressed and left the property susceptible to a dramatic value decrease. Three Crosswoods presented the type of value-add opportunity that is attractive to TCG. However, TCG needed a commercial real estate partner that could devise and implement a successful strategy to maximize the asset's disposition value. TCG partnered with Lee & Associates because of Lee & Associates' extensive experience successfully repositioning problematic commercial real estate assets. Lee & Associates' expert service teams are well versed in creating both value and cash flow in troubled assets using Lee & Associates' integrated leasing, property management, construction and investment disposition services.



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PROPERTY CHALLENGES

Three Crosswoods is Class A office building consisting of 115,238 SF NRA on 7.25 acres which was suffering from recession induced below market occupancy and short-term leases. In order to facilitate much needed renewal and leasing activity, Three Crosswoods needed strategically placed capital and a new, robust marketing program. In addition to vacancies, access to the property was another major hurdle. Although conveniently located near major highways, ingress/egress to the property was hindered for over two and a half years due to the Ohio Department of Transportation's total rework of the main interchange used to access the property.

LEE & ASSOCIATES SOLUTIONS

- In order to increase tenant satisfaction, aid leasing efforts and strengthen asset marketability, Lee & Associates' property management team developed and implemented various common area improvements.
- Three Crosswoods offered a distinct advantage over its competitors due to abundant parking which is rare in the Northern Columbus Submarket. Lee & Associates' seasoned office leasing team implemented a customized marketing approach that was able to achieve premium rents by targeting and acquiring parking-intense tenants.
- Lee & Associates' leasing team utilized a long-term, consultative approach to understand the needs of the existing, successful businesses, to renew them under longer terms with the least amount of owner capital.

LEE & ASSOCIATES RESULTS

- During the repositioning effort, Lee & Associates' specialized leasing team was able to increase Three Crosswoods occupancy from 62% to 95%.
- Employing the Lee & Associates integrated team that specializes in effective communication, Three Crosswoods was stabilized and sold at a substantial profit for TCG.