

**FOR THE EXCLUSIVE USE OF** KBARTALOS@BLOCKLLC.COM

From the Kansas City Business Journal:

<http://www.bizjournals.com/kansascity/news/2016/09/16/college-metcalf-office-portfolio-sale.html>

## OP office portfolio including 'Darth Vader' building fetches \$94M

### 🔑 SUBSCRIBER CONTENT:

Sep 16, 2016, 9:33am CDT Updated: Sep 16, 2016, 1:49pm CDT

Chicago-based Holliday Fenoglio Fowler LP (HFF) announced Friday that it has closed the \$94 million sale of a three-property, seven-building office portfolio in Overland Park.

HFF marketed the property, known locally as the Colony Realty Partners portfolio, on behalf of the seller and procured the buyer, Group RMC Corp. All of the properties are located near the intersection of College Boulevard and Metcalf Avenue — the south Johnson County submarket's equivalent of Main and Main.



Totalling 806,864 square feet, the portfolio comprises three properties: 7101 College Blvd., also known as the "Darth Vader" building; Commerce Plaza I and II; and Financial Plaza I-IV.

The Class A assets are 92.6 percent leased to 128 tenants, including General Electric, Cardinal Health, Cigna, Arrowhead General Insurance, BHC Rhodes and EMC, among others.

The portfolio offers tenants access and visibility to Interstate 435, proximity to executive housing and retail amenities, and corporate neighbors such as JP Morgan, AMC, Teva and Coventry Health Care.

According to an HFF brochure on the property, the three assets presented a unique opportunity to acquire the stable cash flow provided by 7101 College and Commerce Plaza I and II, which are located at 7300 and 7400 W. 110th St. Collectively, they are 96 percent leased.

The portfolio also presents an opportunity to further enhance returns through the stabilization, repositioning or redevelopment of the mixed-use Financial Plaza complex, which is 86 percent leased. Its four buildings, ranging from 8,484 square feet to 147,952 square feet, are located at 6700, 6800 and 6900 College Blvd. and 10015-11095 Metcalf Ave.

The seven buildings in the portfolio were built between 1984 and 1989, and their in-place rents are 10 percent below market, "providing an excellent opportunity to mark to market on rollover and further increase rental rates with cosmetic upgrades," the HFF brochure stated.

In the *Business Journal's* Largest Multitenant Office Buildings List, Financial Plaza I-IV ranked No. 17 by leasable square feet and Commerce Plaza I and II followed at No. 18.

The HFF investment sales team representing the seller was led by senior managing directors Mark Katz, Jaime Fink and Jeff Bramson.

"HFF was honored to be involved in the sale of three of the most recognizable assets in Kansas City," Katz said in a release.

Block Real Estate Services, which teamed with HFF in the marketing of the properties, assisted the seller in the original purchase of the seven-building portfolio and has managed and leased the properties on behalf of the seller for the past 10 years.

BRES will continue in that capacity for the buyer and, to enhance its leasing services at these buildings, BRES has secured Brent Roberts, formerly with CBRE and one of the leading commercial office brokers in the Kansas City market, to take on this assignment. The Block investment team was led by Ken Block and Harry Drake.

"We have had the pleasure of representing the seller in a leasing and management capacity for the past ten years and look forward to working closely with Group RMC as we implement new leasing and management strategies for the portfolio," BRES Managing Principal Ken Block said in the release.

The buyer, Group RMC Corp., is a real estate co-investment group based in New York. RMC invests in, sponsors and is the general partner in underappreciated income-producing office properties in secondary and tertiary U.S. markets. RMC currently oversees over 4 million square feet of office space representing \$500 million in asset value.

**Rob Roberts**

Reporter

*Kansas City Business Journal*

