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## **TIC Closes 218,446-SF Deal for \$20M-Plus**

By *Connie Gore*

*(To read more on the **TIC market**, [click here.](#))*

IRVING, TX-A year after it tried to cherry-pick the deal from a portfolio sale, the Greenville, SC-based TIC Properties LLC has gotten what it wanted--a 218,446-sf office building known by its address, 122 W. John Carpenter Freeway. The final payout exceeded \$20 million.

The stumbling block last year was the Chicago owner, CMD Realty Investors, wanted to sell the entire portfolio. Trevor Gordon, president of TIC Properties, says he was just one of several who wanted to cherry-pick the 6.2-acre, class A asset. He tells GlobeSt.com that CMD re-thought its stance, decided to one-off the 90%-leased building and brought it to him first.

"We have a reputation of performing. The answer just turns into a 'yes' or 'no' with the seller," Gordon explains. "We don't re-trade." That strategy, he believes, is what swayed CMD to knock on the TIC's door before calling on anyone else.

The new owner pooled 19 tenant-in-common investors, mostly from US 1031 exchange circles, in a three-week sale. The TIC then leveraged the acquisition with a 10-year, fixed-rate loan, representing the fully syndicated price and rolling in a reserve to cover leasing commissions, tenant finish-outs and future repairs to the 24-year-old building and five-story parking deck.

Gordon says the debt, with a 30-year amortization, works out to 63.4% of the fully syndicated cost or 75% of the purchase price. Matt Good with Professional Mortgage Co. Inc. in Greenville arranged the financing through Chicago-based LaSalle Bank. Paul Aiesi, TIC Properties' chief investment officer, and Gordon brokered the deal.

TIC Properties kept the Cousins Properties Inc. team in place to lease the prize after interviewing a handful of local companies. The TIC also added a regional property manager, Carol Burk, to oversee the newest acquisition and last year's buy, the 216,772-sf, four-building headquarters campus of Michaels Stores Inc. along with its March acquisition, the 148,298-sf Accenture Plaza at 4000 S IH-35 in Austin. And if the TIC gets its way, there will be more buildings to manage before the year ends. Gordon says he's looking to spend another \$150 million nationwide. "If we spend it all in the metroplex, we're fine with that," he adds.

Gordon says all large renewals for this year have been put to bed in the six-story office building at 122 W. John Carpenter Freeway. And while working toward the closing, the new owner picked up another company for the 20-tenant roster. The addition is Walkaway USA LLC, a new subsidiary of lead tenant, Enterprise Financial Group. When the dust settled, the TIC had a 7,663-sf new deal and 38,134-sf headquarters renewal. "We were lucky and very happy to retain both operating groups," Gordon says.

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