

Iconic Rivergate Tower in downtown Tampa sold to New York group

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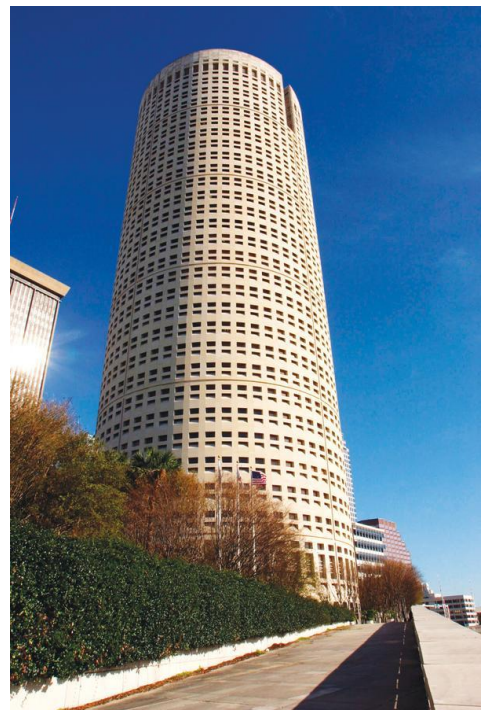
Downtown Tampa's cylindrical Rivergate Tower has been sold for \$59.6 million.

New York-based Mount Kellet Capital Management bought the office tower from Lake Worth-based In-Rel Properties, according to a Hillsborough County deed filed Wednesday.

The price breaks down to \$105 per square foot, well below the other office tower sales this year. The Wells Fargo Center sold for nearly \$200 per square foot; Tampa City Center sold for \$171 per square foot. Fifth Third Center fetched roughly \$175 per square foot.

Built in 1988, Rivergate Tower cost \$150 million or more than \$260 per square foot to build.

In-Rel paid \$22 million for the 567,000-square-foot tower in 2011, though investment brokers cautioned at the time that the price represented a "a good deal on a distressed asset."



When In-Rel bought the building, it was more than half empty, but it had reached nearly 80 percent occupancy after Butler Pappas leased three floors in the tower this spring. In-Rel invested \$3 million in upgrading the building and took an aggressive approach to dealmaking to win leases, CEO Mukang Cho told the Tampa Bay Business Journal in July 2013.

Be sure to check back for more on the deal and what it means to the office market.

http://www.bizjournals.com/tampabay/blog/morning-edition/2014/12/iconic-rivergate-tower-in-downtown-tampa-sold-to.html?ana=e_tbay_rdup&s=newsletter&ed=2014-12-11&u=EAYCWQT+qb9p5ND6QjssKA0e4124d0&t=1418303139