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Dadeland office complex sold, to be renovated

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The 1970s-era Dadeland Towers North is getting a \$20 million glass facelift as part of a Philadelphia-based company's entry into the South Florida commercial market.

Keystone Property Group bought the 244,225-square-foot cluster of three buildings in January for \$41.2 million. It also paid \$11.4 million two weeks ago for an empty 144,000-square-foot facility once used as a back office center for Bank of America in Miami Lakes. It is hiring a regional manager for Florida.

Part of the upgrade plan for the newly renamed Dadeland Office Center is to create a glass facade for the buildings, and to bring them up to current, hurricane-resistant code, Keystone Senior VP Matt Sigel said.

CB Richard Ellis' Christian Lee represented the seller, which was a tenant-in-common vehicle sponsored by Cabot Investments. Colliers Abood Wood-Fay is leasing and managing the property.

Keystone is investing \$13 million to renovate the Miami Lakes property, which sits on 10.71 acres at 5875 N.W. 163rd St. CBRE's Paul Cohen and Staubach Co.'s Richard Schuchts represented owner American Financial Realty Trust in the sale.

Keystone will use CBRE for leasing and has hired Colliers Abood Wood-Fay for property management. The new owner's plan is to sign multiple tenants to leases, build a new facade, upgrade the air-conditioning system and increase the parking ratio by demolishing the 6,200-square-foot freestanding day care facility on the property.

Pinebrook, which is 70 percent leased, will get \$3 million in upgrades, Sigel said.

Sigel added that Keystone had been tracking the South Florida market for three years, but was on the sideline, waiting for value-added opportunities and for the office condo wrinkle to smooth out. Office condo converters had gobbled up a lot of inventory and driven up

prices on buildings, making deals harder to find.

Jose Juncadella, a principal of commercial brokerage Fairchild Partners, said Keystone's investment choices make a lot of sense because of the potential for upside on both properties. Plus, he said, demand for commercial properties to climb.

"The buzzword right now is value-added opportunities," he said.