

SUCCESS STORY

>>> OFFICE BUILDING CONVERSION / N FEDERAL HWY, FL



Property Address

3600 N. Federal Hwy
Ft. Lauderdale, FL 33308

The Team

Clint Casey

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Numbers

- ✓ 3 stories
- ✓ 24,636 SqFt

Services Provided

Broker Opinion of Value
Total Market Analysis
Comparables
Leasing
Zoning Review

THE CHALLENGE

After purchasing the property in 2020 from an auction, the Buyer's intent was to lease the office building to office users or redevelop the property for residential. Concerned Covid would affect the office market in a negative way, we convinced the landlord to consider alternative uses such as retail on the ground floor. We were faced with several challenges:

- Seller expectations were to achieve a cap rate over 8%
- Had to convince landlord releasing building was more feasible than redeveloping the site
- Two large vaults would have to be removed from the first floor for retail
- The uncertainty of the effects of Covid on office buildings

THE STRATEGY

Our team went out to market targeting both office and retail users. We widely marketed the property through:

- CoStar, Loopnet, Brevitas, Realnex, CREXI, rotellagroup.com, social media, etc.
- Attended ICSC events, SFOB lunches, and other networking events
- Eblasts and calls to a proprietary list of Office Brokers and Retailers
- Running a Retail Void Analysis

OUR SERVICES

The team determined the market office and retail rents for the area. Detailed market information helped us show the landlord that there were other possibilities for the property other than just a traditional office.

RESULTS

Through our efforts, we identified several office and retail users for all or part of the property. Ultimately the landlord chose **Planet Fitness to lease the entire building**. Planet Fitness offered to pay a market retail rent for the entire building and required fewer tenant improvements from the landlord than an office buildout would require for a shorter-term lease. We identified Planet Fitness within the first week of taking the listing but spent several months testing the market for the most lucrative and strongest deal for the landlord. In addition, we were able to retain an outparcel for the Landlord which we lease for a build-to-suit.



AWARD

Received a CoStar Impact Award for the creative re-use and redevelopment of an aging office building.