



■ CASE STUDY

Cambridge Corporate Center

10101 Claude Freeman Dr, Charlotte NC 28262



ARCH COMPANIES

Increased occupancy from 81% to 99% in 9 months.

SITUATION

Current ownership purchased the building for \$43.5M in August 2014. At that time, the building was 94% occupied, but with a known vacate of 42,000 square feet. Previous owners and the leasing and management team didn't fully leverage the competitive advantages of the building, resulting in lower rents comparable to surrounding traditional office space (\$18.50/sf Full Service).

Due to lobby and common areas, the add-on factor was not appropriately attributed to current tenants or to new deals because a generic plug number (15%) had been used to calculate previous deals.

QUICK FACTS

- 373,000 SF office building
- Occupancy increased to from 81% to 99% leased in nine months
- Increased the add-on factor from 15% to 25%

Bob Boykin
SENIOR VICE PRESIDENT

bob.boykin@streamrealty.com
T 980.819.4274

John Hannon
SENIOR VICE PRESIDENT

john.hannon@streamrealty.com
T 704.813.7252





■ CASE STUDY

Cambridge Corporate Center

10101 Claude Freeman Dr, Charlotte NC 28262

STRATEGY

Stream immediately increased the asking rate to \$22.50/sf Full Service, leveraging the competitive advantages of the building that include an above-average parking ratio, redundant power and fiber, large floorplates, and a campus setting.

To accurately reflect the RSF of each tenant, Stream had the building remeasured, resulting in an increase of the add-on factor from 15% to 25%, growing the rentable square footage of the building from 339,000 square feet to 373,000 square feet.

By repositioning certain tenants within the building as leases expired, and expanding the parking on additional land on the property, Stream was able to free up one of the largest blocks of space in the market with a parking ratio greater than 7/1000.

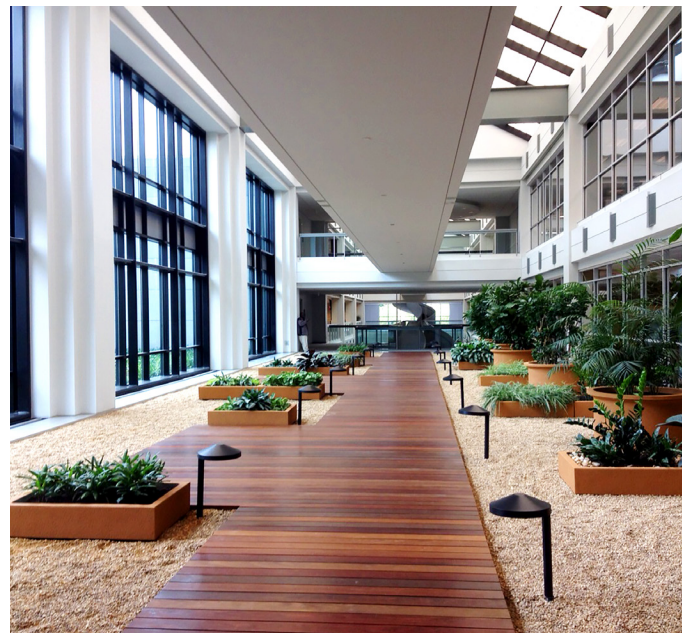
RESULTS

Within 9 months, Stream secured a tenant for the entire vacant suite, totaling 97,599 square feet, for 11 years, at a \$23.25/sf Full Service starting rate. This is nearly \$5.00/sf higher than the previous owner was marketing the building for prior to the acquisition.

As each existing tenant renewed its lease, Stream recaptured some of the RSF that was previously locked in at the lower rate, resulting in a higher NOI for the property.

Stream continued to push rental rates for the property to new highs of \$25/sf by understanding the critical components the property offers to companies.

In October 2018, the owner sold the building for \$63M, a 45% increase over the purchase price from just 3.5 years prior.



Bob Boykin
SENIOR VICE PRESIDENT

bob.boykin@streamrealty.com
T 980.819.4274

John Hannon
SENIOR VICE PRESIDENT

john.hannon@streamrealty.com
T 704.813.7252