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Muy Bonita: TerraCap Partners has purchased the Coconut Office Center in Bonita Springs, Fla. The property contains three floors totaling 11,000 square feet of newly constructed office space. Terms of the transaction were not disclosed. In conjunction with the acquisition, TerraCap plans to occupy 3,000 square feet of the Coconut Office Center for its new headquarters. The purchase was financed entirely with equity capital from TerraCap's second real estate fund, TerraCap Fund II, and represents the eighth acquisition since the fund announced its first closing in January 2012. The fund's portfolio comprises more than 600,000 square feet of apartments, office, distribution and hotel properties, as well as 330 acres of land. TerraCap's first fund, raised in 2008, is currently harvesting assets and is on track with assets under contract for more that one-third of the fund.

Sources: Institutional Real Estate, Inc.; released 9/10/12



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TerraCap Partners Acquires 11,000 Sq. Ft. Office Space in Bonita Springs, Fla.

Firm intends to use part of the office for new Florida headquarters

NAPLES, Fla., – Sept. 10, 2012 – TerraCap Partners is pleased to announce it has closed on a deal to purchase the Coconut Office Center in Bonita Springs, Fla. Located at 23421 Walden Center Dr., the property contains three floors totaling 11,000 square feet of newly-constructed office space located directly across the street from the Coconut Point Mall. Terms of the transaction were not disclosed.

In conjunction with the acquisition, TerraCap plans to occupy 3,000 square feet of the Coconut Office Center for its new headquarters. The purchase was financed entirely with equity capital from TerraCap's second real estate fund, TerraCap Fund II, and represents the eighth acquisition since the fund announced its first closing in January 2012.

“This is truly a first-class office building that we were able to close very quickly at a price of less than half of its replacement cost,” said W. Stephen Hagenbuckle, founder and co-managing partner of TerraCap. “This deal fits squarely into our overall investment strategy of buying deep value commercial real estate in high-growth markets that are supply constrained. “

“TerraCap's ability to find off market acquisitions and move quickly and discreetly to close transactions entirely with cash gives us a significant advantage with distressed sellers,” said Robert Gray, co-managing partner of the firm.

The Coconut Office Center is the latest in a series of acquisitions recently completed by TerraCap's second fund. So far, the fund has made eight investments comprising more than 600,000 square feet of apartments, office, distribution, and hotel properties and 330 acres of land. The firm has been actively renovating and leasing properties and the investments are outperforming business plans. TerraCap's first fund, raised in 2008, is currently harvesting assets and is on track with assets under contract for more than 1/3 of the fund.

About TerraCap Partners

Based in Naples, Fla., TerraCap Partners was founded in 2008 by W. Stephen Hagenbuckle to take advantage of the distressed real estate markets in Florida. The firm's first fund, TerraCap Fund I, closed in December 2010 and has executed 15 deep value land investments in high growth markets in southwestern Florida. The firm is currently raising its second fund with an initial target of \$200 million. TerraCap Fund II is focused more broadly on southeastern U.S. and mainstream commercial properties. Commercial real estate veteran Robert Gray joined the firm in 2011 as co-managing principal, bringing his experience from a career at JPMorgan, Morgan Stanley and Cantor Fitzgerald.

The firm takes a thematic approach to its investment activities with an emphasis on understanding real estate and migratory trends, banking regulatory pressures, and general market inefficiencies to acquire real estate assets that are mispriced, overlooked or undervalued. TerraCap's prides itself on being able to close transactions quickly with all cash. For more information please visit www.TerraCapMgmt.com.