

Deal Summary

CCI-Burleson I

6800 Burleson Rd, Austin, TX



Strategy: Value Add, Office

Acquisition Date	Disposition Date	Limited Partner Returns	LP Equity Distributions
Nov. '15 & Feb. '16	Sept. '21	46.13% IRR/6.50X	\$42,152,302

Property Description

- Size: 558,289 SF (Added 80,174 SF)
- Building Type: Class A Office
- Parking Ratio: 4.43/1000
- Location: US 71 & SH 183 next to ABIA and 9 min from downtown Austin
- Year Built: 1983 & 1985

Underwriting Summary	Projected (478,115 NRA)	Actual (558,289 NRA)
Acquisition Price	\$29,325,000 (\$61/SF)	\$29,325,000 (\$53/SF)
Equity Commitment	\$15,000,000 (\$31/SF)	\$16,389,285 (\$29/SF)
Leverage	\$18,900,000 (\$40/SF) Initial \$34,000,000 (\$71/SF) Peak	\$94,958,572 (\$170/SF) Current
Holding Period	60 Months	66 Months
Lease Rate	\$12.50/SF NNN Average	\$24/SF NNN Avg.; \$28 NNN High
Stabilized NOI	\$6,600,000	\$12,870,847
Sales Price	\$80,000,000(\$167/SF)	\$200,000,000 (\$358/SF)
Deal Level Returns (net of fees)	34% IRR	52.06% IRR / 7.92x equity multiple
LP Returns*	18-22% IRR	46.13% IRR / 6.50x equity multiple

	Cash In	Cash Out
Deal Level	\$16,389,286	\$126,699,794
LP Level*	\$6,484,969	\$42,152,302

*Note that LP returns are based on the partners who remained in the deal until disposition. Does not include buyouts for partners who obtained an aggregate 38.55% IRR and a 4.3x equity multiple.

Business Plan

Over its nearly five-year ownership of the asset, CCI has completed a series of major capital improvements in excess of \$33.1 million, that have updated and amenitized the asset throughout. In addition to capital spent on the building itself, approximately \$5.1 million has also been provided in tenant improvements. Another \$2.3 million in base building work is projected to be spent by year-end 2021, totaling more than **\$40.0 million of capital invested** in the asset.

Outcome

In connection with the asset's extensive renovation over the last few years, CCI successfully leased the building in its entirety to a variety of credit tenants, including anchor tenant, City of Austin, who has leased 320,000 square feet. The property offers tenants a package of amenities and building upgrades unparalleled to properties in the vicinity. The asset is one of the area's premier multitenant office buildings, providing a range of floor plate sizes, on-site amenities and over 2,400 parking spaces.