

# Boulders Office Park

Boulders Office Park is a class A office park located in Chesterfield County, in the suburbs of Richmond, Virginia. SugarOak, on behalf of a number of tenant in common investors, purchased three office buildings totaling approximately 280,000 square feet in May 2002 and an additional two buildings totaling approximately 225,000 square feet in June 2003. All five building were relatively new, well-leased and well-maintained class A office buildings.

## The Value Add

Each of the five properties were upgraded with custom programs that included lobby renovations, parking lot expansions, landscape upgrades and HVAC improvements. Late in 2006, SugarOak finalized an 11 year expansion and renewal with the project's largest tenant. The timing of HCA's requirement for additional space enabled SugarOak to obtain above market rents. Early in 2007, SugarOak was able to finalize a five year renewal with Sentry Insurance. Sentry's 50,000 square foot renewal locked in the second largest tenant in the park.

SugarOak determined that with the major tenants now under long term lease that the five buildings should be brought to market. A deftly orchestrated marketing effort by SugarOak's broker produced 14 bidders from which 3 were chosen for final offers. SugarOak sold the properties in July 2007 for \$96,250,000. In addition, during the period of ownership, over \$7,000,000 was distributed to investors from operating cash flow.

## Location

Richmond, Virginia

## Purchase Dates

May 15, 2002 (3 buildings)  
June 30, 2003 (2 buildings)  
January 2004 (Vacant lot)

## Size

505,000 SF & 5 acre lot

## Gross Purchase Price:

\$58,250,000

## Post-Purchase Investment

\$1,500,000

## Gross Sale Price

\$96,250,000

## Sale Date

July 20, 20007

## Investment IRR

(3 Buildings - 2002)  
24.36%

## Investment IRR

(2 Buildings - 2003)  
32.25%