

NASHVILLE BUSINESS JOURNAL

Friday, March 14, 2008

Los Angeles firm buys Airport South building, looks for more area deals

by [Jim Stinson](#) Nashville Business Journal

BH Properties LLC has bought Perimeter Park II in the Airport South district for \$3 million.

The 64,337-square-foot building is located at 3354 Perimeter Hill Drive in Nashville, and is 37 percent occupied, BH Properties officials say.

BH is a privately held, commercial real estate investment firm based in Los Angeles. The seller, **BGK Tennessee Office Associates Partnership**, was represented by Ashley Compton of **CB Richard Ellis Nashville**.

Compton says the Airport South building had large contiguous space available suitable for refitting.

Compton says he is not surprised a California-based buyer bought the building in the district, which has the highest vacancy rate of Middle Tennessee's eight major office districts.

"Out-of-state buyers are a little less risk adverse," says Compton.

In fact, BH Properties vice president says they have \$250 million ready for 2008 acquisitions.

Nashville and the Southeast are targeted markets for expansion for BH Properties and this was the first of many transactions, says Scott Henry, BH Properties vice president of acquisitions.

Henry says the company is a cash buyer, and specializes in under-used properties.

"We're a value-added buyer," says Henry. "We bought it below cost. It's just a solid Class B asset."

The property has potential, he says, because it's in a cluster of office buildings running at about 90 percent occupancy. It's near Interstate 24 and Harding Place south of **Nashville International Airport** in Bakertown.

The Airport South district has 17.3 percent vacancy rate, according to Colliers Turley Martin Tucker. Class B space has 28.7 percent vacancy.