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

**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.