

## Case Study: *Retail*

### SAPPINGTON SQUARE

Off-market access provided the opportunity to dramatically reposition and re-market the asset, resulting in a net operating income (NOI) increase of 400%.

Crestwood, MO  
36,950 SF Retail Center

Structure: Separate Account

Acquisition:  
February 2013; \$4,203,000

Disposition:  
August 2015; \$8,235,000

Altus acquired Sappington Square soon after construction finished through an off-market REO transaction. Volatile ownership had left a negative perception in the leasing and tenancy communities, with limited existing tenant appeal.

**CAPITAL MARKETS:** A loan draw structure was utilized to capitalize the project with limited cash, freeing up cash to be utilized on leasing initiatives.

**LEASING:** The leasing and asset management teams worked successfully to reposition the asset within both the tenant and broker communities in order to attract and retain tenancy. This resulted in occupancy increasing from 57% at acquisition to 94% at disposition.

**DISPOSITION:** Successful leasing led to an NOI increase of 400%, and the asset was sold in a third of the projected real estate investment horizon.

