

Union Heights

Property Details	Purchased: Mar-2014
Location:	Midvale, UT
Square Footage:	87,402
Year Built:	2005
Class:	A-
Property Type:	Retail Shopping Center
Purchase Price:	\$9,350,000
\$ PSF:	\$106.97
Cap Rate:	7.23%
Occupancy:	85%



Union Heights Shopping Center was purchased in March of 2014. **The property was foreclosed on by the lender in August 2012 and was under receivership until the transaction closed.** Union Heights comprises three multi-tenant retail buildings and a 16-screen movie theater operated by Cinemark.

During due diligence, Sperry's Property Management Team was hired and discovered that the prior management team had been mismanaging the Property's Association and incorrectly allocating the expenses. Sperry's Property Management Team worked with the Receiver's Property Management team to reconcile and amend the issues before closing the transaction.

Prior to closing on Union Heights, the Sperry's Asset Management Team with the help of their leasing team in Salt Lake City were able to generate a renewed interest in the property from the market. **Sperry's Asset Management Team used this momentum and signed new leases representing 11% of the Property in just six months after taking ownership.**

Immediately upon closing on the transaction, **Sperry's Property Management Team successfully appealed and lowered the taxes of Union Heights by 30%.** Sperry's Asset Management Team stabilized Union Heights well ahead of the original pro-forma and achieved higher rents than originally underwritten. Within one year of acquiring the property, Sperry's Asset Management team was able to **increase the occupancy to 98%.**

Over the years, Sperry's Property Management Team was able to retain occupancy at over 90% and was able to successfully exit the investment right before the Covid Pandemic devastated the economy. Through the 5-year holding period, Sperry's Asset Management Team was able to generate **a 2.5X equity multiple for the investors.**

Sale Details	Sold: Oct-2019
Sale Price:	\$15,150,000
Occupancy:	99%
IRR:	29%
Equity Multiple:	2.50x

