

# CITYPLACE 6 | ST. LOUIS, MO

## CASE STUDY

### THE PROPERTY

CityPlace 6 is a 10-story, 216,752 square foot state-of-the-art Class A office building located within the CityPlace campus in Creve Coeur, Missouri. CityPlace 6 was built in 2006 and is connected to a 740-stall parking deck and features floor-to-ceiling windows, fifty-seat training facility, conference rooms, sundry shop, and a two-story atrium lobby with limestone flooring, wood panels and a fountain.

### THE DEAL HIGHLIGHTS

- Metonic acquired CityPlace 6 for \$40.2 million: \$185 per square foot and an 8.45% cap rate based on the 2014 actual NOI. Occupancy at close was 91%.
- Metonic was not the highest bidder but was awarded the deal due to the speed of execution and certainty of capital and closing.
- At the time of purchase, there was uncertainty about the strength of the St. Louis suburban office market. Since the CityPlace 6 acquisition, several comparable St. Louis suburban office assets traded at a cap rate 100-150 basis points lower than CityPlace 6.

### THE RESULTS<sup>1</sup>

- Within six months of ownership, Metonic was able to achieve 100% occupancy.
- Within 18 months of ownership, Metonic refinanced the acquisition loan with a local life insurance company and returned 48% of investor capital.
- Investors have received an average annual cash yield of 26%, far exceeding projections.
- Based upon an estimated market value of \$52 million, investors would receive a 38% leveraged IRR after 27 months of ownership.

<sup>1</sup>As of December 2015.



### Acquisition Information

Acquisition Date .....	Sept. 2013
Purchase Price .....	\$40,200,000
Equity Deployed .....	\$13,613,000
Estimated Market Value <sup>1</sup> .....	\$52,000,000

### Returns<sup>1</sup>

Estimated Leveraged IRR .....	38%
18-Month Capital Return .....	48%
Average Annual Cash Yield .....	26%
Forecasted 12-Year IRR .....	18% to 20%
Forecasted Annual Cash Yield .....	10%