



MARCH 12, 2019 | TAYLOR DAMM

CapRidge Partners Snaps Up Nashville City Center

Austin Firm Acquires Class A Office Tower in Nashville's Central Business District



Austin, Texas-based CapRidge Partners has bought Nashville City Center.

Source: Foundry Commercial

CapRidge Partners, an investment management and operating company, purchased a Class A office tower in Nashville's central business district, blocks from where Amazon will put an operation center and employ 5,000 people. Alliance Partners sold Nashville City Center for an undisclosed price.

The UBS Tower at [315 Deadrick St.](#) sold for \$135 million while Philips Plaza at [414 Union St.](#) sold for \$111.5 million. Those, too, are within a few blocks of where Nashville Yards is under construction and Amazon will fill 1 million square feet of office space.

Alexander Tkac, CoStar's Nashville market analyst, said office sales volume so far this year has already set a new annual record for downtown Nashville. "In fact, two of the top five deals in Nashville dating back to 2010 have occurred in 2019," Tkac said.

The acquisition marks CapRidge Partners' first foray in the middle Tennessee market. The firm tapped Foundry Commercial to serve as the exclusive representative for Nashville City Center, replacing Jones Lang LaSalle.

The 477,261-square-foot, 27-story structure at [511 Union St.](#) was built in 1988 and recently renovated. The 4-Star property spans nearly an acre across from the luxury Hermitage Hotel.

Major tenants at the 98 percent leased building include Warner Music Group, Waller Landsden Dortch & Davis LLP and First Tennessee Bank.

Andy Scott and Jim Curtin with HFF arranged financing on behalf of the borrower. The HFF debt placement team secured the four-year, floating-rate acquisition/bridge loan through CIT Group.

CapRidge Partners' Founding Partner Tom Stacy said in a statement, "We look forward to serving our tenants and the community. Nashville fits perfectly with the other CapRidge growth markets of Austin, Denver, Atlanta, Charlotte, Raleigh, Phoenix, Dallas and Houston."

Headquartered in Austin, Texas, CapRidge Partners has purchased 32 office buildings since 2012, according to its website.

Morgan Hillenmeyer, Douglass Johnson and Nicole Filkins with CBRE represented the seller, which originally purchased the tower in October 2013 for \$103 million, or about \$216 per square foot, CoStar data shows.

Please refer to CoStar COMP #4698106 for additional information regarding this transaction.

CoStar Reporter Richard Lawson contributed to this report.