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Lyons Tech II sells for \$5.35M

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A 48,726-square-foot office/flex project in Coral Springs has sold for \$110 a square foot, a price the broker indicated was due in part to the popularity of real estate as an investment.

The numbers are from **CB Richard Ellis**, which said it helped arrange the sale of Lyons Tech II.

The **Leder Group** bought the property, at 4801 Johnson Road in the Lyons Technology Center, from Lyons Tech II Ltd. for \$5.35 million.

Built in 2003, Lyons Tech II is fully leased to 12 tenants and features both dock-high and drive-in loading.

"Lyons Tech II represents the most aggressive cap rate we have witnessed on a stabilized asset with limited upside on a short to mid-term hold period," said Scott O'Donnell of CB Richard Ellis, leading broker in the deal. "Investor demand for well-located, high-quality office-warehouse assets in the \$5 million range is very strong and is exaggerated by 1031 situations."

In a 1031 situation, a property owner can defer capital gains taxes when selling by reinvesting in a "like-kind" property using a 1031 exchange. The deals are named for the Internal Revenue Code 1031 permitting it.

O'Donnell, who is based in the CB Richard Ellis Boca Raton office said the combination of the asset quality and heated investment environment allowed his company to achieve premium pricing for the seller.