

January 20, 2015

Naples' Most Dramatic Turnaround Story

By [Jennifer LeClaire](#) | Miami

Multifamily is booming. Find out what's on the horizon for owners, developers, investors and managers on February 24-25 at RealShare APARTMENTS EAST. Network with your peers from across the country.



After 13th Floor acquired the distressed real estate asset, construction was completed within two years.

MIAMI—This is one of the most dramatic turnaround stories in southwest Florida's current **commercial real estate** cycle. **13th Floor Investments** just sold the once-distressed Sierra Grande, a 273-unit luxury **multifamily** complex in Naples, for \$44.25 million.

Partnering with **The Estate Companies**, 13th Floor purchased the asset out of distress for \$5.15 million in 2011. At that time, construction had just begun on the property, which was supposed to be a condominium. Aware of the strong rental demand—and lack of inventory in Naples recovering market—13th Floor repositioned Sierra Grande.

"Sierra Grande marks the first luxury apartment complex to come online in Naples in more than a decade and is already more than 95% occupied in less than 18 months from the time construction commenced," **Michael Nunziata**, a principal at 13th Floor, tells GlobeSt.com. "The success of this community demonstrates how 13th Floor brings our forward-thinking investment philosophy to life and is one of a series of **multifamily** communities our firm currently has under development."

After 13th Floor acquired the **distressed real estate** asset, construction was completed within two years. Sierra Grande's first new residents moved into the complex in March 2014. The property has since emerged as one of the most desirable **multifamily** communities in the Naples market.

"When we acquired Sierra Grande in 2011, we set out to create the only four-story elevator-style product in a market that was previously walk-up only," says Robert Suris principal with The Estate. "Not only does the project's occupancy reflect the success of this model, we've since seen a number of developers follow suit."

ARA Boca Raton-based principals **Hampton Beebe** and **Avery Klann** began marketing the asset on behalf of 13th Floor Investments in mid-2014. They brokered sale to **Continental Realty Corporation**, a Maryland-based REIT.



Located at 6975 Sierra Club Circle, at the intersection of Collier Boulevard and Rattlesnake-Hammock Road, Sierra Grande offers one-, two- and three-bedroom floor plans.

“Naples has historically been targeted by institutional investors and operators and Sierra Grande is the first **multifamily** property to deliver in more than a decade,” says Beebe. “We expect institutional appetite for new product to continue to grow in Naples for the foreseeable future.”

Sierra Grande is one of several projects highlighting 13th Floor’s presence in the multifamily sector. The company’s portfolio includes a number of projects underway in communities throughout Florida, including 157-unit Peary Court Key West, the only large-scale rental community in Old Town Key West. The firm is in the pre-development phase of a 25-story transit-oriented multifamily project in Miami’s Dadeland submarket.