

KBS Announces the Sale of Financial Center at the Gardens in Palm Beach Gardens, Florida for More Than \$71 million



PALM BEACH GARDENS, Calif. (July 23, 2019) – KBS, one of the largest owners of commercial real estate, today announced the sale of Financial Center at the Gardens, a Class A office property in West Palm Beach Gardens, Florida. Financial Center at the Gardens is a 10-story office building spanning 188,950 square feet.

Financial Center at the Gardens was purchased for \$71.8 million by New York Life Insurance Company, one of the largest life insurers in the world. KBS originally purchased the property in 2015 in a joint venture with a sovereign partner.

Located along the PGA Boulevard micro-market, Financial Center at the Gardens is within walking distance to the 1.4 million sf Gardens Mall and is adjacent to Downtown at the Gardens, a lifestyle center that includes numerous restaurants, retail, entertainment venues, country clubs and golf courses, providing an excellent walkable amenity base for tenants. Financial Center at the Gardens offers easy access to Interstate 95 and the Florida Turnpike. Tenants will also have easy access to Orlando with the pending Tri-Rail station which will sit near the Florida East Coast tracks at PGA Boulevard. Over the past few years, KBS spent more than \$1 million to renovate the property including a main lobby renovation with a new lounge and wine bar as well as upgrades to the café, restrooms, corridors and elevators.

“Targeting growing cities, such as Palm Beach Gardens is an explicit part of our investment strategy,” said Allen Aldridge, senior vice president for KBS and asset manager of the property. “Palm Beach Gardens has proven to be a developing market with positive real estate dynamics which has made it easy to keep the building nearly 100 percent leased.”

During the first quarter, the overall vacancy rate for office space in Palm Beach County remained near historic lows at 13.3 percent, down 81-basis-points year-over-year, according to Cushman and Wakefield’s Q1 2019 Palm Beach County Report. Overall absorption exceeded 78,000 sf in Q1 2019, the highest Q1 absorption recorded in nearly 5 years.

Palm Beach Gardens is the largest municipality in North Palm Beach County and the center of commerce and population density. Home to the Benjamin School, one of the country’s elite private schools which attracts many wealthy executives and high-profile families, alumnae include Tiger Woods and Jack Nicklaus.

“KBS is extremely deliberate in implementing our real estate strategies and selling assets at an opportune time,” added Marc DeLuca, regional president, Eastern United States for KBS. “As demand rises in these secondary and tertiary markets, we continue to attract a highly competitive field of potential buyers and secure pricing levels that deliver strong overall returns, in excess of our underwriting, for our investors.”

Please find photos of Financial Center at the Gardens [here](#).

“Investor interest in this uniquely positioned premier asset was robust,” said Mike Davis, vice chairman for Cushman & Wakefield who led the sales team.

Mike Davis, Dominic Montazemi, Rick Brugge and Scott O'Donnell of Cushman & Wakefield represented KBS in the transaction.

About KBS

KBS is a private equity real estate company and an SEC-registered investment adviser. Founded in 1992 by Peter Bren and Chuck Schreiber, it is recognized as one of the largest commercial office owners globally. Since inception, KBS-affiliated companies have completed transactional activity of approximately \$40 billion via 16 separate accounts and six commingled funds, for government and corporate pension funds. Additionally, KBS has sponsored five sovereign wealth funds and seven SEC-registered, non-traded REITs. For more information on KBS, its properties and real estate portfolios, please visit KBS.com. For information about KBS' current offerings, please visit KBSDIRECT.com, an online portal for self-directed accredited investors to participate in institutional-quality real estate without paying up-front fees or commissions. Registration as an investment adviser does not imply any particular level of skill or training.

About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 51,000 employees in 400 offices and 70 countries. In 2018, the firm had revenue of \$8.2 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services. To learn more, visit www.cushmanwakefield.com or follow [@CushWake](https://twitter.com/CushWake) on Twitter.

KBS Media Contacts:

Chris Sullivan
MacMillian Communications
212-473-4442
chris@macmillancom.com

Ginny Walker
Public Relations Manager
949-417-6535
gwalker@kbs.com

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Cushman & Wakefield Media Contact:

Tyler Killete
Communications Specialist
813-204-5341
Tyler.killete@cushwake.com