

GULF COAST

Business Review

The Daily News Source for Gulf Coast Business Leaders

Fraga Properties buys Plant City Crossings

By Gulf Coast Business Review - Friday, July 24, 2009

BUYER: Fraga Plant LLC (principal: Albert Fraga), Coral Gables

SELLER: DDR Southeast Plant City LLC fka Inland Southeast Plant City LLC

PROPERTY: 2305, 2509 and 2415 Thonotosassa Road, 3301 E. Boot Bay Road, Plant City and additional vacant land

PRICE: \$9.53 million

PREVIOUS PRICE: \$10.75 million, December 2002

LAW FIRM ON DEED: Murai Wald Biondo Moreno & Brochin, Coral Gables

PLANS, DESCRIPTION: Coral Gables-based Fraga Properties purchased the 85,252-square-foot Plant City Crossings shopping center at the southwest corner of Interstate 4 and Thonotosassa Road for \$9.53 million. The purchase price equates \$112 per square foot of retail space. The property had three small vacancies at the time of the sale.

Anchored by a Publix supermarket, the center also features Dollar General, CATO, Blockbuster, Subway, Outback Steakhouse Carrabba's Italian Grill and Sunny's BBQ. McDonald's, Starbucks and Regions Bank all operate from outparcels surrounding the retail center, but those outparcels were independently owned and separate from the sale.

"Our main attraction there is Publix," says Albert Fraga, co-founder of Fraga Properties. "We are in an acquisition mode to buy Publix [stores] throughout the state. The location right off [Interstate] 4 is also exceptional. We were also able to get a one-acre outparcel at the entrance to the center, platted and approved."

The purchase is part of a change in approach for Fraga Properties, which was strictly a developer for most of its 10-year history. The company adjusted its business model, Fraga says, when prices dropped so low that it determined that it could buy commercial properties for much cheaper than it could develop them for. The purchase also gives the company more immediate return on capital. Fraga Properties, which currently owns about 500,000 square feet of commercial space, hopes to add another million square feet by 2010.

Aside from bringing management of Plant City Crossings in house, no other changes are planned.

The rental rate for the center is \$20 a square foot, and the outparcel is available through a ground lease for \$100,000 a year. The purchase entity Fraga Plant LLC mortgaged the Plant City property to Union Credit Bank for \$6.67 million.