

Convergent Capital joins Park Square ownership

By Sean Roth | Research Editor - Friday, July 15, 2011

BUYER: CCP Fishhawk LLC (principal: Santosh Govindaraju), Tampa

SELLER: Park Square LLC

PROPERTY: 16144 and 16132 Churchview Drive, Lithia

PRICE: \$3 million

PREVIOUS PRICE: \$240,000, August 2004

LAW FIRM ON DEED: Bryan W. Sykes Esq., Tampa

PLANS, DESCRIPTION: Tampa-based Convergent Capital Partners LLC has bought into the ownership of the 32,898-square-foot Park Square shopping center in FishHawk Ranch.

Convergent Capital Partners joined Park Square's former owner Park Square LLC after purchasing a \$5.2 million mortgage note on the property for \$3 million.

Anchored by the Y (formerly known as the YMCA), the two-building center features retail on the bottom level and executive suite office and retail space on the second floor. Park Square has been on the upswing even before the partnership was fully consummated. Occupancy has grown from about 50% a year ago to around 94%, according to Les Aron of RPM Realty Management LLC, which manages the property.

The new joint venture plans to complete some deferred maintenance at the center, including painting the buildings, replacing the concrete decking on the second floor, adding security cameras and glass inserts to the doors of the second floor office suites and improving the landscaping.

Santosh Govindaraju, CEO of Convergent Management LLC, says he was drawn to the project by its location in the popular FishHawk Ranch community and the attributes of the center itself.

“If it’s a project that can be solved with money that’s one thing,” he says. “If there’s a legal or structural problem then we stay away. We find distressed situations where an owner is over-leveraged. Some owners can serve as strong partners. They have a lot of value they can bring to the table leveraging our capital.”

Convergent Capital Partners is an aggressive buyer of debt, which is currently valued at \$250 million. The company's real estate holdings include among others 121 units in the 168-unit Legacy at Tampa condominium and 46 units at The Palms at Riviera Dunes in Palmetto.