RECENTRIC REALTY CAPITAL

Stonegate Success Story

Overview

OUTCOMES

3.65x Multiple on Invested Capital (MOIC)

18% Internal Rate of Return (IRR)

SNAPSHOT

16830 Northgate Dr. Parker, CO 80134	Class B Medical Office	13,821 SF	4.56/ 1,000
Property Address	Property Type	Net Rentable Area	Parking Ratio

Metrics	At Acquisition	At Exit
Date	January 2017	January 2026
Price	$2.95 Million	$5.7 Million
Cap Rate	8.25%	7.00%
Net Operating Income (NOI)	$177,487	$399,000
Economic Occupancy	86%	100%
Physical Occupancy	80%	100%
Average Rent (PSF/YR)	$29.62	$43.64

Acquisition

SOURCING
Recentric ran an off-market direct-mail campaign using public assessor data.

NEGOTIATING
The firm identified Greenwood Pediatrics, Stonegate's then-owner-occupant.

CLOSING
Recentric convinced the owner to sell by positioning itself as a professional landlord who could help clinicians focus on patients.

> "Identifying Stonegate off-market allowed Recentric to access an under-the-radar property, avoid buyer competition, and acquire the asset at a more attractive valuation than if it had been a brokered transaction."
>
> Darren Nakos, CCIM
> Managing Partner
> **Recentric Realty Capital**

LEASING

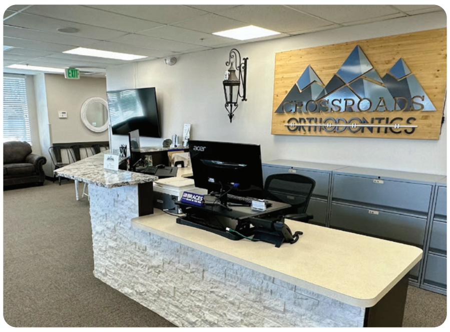
> Thanks to Recentric's turnkey medical buildouts and their understanding of behavioral health needs, we had an easy time relocating our practice to Stonegate.
>
> They anticipated our needs and made the transition painless for our patients and staff.
>
> Action Behavior Centers (ABC)

Recentric leveraged its proprietary leasing engine and the presence of the original owner-occupant to replace weak tenants with three complementary, high-quality healthcare operators:

Denver Springs Changes · Crossroads Orthodontics · Action Behavior Centers

Impact

Higher-quality tenants result in lower credit risk, which can boost NOI and exit valuations.



PROPERTY MANAGEMENT

> Recentric treated our practice like a partner from day one.
>
> Their team handled tenant improvements quickly, kept the building impeccably maintained, and coordinated parking so our patients and their families could get in and out with ease.
>
> Victor Mccarthy
> Market EOC Director
> Denver Springs Changes®

> Recentric's local, patient-first property management means our staff can focus on treatment rather than facility headaches.
>
> When we needed after-hours maintenance, their in-house team answered immediately and followed through.
>
> That kind of stewardship matters to our practice and our patients.
>
> Mark Gregston, DDS
> Owner
> Crossroads Orthodontics

Recentric's specialized, in-house expertise in medical office property management meant Stonegate put patients and clinicians first.

24/7 Maintenance

Parking Oversight

Curb Appeal

Turnkey Tenant Improvements

Impact

Proactive property management smooths out cash flow and supports NOI growth by reducing lease-up timelines, improving tenant retention, and reducing CapEx surprises.

Headwinds

Property Taxes

Throughout the holding period, repeated property tax hikes in Douglas County pressured NOI.

Response

Recentric protested assessments annually and engaged with the county commissioner to reduce the tax burden.

Vacancy

Recentric faced elevated vacancy early in repositioning because the firm refused to chase occupancy by leasing to low-quality tenants.

Response

Recentric deliberately sacrificed speed and waited patiently to attract the right clinical operators.

Impact

Active tax management and leasing discipline protect long-term value and reduce downside risk for investors.

Exit

As a licensed broker, Recentric executed targeted email campaigns, listed the deal on major commercial real estate platforms, and ran the disposition process end-to-end.

The firm bolstered buyer confidence by preparing a clean due diligence package, including detailed maintenance and financial records, and ultimately inked a deal with a local Denver buyer.

> We were a 1031 buyer on a compressed timeline, so speed and certainty were at the top of our list. Recentric's thorough documentation shortened our due diligence and enabled a timely close.
>
> Their assumable below-market-rate mortgage was also a compelling value driver: it materially improved our yield, lowered our financing risk, and simplified the transaction.
>
> ABDUL KHALAF
> BUYER

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