



STALLED CONDO PROJECT IN SAINT AUGUSTINE SELLS FOR \$2.2M

BY KERRY CURRY

SIG Partners bought an unfinished 36-unit condominium complex in Saint Augustine, Fla., with plans to finish the project and turn the condos into rental units.

The condominium project is located about 40 miles southeast of Jacksonville, on Florida's east coast. It was an REO property with the units more than 80% completed. The lender-owner was not identified.

Brett Roark of Shelby CFM and **John Bielefeldt of Crown Capital Group** acted as advisers in the transaction. Crown and Shelby CFM originally intended to co-develop and sell the project, Bielefeldt told *REO Insider*. However, SIG presented an offer and faster speed to market.

SIG purchased the project for \$2.2m, or \$61,000 per unit — about a 50% discount over the property's two-year-old valuation, he said. The developer plans to finish the units with marble countertops, stainless steel appliances and other high-end upgrades, spending about \$1.3m to complete and renovate the units. After completion, the owner plans to rent the units for \$1,000 per month.

Bielefeldt said a New York investment group began building the condos about 2 ½ years ago but ran out of money. The project then sat for about a year as the group attempted a workout to save the property from foreclosure, but it was eventually foreclosed.

The project sits on the first fairway of a golf course in the master-planned community of St. Augustine Shores.

Crown Capital Group and **Shelby CFM** are involved with several banks and FDIC regulators as the asset manager, construction and workout partner for select real estate assets.