

The Right Space at the Right Price – HH Architecture Case Study

Before



After



RICH 
COMMERCIAL REALTY

KW  COMMERCIALSM

Each office is independently owned and operated.

Submarket : Raleigh

**520 S. Harrington Street
Approximately 4,000 RSF**

Overview

The main goal was to help HH Architecture purchase an office or warehouse property in downtown Raleigh or Glenwood South that they could rehabilitate and demonstrate their architectural skills. Michelle Rich Goode and Tawnie Gainer of Rich Commercial Realty/KW Commercial teamed to locate properties in specific neighborhoods by conducting a thorough market analysis. Throughout the process, they had to balance the client's need for expandable space that could be renovated with their goal of purchasing a property that would be a solid long-term investment.

HH Architecture required a building that was available at a low cost per square foot and could be renovated and expanded to accommodate future business growth. They also wanted to make a statement with their work and reflect their architectural skills in their new building. After making several offers and being rejected in favor of all-cash offers, among other challenges, HH Architecture became discouraged that their goal of securing the right space at the right price was not possible.

Results

Tawnie and Michelle located an available 4,000 square foot property offered by a motivated seller in a transitional neighborhood in downtown Raleigh. Estimates for required asbestos abatement and a completed set of plans for the total renovation of the building assisted with the appraisal process for the lender's requirements. The due diligence process was expedited by their efforts in obtaining information about a planned Progress Energy substation near the property and investigating the potential purchase of adjacent lots for future expansion. Taking advantage of an SBA 504 loan helped them purchase the property as well as complete all of the renovations, both needed and desired.

Value Added

HH Architecture purchased the building at below asking price. The building, formerly a Class-C industrial space is being transformed into a Class-A office space. HH Architecture completed renovation work and moved into their new space in April 2010.

"Rich Commercial Realty proved to be both patient and tenacious. Our needs were specific and Michelle and Tawnie tirelessly worked to help us find the right property. We truly could not have done this without them!"

-- Kristen Hess, HH Architecture, Principal