

Downtown office tower BMO Plaza sold in \$70M deal

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The state's sixth tallest building has been sold for \$70 million.

BMO Plaza, a 28-story Class A office tower at 135 N. Pennsylvania St. in downtown Indianapolis, was acquired by a group of real estate investment companies from Michigan and Florida. The new owners announced the acquisition this week.

The \$70 million price marks a whopping 75 percent increase over the \$40 million that Chicago-based Hearn Co. and Boston-based equity partner CrossHarbor Capital Partners paid in early 2016 to buy the building from White Plains, New York-based True North Management Group.

The new ownership group is made up of Miami-based real estate investor Black Salmon, an affiliate of real estate developer TSG Group, and Detroit-based developer and investor Redico LLC.

According to Black Salmon, Hearn spent about \$6 million on a redevelopment plan to upgrade the tower's lobby, common areas and fitness center, and add a tenant lounge and game room. Hearn also relocated its restaurant space, which has been a "revolving door," from the second floor to street level, and filled it with King David Dogs.

The improvements help raise occupancy from about 73 percent to more than 80 percent.

Key tenants in the 444,644-square-foot building include BMO Harris Bank, the U.S. Department of Defense and General Electric Capital Services.