

Miami-Based Investor Black Salmon Buys Indianapolis Office Tower for \$70M

The top three floors are vacant in the 28-story Bank of Montreal Plaza.

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Jorge Escobar.

Black Salmon moved closer to its goal of scooping \$300 million of real estate investments within three years of its inception with its purchase of an office tower in Indianapolis.

The Miami-based commercial real estate investor formed in 2017 is an affiliate of TSG Group Miami LLC, a real estate investment, sales and development company.

Black Salmon bought the 444,644-square-foot, 28-story Bank of Montreal Plaza for \$70 million from 135 N. Pennsylvania LLC. The deal breaks down to \$157.40 per square foot.

Black Salmon purchased the property by buying the limited liability company that's affiliated with the former Bank of Montreal Plaza owner Hearn, a Chicago-based real estate investor. The deal closed March 5.

The purchase brought Black Salmon to the \$100 million investment threshold.

"The first time I went to Indianapolis, I was very impressed. I was very impressed with the city, with the airport, with all that is happening" there, said Jorge Escobar, CEO and managing partner of Black Salmon and a TSG managing partner.

Black Salmon's general partner on the asset is REDICO, a real estate and investment firm in Michigan.

Greenberg Traurig shareholders Ryan Bailine and Seth Entin represented Black Salmon in the deal.

The transaction is telling of two trends — a steady appetite from high net-worth foreigners for investment in U.S. assets and the growth of real estate submarkets like Indianapolis.

Escobar realized there's a market for foreign investment in domestic real estate while working as a banker, he said. Escobar worked for HSBC Bank NA for more than nine years, among other banks.

“We started to see that ... we really needed to have something that can attract and satisfy the needs of our potential investors who are looking for these types of opportunities in the U.S. I started to set up a business strategy to develop this type of investment company,” Escobar said.

Black Salmon was formed by Escobar along with [Ignacio Murman, the former head of acquisitions with Independencia Asset Management Group.](#)

The rest of the team is managing partner Camilo Lopez, who also is CEO and managing partner of TSG, as well as Diego Madotta, former commercial vice president of Capital Markets Argentina, and Eduardo Escayol, senior partner of Capital Markets Argentina.

The Black Salmon investment strategy in large part is to focus on the tech revolution and the cities where it’s taking hold.

Escobar and his team mapped out the cities that already are tech hubs, such as Seattle, San Francisco New York and Austin, Texas, he said.

“But also we identified that all those primary markets are in a point of the curve that we tend to believe the market is already reaching a level that it’s going to be hard to find value for the investors,” Escobar said. That’s “because we have been seeing an increase in the cost of living for the people that work in those companies and also an increase in the rents” in the central business districts of those cities.

Instead, Black Salmon turned to smaller markets, the emerging cities also becoming home to technology companies like Indianapolis. For one, the city was on the shortlist of 20 locations for the next Amazon headquarters.

“We are starting to see a lot of investment especially in the CBD for live-work-play (real estate), for millennials and for the tech employees who work for these (tech) companies,” Escobar said. “It’s starting to thrive, but there’s also a lot of value that we can create and the city can create.”

The Bank of Montreal Plaza was 82 percent occupied at the time of sale. Tenants include GE and Bank of Montreal. Notably, the top three floors in the building were vacant.

That was good news for Black Salmon.

“We can create even more value for the asset,” Escobar said. “We are already working with two large companies in order to bring them to the building to move the occupancy rate up to 93 percent.”

Escobar declined to disclose the names of possible future tenants.