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Tampa's Convergent Capital plans \$150 million in real estate investments in next three years

By [Susan Taylor Martin](#)



Tampa real estate investment firm Convergent Capital Partners sold one of its holdings, the Hyatt Regency Clearwater Beach, last year for \$120.5 million. Now the firm has closed on its third fund and raised \$50 million for new real estate investments. [Jim Damaske, Times]

TAMPA — One of Tampa Bay's best known private equity firms, Convergent Capital Partners, has closed on its third fund and raised \$50 million for new real estate investments.

Convergent, whose holdings have included Tampa's Aloft hotel and the Hyatt Regency Clearwater Beach, already is under contract for two properties in Tampa, managing director Nik Sachdev said Friday. He did not give details but said one is hospitality-related and the other is mixed-use.

"While our fund will focus on investments throughout the Southeast and parts of the Midwest, we remain very optimistic about the Tampa market," Sachdev said. "The growth that this market will experience in the next three to five years will be substantial, and we want to be an integral part of it."

With leverage and the money recently raised, Convergent plans to invest a total of more than \$150 million in real estate over the next three years, Sachdev said.

Convergent has divested most of the investments made through its first two funds, including the Hyatt, which sold for \$120.5 million last year. Aloft Tampa Downtown, a joint venture with Liberty Group, sold for \$30 million in 2015. In 2014, Convergent bought the former downtown St. Petersburg headquarters of bankrupt Universal Health Care for \$10.5 million. A year later, it sold that for \$13.5 million to Raymond James Financial emeritus chairman Tom James to house his museum of Western art.

Convergent's portfolio still includes the The Pointe Harbour Island, a 100,000-square-foot mixed-use property with a marina near downtown Tampa that is nearing the end of a \$15 million renovation. "We have spent considerable time and money to make sure that this asset remains an iconic part of Tampa, and one that residents can be proud to showcase to visitors," Sachdev said.

Last year Convergent acquired the *Tampa Bay Times* headquarters building in downtown St. Petersburg in a joint venture with Denholtz Associates. That property is undergoing an \$8 million renovation that is supposed to be finished in the next 60 days.

Since its founding in 2008, Convergent has owned more than \$500 million in real estate including a suburban Chicago office building and more than 1,000 hotel rooms in several states. Whereas the firm used to focus on distressed properties, it has shifted emphasis in recent years, Sachdev said.

"In the distressed stage (of the market) we had to buy as fast as we could, but through our last 10 years we've really formed good relations with a lot of operating and joint venture partners," Sachdev said. "Because we focus on all aspects of real estate, we like to partner with the cream of crop. Now we are looking to do a lot of joint ventures and work with operating partners in different fields."

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