

ESJ sells Hollywood charter school property for \$7M

By Keith Larsen May 14, 2019

The Aventura-based firm has 23 charter and privately-owned schools within its portfolio



ESJ Capital Partners CEO Arnaud Sitbon, and Sunshine Elementary Charter School & Paragon Academy of Technology

ESJ Capital Partners continues its strategy of buying, improving and selling charter schools across South Florida.

Aventura-based ESJ Capital Partners sold the Sunshine Elementary Charter School & Paragon Academy of Technology at 502 North 28th Avenue in Hollywood for \$6.7 million. It sold the 36,700-square-foot K-8 school for \$182 per square foot, records show.

The school's current operator, Sunshine Elementary Charter School, bought the property. The six-acre site includes five buildings and serves more than 425 students.

The deal highlights ESJ Capital's typical charter school strategy, according to Matthew Fuller, chief investment officer of ESJ Capital Partners. Fuller said the company acts as an "interim buyer" of charter schools, with ESJ owning the properties until the school operator makes enough money to buy back the asset. Most of the time he said the firm is retrofitting properties and making capital improvements to charter schools.

That was the case with the Hollywood property, which the company bought along with an adjacent church in 2012. It then renovated the facility through a capital improvement project that included the addition of eight new classrooms, according to a press release.

Currently, the firm has 23 charter and privately-owned schools within its portfolio with a value of more than \$350 million, the release said.

In March, ESJ sold the Renaissance Charter School at 3200 South State Road 7 in Wellington to Red Apple at Wellington LLC for \$23 million.

Fuller said the company is selling more of its charter schools now because of the strength of the economy. “What’s unique about the charter schools is they are a 501(c)(3). They qualify for tax exempt municipal bond financing,” said Fuller. Bond pricing is very attractive right now and charter schools are trying to take advantage of this, he added.

ESJ has a portfolio of more than 4 million square feet composed of education facilities, offices, apartments, and hospitality and entertainment destinations. The company is also currently redeveloping Jungle Island in the city of Miami, where it is planning to build a 300-room, 13-story hotel.



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