TRINITY
REAL ESTATE

A CASE STUDY:

CENTURY-OLD TIMBER COMPANY PARTNERS WITH TRINITY FOR DIRECT REAL ESTATE INVESTING

"Trinity Real Estate is the ultimate investment partner. They listened to our needs, executed our vision, and delivered exceptional results. Their integrity and seasoned approach to real estate investing make them an outstanding partner."

BACKGROUND

A multi-generational, family-owned business, transformed its strategy in 2015 following the sale of its timberland holdings, held for over a century, fully towards a diversified approach utilizing a full range of asset classes, including marketable securities, hedge funds, private equity, and real estate funds.

Despite their diversified approach, the family identified a gap: they wanted a portion of their portfolio in directly held real estate investments to leverage the tax benefits and achieve greater control over asset performance and time horizon.

APPROACH

In 2017, Trinity Real Estate (TRE) collaborated with the family to design a long-term direct real estate investment strategy. The focus was to complement the client's existing holdings by acquiring assets in prime locations with modest value-add potential. This strategy laid the foundation for a strong partnership, culminating in three successful investments to date.

OUTCOME

KIRKLAND LAKE BUILDING (2019)

TRE's first investment with the family office was the acquisition of the Kirkland Lake Building, which has a prime location in downtown Kirkland, WA. Recognized for its proximity to tech firms such as Google and its lakefront location, TRE believed that the Kirkland market offered exceptional growth potential.

TRE implemented a modest renovation plan that offered a high-quality option that took advantage of its location, with the goal to create a "jewel box" status, enhancing its appeal to tenants. Despite navigating challenges posed by the COVID-19 pandemic, Trinity successfully attracted a high-quality tenant roster and increased rents by over 90%, showcasing the strength of its value-add strategy.

MARAM APARTMENTS (2022)

For the second collaboration, TRE and the family teamed to acquire an apartment complex in the Alki neighborhood of West Seattle, an area within the Seattle metro area known for its beachfront, vibrant shops, and restaurants. Despite the area's popularity, the neighborhood lacked high-quality apartment options.

TRE's business plan was to tap into this pent-up demand and transform the property with high grade finishes befitting its beach front proximity.

TRE executed a comprehensive interior and exterior renovation, repositioning the property as one of the top-tier residential assets in the neighborhood before renaming the project "Marram". The results were remarkable with a waitlist before completion and rents exceeding expectations by 90%.

INITIAL CO-INVESTMENT ACQUISITION (2024)

The family participated as the anchor investor in TRE's initial investment in its Co-Investment Program, a 60-unit apartment project in the lower Queen Anne area of Seattle. Trinity's Co-Investment program is designed for family and family office investors to acquire high quality multifamily projects ranging $20M to $50M. The property was acquired at a significant discount to replacement cost, setting the stage for strong long-term risk adjusted returns. In addition to participating as an investor in the project, the family leveraged its extensive network and assisted TRE in its capital raising efforts, further underscoring the strength of the partnership.

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