

The News Wrap-Up November 2020



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Alamance approves incentives for Chick-fil-A distribution center. The Alamance County Board of Commissioners has voted to approve \$390,000 in cash incentives in an attempt to bring an estimated \$52 million Chick-fil-A distribution center to a 78-acre tract at the North Carolina Industrial Center in Mebane. The city of Mebane had already approved \$390,000 in incentives. The city and county together will waive \$150,000 in impact costs, making the total incentive package to \$930,000. The commissioners' vote leaves the decision with Chick-fil-A to choose between Mebane and other sites. If Chick-fil-A chooses Mebane, plans call for a 182,625-square-foot facility to serve 175 restaurants in the region. The project would create 160 full-time jobs paying an average annual wage of \$63,375. Chick-fil-A's plan is to start as early as possible in 2021, and be ready for full operation by July 2022. *Source: Triad Business Journal*



Publix announces expansion of east Greensboro distribution center. Employee-owned Publix announced it will add more than 1.2 million square feet of dry grocery warehouse space to its 350-acre East Greensboro distribution center project. Construction on the \$400 million first phase of the project, which will bring some 1,000 jobs, began in February. The company has not disclosed additional investment or job creation figures for the expansion. The distribution center, including the expansion, is estimated to be completed by the fourth quarter of 2022, three years ahead of schedule. *Source: Triad Business Journal*



Park at 74 kicks off with 250,000-square-foot industrial spec building. Front Street Capital announced that Landmark Builders will oversee construction of the first spec building at the new 115-acre Park at 74. Delivery is planned for third quarter 2021. Front Street Capital closed on the land in October 2019, approximately 100 acres, paying a total of \$4.8 million. Tentative plans for Park at 74 call for four additional buildings: two industrial buildings of 550,000 SF and 100,000 SF, and two flex buildings of 30,000-35,000 SF. *Source: Triad Business Journal*



NY investor snags 239K SF with deals in Clayton, Youngsville. LM Real Estate Partners paid a combined \$18.3 million for a warehouse property in Youngsville and an industrial property in Clayton – a total of 239,500 square feet of space. The company paid \$8.9 million for the 119,500 square foot warehouse property at 130 Mosswood Blvd in Youngsville, or \$74.48 per square foot. They paid \$9.4 million for the 120,000 square foot industrial property at 9257 Highway 70 East in Clayton, or \$78.33 per square foot. The sales bring the company's portfolio to nearly 1 million square feet of space in the Triangle. *Source: Triangle Business Journal*



California REIT adds to Triangle portfolio with \$40M buy for distribution center in Garner. McDonalds distribution center in Garner has changed hands. San-Diego-based real estate investment trust Realty Income paid \$40.9 million for the Martin Brower/McDonalds Distribution Center. The property is situated just off Interstate 40, on 20.1 acres at 1400 N Greenfield Pkwy, abutting The Greenfield North Business Park. Built in 2008, the property features 132,449 square feet of commercial space across a single-story building. The seller, Chicago investor Oak Street Capital, bought the property for \$35 million in 2015. *Source: Triangle Business Journal*



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Kane Realty sells The Dillon in downtown Raleigh for \$236 million. just two years after it opened. Partnering firms Kane Realty Corp. and Washington DC-based FCP announced the sale of The Dillon to an institutional client advised by MetLife Investment Management. The Dillon, at 401 W Hargett Street, is an 18-story development situated on a 2.5-acre city block that features a total of 221,300 square feet of Class A Office space, 52,600 square feet of activated retail, two 6-story apartment buildings with a combined 271 units, and a 994-space parking deck. The Dillon's estimated cost was near \$150 million when work started in 2016. *Source: Triangle Business Journal*



Ohio REIT scoops land slated for apartments, retail near Crabtree Mall. Ohio-based REIT Welltower Inc. paid \$3 million for 5.8 acres at 5301 Homewood Banks Drive, which connects to Crabtree Valley Avenue abutting the mall property to the south. The seller, Ohio-based Edwards Companies, had paid \$2 million for the property in December 2019, shortly after Ohio-based Silver Hills Development filed plans for the Crabtree Valley Phase II apartment community. Plans called for a 5-story, 230-unit apartment complex featuring a total of 356,822 square feet, including a 4-story parking deck. *Source: Triangle Business Journal*



Triad developers strike \$4M deal for site for luxury apartments in Wake Forest. Greensboro-based Evolve Capital and Hawthorne Residential paid \$4.34 million for land slated for Hawthorne at the Forest, which will feature hundreds of new luxury apartments and high-end amenities. The property is situated on 23 acres at 10728 Star Road off Capital Boulevard. The seller is Forest Greenery Group LLC. The proposed apartments will be a joint venture between Evolve and Hawthorne. Plans call for 110 one-bedroom, 110 two-bedroom and 28 three-bedroom open-concept apartments. Hawthorne plans to open the community in 2022. *Source: Triangle Business Journal*



North Hills flexes real estate muscle with \$110 million apartment sale. New York investment giant, The Blackstone Group, paid \$110 million for the Park & Market apartments in North Hills, which features 409 studio-, one- and two-bedroom units across a 7-story complex fronting St. Albans Drive in Raleigh. The property was developed in 2010 by Kane Realty Corp. The deal is the largest apartment sale in the Triangle this year; nearly \$270,000 per unit. The seller, Chicago-based Magnolia Capital, bought the property for \$88 million in 2017, with Kane Realty keeping control of the retail. *Source: Triangle Business Journal*



Joint venture buys huge Morrisville business park for \$208 million. Connecticut-based Starwood Property Trust and Charlotte-based Trinity Capital Advisors paid \$208.6 million for the Southport Business Park, a massive office, flex and industrial park off Aviation Parkway. The purchase includes 18 parcels at 101 Southcenter Court by Lake Crabtree. The park features 17 buildings with a combined 911,702 square feet of lab, office, R&D, and multi-purpose commercial space. The property also includes lots entitled for up to 200,000 additional square feet of commercial space. *Source: Triangle Business Journal*



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Global investor drops \$159 million on massive expansion in Morrisville office park. Singapore-based Mapletree Investments purchased a portfolio of office properties in Perimeter Park in Morrisville this month for \$159.1 million; a combined 636,836 square feet of Class A office space, spanning eight buildings of 2 to 4 stories. The seller was a pair of LLCs managed by Goldman Sachs Realty Management. The office properties are situated at 1500, 1600, 1700, 1800, 2000 and 2250 Perimeter Park Drive, and 3300 and 3800 Paramount Parkway. In September 2020, Mapletree Investments paid \$189.1 million for a portfolio of three office properties located at 5221 Paramount Parkway, and 1009 and 1025 Think Place; a grand total of 503,898 square feet of office space on nearly 40 acres. The purchase included a small, undeveloped parcel for \$500,000. *Source: Triangle Business Journal*



Developer nets \$52 million loan for major overhaul of RTP office portfolio. Boston-based Longfellow Real Estate Partners announced it had secured a \$52.76 million loan from MetLife Investment Management to finance the conversion of its Perimeter's Edge flex and office portfolio into lab and life sciences space. The properties in the portfolio include 2400, 2450 and 2600 Perimeter Park Drive, 507 Airport Blvd and 5151 McCrimmon Parkway. The buildings opened in 1990 and were refurbished in 2002. Upcoming work includes transforming vacant suites into state-of-the-art lab space, and facade and landscape enhancements. Longfellow paid \$64.7 million for the five-building portfolio in January 2020. *Source: Triangle Business Journal*



Fresh details on first tower for \$1B 'world-class' development in Raleigh. Nearly a year since plans for the massive \$1 billion Midtown Exchange mixed-use project were announced, Raleigh developer Dewitt Carolinas has unveiled renderings for MTX One, the first of two mirroring towers to be connected by a pedestrian skybridge. MTX One, which will be situated on four acres at 1010 St. Albans Drive, is set to feature 330,000 square feet of Class A office space, 19,000 square feet of retail and 5,000 square feet of conference and meeting centers across 12 stories. The building, which will be able to deliver without its sister tower, is expected to be completed in late 2022. The timeline for construction of the second tower is yet to be finalized. *Source: Triangle Business Journal*



Durham headquarters nets \$53 million from Hawaii investor. Laulima Capital Investors paid \$53.7 million for the site of the Rho Inc. headquarters building, which opened in 2018. The property is situated on 12.5 acres at 2635 E. Highway 54 by the Interstate 40 interchange with the Durham Freeway. The seller, Charlotte-based The Keith Corporation, paid \$2.2 million for the property in 2017 and completed construction of the headquarters the year after. The building features 160,000 square feet of Class A office space. *Source: Triangle Business Journal*



Atlanta firm buys defunct movie theater in key Raleigh corridor. Atlanta-based real estate investor Shelton McNally paid \$8 million for the site of the now shuttered AMC Classic Blue Ridge movie theater situated on 13 acres just outside the beltline at 600 Blue Ridge Road. The seller, Georgia-based American Multi-Cinemas, bought the property in 1993 for \$982,000 when the company was known as Carmike Cinemas Inc. The site along Blue Ridge Road is part of an area the city wants to revitalize after years of stagnant growth. Shelton McNally's plans for the property are unclear at this time. *Source: Triangle Business Journal*

