

Marcus & Millichap

Historic Castleberry Hill Loft Development

316 Peters Street SW • Atlanta, GA 30313



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SECTION

INVESTMENT OVERVIEW

1

- Regional & Local Maps
- Offering Summary & Highlights
- Property Specifications
- Property Aerials & Photos
- Opportunity Zones Map & FAQs

LOCATION OVERVIEW

2

- Surrounding Economic Drivers
- Area Demographics
- Recent Area News

METRO ATLANTA OVERVIEW

3

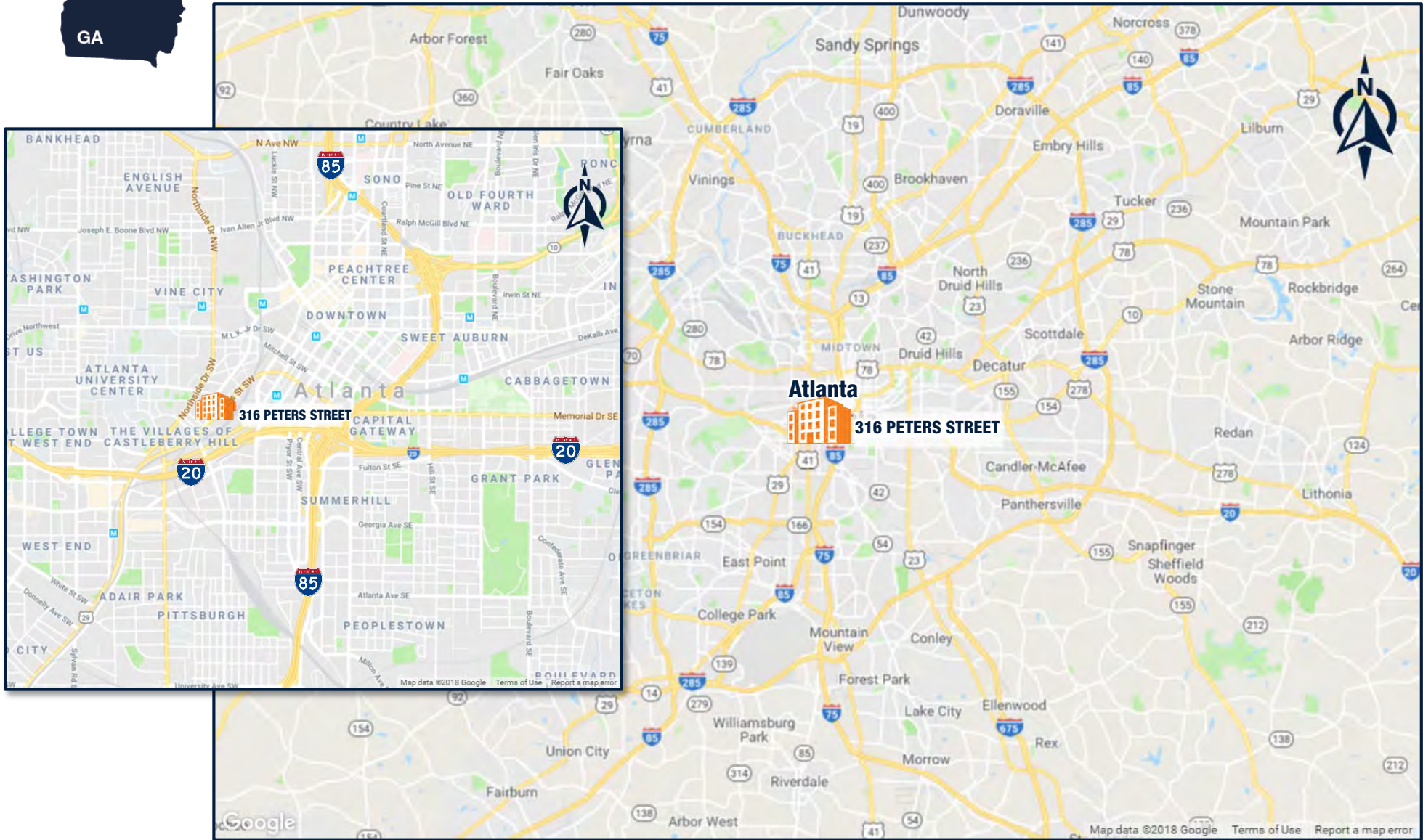
- Atlanta Highlights, Economy, Demographics & Trends

INVESTMENT OVERVIEW





316 Peters Street SW • Atlanta, GA 30313



OFFERING SUMMARY

Marcus & Millichap is pleased to exclusively present to the market for sale the Historic Castleberry Hill Loft Development opportunity at 316 Peters Street in Downtown Atlanta. The property is a ±30,740 SF industrial warehouse building situated on 0.22 acre within the Castleberry Hill Opportunity Zone and is uniquely poised for loft development.

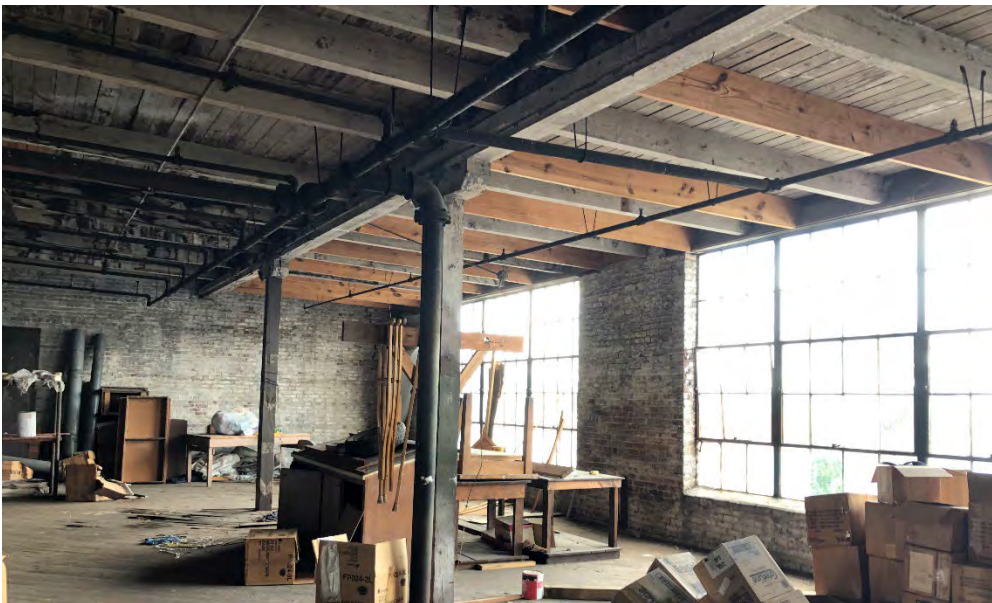
Formerly an industrial district, the Castleberry Hill submarket has transformed into an urban, walkable center with a half-mile radius to major market drivers. The area serves a millennial, urban-driven demographic seeking proximity and walkability to job centers, major event venues, retail amenities and green space.

The Property lies in the southern shadow of the Mercedes-Benz Stadium and State Farm Arena and is walkable to two MARTA stations (Five Points and Garnett), both points of transit to downtown and midtown job centers and entertainment/tourist venues. Additionally, the Property has a half-mile radius to downtown private and public job centers such as CNN, the Atlanta University Center, Georgia State University and the offices of the Federal, State, County and municipal governments. The Property receives traffic from main thoroughfare, Northside Drive (30,000 VPD).

To the northeast, a series of game-changing projects will create value for the Property. These are the anticipated \$5 billion Gulch mixed-use development, Newport US Real Estate's redevelopment of 2 million SF of downtown properties, the redevelopment of Underground Atlanta, the Castleberry Hill Re-verb mixed-use development anchored by the Five-Star Hard Rock Hotel, the Home Depot Backyard Park and the future development of a 1,000-room hotel at the Georgia World Congress Center.

OFFERING HIGHLIGHTS

- OPPORTUNITY ZONE | PRIME LOCATION
- ±30,740 SF Warehouse Located in Downtown Atlanta's Robust Castleberry Hill Real Estate Submarket
- Half-Mile Radius from and Walkable to Mercedes-Benz Stadium, State Farm Arena & 2 MARTA Rail Stations
- One-Mile Radius from and Walkable to Major Office, Multi-Family, Mixed-Use & Retail Properties
- 24 Major Developments Completed in 2018 and 30 More Planned or Under Construction
- Destination of Choice for Millennial Workforce:
 - \$127,000 AHHI (1-Mile) & \$116,000 AHHI (3-Miles)
 - 30% Anticipated Median Income Growth by 2023
 - Median Age 30 Years
 - 10% Anticipated Population Growth by 2023



ADDRESS:

316 Peters Street SW | Atlanta, GA 30313

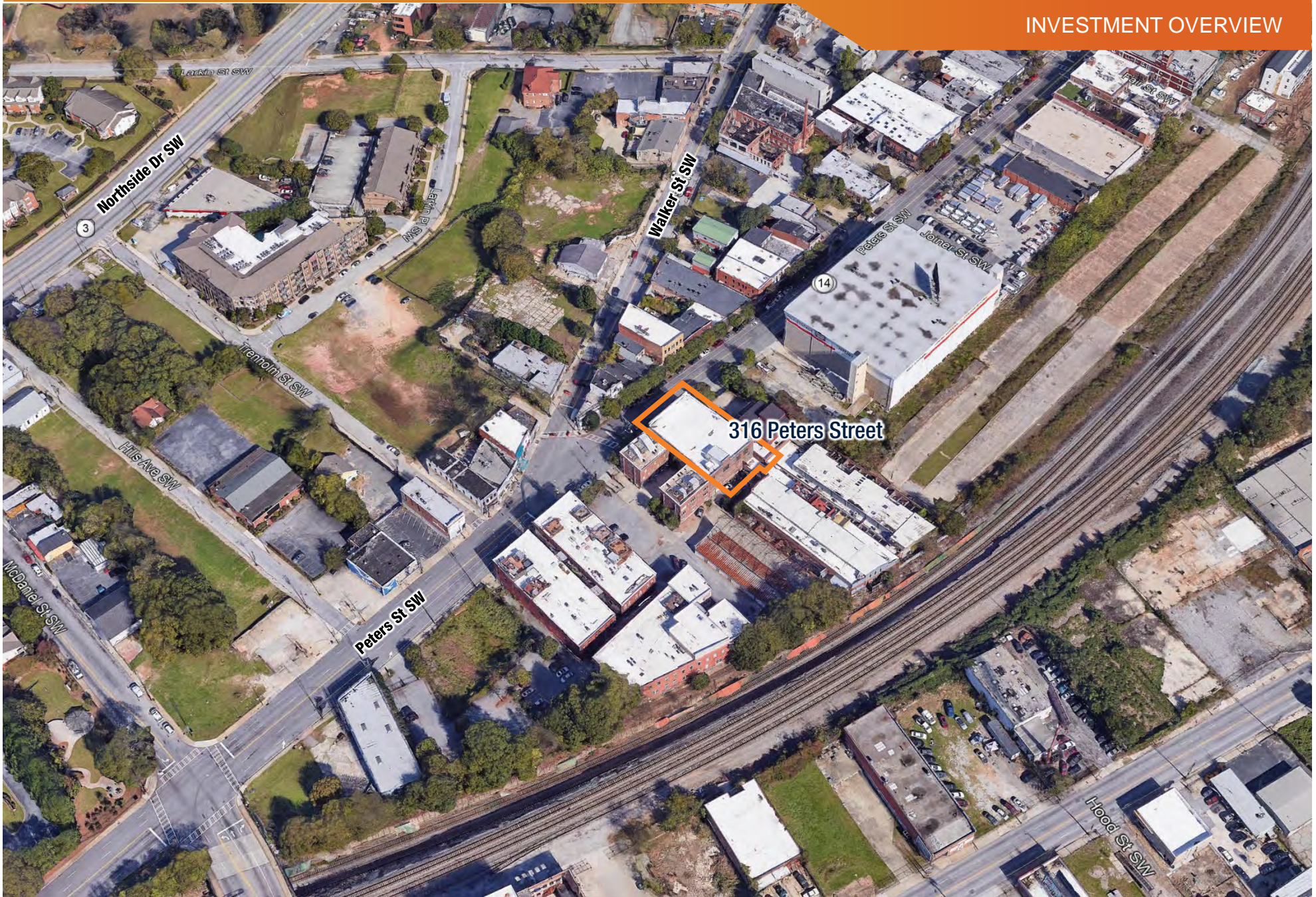
Property Specifications

Market Area	Castleberry Hill
Property Type	Industrial Warehouse Poised for Loft Development
Year Built	1900
Total RBA	±30,740 SF
Number of Floors	3 Stories + Basement
Ceiling Height	13' – 15'
Elevator	1 Large Cargo/Freight
Construction Type	Vintage Brick & Wood Frame
Land Area	0.22 Acres
Zoning	HC-20N SA1



Rooftop View – Northbound





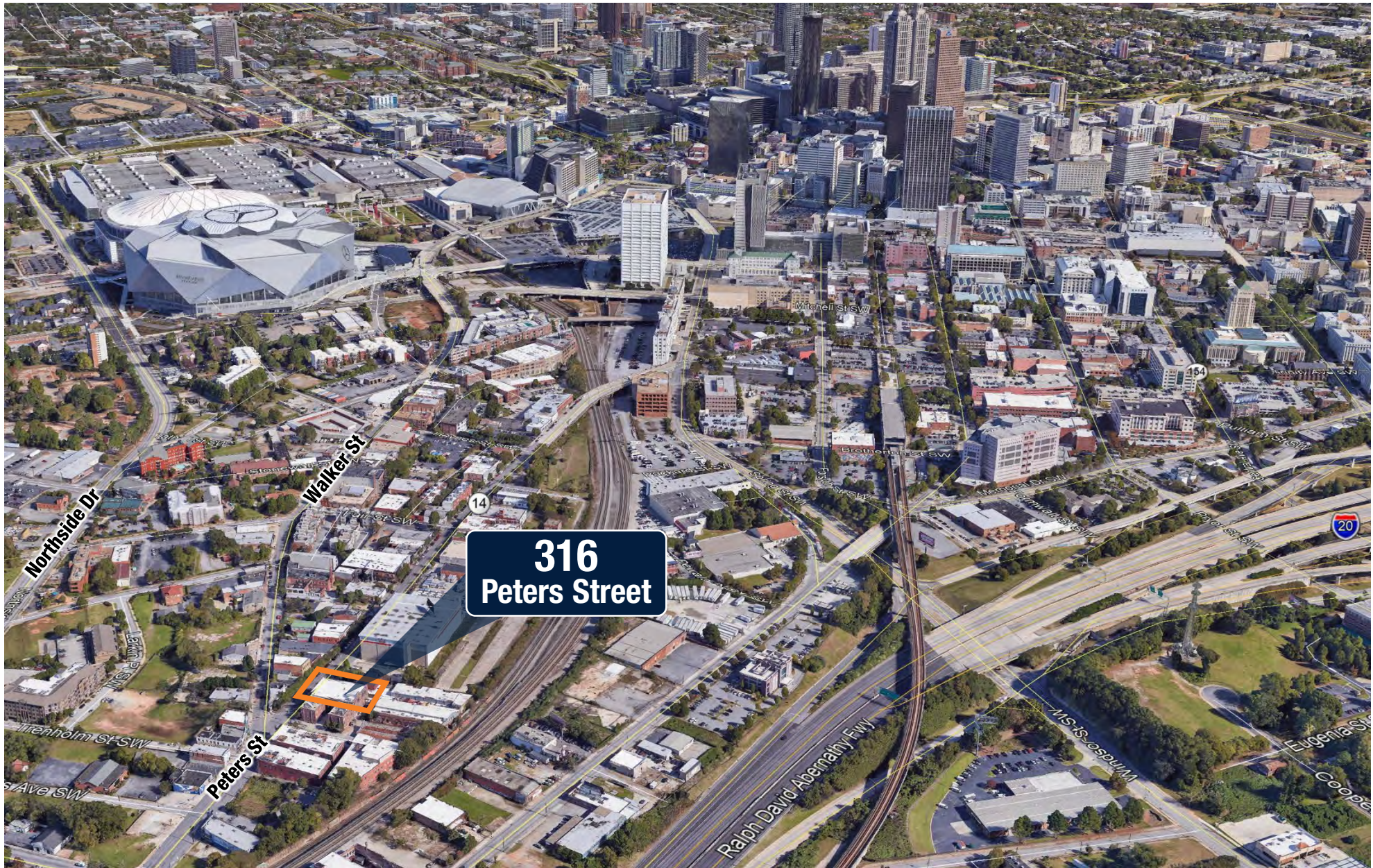
316 Peters Street



Northbound | Mercedes-Benz Stadium



Eastbound | Georgia State Capitol







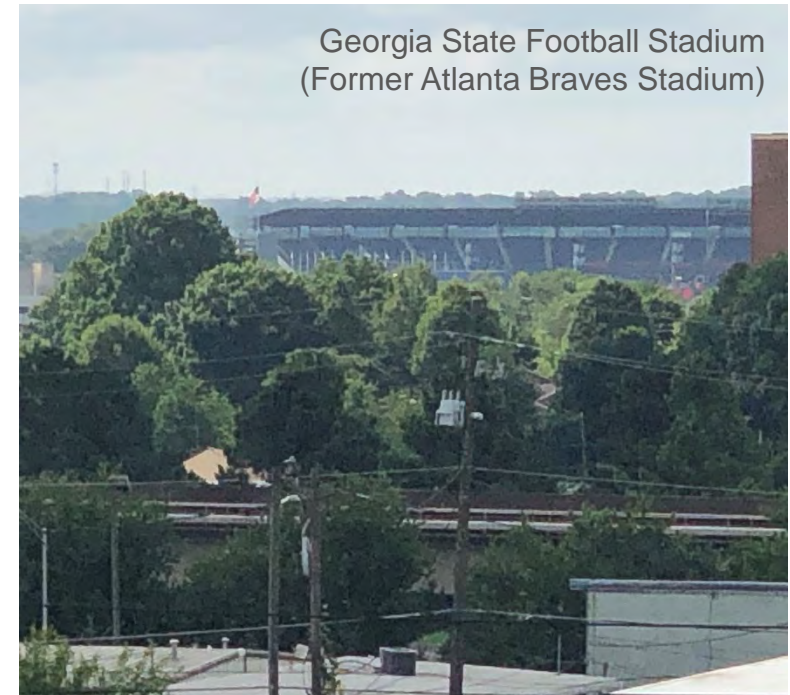
360° Rooftop Views



The Gold Capitol Dome



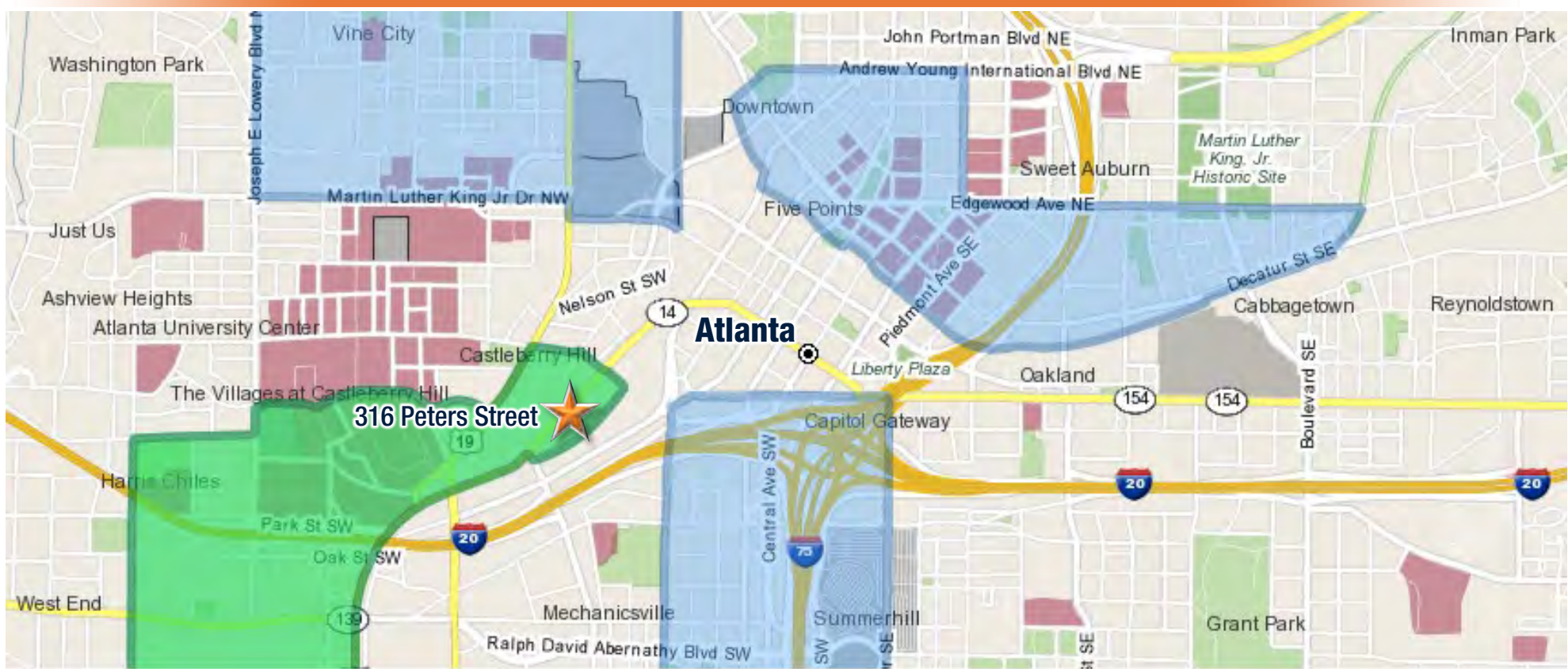
View of Georgia State Capitol



Georgia State Football Stadium
(Former Atlanta Braves Stadium)

Atlanta Downtown Opportunity Zone Map

316 Peters Street is located in the newly created Federal Opportunity Zone in Castleberry Hill. This distinctive location creates a unique opportunity for maximizing a real estate purchase.



➤ *Castleberry Hill Opportunity Zone*

➤ *Surrounding Opportunity Zones*

Opportunity Zones FAQs

Q: Is this a “limited time” opportunity?

A: Gains that are placed in an Opportunity Fund are only deferred until the end of 2026. As a result, the equity investment must be made by the end of 2019 to get the full 15 percent tax basis “step-up” from investing in an Opportunity Fund for seven years.

Q: Are the rules still being defined? What guidance is coming?

A: Guidance is still pending on many elements of this newly created tax rule. One open question is how funds are treated during the substantial improvement phase. The statute allows 30 months to complete the substantial improvements, but requires that 90 percent of the funds be invested within six months. This rule, and many others, will require additional guidance from the Treasury Department and the IRS.

Q. What is an Opportunity Zone?

A: Opportunity Zones are areas in each state where Qualified Opportunity Funds can invest gains from other investments into real estate and businesses to defer and reduce capital gains taxes.

Q: Why were Opportunity Zones created?

A: Opportunity Zones were added as part of the Tax Cuts and Jobs Act on Dec. 22, 2017, to encourage investment, development and job creation in economically distressed communities.

Q: What is a Qualified Opportunity Fund?

A: Investors put capital gains from other investments such as the sale of stocks into a Qualified Opportunity Fund to defer and reduce taxes on capital gains. The fund invests at least 90 percent of that money into properties located in opportunity zones and must substantially improve the property with development equal to or greater than the purchase price within 30 months.

Q: How is a Qualified Opportunity Fund Created?

A: An eligible taxpayer self-certifies by filing with the IRS as a partnership or as a corporation. Investors place capital into the fund within 180 days of recognizing a gain from other investments.

Q: Do Opportunity Zones only apply to real estate?

A: Although this FAQ focuses on commercial real estate and redevelopment, Opportunity Funds can also invest in new construction and businesses located in these areas. Separate rules apply to those options.

Q: Can investors 1031 Exchange into an Opportunity Fund?

A: Investors cannot use a 1031 tax deferred exchange to move profits from real property into an Opportunity Fund, nor can gains from an Opportunity Fund be exchanged into real property using a 1031 exchange.

Q: How do investors benefit by investing in Opportunity Zones?

A: If investors invest capital gains into a Qualified Opportunity Fund within 180 days of selling an asset such as stocks, they can potentially defer or reduce their capital gains taxes:

- **Five-Year Hold:** If the taxpayer holds the fund shares for five years, there is a 10 percent basis step-up. They only pay taxes on 90 percent of the capital gains they invested.
- **Seven-Year Hold:** If the taxpayer holds the fund shares for seven years, there is another 5 percent basis step-up (to a total of 15 percent). They only pay taxes on 85 percent of the capital gains they invested.
- **Taxes Due:** When the taxpayer sells the investment, or on Dec. 31, 2026, – whichever comes first – the taxpayer must pay taxes on the deferred capital gains.
- **10-Year Hold:** If the taxpayer holds the fund shares 10 years, the taxpayer still receives the 15 percent basis step-up, but also pays no capital gains taxes on the profits on the assets in the fund.

LOCATION OVERVIEW







Neighboring Downtown Job Centers



MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES *
DELTA AIRLINES	27,100
Cnn	10,031
Grady Health System	9,330
Dbhdd	8,561
COCA-COLA	8,000
Southwest Airlines	3,971
Msg	3,500
AT&T	3,223
Hughes Spalding Childrens Hosp	3,000
Turner Broadcasting System Inc	2,936
Delta Technology LLC	2,760
Georgia-Pacific	2,655

DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2016 Estimate Pop	20,352	162,131	329,590
2016 Estimate HH	6,756	71,337	145,998
Median Age	25.63	31.11	33.08
Median HH Income	\$23,247	\$39,922	\$43,262
Per Capita Income	\$19,285	\$33,158	\$36,183
Average HH Income	\$43,740	\$70,669	\$79,018

* # of Employees based on 5-mile radius

Downtown Office & Job Centers



Georgia's Own Tower & Georgia Pacific Tower



Microsoft Entrepreneurial Hub



191 Tower



CNN Center



Centennial Tower



41 Marietta Street Tower



Peachtree Center

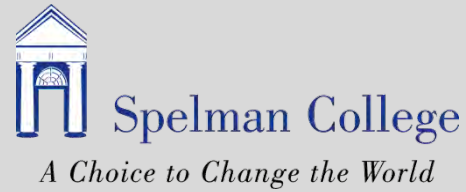
Government Job Centers



Georgia State University



Atlanta University Center: Education Job Center



Downtown Event Venues



Olympic Centennial Park



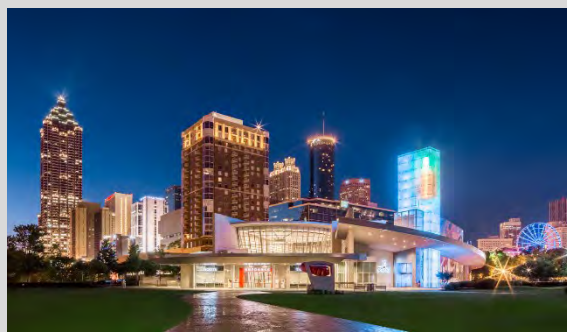
The Tabernacle



Skyview Atlanta



College Football Hall of Fame



World of Coke



Georgia Aquarium



Center for Civil & Human Rights



Mercedes-Benz Stadium



CNN Center

MARTA Stations within Half Mile

Vine City MARTA Station



Five Points MARTA Station



Garnett Street MARTA Station



Demographics 2019

POPULATION	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Population	19,518	170,140	340,746
■ 2018 Estimate			
Total Population	18,684	162,045	330,274
■ 2010 Census			
Total Population	17,094	144,068	294,940
■ 2000 Census			
Total Population	19,286	145,113	306,800
■ Daytime Population			
2018 Estimate	81,536	426,009	625,581
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Households	6,995	76,060	154,102
■ 2018 Estimate			
Total Households	6,418	69,853	145,097
Average (Mean) Household Size	1.95	1.96	2.07
■ 2010 Census			
Total Households	5,695	60,802	127,996
■ 2000 Census			
Total Households	5,850	54,093	121,253
Growth 2015-2020	8.99%	8.89%	6.21%
HOUSING UNITS	1 Miles	3 Miles	5 Miles
■ Occupied Units			
2023 Projection	6,995	76,060	154,102
2018 Estimate	7,845	86,007	171,470
Owner Occupied	1,121	23,885	57,628
Renter Occupied	5,297	45,967	87,469
Vacant	1,427	16,154	26,373
■ Persons In Units			
2018 Estimate Total Occupied Units	6,418	69,853	145,097
1 Person Units	51.65%	49.51%	44.80%
2 Person Units	25.02%	28.17%	29.60%
3 Person Units	11.09%	10.67%	11.93%
4 Person Units	6.47%	5.99%	7.35%
5 Person Units	3.21%	2.82%	3.31%
6+ Person Units	2.56%	2.84%	3.01%

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2018 Estimate			
\$200,000 or More	2.26%	6.29%	8.43%
\$150,000 - \$199,000	3.13%	5.40%	5.75%
\$100,000 - \$149,000	6.69%	11.72%	11.98%
\$75,000 - \$99,999	8.67%	10.76%	10.27%
\$50,000 - \$74,999	8.81%	14.03%	14.29%
\$35,000 - \$49,999	7.90%	10.94%	11.12%
\$25,000 - \$34,999	10.38%	8.42%	8.79%
\$15,000 - \$24,999	20.23%	11.42%	10.90%
Under \$15,000	31.91%	21.01%	18.49%
Average Household Income	\$48,859	\$79,405	\$88,425
Median Household Income	\$23,817	\$47,130	\$51,117
Per Capita Income	\$21,308	\$36,203	\$39,998
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2018 Estimate Total Population	18,684	162,045	330,274
Under 20	30.68%	21.52%	21.69%
20 to 34 Years	35.87%	35.55%	31.49%
35 to 39 Years	5.25%	7.92%	8.27%
40 to 49 Years	10.28%	12.89%	13.50%
50 to 64 Years	11.88%	14.40%	15.61%
Age 65+	6.03%	7.72%	9.43%
Median Age	24.79	31.37	33.32
■ Population 25+ by Education Level			
2018 Estimate Population Age 25+	9,271	104,054	224,111
Elementary (0-8)	3.28%	2.29%	2.19%
Some High School (9-11)	12.18%	9.35%	8.77%
High School Graduate (12)	22.27%	19.56%	20.03%
Some College (13-15)	20.16%	17.66%	17.13%
Associate Degree Only	5.56%	4.71%	4.48%
Bachelors Degree Only	24.13%	26.42%	25.94%
Graduate Degree	10.88%	19.04%	20.48%
■ Population by Gender			
2018 Estimate Total Population	18,684	162,045	330,274
Male Population	50.62%	53.03%	50.89%
Female Population	49.38%	46.97%	49.11%

Source: © 2018 Experian

Demographics 2019



Population

In 2018, the population in your selected geography is 18,684. The population has changed by -3.12% since 2000. It is estimated that the population in your area will be 19,518.00 five years from now, which represents a change of 4.46% from the current year. The current population is 50.62% male and 49.38% female. The median age of the population in your area is 24.79, compare this to the US average which is 37.95. The population density in your area is 5,946.70 people per square mile.



Households

There are currently 6,418 households in your selected geography. The number of households has changed by 9.71% since 2000. It is estimated that the number of households in your area will be 6,995 five years from now, which represents a change of 8.99% from the current year. The average household size in your area is 1.95 persons.



Income

In 2018, the median household income for your selected geography is \$23,817, compare this to the US average which is currently \$58,754. The median household income for your area has changed by 82.73% since 2000. It is estimated that the median household income in your area will be \$28,434 five years from now, which represents a change of 19.39% from the current year.

The current year per capita income in your area is \$21,308, compare this to the US average, which is \$32,356. The current year average household income in your area is \$48,859, compare this to the US average which is \$84,609.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 7.37% White, 88.64% Black, 0.02% Native American and 0.88% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 2.87% of the current year population in your selected area. Compare this to the US average of 18.01%.



Housing

The median housing value in your area was \$205,246 in 2018, compare this to the US average of \$201,842. In 2000, there were 744 owner occupied housing units in your area and there were 5,106 renter occupied housing units in your area. The median rent at the time was \$345.



Employment

In 2018, there are 60,240 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 51.87% of employees are employed in white-collar occupations in this geography, and 48.61% are employed in blue-collar occupations. In 2018, unemployment in this area is 9.37%. In 2000, the average time traveled to work was 29.00 minutes.

Source: © 2018 Experian



ATLANTA
Downtown

ATLANTA DEVELOPMENT NEWS

Vision unveiled for \$19M Castleberry Hill residential project near the Gulch

The Smith & Porter Railside Flats promise a nod to the neighborhood’s industrial roots

By [Sean Keenan @ThatSeanKeenan](#) Jan 3, 2019, 10:45am EST

Construction is well underway on a 115-unit residential complex that promises to pay homage to the industrial workers that helped make Casltberry Hill—and nearby downtown—what it is today.

Called “Smith & Porter,” the Enfold Properties project is expected to be open for residents in April and totally complete by the end of the summer, offering one- and two-bedroom rentals along Peters Street.

Leasing has yet to begin, but expect one-bedroom units to start around \$1,300 and two-bedrooms around \$1,600, an Enfold spokesman tells Curbed Atlanta. The development also plans to offer a handful of higher-end units: four one-bedrooms with a loft and rooftop terraces with city views that will go for about \$1,900, and four larger two-bedrooms with “flat-iron-ish geometry” for about \$2,000, officials said.

Although Smith & Porter’s progress is easily visible from the street, a rendering released last week illustrates a fuller vision for the \$19.3 million venture.

The design was mostly dictated by Castleberry Hill’s historic district regulations and the city’s Urban Design Commission, said the spokesman.

The residential complex is also expected to bring what developers consider Class A amenities—pool, clubroom, tall ceilings, stainless appliances—to the Castleberry Hill site, which sits just south of downtown’s Gulch, where billions more in development is planned.

As for the Peters Street project’s name, Enfold’s marketing team had this to say:

“It’s hard to imagine a location with a better-earned pride of place. In the early years of Castleberry Hill, Peters Street was a bustling industrial center for many of Atlanta’s hardest working tradespeople, including blacksmiths. And as the city’s first railroad system was being built by visionary Richard Peter, many a dedicated porter signed on to serve. The name ‘Smith & Porter’ is both an homage to the blue-collar pioneers who helped make this place special—and an invitation to the next generation of movers and makers looking to be just as historic.”

Elsewhere in the neighborhood, Ty Pennington, most famous for hosting Extreme Makeover: Home Edition, is spearheading an adaptive-reuse condominium project; construction of the Reverb by Hard Rock hotel is moving forward; and practically next door to Smith & Porter, Gulch developer CIM Group has teamed with Stream Realty Partners for a \$70-million revamp of the Norfolk Southern Buildings.



From the Atlanta Business Chronicle:

Atlanta's downtown becomes a hot real estate market

March 8, 2018

After decades of outward expansion, the city of Atlanta is focusing inward again.

Renewed interest in urban working and living began in downtown adjacent areas like Buckhead, Midtown and Old 4th Ward. Now as prices rise and space becomes scarce in surrounding submarkets, the city's core is the newest frontier for urban commercial and residential development in the metro Atlanta region.

In the last 10 years, nearly \$4 billion in completed real estate investment has been made in downtown Atlanta and another \$4 billion worth of development being planned or under construction, according to JLL's market research. Class A direct vacancy rates have fallen more than 2 percentage points to 18 percent in the last three years, and average Class A lease rates have risen by \$10 per square foot in the same period. JLL market stats also indicate that downtown's residential population has grown an average of 1.95 percent a year since 2010, with nearly 60,000 residents calling downtown Atlanta home.



“The magnitude of the investments is very impressive,” said Mike Sivewright, president of JLL’s Atlanta Region.

Atlanta has faced the same issue that drained urban centers across the country — migration to the suburbs. Unlike sprawl in places like New York and Chicago, though, Atlanta’s sprawl had no geographic impediments, says JLL Director of Research Craig Van Pelt: “It just went out and out and out and it grew so fast that the infrastructure wasn’t there to support that growth.”

But suburban working and living have become increasingly incompatible with changing work-life preferences. Millennials, the next-in-line Generation Zers and even baby boomers are rethinking what’s important to them. They want shorter commutes or no commutes; they want unique workspaces in existing, renovated buildings; and they want to live within arm’s reach of amenities and basic services. “People don’t want to use as many resources,” Van Pelt says. “They’ll give up a little bit on the size of their home in order to live smarter.”

Downtown Atlanta’s renaissance has been fueled by this shift in priorities — and by institutions and companies that see the city’s promise and have made investments that build momentum. Georgia State University, for example, has poured hundreds of millions of dollars into downtown, purchasing and renovating more than 1.2 million

(continued)

square feet of space for academic use and student housing. Corporations like NCR and Anthem are making major financial investments downtown, too. Huge projects like Mercedes-Benz Stadium and in progress developments like Philips Arena and Underground Atlanta — which is said to be planning the rare urban grocery store — are rounding out development downtown, checking off all of the boxes for people who want the perfect place to live, work and play.

This rebirth comes during a strong period of expansion and return for the nation's overall real estate market. Atlanta is one of the top 20 markets to watch in 2018, according to the Urban Land Institute's 2018 Emerging Trends in Real Estate Report. ULI researchers say Atlanta should "continue to benefit from recent corporate relocations, and ... is likely to remain attractive to companies considering relocation."

The energy and activity downtown are certainly attracting outside investors, Sivewright says, noting that a large German investment fund and some major out-of-town retail and commercial developers and investors are buying downtown land and buildings for redevelopment. "The outside world is coming to Atlanta and they're seeing potential that hasn't been seen before," he says.

Downtown's development is primarily adaptive reuse, which is "a good barometer of urban renewal," Sivewright says. It creates spaces that attract a diverse mix of residential and commercial tenants, who are the foundation of strong urban areas. "Atlanta is becoming a world-class city," he continues. "All world class cities have interesting in-town neighborhoods where skilled labor and professional labor and people of all types of economic background live and thrive."

Sivewright acknowledges that the U.S. is in the late cycle of an expanding economy, which is when real estate typically is at its peak — implying that it could plateau or even begin to decline. But he believes that downtown Atlanta is poised to stay solid despite any larger market shifts. Downtown's population is growing; its companies are creating jobs; tourism in the city core is booming; and the perception of urban living and working has never been more positive, he says. "I'm not sure anything could slow it down."

From the Atlanta Business Chronicle:

How a series of projects are transforming South Downtown

Billions in investment may change much of the area in the coming years, via a series of projects unmatched across the nation.

Dec 8, 2017, 2:00am EST

It's difficult to find a neighborhood anywhere in the country poised for a greater metamorphosis than Atlanta's historic South Downtown.

The area, with roots dating back to the commercial beginnings of the city, has more than \$1.5 billion worth of new projects in the works, including: The proposed \$400 million development of "The Gulch," a collection of railroad lines and vacant parking lots that once formed an important railway hub for the Southeast.

Newport U.S. RE's sweeping plans for several dozen buildings and parking lots along Peachtree, Mitchell and Broad streets.

The \$300 redevelopment of Underground Atlanta at Alabama and Pryor streets, which for decades has struggled for viability.

A nearly \$193 million renovation to Philips Arena, home of the Atlanta Hawks, which would be complemented by the new entertainment district just outside its doors in the Gulch.

An effort to connect those areas with the redevelopment of Turner Field to the south will be closely watched. Now called Georgia State Stadium, the project and surrounding neighborhoods including Summerhill, Peoplestown and Mechanicsville are an important part of the transformation, but for now they remain cut off from the rest of South Downtown by the Connector and Interstate 20.

The wave of projects has placed South Downtown, under-appreciated for years, in the spotlight. In recent months, it has emerged as a top candidate to land Amazon's proposed \$5 billion second headquarters, known as HQ2. The Gulch would fit Amazon's criteria for an urban, walkable downtown campus.

South Downtown may end up sharing parallels with the country's most sweeping urban transformations, including Lower Downtown Denver, or LoDo, a 23-block area that dates back to the oldest part of that city, and Hudson Yards, a nearly 30-acre project on the edge of Manhattan.

But, with so many projects in the pipeline, the potential speed of South Downtown's renaissance is remarkable, said Jennifer Ball, vice president of planning and economic development for Central Atlanta Progress. "It's true that one of the areas we've looked at for comparison is LoDo, but keep in mind development there has been occurring for more than a decade."

The centerpiece of South Downtown's renaissance may be The Gulch, a historic piece of the old city where 19th century railroads formed a vital transportation hub for the



(continued)

Southeast. The Gulch sits beneath a series of viaducts built over the top of it that today are known as Nelson and Mitchell streets and Martin Luther King Jr. Drive.

The Gulch is the biggest piece of the South Downtown puzzle because of its location. Sitting between neighborhood landmarks including the \$1.5 billion Mercedes-Benz Stadium, Five Points MARTA station, Underground Atlanta and Newport's development, it could tie together the entire area.

Recently, Los-Angeles real estate company CIM Group — whose principals include Richard Ressler, brother of Hawks majority owner Tony Ressler, filed plans for a \$1 billion mixed-use development in the Gulch that could be Atlanta's version of L.A. Live. All told, it could feature 10 million square feet of office space and another 1 million square feet of retail.

However, any development within the Gulch is complex. Large pieces of the land have been owned by railroad companies for well over 100 years, and developers familiar with the site say the costs of infrastructure improvements are potentially daunting.

Its potential impact, though, is undeniable. The entire Gulch redevelopment area covers up to 120 acres from just south of The Norfolk Southern Buildings (another recent CIM acquisition, for \$26 million) to the Five Points MARTA station.

Just to the east, Newport is proposing to form its new residential and retail district along Peachtree, Forsyth, Mitchell and Broad streets, an area known for brick, stone and terracotta buildings. It once housed the city's garment district and a thriving, eclectic collection of stores and shops.

A few blocks away, Underground Atlanta developer WRS recently announced partnerships with Peak Campus, a student housing developer, to build a 700-bed building across from Georgia State University. WRS is also working with Prestwick Companies to develop at least 180 multifamily units.

More office tenants appear drawn to downtown's momentum. In fact, over the past several quarters, downtown's buildings had the highest net absorption of urban markets, and rental rates for trophy properties jumped 25 percent over the past two years, according to new data from Jones Lang LaSalle Inc.

"There has been a sea change in downtown Atlanta," JLL said.

So, what is the reason for the resurgence? Some call it the Ponce City Market effect, a reference to the successful redevelopment of the historic Sears, Roebuck & Co. property on Ponce de Leon Avenue and the Atlanta Beltline.

"Buildings like Ponce City Market and like those in South Downtown are in short supply," Ball said. "You're seeing investors and companies pay more to have places with so much historic character."

Douglas Sams

Commercial Real Estate Editor

Atlanta Business Chronicle



ATLANTA
Downtown

ATLANTA DEVELOPMENT NEWS

Fresh renderings uncovered for Castleberry Hill’s ‘Reverb by Hard Rock’

The unique hotel project’s design has changed since its early 2017 “groundbreaking”

By [Sean Keenan @ThatSeanKeenan](#) Aug 20, 2018, 1:45pm EDT

As part of a Castleberry Hill mixed-use development now dubbed Castleberry Hill Park, a new Hard Rock Hotel is underway in Atlanta that’s unlike any other in the country, according to developers.

The project ceremonially broke ground in early 2017 and started visible site work late last year, but newfound renderings suggest at least the exterior design has changed a bit since shovels hit the dirt.

New images show the 11-floor boutique hotel flaunting a new name, “Reverb by Hard Rock”—an upgrade from its boilerplate old name, “Hard Rock Hotel Atlanta.” It would be the Hard Rock’s first boutique hotel in the United States, according to Bolton Atlanta, a development group that includes local architects TSW and Dezhu US, an Atlanta-based subsidiary of a prominent Chinese developer.

The delayed \$90 million mixed-use project hosting Atlanta’s newest Hard Rock also appears to have undergone some rebranding since last check: The “Castleberry Hill Park Project” moniker has replaced the old title, “Castleberry Hill Point.”

In addition to the Reverb hotel’s 200 rooms and rooftop bar, the 2.4-acre mixed-use site, under development by Bolton Atlanta, will also offer 130 apartments—20 percent of which will be earmarked for people making 80 percent of the area median income— 20,000 square feet of retail space, and its own small park.

The project, situated right next to downtown’s Mercedes-Benz Stadium, also calls for a 375-space parking deck.

Bolton Atlanta reps reported last month that main preparation work for the Castleberry Hill Park project was almost finished.

The hotel is slated to open at the beginning of 2020, meaning it won’t be ready in time for Atlanta’s hosting of Super Bowl LIII in 2019, as was initially expected. It’s replacing a scraggly, empty lot used mostly for tailgating.



From the *Atlanta Business Chronicle*

No Mas! Hacienda & Cantina celebrates 20 years

Aug 5, 2016, 2:52pm EDT

A staple in Atlanta's Castleberry Hill neighborhood is turning 20.

In 1996, Steve MacNeil and Walt Bilinski founded No Mas! Productions, a furniture and interiors emporium, and 10 years later, their Mexican-themed restaurant and artisan market No Mas! Hacienda & Cantina.

MacNeil and Bilinski own the 25,000-square foot former warehouse at 180 Walker St. that today has grown to include the restaurant and boutique, outdoors retail store, silver store, and breakfast and Happy Hour concepts. It's decorated immaculately to reflect the flavors and colors of Mexico.

Over the years, MacNeil and Bilinski, who are part-time residents of Mexico, have formed relationships with more than 350 artists and makers who produce gifts, jewelry and furnishings for the store and restaurant. To this day, the two curate the goods from Mexico themselves and unload their own truck.

The pair has had a long love affair with Mexico. MacNeil's first experience came in sixth grade when he went to Tijuana. Bilinski began visiting with MacNeil in the early 1990s and quickly became enthralled with the culture, as well.

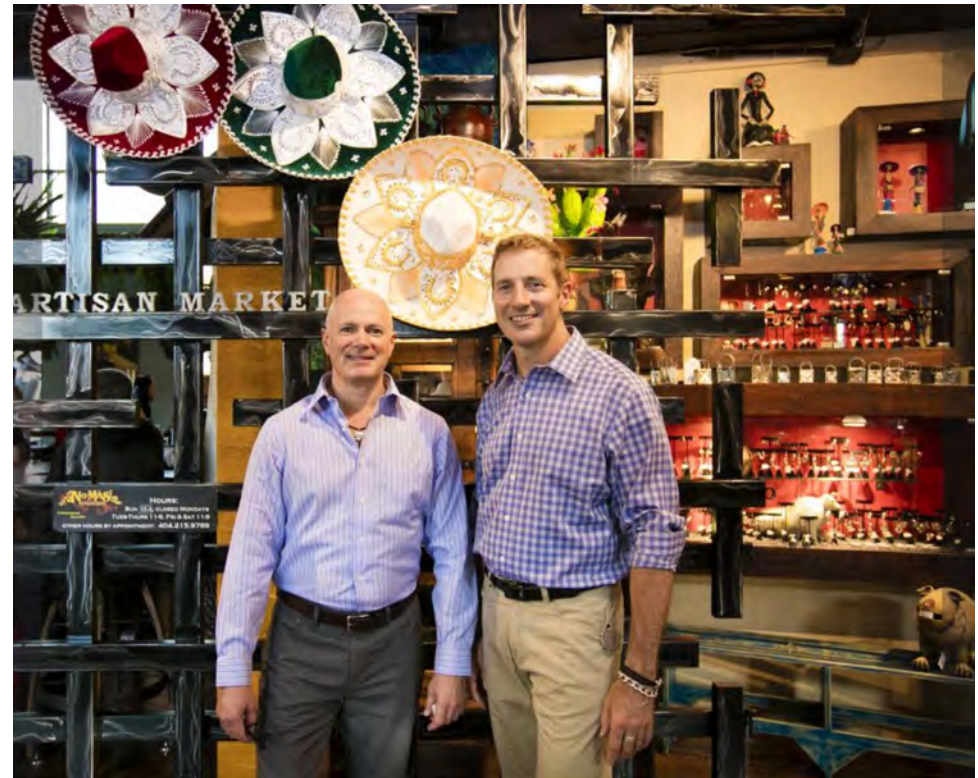
The two began bringing back artwork and furnishings from Mexico, at the time to decorate their home in Massachusetts.

After moving to Atlanta in 1994, MacNeil and Bilinski decided to shed their corporate careers and launched No Mas! Productions on Huff Road in Atlanta's trendy Westside. That location has since closed. Ten years later, the two opened No Mas! Hacienda & Cantina in Castleberry Hill, inspired by the neighborhood's artsy and eclectic vibe. Although at the time, the neighborhood was still very much in transition, they said.

"The outsides of the buildings looked forbidden," Bilinski said. MacNeil said the key to longevity in the high-stakes restaurant industry is simply to have passion for your work. "We're hands on here," he said. "Every single ring is handpicked."

The pair looks forward to the coming years, encouraged by new development in the area including the \$1.6 billion Mercedes-Benz Stadium, which will host the 2019 Super Bowl. There's also a Hard Rock Hotel in the works for Castleberry Hill. "We look forward to the day when there's more interaction from the street," Bilinski said.

Amy Wenk
Staff Writer
Atlanta Business Chronicle



From the *Atlanta Business Chronicle*

Date released for 2019 Super Bowl in Atlanta

Apr 13, 2017, 2:57pm EDT

The National Football League today announced Super Bowl LIII will be played at Atlanta's Mercedes-Benz Stadium on Feb. 3, 2019.

"We are excited to officially have the date for Super Bowl LIII from the NFL," said Dan Corso, president of the Atlanta Sports Council and chairman of the Metro Atlanta Host Committee. "Atlanta's preparations are well under way as we get ready to showcase the city to the rest of the sporting world."

Atlanta was awarded the Super Bowl on May 26 in Charlotte, N.C.

It will be the third time Atlanta hosts the major sporting event. It was held at the Georgia Dome on Jan. 30, 1994, and Jan. 30, 2000.

The Super Bowl is the most-watched television show in the country with an average audience of about 110 million viewers. Last season, when the Atlanta Falcons lost to the New England Patriots, a record 172 million people watched.

Amy Wenk
Staff Writer
Atlanta Business Chronicle



From the Atlanta Business Chronicle

Atlanta United announces single-match tickets dates for Mercedes-Benz Stadium:

Jul 14, 2017, 2:13pm

Atlanta United single match tickets will go on sale to the general public for matches at the \$1.5 billion Mercedes-Benz Stadium July 24.

Prior to tickets going on sale to the general public, United founding members and Mercedes-Benz Stadium seat license owners will have the opportunity to purchase tickets July 19 as an added benefit through an exclusive pre-sale. United group tickets will go on sale to the general public July 20.

Mercedes-Benz Stadium will feature a 42,500-seat soccer configuration and has the flexibility to expand the soccer configuration into the 300 level which will happen twice during the 2017 season; on Sept. 16 for the local derby match vs. Orlando City SC and for the club's final match of the regular season vs. Toronto FC on Oct. 22.

United has set a Major League Soccer record in season ticket sales with over 35,000 season tickets sold to date and currently leads the league in average home-game attendance. The club will play its first match in Mercedes-Benz Stadium Sept. 10.

Phil W. Hudson

Staff Writer

Atlanta Business Chronicle



From the Atlanta Business Chronicle:

Georgia's biggest insurer scores naming rights to Philips Arena

Aug 29, 2018, 10:57am EDT

Downtown's Philips Arena, home of the Atlanta Hawks, will be renamed "State Farm Arena." State Farm Insurance Co. and the Atlanta Hawks Basketball Club announced Wednesday that the state's largest home and auto insurer has signed a 20-year sponsorship for the sports arena, scoring the right to put its red logo atop the venue. Financial terms of the agreement were not disclosed.

The partnership comes as the Hawks are soon to tip off their 2018-2019 season in a fully-renovated arena. It's also the 50th anniversary of the team in Atlanta.

"We are so grateful for this opportunity to work with the Hawks and bring our brand to millions of people," State Farm Chairman and CEO Michael Tipsord said Wednesday afternoon during a ceremony outside the arena.

State Farm in recent years has made significant investments in metro Atlanta, including its new Dunwoody regional hub that employs 6,000 workers.

Hawks Principal Owner Tony Ressler said the Hawks chose State Farm because the company has the same strong commitment to the community that has prompted the Atlanta Hawks Foundation to build Hawks themed basketball courts at parks around the city.

"We've always viewed the Hawks as a community asset in search of a championship," Ressler said. "State Farm is an exceptional company committed to being a great partner in the community. ... Generations will be positively impacted by the work we do throughout Georgia, and we could not be prouder to have the State Farm name on our new arena."

Hawks Hall-of-Famer and TV analyst Dominique Wilkins and several current Hawks players were on hand for Wednesday's ceremony. Guard-forward Kent Bazemore helped unveil a new red banner on the side of the arena featuring the State Farm and Hawks logos.

State Farm Arena is set to officially welcome guests on Oct. 20 for a "Welcome to the Neighborhood" party. Superstars including Elton John, Drake and Justin Timberlake are set to perform there.

Back in February, it was revealed electronics maker Philips would not renew its naming rights. Philips signed a 20-year, \$185 million deal for branding rights of the arena in 1999, according to reports. At the time, the arena was the new home of the Hawks and the then-NHL expansion team Thrashers. It was one of the most lucrative naming right deals in sports at the time, and still is, according to data from the SportsBusiness Journal.

In July, financial services technology company Fiserv Inc. bought the naming rights for the new Milwaukee Bucks arena, which will be called Fiserv Forum. The two sides were reportedly working toward a 25-year agreement with an average price of \$6 million per year.

The Hawks arena sits right beside downtown's historic Gulch where a massive project is now planned



From the Atlanta Business Chronicle

City: Downtown 'Gulch' project will produce 37,000 permanent jobs

Aug 21, 2018, 2:29pm EDT

The City of Atlanta released an astounding projection Tuesday morning that a sweeping redevelopment of downtown's historic Gulch will produce 37,000 permanent jobs amid 40 acres dotted with office towers, residential buildings and street-level retail.

That was the ambitious picture that emerged as city council members discussed four pieces of proposed legislation that would help the project get off the ground. Among the ideas city officials are considering is up to \$1.75 billion of public financing in the form of extending the Westside Tax Allocation District (TAD) by another 10 years. The development would also be supported by Enterprise Zone bonds.

Los Angeles-based CIM Group is the developer behind the transformation of the Gulch, which would create 12 to 15 city blocks in what was once the city's heart of commerce, a rail-yard where trains from across the South converged.

CIM is pledging \$500 million in private capital to fund construction of a 40-foot platform to raise The Gulch to street level.

The area, known best as a collection of parking lots outside Philips Arena and Mercedes-Benz Stadium where fans tailgated before football games, has been eyed as a major redevelopment for years. Most recently, it has been targeted as a potential landing spot for Amazon.com Inc.'s (Nasdaq: AMZN) second headquarters, also known as HQ2. The mayor alluded to the company in her remarks as "the elephant in the room."

Atlanta is one of the finalists to land the \$5 billion headquarters, though speculation has centered on northern Virginia as the landing the online retail giant.

Even without Amazon, The Gulch could knit together downtown landmarks such as Centennial Olympic Park and Mercedes-Benz Stadium and neighborhoods such as Castleberry Hill.

"This is a once-in-a-lifetime opportunity that we have as a body to transform Atlanta," Mayor Keisha Lance Bottoms told members of Atlanta City Council during a work session.

The mayor said the planned development would transform an eyesore and create thousands of jobs.

"If we miss this opportunity, it will be an opportunity that will be missed for many, many years to come," Bottoms said.

Council members pushed back that the process seemed rushed and lacked sufficient transparency





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ATLANTA DEVELOPMENT NEWS

First look: Developer CIM’s vision for a reborn Atlanta Gulch

In Atlanta’s quest for Amazon HQ2, underutilized downtown gulley is a favored site

By [Josh Green @JoshGreen1234](#) Aug 21, 2018, 3:38pm EDT

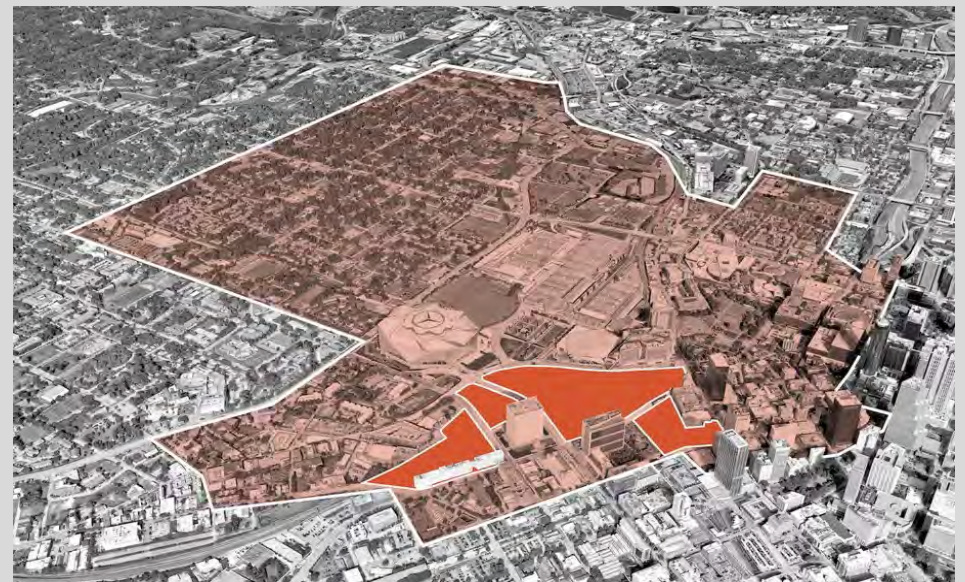
The clearest indication of what national developer CIM Group could have in store for Atlanta’s woebegone Gulch has emerged.

Project leaders with Los Angeles-based CIM attended a work session today with city officials to discuss the Gulch’s tax allocation district, part of ongoing talks spearheaded by the mayor’s office seeking ways to revitalize the most underutilized section of downtown—and at what cost.

CIM officials also shared the vision for what would essentially be a mini city within downtown: a new network of streets, buildings, and parks where little more than railroad infrastructure and tailgating spaces exist today.

Plans are tentative, and any development would likely be rolled out in multiple phases, but CIM’s ambitions for the Gulch parcels it’s assembling could constitute between a dozen and 15 city blocks, with between seven and 12 million square feet of new construction.

Office, residential, retail, and entertainment—but not hotel—uses have been discussed. Public green spaces and MARTA accessibility would also be an emphasis, a rep tells Curbed Atlanta.



(continued)

CIM's portfolio includes large-scale redevelopments in the downtown districts of major cities across the U.S., including Los Angeles, Chicago, and New York City's Brooklyn.

Of a comparable scale to the Gulch proposal is a CIM project set to consume nearly 27 acres of downtown Miami, the Miami Worldcenter, which is also rising next to a sports arena and rail transit. (See that vision in a video here).

It's the largest construction site in Miami history and the nation's second-biggest mixed-use project behind Hudson Yards in New York, as Curbed Miami has relayed.

The Gulch site has long been viewed as a frontrunner in Atlanta's quest to lasso Amazon HQ2's 50,000 jobs, which the online goliath has indicated will eventually require some 8 million square feet of space.

Amazon reps toured the Gulch site in the spring, but the company has been mum on the subsequent selection process, and private developers—like city and state reps—are all forbidden to discuss dealings.

With or without Amazon, the public-funding carrot for CIM to overhaul the Gulch could be tempting.

If CIM can promise up to \$3.5 billion worth of development in the downtown chasm, city officials have indicated that \$900 million in public financing could be at the company's disposal, as the AJC reported this month.

But with \$5 billion worth of development, the public financing could reportedly spike to some \$1.75 billion—more than twice what neighboring Mercedes-Benz Stadium received. That matter has yet to come before the Atlanta City Council.





ATLANTA
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ATLANTA DEVELOPMENT NEWS

Georgia Dome-replacing hotel shown in new renderings

Hotel connected to GWCC Hall 3 could have between 800 and 1,000 rooms, so it’s kind of a big deal

BY **MICHAEL KAHN** AUG 2, 2017, 11:15AM EDT

With just weeks until Mercedes-Benz Stadium hosts its first event, long-term plans for the next life of the adjacent site—currently home to the Georgia Dome—are starting to take shape

The Georgia World Congress Center Authority, which owns and oversees the Dome (along with the GWCC complex and Centennial Olympic Park), has published renderings of a large hotel planned to rise once the stadium is imploded in November..

According to the GWCC website, a new four-star hotel could bring between 800 and 1,000 rooms to the southern end of the convention center, near Northside Drive. That would rank the new lodge between the fifth largest hotel in Atlanta (Omni Atlanta Hotel; 1,038 rooms) and the current sixth (Sheraton Atlanta Hotel; 749 rooms).

As shown, the glassy concept would fill the northern portion of the Georgia Dome’s current site, leaving plenty of space for the “Home Depot Backyard”—a park-parking lot hybrid announced earlier this year.

A report by PKF Hospitality Research LLC indicates that even an 800-room hotel could generate revenue of nearly \$3 million a year for the GWCCA and create more than 1,600 jobs.

The hotel concept has been in the works since 2013, and preliminary renderings emerged in 2014, but very little concrete information has been released in the years since. While no timeline has been announced for the hotel’s construction, the report containing the renderings is dubbed “2020 Vision,” hinting that the goal might be to have the project complete in three years.



From the Atlanta Business Chronicle

\$300M mixed-use project planned near Mercedes-Benz Stadium

Jun 9, 2017, 2:00am EDT

The historic Friendship Baptist Church is seeking to rezone 17 acres of land diagonally across from Mercedes-Benz Stadium to redevelop the area into a \$300 million mixed-income and mixed-use community.

Lloyd Hawk, CEO at Friendship Baptist LLC, the development arm of Friendship Baptist Church, said he will file a rezoning application with the City of Atlanta on June 9 to begin the process. The church also owns another 2 acres in the area that will not need to be rezoned.

“We want to this to be a catalyst for the community, and we also hope it will help provide affordable housing and to make this a sustainable community for businesses that are already in the neighborhood and hopefully attract new to the area,” Hawk said.

The conceptual plans for the development likely will be unveiled in the next three months. The potential cost for the entire redevelopment will be “at least \$300 million,” Hawk said.

In its rezoning request, Friendship is estimating that the development will have a total of 1.76 million square feet for residential, 134,700 square feet of commercial and 185,600 square feet for office – making that a total of more than 2 million square feet.

Plans also call for a hotel to be built directly across the new Martin Luther King Jr. Drive from the Mercedes-Benz Stadium on 2.3 acres property the church has owned on the east side of Northside Drive.

Friendship was one of two historic black churches that agreed to sell their land so new stadium could be built south of the Georgia Dome.

Plans call for the building of a new mid-rise building for senior housing, which would replace the 102 units now in Friendship Towers. The senior housing would be located elsewhere in the development so that the higher density would be along Northside Drive.

The church also is getting ready to demolish the now vacant Friendship Center, which used to have 206 units of below-market price apartments. Hawk estimated that as many as 1,700 residential units could become part of the development, and the church is planning to include affordable housing.

Maria Saporta

Contributing Writer

Atlanta Business Chronicle



METRO ATLANTA OVERVIEW



ATLANTA OVERVIEW

The Atlanta metro encompasses 29 counties in northwestern Georgia. With few natural barriers to limit development, tremendous population growth over the past decade expanded the metro's borders and the region now has a population of roughly 5.9 million people. Over the next five years the region is expected to add approximately 524,000 residents. Meanwhile, Mercedes-Benz Stadium has been a catalyst for redevelopment in the urban core of Atlanta. New projects in the downtown and midtown sections of the city present a vast array of housing, entertainment and retail opportunities that are enticing residents back into the city and providing options for people moving to the metro.

METRO HIGHLIGHTS



HEAVY CONCENTRATION OF CORPORATE HEADQUARTERS

Atlanta ranks fifth in the nation in the number of Fortune 500 headquarters with 15 companies, including UPS, Delta Airlines and Coca-Cola.



STRONG EMPLOYMENT GAINS

The metro places among the highest in the nation for job growth. More than 360,000 jobs were added in the last five years.



LOW COST OF LIVING AND DOING BUSINESS ATTRACTS EMPLOYERS

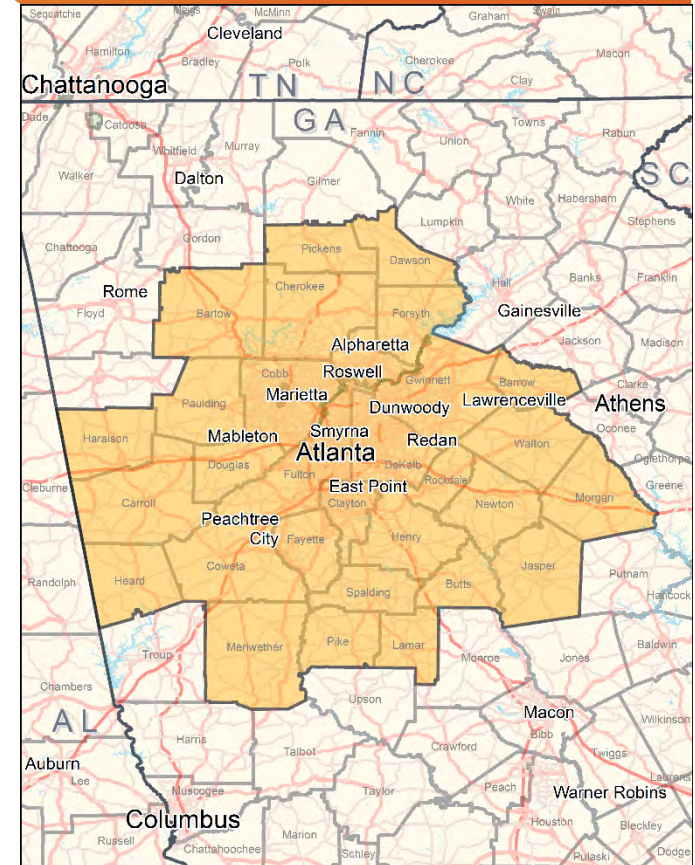
A pro-business environment and affordability helped Atlanta lure new companies to the metro.



ECONOMY

- Gross metropolitan product (GMP) and retail sales progress above national levels.
- The area serves as an economic hub for the Southeast. Many of the country's largest corporations have selected the Atlanta metro for their headquarters.
- Atlanta is favored by businesses for its low corporate taxes, pro-business climate, and access to national and global markets. Among the numerous corporate headquarters are Home Depot, Aflac and Turner Broadcast Co. Other major firms include NCR, Mercedes-Benz, Porsche and State Farm.

MAJOR AREA EMPLOYERS
Delta Airlines
The Home Depot
AT&T
WellStar Health Systems
UPS
Northside Hospital
Piedmont Healthcare
Children's Healthcare of Atlanta
Cox Enterprises
Bank of America



SHARE OF 2018 TOTAL EMPLOYMENT

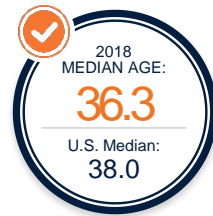
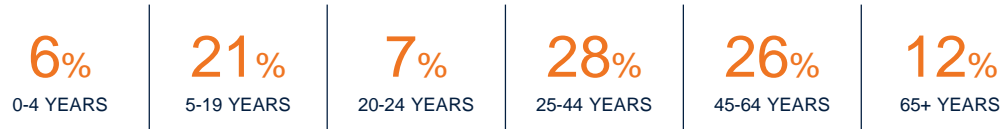




DEMOGRAPHICS

- The local population is projected to exceed 6.3 million people during the next five years, after adding roughly 512,000 residents.
- Nearly 228,000 households will be created by the end of 2023, generating the need for additional housing options.
- A skilled workforce includes nearly 36 percent of residents age 25 and older with a bachelor's degree, which places the metro above the national level.

2018 Population by Age



QUALITY OF LIFE

The Atlanta metro features a surging business environment and modern infrastructure while providing entertainment and attractions. Affordable housing in the outer perimeters has lowered the average cost of living. The metro has several acclaimed cultural institutions, including Zoo Atlanta and the High Museum of Art. More than 30 institutions of higher learning call Atlanta home, including Emory University, Georgia Institute of Technology and Spelman College. Outdoor and sports enthusiasts will find plenty to enjoy. Mild weather year-round allows residents to hike, paddle and bike on the many trails in and around Atlanta. Atlanta is home to professional sports franchises in the NFL, MLB, NBA and WNBA.

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau



SPORTS



EDUCATION

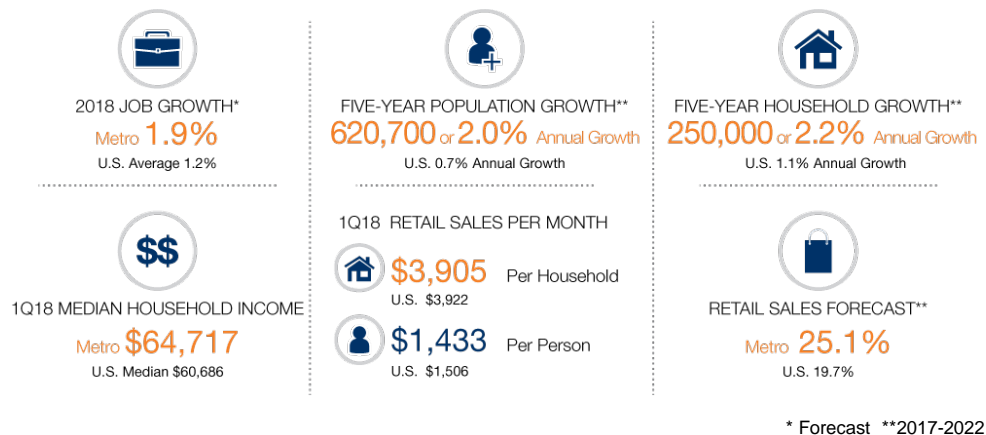


ARTS & ENTERTAINMENT



ATLANTA METRO AREA

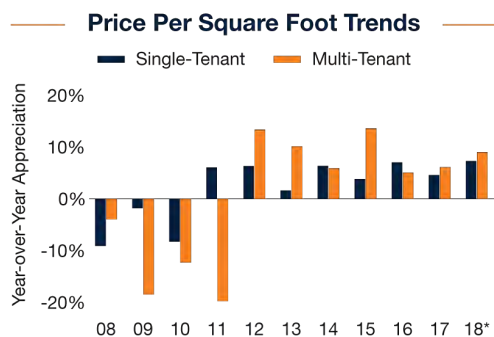
DEMOGRAPHIC HIGHLIGHTS



Sales Trends

Competition Heightens for Retail Properties; Single-Tenant Prices Climb Higher

- Multi-Tenant:** The number of multi-tenant transactions has picked up considerably during the past 12 months, with buyers targeting high-density areas with household growth.
- Single-Tenant:** Transactions for single-tenant assets also rose in the past four quarters, up roughly 10 percent year over year. Healthy demand lifted the average price up roughly 7 percent to \$392 per square foot.



Outlook: Higher first-year returns in the mid-8 percent band and improving vacancy will likely sustain demand for multi-tenant assets this year.

* Trailing 12 months through 1Q18 over previous time period
Pricing trend sources: CoStar Group, Inc.; Real Capital Analytics

Submarket Trends

Lowest Vacancy Rates 1Q18

Submarket	Vacancy Rate	Y-O-Y BasisPoint Change	Asking Rent	Y-O-Y% Change
Buckhead	3.8%	-60	\$29.68	-1.7%
Central Atl	4.1%	-60	\$24.35	-5.8%
Coweta County	4.1%	130	\$15.59	10.6%
South Cobb	4.8%	-60	\$15.63	4.3%
North Cobb	5.3%	-80	\$14.11	15.8%
West Metropolitan	5.3%	-50	\$11.11	9.5%
Central Perimeter	5.4%	0	\$28.14	53.4%
Georgia 400	5.7%	-60	\$16.26	1.7%
NE Atlanta Outlying	5.8%	-10	\$14.80	31.2%
Gwinnett	6.0%	-100	\$13.71	12.9%
South Metropolitan	6.0%	-20	\$13.11	1.3%
Overall Metro	5.7%	-50	\$15.21	7.8%



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