

Property Plays: Berkadia, Warner Angle, Goldfarb & Fleece

By **WaTeasa Freeman**

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San Francisco-Area Marriott Sells for \$38M

Cornerstone Holdings has dropped \$38 million for a hotel in San Rafael, California, according to The Real Deal on Thursday. Four Points by Sheraton, located at 1010 Northgate Drive, was sold by San Rafael Hillcrest. The 133,000-square-foot property has 127 rooms and a pool, hot tub, fitness center and restaurant on site. –WaTeasa Freeman

Private Investor, Fannie Mae Provide Refinancing for Washington Multifamily

An affordable housing community in Auburn, Washington, has landed refinancing, according to MultiHousing News on Thursday. Gantry will use the debt package for The Park at Auburn, located at 510 M St. SE. A private investor provided a Fannie Mae loan with seven-year, interest-only terms for the 83-unit community. The transaction was internally arranged by a team from Gantry. –WaTeasa Freeman

NYC Retail Property Lands \$43M Refinancing

Madd Equities has secured a \$42.5 million refinancing package for a notable Manhattan retail property, according to the Commercial Observer on Thursday. The Trader Joe's-anchored site at 405-409 E. 59th St. was provided funding by Lakeland Bank. Brad Domenico of Progress Capital arranged the transaction. –WaTeasa Freeman

Milwaukee-Area Apartment Complex Sells for \$43M

A fully leased apartment complex has changed hands, according to the Milwaukee Business Journal on Thursday. Zilber Residential Group sold Statesman apartments in Franklin, Wisconsin, which Zilber had owned since 2019. The buyer is an affiliate of Banner Real Estate Group, which bought the property for \$43.5 million. No changes have been announced with the purchase. The property is at 2950 Statesman Way. –WaTeasa Freeman

Barings Hires Berkadia to List Chicago High-Rise

A 15-story apartment building in Chicago has entered the market for sale, according to Crain's Chicago Business on Friday. Barings Real Estate Advisers has enlisted Berkadia to sell Mondial River West,

located at 910 W. Huron St. Barings acquired the property in 2016 through a company merger with Cornerstone Real Estate Advisors. The property consists of 141 units and was originally planned as a condominium but became apartments during the Great Recession. No price has been disclosed for the building, according to reports. –WaTeasa Freeman

Warner Angle Closes \$140M Deal for Arizona Apartment Complex

Alison Shea, a partner with Warner Angle Hallam Jackson & Formanek PLC, wrapped up a \$140 million deal for Soltra at San Tan Village, a 380-unit apartment complex in Gilbert, Arizona, at 1690 S. Santan Village Parkway, according to official records released June 28.

According to the records, a company connected to developer The Premiere Residential bought the property from a company affiliated with investment company Leon Capital Group.

It is unclear which side Shea represented in the transaction. –Isaac Monterose

Cushman & Wakefield Picked for San Francisco Campus Sale

Cushman & Wakefield has been hired to sell the campus of the San Francisco Art Institute, located at 800 Chestnut St. in the city's Russian Hill neighborhood, the commercial real estate company announced June 27.

Cushman & Wakefield's Tim Garlick and Tom Christian will lead the sale, according to the company.

"This is a very special landmark property and will make an inspiring home for another education institution, museum or other creative/innovative use," Christian said in a June 27 statement. –Isaac Monterose

Marcus & Millichap Unit Closes \$46M Washington Multifamily-Property Sale

Marcus & Millichap unit Institutional Property Advisors closed a \$46.5 million sale and the financing of Aria, a 102-unit multifamily property in Redmond, Washington, at 7705 168th Ave. NE, according to a June 27 announcement.

IPA represented the seller, Aria Flats LLC, and found the buyer, Pine Forest Properties, according to the announcement.

The property has a retail area that takes up 2,161 square feet.

13th Floor Affiliate Wraps Up \$73M Miami Timeshare Resort Buy

MDEV6 LLC, an affiliate of real estate investment and development company 13th Floor Investments, purchased Westgate South Beach, a Miami, Florida, timeshare resort, for \$73 million, according to a South Florida Business Journal report published June 27.

The 46-unit timeshare resort, located at 3611 Collins Ave., was sold by Westgate Resorts affiliate Westgate South Beach LLC and the resort's condominium association, according to the report.

A \$51.9 million mortgage was reportedly provided by Bank OZK. –Isaac Monterose

Wells Fargo Borrows \$93M for Eight Property Parcels

Wells Fargo borrowed \$93 million from MDH F2 Bradenton 301 LLC for one parcel of Florida property and seven parcels of non-Florida property, according to official records released June 23.

The Florida property is worth \$22 million, and the value for all the parcels is \$276 million, according to the records.

Counsel information for the transaction wasn't immediately available. –Isaac Monterose

Goldfarb & Fleece Closes Vornado Realty's \$40M NYC Property Purchase

Goldfarb & Fleece LLP partner Douglas H. Gladstone closed Vornado Realty Trust's previously announced \$40 million purchase of a Midtown Manhattan property from 39 East 51st Street Corp., according to official records released June 23.

The property is at 39 E. 51st St., and the purchase was initially announced in December 2022. The property is reportedly expected to be combined with the BlackRock Building at 40 E. 52nd St. and another Midtown property at 350 Park Ave. to create a development site.

It is unclear which side Gladstone represented in the transaction. –Isaac Monterose

Mayer Brown, Morris Manning Close \$79M Florida Land Deal

Mayer Brown LLP attorney Douglas S. Paradis and Morris Manning & Martin LLP partner Christina M. Graham wrapped up a \$79 million deal for two parcels of Lee County, Florida, land, according to official records released June 23.

Passco Longitude DST was the seller, and Lee Everglades LLC was the buyer, according to the records.

It is unclear which side the attorneys represented in the transaction. –Isaac Monterose

Loeb & Loeb Works on \$71.5M NYC Office Building Loan

Loeb & Loeb LLP guided the \$71.5 million loan from Deutsche Bank Trust Co. to an entity of Namdar Realty Group for the purchase of a Manhattan office building, according to documents made public recently.

The sale for \$107.6 million was completed on June 22, and the loan was signed the same day.

Silverstein Properties sold the 19-story office building at 529 5th Ave. to Namdar Realty Group and Empire Capital. The building is just blocks away from Grand Central and was recently renovated to add an amenity floor and terrace. Tenants include art museum Wonderland Dreams and several jewelry stores.

According to mortgage documents, an existing \$3.5 million loan has been on the building since 1959. The mortgage, building loan and project loan have been consolidated and reassigned, with a principal of \$85 million as of 2020, to Deutsche Bank.

Jeffrey S. Fried of Loeb & Loeb LLP worked on the loan, and Alan Merovitch of the Law Office of Alan Merovitch worked on the building sale. –Faith Williams

Ivanhoe Cambridge, Safely Store Partner to Target Self-Storage Sector

Ivanhoe Cambridge and Safely Store Self Storage are teaming with Iron Point Partners and Taylor/Theus to invest \$400 million in equity targeting the self-storage sector, the companies announced June 26.

The \$400 million is to be deployed nationally over the next few years, with potential to scale up over time. The investment strategy focuses on Tier 1 and Tier II markets, the statement says, and is designed to cover the risk/return spectrum and blend to a value-add return with ground-up developments, redevelopments and acquisitions.

"Self-storage has proven its resilience throughout economic cycles, outperforming almost all other sectors over the short and long term, which makes it an attractive addition to our portfolio as we continually seek diversification in buoyant segments," Michael Neuman, head of industrial for the United States and Latin America at Ivanhoe Cambridge. "What's more, this asset class, by its very nature, supports our strong sustainable investment convictions by servicing local communities with a high-quality offering for a low associated carbon footprint." –Faith Williams

Moss & Barnett Works on \$112M Chicago Apartment Loan

Moss & Barnett has guided a \$112 million loan from CBRE Loan Services to an entity of Crescent Heights for its North Water Tower, an apartment building in Chicago, according to documents made public in Cook County on Wednesday.

The loan was signed June 13.

North Water Apartments sits at 340 E. N. Water St. and offers studio, one-, two- and three-bedroom apartments and penthouses that span 2,000 square feet and larger and offer city views. The tower has direct access to Loews Hotel, which has a rooftop restaurant and lounge. The tower also offers an on-site Starbucks and a heated rooftop pool and sky lounge, according to the property website. –Faith Williams

TruAmerica Lands \$300M to Refinance Five Multifamily Properties Across Four States

Investment firm TruAmerica Multifamily has secured \$300 million to refinance five of its multifamily properties across four states, the firm announced Tuesday.

The properties are in Florida, Georgia, Arizona and Tennessee, and were acquired by TruAmerica in 2021. The assets include Sabal Palm at Carrollwood, a 432-unit property in Tampa, Florida; Slate Apartments, a 350-unit property in Atlanta; The Urban, a 435-unit property in Phoenix; Viera Cool Springs, a 468-unit property near Nashville, Tennessee; and Stillwater Palms, a 425-unit property in the Tampa/St. Petersburg, Florida, market.

The refinancing allows TruAmerica to extend maturity dates on 45% of its existing floating-rate debt for the properties, and to reduce balloon risk, as well as provide flexibility for future exit or refinance opportunities.

This refinancing comes after TruAmerica recapitalized four properties in Colorado, Florida and Utah earlier this year — totaling \$332 million and preserving 1,500 units in its portfolio.

"TruAmerica's ability to secure capital via refinancing in this environment is a result of our strategic approach, strong track record and performance. We acquired these five properties in 2021. As a direct outcome of our team's ability to drive value, the strong operational performance of these assets provided for an accretive refinancing opportunity despite the challenging financing markets," said Robert E. Hart — TruAmerica's founder, CEO and president — in a statement.

Russell Dey and Trevor Fase of Walker & Dunlop worked on the loan. —Faith Williams

JBM Institutional Brokers Sale of Florida Apartment Community

JBM Institutional Multifamily Advisors has brokered Passco Companies' sale of Longitude 81 Apartments to ECI Group at an undisclosed price.

The apartment community in Estero, Florida, includes 260 units built in 2016 that sit on 17.95 acres 12 minutes away from the Southwest Florida International Airport. Rent for the apartments runs \$395 below comparable rent, and each unit offers access to a resort-style pool, fitness center, detached garages and private ground-floor entry.

The community will be rebranded as Waterline Estero.

"Getting deals closed in the current environment can be trying for some, but it was a pleasure to broker this deal on behalf of two first class groups on each side. This marks the second time JBM has sold this asset which goes to showcase our tremendous success across the Estero/Naples/Fort Myers landscape and Southwest Florida as a whole," JBM Chairman and CEO Jamie May said in a statement. —Faith Williams

Calif. Real Estate Firm Inks \$12.5M Sale of Leased Industrial Build

A commercial real estate investor has announced the \$12.5M sale of a renovated and expanded 108,690-square-foot industrial development in Sacramento, California, in a deal guided by Weintraub Tobin.

After purchasing 915 N. B St. in July 2021, Graceada Partners built out and leased an additional 2,052 square feet of the industrial space's second floor, acquired an adjacent lot for parking, and completed capital improvements, per a Thursday statement.

A Graceada spokesperson declined to name the buyer but identified it as a real estate private equity firm.

"We are pleased with the outcome of the 915 B Street sale, particularly considering the challenging circumstances currently facing the real estate market," Graceada Co-CEO Joe Muratore said in a statement. "The success of this sale speaks to the potential we saw in the Sacramento market two years ago."

Co-CEO Ryan Swehala added that the sale aligns with the firm's focus on inefficient second and tertiary

markets. Rents at 915 B St. were more than 45% below market rates when the firm bought the property in 2019, and the firm has since brought rents up to market rate.

Graceada is represented by Mark Ellinghouse of Weintraub Tobin. –Grace Dixon

MoFo, Greenberg Traurig Pilot Deal on Stake in \$2B NYC Office Tower

A U.S. affiliate of Japanese real estate company Mori Trust Co. Ltd., advised by Morrison Foerster LLP, has bought a 49.9% stake in a \$2 billion Manhattan office tower at 245 Park Ave. from Greenberg Traurig LLP-led SL Green Realty Corp., according to a June 26 announcement.

SL Green, the largest owner of office buildings in New York City, initially bought the nearly 50-story structure between 46th and 47th streets in September with the goal of repositioning the asset with a partner, the real estate investment trust said.

Under the deal's terms, Mori Trust took on half of the \$1.76 billion debt encumbering the property, according to a separate news release by Greenberg Traurig.

The REIT's chief investment officer, Harrison Sitomer, said in a Monday statement that the company found an excellent partner for the 1.8 million-square-foot building in Mori Trust, an operator of dozens of buildings and hotels in Japan.

"The formation of this new partnership with Mori Trust reflects the continuing allure of investing in trophy midtown NY assets and resilience of the Park Avenue corridor as New York's most desirable office market," Sitomer said.

The Morrison Foerster team advising Mori Trust was led by real estate partners Jeff Temple and Al Williams in New York and Junichi Kurokoshi in Tokyo.

The Greenberg Traurig team advising SL Green was led by real estate shareholders Gary S. Kleinman, Farah S. Ahmed and Adam M. Goldstein, with assistance from associate Joseph Ham and tax shareholders Bennett I. Deutsch and Ivy J. Lapidés. –Charlie Innis

Alexandria Sells Boston Life Sciences Project to Children's Hospital for Over \$155M

Alexandria Real Estate Equities Inc. announced June 28 it has sold 268,000 rentable square feet within a larger life sciences property to Boston Children's Hospital for \$155 million, plus additional fees.

The space sold by the real estate investment trust is part of a roughly 660,000-square-foot laboratory development at 421 Park Drive in Boston, according to the announcement. Alexandria said that it will develop and manage the entire facility and receive additional fees from the hospital over the next three years and that construction is expected to finish in 2026.

"This creative, strategic sale of 268,000 RSF of cutting-edge research space within our 421 Park life science development further illustrates the demand for our unique, mission-critical mega campus assets in high-barrier-to-entry markets and is a testament to the collaborative vibrancy of our Fenway mega campus," Hunter L. Kass, an executive vice president at Alexandria, said in the statement.

Initial proceeds from the sale will go toward funding the REIT's development pipeline, according to the

announcement. –Charlie Innis

Barings, Greatland Buy 510K-Square-Foot Boston Office Campus

Real estate investment manager Barings and developer Greatland Realty Partners have teamed up to buy a 510,000-square-foot office campus in the Boston area, according to a Wednesday announcement.

The property at 275 Grove St. in Auburndale, Massachusetts, is in the Route 128 submarket, a professional hub of life science and technology businesses, and it features three buildings connected by a central atrium, the firms said.

"The asset's high occupancy since its development is proof of its strong positioning in the market," Kevin Miller, Barings' head of real estate acquisitions for Eastern U.S., said in the statement.

Some of the property's tenants include industrial technology company Siemens, health care firm Atrius Health and clinical research organization Parexel, according to the announcement. –Charlie Innis

NYC Housing Startup Vessel Obtains Venture Capital Funding

Vessel Technologies Inc., a New York City startup that bills itself as a maker of "attainably priced" homes, nabbed an undisclosed amount of funding from Mastry Ventures and the venture capital arm of homebuilder Lennar in a Series A round of funding, according to a June 28 statement.

The funds will help Vessel expand in the Northeast and work on multifamily projects in "housing-constrained markets," according to the company's news release.

"This investment gives us the capacity to grow far more quickly and accelerate our efforts to offer each person an equal opportunity for an extraordinary life," Neil Rubler, Vessel's founder and CEO, said in the statement.

Vessel offers what it calls a "housing system" to institutions and housing providers that aims to reduce construction costs by using prefabricated components from the startup's manufacturing facility, according to the announcement. –Charlie Innis

Agree Realty REIT Nabs \$350M Loan From PNC, Citi, Others

Real estate investment trust Agree Realty Corp., announced Wednesday that it has secured commitments for a \$350 million loan from PNC Capital Markets LLC, Citibank NA, Wells Fargo Securities LLC, JPMorgan Chase & Co. and PNC Bank NA.

The retail-focused REIT said that it expects to close on the transaction in July and that the loan will mature in January 2029. The loan contains options for an additional \$150 million in lender commitments, at Agree's request, per Wednesday's statement from the REIT.

"This market-leading financing further bolsters our best-in-class balance sheet and positions our company for continued growth," said Agree CFO Peter Coughenour. "The term loan fits well into our debt maturity schedule, and upon closing we will have no material debt maturities until 2028."

Agree noted that it entered into forward starting swaps to fix its secured overnight financing rate for the

5.5-year loan term and that it expects the interest rate will be fixed at 4.52%.

The REIT owns and operates 1,908 properties spanning 40.1 million square feet of leasable space in 48 continental states.

PNC is represented by Deanna Kashdan and Alex Clamon of Alson & Bird LLP. –Grace Dixon

--Editing by Amy French.

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