Green Street

Real Estate Alert

THE WEEKLY UPDATE ON THE INSTITUTIONAL MARKETPLACE

JANUARY 25, 2022

Eastdil Wins Office Title As Sales Roar Back

What a difference a year made for large office sales, which rebounded in 2021 to pre-pandemic volume while **Eastdil Secured** continued its reign as the sector's most active broker.

The total of $105.67 billion of office sales notched last year was a whopping 74% higher than the $60.73 billion logged in 2020, when the pandemic eroded investor confidence in the sector, tanking activity and erasing most of the gains made during the prior bull market run.

The sharp recovery, weighted heavily in the second half, approached the $109.54 billion total achieved in 2019, according to **Real Estate Alert's** survey of sales worth $25 million and up. It also was the third-busiest year in the past decade.

Eastdil held on to its top spot by brokering $21.1 billion of deals, up almost 50% over the previous year. Its market share of brokered activity dipped slightly, to 23.0% from 26.3%. **JLL** climbed into second place from fourth with $18.7 billion, an

See OFFICE on Page 10

Blackstone Office Deal To Set Colo. Record

Blackstone has agreed to pay $625 million for an office campus in Boulder, Colo., leased to **Apple** and several life-science companies in a record deal for the state.

JLL marketed the property, Flatiron Park, for a joint venture among **Goldman Sachs Asset Management, Lionstone Investments** of Houston and **Crescent Real Estate** of Fort Worth, Texas. The complex comprises 21 buildings totaling 1 million sf of creative office and laboratory space.

A joint venture between Houston-based **Hines** and **Morgan Stanley Real Estate** was the runner-up in the bidding contest, market pros said. The $625/sf valuation exceeded initial expectations of $600/sf and marks one of the largest multi-tenant office bets in the country since the onset of the pandemic.

Market pros speculate that **BioMed Realty,** Blackstone's life-science unit, could assume control of some or all of the campus.

The listing drew strong interest due to the red-hot demand for life-science

See RECORD on Page 18

Rockpoint Marketing 2 Boston-Area Rentals

Rockpoint Group is offering two luxury apartment properties in suburban Boston that are expected to fetch bids of more than $575 million combined.

The mid-rise complexes, which are less than a quarter-mile apart, comprise 1,386 units. The estimated valuation comes out to roughly $415,000/unit. **Newmark** is representing Boston-based Rockpoint, which will accept bids on either or both properties.

Alterra at Overlook Ridge, at 11 Overlook Ridge Drive in Revere, was completed in 2014. It has 722 studio to two-bedroom units averaging 917 sf. The complex comprises four buildings.

The 664-unit Chase at Overlook Ridge, at 12 Quarry Lane and 4 Stone Lane in Malden, was completed in 2008. Its studio to three-bedroom apartments average 902 sf. It's spread across six buildings.

Rockpoint purchased the properties in 2019 for $411.5 million from **Mack-Cali**

See BOSTON on Page 19

THE GRAPEVINE

Former **Paramount Group** head of acquisitions **David Zobel** has landed at **Vanbarton Group** as a partner and chief investment officer. He started this week in the investment manager's New York headquarters, reporting to co-founders **Richard Coles** and **Gary Tischler.** As previously reported, Zobel amicably parted ways with Paramount this month. He had joined the New York-based REIT in 2008 from **Credit Suisse** and in 2018 was promoted to executive vice president and acquisitions chief.

Blackstone this month added an asset management principal in New York. **Joe Link,** who focuses on office properties, reports to managing director **Josh**

See GRAPEVINE on Back Page

Big Industrial Portfolio Up For Grabs

IDI Logistics is pitching an industrial portfolio that could command bids of $400 million.

The seven-building package encompasses 3.6 million sf across five markets: Atlanta, Chicago, Dallas, Indianapolis and Memphis. At the estimated valuation of $111/sf, a buyer's initial annual yield would be about 3.5%, according to market pros.

Cushman & Wakefield is marketing the portfolio for Atlanta-based IDI, which is owned by a joint venture between **Ivanhoe Cambridge** of Montreal and **Oxford Properties** of Toronto. The offering is being marketed as an opportunity to acquire a "critical mass of highly-functional, well-located assets."

It's unclear whether the seller would accept bids on individual properties. Most offerings pitched as portfolios in the current market are trading as package deals amid intense investor demand for scale.

The portfolio is 89.4% leased by 12 tenants, with a weighted average remaining lease term of 4.9 years. IDI developed the properties, which are just over five years old on average. The average ceiling height is 34 feet. The marketing campaign is touting the opportunity to lease up the vacant space and raise in-place rents, which average 19% below market rates.

Six of the properties are fully leased. All of the vacant space is in a 795,000-sf warehouse in Indianapolis, which is 52% occupied by a single tenant with 2.2 years of remaining lease term. That building is at 6161 Decatur Boulevard.

The portfolio's largest footprint is in the Atlanta market, which has two fully leased properties totaling 970,000 sf. They have three tenants combined, with a weighted average remaining lease term of three years. The buildings are at 350 Logistics Center Parkway in Jefferson and 4620 Thompson Mill Road in Buford.

There are also two properties in the Dallas area totaling 810,000 sf. They have six tenants combined, with a weighted average remaining lease term of 5.5 years. Those buildings are at 16200 Three Wide Drive in Fort Worth and 3800 Leon Road in Garland.

The 753,000-sf Chicago-area property is at 23700 West Bluff Road in Channahon, Ill. It has a single tenant with 8.3 years of lease term remaining. The smallest warehouse totals 257,000 sf at 1620 Stateline Road E in Southaven, Miss., a suburb of Memphis. It has one tenant with 4.2 years of lease term remaining.

IDI sold two portfolios in the second half of last year. In August, a **GCP** partnership paid $353.4 million, or $114/sf, for a 3.1 million-sf portfolio in California, Georgia, Tennessee, Texas and Wisconsin. **Eastdil Secured** brokered the deal.

In September, **Granite REIT** paid $195 million, or $81/sf, for a 2.4 million-sf package in Illinois, Kentucky and Mississippi. **Colliers** handled the transaction.

IDI has 60 million sf of assets under management. It targets value-added acquisitions and speculative and build-to-suit development, with land to accommodate 20 million sf of industrial projects, according to its website. ❖

Need to see property sales that were completed recently?
Log in to GreenStreet.com and click on "Deal Database."

New England Retail Portfolio Teed Up

Investors are getting a crack at a portfolio of nine grocery-anchored shopping centers in New England that could fetch bids of $350 million.

The 729,000-sf package comprises eight centers in the Boston area and one in suburban Providence, R.I. **Newmark** is shopping the properties for **Gravestar,** a retail-focused shop based in Cambridge, Mass. The offering is one of the largest retail portfolios ever to hit the block in New England.

The properties are 95% leased. The anchors generate over 50% of the portfolio's revenue. They are **Star Market** (four centers), **Shaw's Supermarkets** (two), **Whole Foods** (two) and **Dave's Fresh Marketplace** (one). Other tenants include **CVS** and **TJ Maxx.**

Investors have been told they could boost value by leasing 36,000 sf of vacant space and raising below-market rents upon rollover. The properties were developed in the 1950s and 1960s but have modern upgrades such as solar panels and LED lighting in parking lots. Investors have been told capital expenditures would be low.

The marketing campaign is touting the properties' locations within "heavily-trafficked, highly-accessible locations." On average, the centers have 148,000 residents with a household income of $160,000 living within 3 miles.

The Massachusetts properties are:

- Porter Square Shopping Center, at 1-55 White Street in Cambridge (176,000 sf, Star Market anchor).
- Horn Pond Plaza, at 344-400 Cambridge Road (U.S. Route 3) in Woburn (163,000 sf, Whole Foods).
- Norwood Plaza, at 134-150 Nahatan Street in Norwood (108,000 sf, Shaw's).
- Waltham Plaza, at 1070-1110 Lexington Street in Waltham (84,000 sf, Star Market).
- Sudbury Plaza, at 505-525 Boston Post Road in Sudbury (80,000 sf, Shaw's).
- Auburndale Plaza, at 2040-2060 Commonwealth Avenue in Newton (42,000 sf, Star Market).
- Wellesley Plaza, at 442-452 Washington Street in Wellesley (33,000 sf, Whole Foods).
- Brookline Plaza, at 1715-1717 Beacon Street in Brookline (15,000 sf, Star Market).

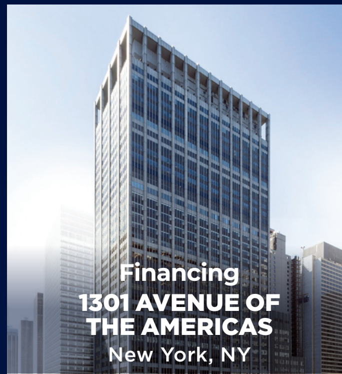
The Rhode Island property, Pontiac Avenue Plaza, totals 30,000 sf at 548-550 Pontiac Avenue in Cranston. It's anchored by Dave's Fresh Marketplace.

Only three retail trades in New England have ever topped $300 million, according to **Real Estate Alert's** Deal Database. None have hit that mark in the past decade. The $510 million record was set with the trade of a mall in Providence in 2004. Two portfolio trades in New England topped $300 million in 2007, one for $500 million and the other for $329.5 million. ❖

Eastdil Secured is grateful for the opportunity to continue serving as a trusted advisor to our clients and partners

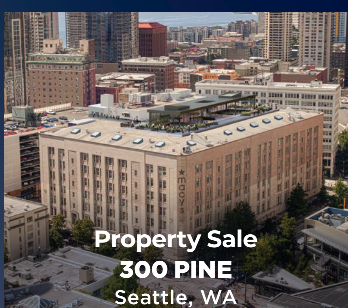
$70 Billion of Global Office Transactions Closed during 2021

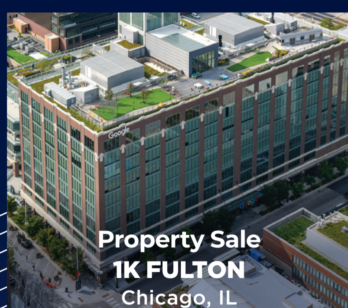

M&A Advisory
COLUMBIA PROPERTY TRUST
National


Financing
1301 AVENUE OF THE AMERICAS
New York, NY


Property Sale
HEIGHTS UNION
Tampa, FL


JV/Recap
655 NEW YORK AVE, NW
Washington, DC


Property Sale
300 PINE
Seattle, WA


Property Sale
1K FULTON
Chicago, IL


Property Sale
INDEED TOWER
Austin, TX


Property Sale
PROJECT GENOME LIFE SCIENCE
National


Property Sale
THE VILLAGE AT SAN ANTONIO CENTER
Mountain View, CA


Property Sale
SAN DIEGO PORTFOLIO
San Diego, CA


Property Sale
THE EXCHANGE ON 16TH
San Francisco, CA

EASTDIL SECURED

The Global Real Estate Investment Bank
www.eastdilsecured.com

Securities products offered in the US through Eastdil Secured Advisors, a FINRA/SEC broker-dealer

Denver Offices Shown At Lofty Value

Heitman is marketing a trophy office building in downtown Denver that could command over $800/sf, one of the highest valuations in the city's history.

The Class-A property totals 310,000 sf at 1401 Lawrence Street. Bids are expected to hit $255 million, or $823/sf. **CBRE** is shopping the property for the Chicago-based investment manager.

The 22-story building is 99% leased by a dozen tenants, with a weighted average remaining lease term of seven years. Leases on just 11% of the space mature within five years, and some 42% of the space is leased by investment-grade companies. Major tenants include law firm **Polsinelli** (86,000 sf), energy company **Pioneer Natural Resources** (54,000 sf) and **BOK Financial** (48,000 sf).

Though the offering is primarily a core play, there is some room for rent growth. In-place rents average $35.75/sf on a triple-net basis, about 11% below market rates.

The property was completed in 2016. It's designated LEED gold and has outdoor terraces. There's a garage with 397 spaces.

The building is across from the Four Seasons Hotel Denver and less than a block from Larimer Square, an upscale shopping and dining district. It's also adjacent to the LoDo neighborhood and the Financial District.

Heitman paid $224.5 million, or $721/sf, for the building in 2017. CBRE advised the seller, **First Gulf,** the Toronto-based investment shop that developed the property.

Only one Denver-area office trade worth at least $100 million has ever topped $800/sf, according to **Real Estate Alert's** Deal Database. The high-water mark was set last year when **MetLife Investment Management** paid $921/sf, or $108 million, for the 117,000-sf Civica Cherry Creek building at 250 Fillmore Street. **JLL** represented the seller, a joint venture between **JPMorgan Asset Management** and **Schnitzer West** of Seattle. ❖

Stake In Miami Beach Project Listed

A majority interest in a roughly $200 million mixed-used development in Miami Beach is on the market.

Plans for the oceanfront project, on Collins Avenue in the North Beach neighborhood, call for a 150,000-sf building with 62 luxury condominium units and a 33,000-sf building with 24 condo-hotel units that can be divided into 48 hotel rooms.

The seller, a venture called **Ocean Terrace Holdings,** whose principals include local developer **Alex Blavatnik,** assembled the land and secured approvals. It's seeking to sell an 80% to 90% interest in the project to either an equity partner or a developer. **JLL** has been tapped to shop the majority interest.

The 2.2-acre site, between 74th and 75th Streets, also houses a 42-room Art Deco hotel and a low-rise building with amenities and a private club. Both structures will be updated and incorporated into the project. There also will be 15,000 sf of retail space spread throughout the buildings, including along Collins Avenue.

As part of the project, the developers have agreed to create a 5-acre oceanfront park. North Beach, which stretches from 63rd Street north to the border with Surfside, largely comprises residential neighborhoods and Art Deco buildings and structures. A master plan adopted by the city in 2016 to redevelop the neighborhood included the Ocean Terrace property as a town center.

Miami Beach is among the South Florida markets benefiting from population growth that's leading to increased demand for residential units. Values for luxury condos are projected to grow 10% this year, according to marketing materials. At the same time, hotels have recovered fully from the lows of 2020 and are posting occupancy levels and daily rates that are at or above pre-pandemic levels due to a surge in domestic travel. ❖

GPARENCY MEMBERS ONLY PAY A MAX OF $16,000 TO CLOSE A COMMERCIAL MORTGAGE*

No fine print - get the full mortgage broker experience for debt or equity.

GPARENCY
gparency.com

Search Prior Articles In Real Estate Alert

You can instantly find out about any investor, owner, property or anything else ever mentioned in Real Estate Alert by searching the archives at:

GreenStreet.com


Realize
Anything
What good is line of sight if you have no insight? Insight incites change and change at the right time is foresight. We're experts in that—experts in seeing what's coming in commercial real estate and offering data and insights for the path ahead. Examine everything, so you can realize anything.
CBRE
cbre.com

Industrial Shop Out With Fourth Fund

Industrial-property investor **NorthBridge Partners** is seeking to raise $800 million of equity for what would be its largest-ever fund.

The Wakefield, Mass.-based firm began talking to investors this month about its NB Partners Fund 4. With leverage, the vehicle would have some $2 billion of buying power.

The offering follows the final close of Fund 3 less than a year ago at its equity-raising limit of $500 million. That fund, with buying power of about $1.3 billion, already is roughly 80% invested.

NorthBridge aims to produce returns of 13% to 14% via value-added investments in small to mid-size last-mile properties on the East Coast. The focus is on locations that are key to supply-chain routes as companies compete for the shortest delivery times to consumers.

While the strategy can include ground-up development, it more typically involves repositionings, property upgrades, tenant relocations and building expansions.

Park Madison Partners is the placement agent for the new fund. Limited partners in Fund 3 include **New York Common Fund,** according to **Preqin.**

NorthBridge was founded in 2014 by managing partners **Greg Lauze** and **Dean Atkins.** Lauze, the firm's chief investment officer, previously was a director at **Colony Capital.** Atkins is the firm's general counsel and previously was a senior vice president at **Transwestern.** ❖

Luxury High-Rise In Phila. On Block

A luxury apartment tower in Philadelphia's tony Rittenhouse Square neighborhood is up for grabs, and is expected to attract bids around $115 million.

The 206-unit Icon, at 1616 Walnut Street, was built in 1929 as an office building and converted to apartments in 2014. The estimated valuation works out to $550,000/unit. **JLL** is brokering the sale for **Castle Rock Equity** of Florham Park, N.J., the real estate investment arm of mobile-phone company **PCS Wireless.**

The 25-story Art Deco tower is 98% occupied. It has 23,000 sf of commercial space that's 81% occupied by five tenants, including a **CorePower** yoga studio, a **Santander** bank branch and a **Theory** clothing store.

The building has been on the National Register of Historic Places since 1983. Over the years, it has housed tenants including **City National Bank, Pan Am** and **Pew Charitable Trusts.**

The property benefits from a 10-year tax abatement that runs through 2024.

The apartments, from studio to three-bedroom units, average 730 sf and rent for an average of $2,249, or $3.07/sf. The units have 9-foot ceilings, hardwood floors and washer/dryers. Amenities include a clubhouse, a garage with car-charging stations, a rooftop terrace and a fitness center.

Investors are being told the listing is a rare opportunity to acquire a landmark property with a core-plus profile in Rittenhouse Square, known for an abundance of high-end shops, fine restaurants and cultural venues.

According to marketing materials, the Rittenhouse submarket commands the highest average rent of any neighborhood in Philadelphia, with approximately 65% of the housing stock renter-occupied. The average asking rent among properties with at least 100 units is $2,786 — nearly twice the $1,488 average for Philadelphia as a whole.

The property is close to 46.8 million sf of Class-A office space and some of Philadelphia's largest employers.

Castle Rock bought the Icon in 2015 for $112 million, or $544,000/unit, from a partnership among **Alterra Property, Cross Properties** and **Federal Capital Partners.** The trio teamed up in 2012 to purchase the building and convert it to apartments. ❖

Developer Lists Luxury Newark Rentals

The first luxury apartment high-rise to be built in Newark, N.J., in more than 60 years is on the block, with expectations that it could trade for more than $130 million.

The 245-unit One Theater Square, at 2 Center Street, opened in 2018 and is 95% occupied. **JLL** is marketing the property for developer **Dranoff Properties** of Philadelphia. At the estimated value of $531,000/unit, a buyer's initial annual yield would be around 4.25%.

The 22-story building is a few blocks from Penn Station, which provides a rail connection to Manhattan, 10 miles away, and Newark Liberty International Airport, 3 miles away. The property is across from the New Jersey Performing Arts Center and Military Park, and near a variety of restaurants and stores, including a **Whole Foods.**

The one- to three-bedroom apartments average 857 sf. Units have quartz counters, stainless-steel appliances, hardwood-style floors, floor-to-ceiling windows, balconies and washer/dryers. Twenty-four units are designated for affordable housing.

Amenities include a lounge and billiards room, a terrace, a yoga studio and a fitness center. There is 11,000 sf of ground-floor retail space and a five-level garage that generates additional income by serving the arts center and surrounding businesses.

The property is being pitched as an attractive alternative to New York City, Hoboken and Jersey City, with larger units, lower rents and easy access to mass transit. The average rent is $2,605, or $3.04/sf — substantially less than comparable apartments in Manhattan's West Village neighborhood, where rents average $6.38/sf, according to marketing materials. Along the Hoboken and Jersey City waterfronts, rents average more than $4/sf.

One Theater Square has a 30-year "payment in lieu of taxes" agreement with the **City of Newark** that effectively limits the property-tax obligation. And because of the affordable-housing component, the property is exempt from Newark's rent-control ordinance for 30 years.

The building is within several blocks of **New Jersey Institute of Technology, Rutgers University** and **Seton Hall University School of Law,** as well as major employers including **Audible,** law firm **McCarter & English, Panasonic** and **Prudential.** ❖




3420-3440 HILLVIEW AVENUE
Palo Alto, CA
185,228 SF
Sold on behalf of:
PSAI Realty Partners

CHARLES PARK
Cambridge, MA
408,169 SF
Sold on behalf of:
The Davis Companies & Principal Global

MEDTRONIC CAMPUS
Boulder, CO
453,565 SF
Sold on behalf of:
Crescent Real Estate

DREAMWORKS
Glendale, CA
497,403 SF
Sold on behalf of:
Ocean West & Hana




225 BINNEY
Cambridge, MA
Recapitalization on behalf of:
Nuveen Real Estate

HQ @ FIRST
San Jose, CA
603,666 SF
Sold on behalf of:
Mori Trust

CASCADIAN
Seattle, WA
209,731 SF
Sold on behalf of: Unico Properties & Partners Group

110 EAST 42ND STREET
New York, NY
222,935 SF
Sold on behalf of: SL Green

NEWMARK

Thank You to Our World-Class Clients For Your Trust & Friendship

2021 Office / Life Science Investment Sale Highlights

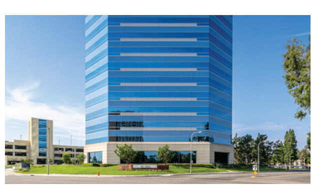


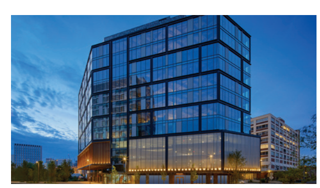

WILLOW OAKS III
Fairfax, VA
185,424 SF
Sold on behalf of:
Bridge

UPTOWN STATION
Oakland, CA
398,536 SF
Sold on behalf of:
CIM Group

SORRENTO TOWERS
San Diego, CA
296,327 SF
Sold on behalf of:
Shorenstein

50 AND 60 BINNEY
Cambridge, MA
532,395 SF
Recapitalization on behalf of:
An Institutional Investor



400 DEXTER
Seattle, WA
290,116 SF
Partial Interest Sale on behalf of:
ARE

CITY TOWER
Orange, CA
431,000 SF
Sold on behalf of:
Pac Oak

WILLOW OAKS CORPORATE CENTER
Fairfax, VA
583,466 SF
Sold on behalf of:
KBS

TWO DRYDOCK
Boston, MA
234,479 SF
Sold on behalf of:
Skanska USA Commercial

nmrk.com

Sour Manhattan Hotel Loan Shopped

A defaulted loan on a shuttered hotel in Midtown Manhattan is on the market as an opportunity to take over the luxury, extended-stay property.

The senior loan, on the 95-room AKA United Nations at 234 East 46th Street, has a balance of $96.8 million. Investors are expected to cast bids of up to $85 million, with some eyeing the property for residential conversion. The lender, **CIBC,** has awarded the listing to **Newmark.**

The borrower is a joint venture between **Prodigy Network** and **Korman Communities.** Prodigy, a real estate crowdfunding business that went into liquidation last March, holds a 65% stake.

The loan balance consists of an interest-only mortgage of $81 million that the partnership failed to repay when it came due a year ago, plus past-due interest and fees. Prodigy and Korman purchased the property for $68.5 million in 2014. A 2016 renovation converted the units for use as residential condominiums, but with the owners operating them in an extended-stay format under Korman's AKA brand.

The units, which average 630 sf, consist solely of one-bedroom suites with kitchens. The improvements included high-end amenities and finishes including a courtyard, a gym, meeting space and a lobby with a lounge.

The property is a block-and-a-half west of the **United Nations** headquarters.

The offering is among several distressed-loan opportunities to have arisen in the New York hotel market, which was hit hard by the pandemic and where occupancy levels have been slow to recover. ❖

Builder Pitches Rentals In Ariz., Tenn.

An apartment developer is shopping two new high-rises — in Nashville and Phoenix — that could fetch more than $350 million combined.

Akara Partners of Chicago is offering the 420-unit Kenect Nashville, at 800 19th Avenue South in Nashville, and the 320-unit Kenect Phoenix, at 355 North Central Avenue in Phoenix. Akara gave the listing to **CBRE,** which is accepting bids on the properties individually or as a package.

The properties, completed in the last two years, are designed to attract younger tenants seeking affordable living space in urban centers. Each building has a mix of studio and one-bedroom units — many fully furnished with space-saving features such as Murphy beds — along with three-bedroom units designed for co-living arrangements. A roommate-matching service is available for the co-living apartments. Amenities include eateries and lounges, shared workspaces, fitness centers, pools, grills and firepits.

The 20-story building in Nashville, completed in 2020, is in the Midtown neighborhood, between **Vanderbilt University** and Music Row. It has 27,000 sf of retail space, 16,000 sf of co-working space and a garage.

While current occupancy figures were unavailable, Kenect Nashville has averaged 33 leases per month in the last 60 days. Rents are $500 below the market average, according to sales materials.

The marketing campaign also notes that strong tenant demand prompted Akara to begin furnishing 100% of the units. A buyer could boost annual revenue by $655,000 by furnishing the remaining 182 units and increasing rent by $300 per bed.

The 23-story building in Phoenix, which opened last year, has 16 floors of apartments, six floors of parking, 2,200 sf of retail space and 5,100 sf of co-working space. It is one of only three high-rises in downtown Phoenix with a rooftop pool, according to marketing materials.

The building is near a light-rail station in the Roosevelt Row Arts District. It is also near **Arizona State University's** downtown campus and Phoenix Children's Hospital.

The property has averaged 29 move-ins per month since May 2021, though current occupancy figures were unavailable. The average rent is $735 below the market average, according to marketing materials.

Kenect Phoenix benefits from a tax abatement that provides property-tax savings for 55 years. ❖

Single-Tenant Labs In Bay Area Shown

A life-science property in San Francisco's East Bay region is up for grabs and could fetch $90 million.

The building, at 47071 Bayside Parkway in Fremont, totals 89,000 sf. Bids are expected to hit $1,017/sf. **JLL** is shopping the property for **Jadian Capital,** a New York fund operator.

Alamar Biosciences fully leases the building for its headquarters with 12 years of remaining lease term. The company specializes in proteomics, which are used for early detection of cancer and other diseases, according to marketing materials.

Jadian acquired the property in 2020 for $34.8 million, or $395/sf, in a sale-leaseback transaction with pharmaceutical company **Verseon International.** The seller had invested substantially in the building just prior to the sale and planned to stay on as a tenant, but changed course amid the pandemic. Jadian made additional improvements and leased the space to Alamar, which this month moved in under a 12-year lease, boosting the property's value due to Alamar's strong financial profile. Recently added amenities include a fitness center and a cafeteria.

The building is on a 4.7-acre site along the Central Interstate-880 corridor, a growing hub for life-science companies. Within 35 miles are **Stanford University, UC Berkeley, UC San Francisco** and Sand Hill Road, a Silicon Valley street noted for its concentration of venture-capital firms. The building's facilities also include so-called wet lab space, which allows for safe testing of chemicals and biological materials. ❖

Planning Your Travel Schedule?

Check out the most comprehensive listing of upcoming real estate conferences around the world. Go to GreenStreet.com and click on "Events & Conference Calendar" under Insights.

CBRE Capital Markets

Realizing potential in every dimension of office

Sales, Financing, Recapitalization, JV, Equity, M&A

Our multidimensional platform harnesses our scale, experience and relationships so that together we can create the real estate solutions of the future.

$36B 840 U.S. capital markets office transactions in 2021

HUDSON COMMONS
New York, NY
697,958 SF | December 2021
$1.033B Sale

PG&E HEADQUARTERS
San Francisco, CA
1,500,000 SF | September 2021
$800M Sale & Financing

SAFECO PLAZA
Seattle, WA
810,493 SF | September 2021
$465M Sale

BOCA RATON INNOVATION CAMPUS
Boca Raton, FL
1,708,807 SF | December 2021
$320.2M Recap & Financing

HONEYWELL HEADQUARTERS
Charlotte, NC
373,921 SF | December 2021
$275M Sale

UNITED STATES OF AMERICA-GSA NATIONAL PARK SERVICE OFFICE
Anchorage, AK
75,286 SF | December 2021
$27.5M Credit Tenant Lease Bond Financing

cbre.com/capitalmarkets

Property Sales | Structured Debt & Equity Solutions | Loan Servicing & Asset Management

CBRE

RANKINGS

Office ... From Page 1

87.6% jump that was good for a 20.3% market share, up from 18.5%.

Newmark stayed in third place with $16.0 billion (up 60.2%) for a 17.4% market share. **CBRE,** typically in second place, landed in fourth with $15.8 billion of sales, a 53.6% increase. Fifth-place **Cushman & Wakefield** nearly doubled its volume with $13.9 billion of brokered trades.

Amid the resurgence, investors continued to favor new, stabilized properties with lengthy lease terms, particularly in the red-hot life-science niche. But buyers also proved more willing to step out on the risk spectrum for properties with compelling growth stories in favorable markets.

"Differentiation by product quality, location and tenant dynamics has and will continue to be the key driver to which specific office-deal profiles are experiencing elevated or conversely reduced transaction volumes," said **Stephen Van Dusen,** an Eastdil managing director.

The year got off to a lackluster start, with just $16.0 billion of sales in the first three months. However, a swell of activity led to a record-breaking fourth quarter. Some $38.6 billion of office properties changed hands from October through December, surpassing the $37.7 billion high-water mark set in 2006. It also was the second-most active quarter ever — behind

See OFFICE on Page 12

Office Sales

	Amount ($Bil.)	No. of Prop.
2012	$60.7	858
2013	74.3	880
2014	92.6	1,029
2015	112.4	1,469
2016	103.8	1,237
2017	94.1	1,134
2018	97.0	1,110
2019	109.5	1,230
2020	60.7	809
2021	105.7	1,791

Top Office Brokers In 2021

Brokers representing sellers in deals of at least $25 million

		2021 Amount ($Mil.)	No. of Properties	Market Share (%)	2020 Amount ($Mil.)	No. of Properties	Market Share (%)	'20-'21 % Chg.
1	Eastdil Secured	$21,128.8	203	23.0	$14,095.8	160	26.3	49.9
2	JLL	18,655.6	443	20.3	9,946.1	150	18.5	87.6
3	Newmark	16,031.5	297	17.4	10,008.1	122	18.6	60.2
4	CBRE	15,804.7	284	17.2	10,286.6	161	19.2	53.6
5	Cushman & Wakefield	13,876.1	242	15.1	6,976.7	100	13.0	98.9
6	Citigroup	1,715.0	14	1.9	0.0	0	0.0	
7	Colliers	1,556.3	43	1.7	1,299.9	26	2.4	19.7
8	Evercore	629.1	97	0.7	0.0	0	0.0	
9	Hodges Ward Elliott	410.8	2	0.4	100.0	1	0.2	310.8
10	Savills	403.0	5	0.4	135.8	2	0.3	196.9
11	Marcus & Millichap	263.0	7	0.3	73.5	2	0.1	257.8
12	Kidder Mathews	262.7	8	0.3	0.0	0	0.0	
13	Avison Young	258.5	15	0.3	136.7	4	0.3	89.1
14	Matthews Real Estate Investment Services	153.8	3	0.2	0.0	0	0.0	
15	NAI Global	108.5	3	0.1	0.0	0	0.0	
16	Trinity Partners	107.0	7	0.1	0.0	0	0.0	
17	B6 Real Estate Advisors	101.0	1	0.1	0.0	0	0.0	
18	Walker & Dunlop	100.5	1	0.1	0.0	0	0.0	
19	Meridian Capital	86.2	1	0.1	0.0	0	0.0	
20	Stream Realty Partners	82.0	1	0.1	0.0	0	0.0	
21	Transwestern	76.0	3	0.1	222.2	5	0.4	-65.8
22	Woodley Real Estate	67.0	1	0.1	0.0	0	0.0	
23	Brax Realty	52.5	1	0.1	0.0	0	0.0	
24	Lee & Associates	39.0	1	0.0	124.4	2	0.2	-68.6
25	Skyline Properties	35.0	1	0.0	0.0	0	0.0	
26	Voit Real Estate Services	26.3	3	0.0	0.0	0	0.0	
	OTHERS	0.0	0	0.0	279.3	6	0.5	-100.0
	Brokered Total	**92,029.9**	**1,547**	**100.0**	**53,685.0**	**729**	**100.0**	**71.4**
	No Broker	13,638.0	244		7,041.7	80		93.7
	TOTAL	**105,667.8**	**1,791**		**60,726.7**	**809**		**74.0**

mesa west
CAPITAL

Multifamily
Acquisition

$59,400,000

Dallas, TX

Multifamily/Office
Refinance

$100,000,000

Portland, OR

Industrial
Acquisition

$86,865,000

Southern California
and Seattle, WA

Life Science
Construction

$160,896,000

Watertown, MA

Senior Housing
Refinance

$67,000,000

Milpitas, CA

Multifamily
Acquisition

$77,050,000

Delray Beach, FL

Relationship Lending Through All Cycles.

Certainty. Flexibility.
On book. Since 2004.

LOS ANGELES | NEW YORK
CHICAGO | SAN FRANCISCO

mesawestcapital.com

Loans made or arranged pursuant to
a California finance lenders law license.

© 2022 Morgan Stanley 10155521 4214296 Exp. 01/31/2023

RANKINGS

Office-Property Sales By Market In 2021

Sales of at least $25 million

		2021 Amount ($Mil.)	No. of Properties	2020 Amount ($Mil.)	No. of Properties	'20-'21 % Chg.	Top Brokerage in 2021
1	Boston Area	$13,314.3	90	$8,570.0	56	55.4	Newmark
2	San Jose/Silicon Valley	10,819.9	144	6,165.6	72	75.5	Eastdil Secured
3	New York City	8,920.8	47	6,424.2	28	38.9	CBRE
4	Seattle Area	5,901.1	51	3,640.9	21	62.1	Eastdil Secured
5	Los Angeles Area	4,913.6	56	3,846.5	49	27.7	JLL
6	North Carolina	4,337.4	79	2,973.4	59	45.9	JLL
7	Dallas Area	4,081.3	57	1,685.6	32	142.1	JLL
8	San Francisco	3,697.8	15	2,907.0	14	27.2	Eastdil Secured
9	San Diego Area	3,577.1	71	959.0	17	273.0	JLL
10	South Florida	3,541.7	59	826.3	18	328.6	CBRE
11	Austin Area	3,478.8	29	275.7	3	1,161.7	Cushman & Wakefield
12	Atlanta Area	3,099.0	80	558.1	16	455.2	CBRE
13	Northern Virginia	3,078.6	53	1,775.1	25	73.4	JLL
14	Denver Area	2,706.6	80	1,830.6	20	47.9	CBRE
15	Washington	2,668.8	19	2,449.2	20	9.0	JLL
16	Oakland/East Bay	2,467.8	50	1,079.4	11	128.6	Newmark
17	Orange County	2,023.2	35	1,274.8	17	58.7	Eastdil Secured
18	Northern New Jersey	1,936.8	43	2,031.8	37	-4.7	Cushman & Wakefield
19	Phoenix Area	1,779.1	38	750.2	14	137.1	JLL
20	Central/Northern Florida	1,622.9	53	760.0	18	113.6	Cushman & Wakefield
	OTHERS	17,704.2	642	9,943.3	262	78.1	
	TOTAL	**105,670.9**	**1,791**	**60,726.7**	**809**	**74.0**	

Office ... From Page 10

the $50.8 billion that traded from April through June in 2007.

Leasing figures also showed signs of improvement at year-end. The fourth quarter was the first since the onset of the pandemic to register positive net absorption, with leasing activity up 9.2%, according to a JLL report. Overall annual leasing volume of 156.9 million sf was 14.6% greater than in 2020.

"Despite continued uncertainty, there is more data and there is more evidence of a recovery than a year ago," said **Justin Pattner,** a partner and head of real estate equity in the Americas at **KKR.** "As investors, that gives us a better understanding of how to evaluate new opportunities in select markets."

He also expects improved leasing data to give buyers the conviction to move forward this year, particularly in markets experiencing population growth or that have clusters of tenants in high-growth industries such as life science and technology.

Kevin Shannon, co-head of U.S. capital markets at Newmark, said the strong fourth-quarter statistics reflect rising optimism that the coronavirus crisis is waning. "You will have more office leasing data points and more underwriting optimism the closer you get to the end of the pandemic," he added. "That's why I think this year is going to be a really strong year."

Even as the omicron variant surged late in the year, once again delaying the return of workers to offices, investors remained confident in the sector, albeit for specific properties in specific locations.

"This variant has proven that we know how to deal with these challenges," said **Joe Gorin,** a managing director and head of U.S. real estate acquisitions and portfolio management at **Barings.** "There's obviously been a little step back in terms of people going into the office, but the light is at the end of the tunnel. High-quality assets with the ability to attract tenants that need space for collaboration and innovation will be those that recover and strengthen in my view."

Boston, home to the country's largest life-science cluster, once again was the most active market with a record $13.31 billion of trades, an increase of 55.4% over last year. Newmark was the dominant broker in that market, capturing a 41.2% share of brokered sales with $5.36 billion.

San Jose/Silicon Valley, replete with tech and life-science companies, came in second with $10.82 billion of sales, up 75.5% over last year. Eastdil was the dominant broker there, logging $3.5 billion for a 39.7% share.

Activity was also higher in some smaller markets, landing

See OFFICE on Page 15

RANKINGS

Top Office-Property Brokers By Market In 2021

Boston Area

	Boston Area	2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Newmark	$5,357.3	34	41.2
2	Eastdil Secured	3,675.6	16	28.3
3	Citigroup	1,543.7	11	11.9
4	CBRE	762.9	9	5.9
5	JLL	656.0	18	5.0
6	Colliers	422.1	5	3.2
7	Hodges Ward Elliott	342.0	1	2.6
8	Cushman & Wakefield	204.2	4	1.6
9	Avison Young	27.0	1	0.2
	Brokered Total	**12,990.7**	**99**	**100.0**

San Jose/Silicon Valley

	San Jose/Silicon Valley	2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Eastdil Secured	$3,513.7	24	39.7
2	Newmark	1,744.1	28	19.7
3	CBRE	991.2	33	11.2
4	Cushman & Wakefield	957.6	19	10.8
5	JLL	715.8	8	8.1
6	Savills	365.0	4	4.1
7	Colliers	334.4	8	3.8
8	Kidder Mathews	119.1	3	1.3
9	NAI Global	108.5	3	1.2
	Brokered Total	**8,849.4**	**130**	**100.0**

New York City

	New York City	2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	CBRE	$4,140.3	12	56.9
2	Cushman & Wakefield	2,179.7	9	30.0
3	Newmark	308.5	5	4.2
4	JLL	262.8	3	3.6
5	B6 Real Estate Advisors	101.0	1	1.4
6	Meridian Capital	86.2	1	1.2
7	Hodges Ward Elliott	68.8	1	0.9
8	Brax Realty	52.5	1	0.7
9	Savills	38.0	1	0.5
10	Skyline Properties	35.0	1	0.5
	Brokered Total	**7,272.8**	**35**	**100.0**

Seattle Area

	Seattle Area	2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Eastdil Secured	$2,104.1	8	40.3
2	Newmark	1,618.0	18	31.0
3	CBRE	1,026.9	8	19.6
4	Cushman & Wakefield	174.5	2	3.3
5	Colliers	146.1	2	2.8
6	Kidder Mathews	114.1	4	2.2
7	JLL	42.5	1	0.8
	Brokered Total	**5,226.1**	**43**	**100.0**

Los Angeles Area

	Los Angeles Area	2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	JLL	$2,078.6	6	44.6
2	Newmark	1,508.8	16	32.4
3	Cushman & Wakefield	378.7	10	8.1
4	Eastdil Secured	362.7	4	7.8
5	CBRE	334.8	16	7.2
	Brokered Total	**4,663.6**	**52**	**100.0**

North Carolina

	North Carolina	2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	JLL	$1,879.2	31	55.0
2	CBRE	1,074.5	21	31.4
3	Cushman & Wakefield	217.3	3	6.4
4	Trinity Partners	107.0	7	3.1
5	Walker & Dunlop	100.5	1	2.9
6	Eastdil Secured	22.9	3	0.7
7	Newmark	17.6	2	0.5
	Brokered Total	**3,418.9**	**68**	**100.0**

Dallas Area

	Dallas Area	2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	JLL	$1,515.7	18	37.1
2	Cushman & Wakefield	992.0	7	24.3
3	Newmark	933.9	20	22.9
4	Colliers	284.3	7	7.0
5	Eastdil Secured	283.5	4	6.9
6	CBRE	72.0	1	1.8
	Brokered Total	**4,081.3**	**57**	**100.0**

Continued on Page 14

RANKINGS

Top Office-Property Brokers By Market In 2021 (continued)

San Francisco

		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Eastdil Secured	$2,357.8	7	68.9
2	CBRE	824.5	3	24.1
3	JLL	118.0	1	3.4
4	Newmark	97.0	2	2.8
5	Cushman & Wakefield	26.5	1	0.8
	Brokered Total	**3,423.8**	**14**	**100.0**

San Diego Area

		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	JLL	$1,779.2	31	52.2
2	Eastdil Secured	943.8	17	27.7
3	Cushman & Wakefield	251.5	6	7.4
4	Newmark	224.3	6	6.6
5	CBRE	131.6	5	3.9
6	Matthews RE Investment Service	27.8	1	0.8
7	Voit Real Estate Services	26.3	3	0.8
8	Colliers	26.0	1	0.8
	Brokered Total	**3,410.6**	**70**	**100.0**

South Florida

		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	CBRE	$1,189.4	16	46.1
2	JLL	563.6	8	21.8
3	Cushman & Wakefield	447.2	5	17.3
4	Eastdil Secured	230.0	2	8.9
5	Newmark	63.1	4	2.4
6	Avison Young	58.9	2	2.3
7	Marcus & Millichap	29.1	1	1.1
	Brokered Total	**2,581.3**	**38**	**100.0**

Austin Area

		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Cushman & Wakefield	$1,772.1	16	53.4
2	Eastdil Secured	903.6	5	27.2
3	CBRE	349.0	2	10.5
4	JLL	291.6	6	8.8
	Brokered Total	**3,316.3**	**29**	**100.0**

Atlanta Area

		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	CBRE	$789.8	20	38.7
2	JLL	601.7	27	29.5
3	Cushman & Wakefield	482.9	13	23.7
4	Avison Young	64.6	7	3.2
5	Eastdil Secured	62.5	2	3.1
6	Newmark	38.6	4	1.9
	Brokered Total	**2,040.1**	**73**	**100.0**

Northern Virginia

		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	JLL	$941.5	25	32.4
2	Eastdil Secured	895.5	6	30.8
3	Cushman & Wakefield	458.4	7	15.8
4	Newmark	392.8	10	13.5
5	CBRE	186.1	1	6.4
6	Transwestern	34.5	1	1.2
	Brokered Total	**2,908.8**	**50**	**100.0**

Denver Area

		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	CBRE	$1,069.4	44	40.9
2	JLL	864.5	21	33.1
3	Eastdil Secured	252.5	3	9.7
4	Newmark	246.7	3	9.4
5	Matthews RE Investment Service	92.5	1	3.5
6	Cushman & Wakefield	60.0	4	2.3
7	Avison Young	26.1	1	1.0
	Brokered Total	**2,611.6**	**77**	**100.0**

Washington

		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	JLL	$999.3	9	41.4
2	Eastdil Secured	771.7	3	31.9
3	Cushman & Wakefield	562.8	3	23.3
4	Stream Realty Partners	82.0	1	3.4
	Brokered Total	**2,415.7**	**16**	**100.0**

Continued on Page 15

RANKINGS

Top Office-Property Brokers By Market In 2021 (continued)

Oakland/East Bay		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Newmark	$667.2	7	31.1
2	JLL	647.3	19	30.1
3	Eastdil Secured	599.7	4	27.9
4	CBRE	149.6	9	7.0
5	Cushman & Wakefield	39.7	1	1.8
6	Kidder Mathews	29.6	1	1.4
7	Colliers	15.5	1	0.7
	Brokered Total	**2,148.5**	**42**	**100.0**

Orange County		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Eastdil Secured	$564.1	9	32.6
2	Newmark	547.9	9	31.7
3	Cushman & Wakefield	222.2	7	12.8
4	JLL	219.3	4	12.7
5	CBRE	150.8	2	8.7
6	Colliers	25.0	1	1.4
	Brokered Total	**1,729.3**	**32**	**100.0**

Northern New Jersey		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Cushman & Wakefield	$1,072.3	21	60.3
2	CBRE	317.1	5	17.8
3	JLL	263.6	6	14.8
4	Newmark	125.1	4	7.0
	Brokered Total	**1,778.0**	**36**	**100.0**

Phoenix Area		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	JLL	$601.7	9	36.3
2	CBRE	372.1	11	22.4
3	Cushman & Wakefield	334.8	10	20.2
4	Eastdil Secured	161.3	3	9.7
5	Newmark	122.0	3	7.4
6	Lee & Associates	39.0	1	2.4
7	Colliers	26.9	3	1.6
	Brokered Total	**1,657.7**	**40**	**100.0**

Central/Northern Florida		2021 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Cushman & Wakefield	$755.2	20	47.4
2	Eastdil Secured	230.7	5	14.5
3	JLL	225.2	8	14.1
4	CBRE	168.1	8	10.6
5	Marcus & Millichap	111.5	3	7.0
6	Newmark	77.2	6	4.8
7	Colliers	25.0	1	1.6
	Brokered Total	**1,592.9**	**50**	**100.0**

Office ... From Page 12

several in the top 10. That includes North Carolina, led largely by Charlotte, in sixth place ($4.34 billion), followed by the Dallas area ($4.08 billion). San Diego, despite its relatively small footprint, came in ninth place on account of its life-science cluster ($3.58 billion). South Florida, benefiting from a wave of in-migration, rounded out the top 10 with $3.54 billion.

New York, the country's largest and historically most active office market, climbed back into third place with $8.92 billion of sales, after falling to sixth place in the midyear rankings. That's still well behind its 2019 volume of $17 billion. A surge in fourth-quarter leasing activity, coupled with several massive pending sales, has pros optimistic about a comeback for the city this year.

"Those are both signs of green shoots in the office space," said **Jonathon Blackwell,** chief investment officer at **Waterman-Clark,** which is targeting office buildings in New York and other major East Coast cities. "In New York City, there is no shortage of capital for well-leased, well-located buildings, and there is significant demand for the very best developments."

But the return of buyers for properties that don't fit that profile has been more muted. "We are waiting to see the capital markets speak on the buildings right in the middle," Blackwell said.

Other major urban markets saw ongoing uncertainty about the office sector keep a lid on the recovery of investment-sales volumes. They include: San Francisco ($3.70 billion, up 27.2%), Washington ($2.67 billion, up 9%), and Chicago ($903 million, down from $1.32 billion).

Going forward, investors see the potential for more properties to hit the block as owners choose to sell rather than grapple with leasing challenges. "A number of owners and sponsorship groups are still confronting the realities of lower office occupancy and other elements … brought on by the pandemic," said

See OFFICE on Page 19

RANKINGS

Top 50 Office-Property Sales In 2021

	Property	SF-000	Buyer	Seller	Broker	Price ($Mil.)
1	CBS Studio Center, Studio City, Calif.	1,170	Hackman Cap., Square Mile Cap.	Viacom	JLL	$1,854.0
2	Landmark Center, Boston	1,483	Alexandria Real Estate Equities	JPMorgan Asset Mgmt., Samuels	Newmark	1,571.0
3	Exchange on 16th, San Francisco	750	KKR	Kilroy Realty	Eastdil	1,081.5
4	Hudson Commons, New York	698	Commonwealth Partners, Calpers	Baupost, Cove Property	CBRE	1,033.0
5	100 Pearl Street, Seven Hanover Sq., New York	968	Commerz Real	GFP RE, Northwind Group	Cushman	850.0
6	Charles Park 1&2, Cambridge	371	Alexandria Real Estate Equities	Davis Cos., Principal Global	Newmark	849.4
7	One Memorial Drive, Cambridge	409	MetLife Inv. Mgmt., Norges IM	JPMorgan Glob. Alt., Oxford Prop.	Eastdil	825.1
8	PG&E's S.F. General Office, San Francisco	1,500	Hines Atlas US	Pacific Gas & Electric Co.	CBRE	800.0
9	50&60 Binney Street, Cambridge (66% stake)	532	MetLife Inv. Mgmt., Norges IM	Alexandria Real Estate Equities	Newmark	798.6
10	1193&1199 Coleman Avenue, San Jose	658	AGC Equity Partners	Hunter Prop., Sansome Pac. Prop.	Eastdil	780.0
11	CBS Building, New York	817	Harbor Group International	ViacomCBS Realty	CBRE	760.0
12	Crescent, Dallas	1,332	Crescent Real Estate	JPMorgan Asset Management	JLL	655.0
13	Village at San Antonio Ctr., Mtn. View, Calif.	478	Brookfield	Merlone Geier Partners	Eastdil	630.0
14	300 Pine Street, Seattle	770	KKR, Urban Renaissance Group	Starwood Capital	Eastdil	600.0
15	Kaufman Astoria Studios, Queens	825	Hackman Cap., Square Mile Cap.	Kaufman Astoria Studios		600.0
16	11 Fan Pier Blvd., 50 Nrthn. Av., Boston (35%)	1,134	GIC	Diversified Healthcare Trust	Eastdil	595.0
17	Indeed Tower, Austin	730	Kilroy Realty	Trammell Crow	CBRE, Eastdil	591.0
18	Sorrento Mesa, San Diego	420	Harrison St. RE, Sterling Bay Cos.	City Office REIT	JLL	576.0
19	CA22, Santa Clara, Calif.	175	DigitalBridge			539.0
20	HQ at First, San Jose	604	KKR	Mori Trust	Newmark	535.0
21	101 South Street, Somerville, Mass.	289	TPG Capital	DLJ Real Estate Capital	Eastdil	525.0
22	West 8th, Seattle	517	Kilroy Realty	DWS Group	Eastdil	490.0
23	Midtown Center, Washington (49%)	869	Hana Financ., IGIS IM, Korea Post	Carr Prop.	JLL	480.2
24	Safeco Plaza, Seattle	810	Boston Properties	Vestas Investment Management	CBRE	465.0
25	Americas Tower, New York (49%)	1,033	CalSTRS, Silverstein Properties	UBS Global Asset Management	CBRE	420.7
26	Uptown Station, Oakland	399	Mapletree Investments	CIM Group	Newmark	419.0
27	235 East 42nd Street, New York	820	Alexandria RE Equities, D. Werner	ABS Partners Real Estate		407.0
28	Menlo Gateway, Menlo Park, Calif. (49%)	748	Brookfield	Alex. RE Equities, Bohannon Dev.	Eastdil	400.1
29	655 New York Avenue NW, Washington (49%)	756	Meritz Alternative Invest. Mgmt.	Brookfield, Douglas Development	Eastdil	394.5
30	One Park Avenue, New York (45%)	950	Vornado Realty	Canada Pension Plan	CBRE	393.8
31	Ally Charlotte Center, Charlotte	750	Ally Financial	Crescent Communities		390.0
32	News Building, New York (49%)	1,223	Meritz Alternative Invest. Mgmt.	SL Green Realty	Cushman	387.1
33	Campus at Legacy West, Plano, Texas	1,830	Capital Commercial Investments	Beal Bank	Cushman	385.0
34	350-380 Ellis Street, Mountain View, Calif.	428	Goldman Asset Mgmt., TMG Part.	NortonLifeLock	Cushman	380.0
35	NetApp Campus, Sunnyvale, Calif.	703	Tishman Speyer	NetApp	Savills	365.0
36	1K Fulton, Chicago	531	Office Properties Income Trust	American Realty Advisors	Eastdil	355.0
37	Congress Square, Boston	372	Hana Financial, KTB Asset Mgmt.	Related Fund Management	Hodges	342.0
38	498 Seventh Avenue, New York (50%)	960	Hanwha Inv. & Sec., KB Securities	JPMorgan Asset Management	CBRE	339.3
39	225 Binney Street, Cambridge (70%)	307	GIC	Nuveen	Newmark	333.2
40	Bloc 83, Raleigh	497	City Office REIT	Heritage Properties	JLL	330.0
41	Quantum Park, Ashburn, Va.	1,232	Landmark Dividend	AGC Equity Partners	Eastdil	330.0
42	1111 Broadway, Oakland	570	Swift Real Estate Partners	Regents of the Univ. of California	Eastdil	327.5
43	DreamWorks Animation HQ, Glendale, Calif.	497	Brookfield	Hana Asset Mgmt., Ocean W. Cap.	Newmark	326.5
44	635-641 Avenue of the Americas, New York	274	Spear Street Capital	SL Green Realty	CBRE	325.0
45	520 & 524 Broadway, New York	240	Northwood Investors		Cushman	323.5
46	950-1020 West Maude Ave., Sunnyvale, Calif.	288	LinkedIn	DWS Group	Eastdil	323.0
47	Boca Raton Innov. Campus, Boca Raton, Fla.	1,708	DRA Advisors	CP Group	CBRE	320.2
48	Lowe's Global Technology Center, Charlotte	358	Apollo Global	Childress Klein Prop., Ram Realty	JLL	318.0
49	Lusk Business Park, San Diego	371	Longfellow Real Estate	PS Business Parks	JLL	315.4
50	SouthPark Center, Orlando	1,229	PPF Real Estate	AEW Capital Management	Cushman	315.2

Divco Offering San Francisco Offices

DivcoWest is marketing a single-tenant office building in San Francisco worth about $75 million.

The Class-A property encompasses 41,000 sf of creative office space at 180 Townsend Street in the SoMa neighborhood. At the estimated value of $1,829/sf, a buyer's initial annual yield would be 4.5%. **CBRE** has the listing.

The three-story building is fully occupied by **Andreessen Horowitz** under a lease that matures in 2031. The venture capital firm, founded in 2009, raised over $9 billion last year and has $19.2 billion under management, according to marketing materials.

DivcoWest recently completed a $20 million renovation of the offered property, upgrading the lobby, facade, elevators, roof and heating, cooling and ventilation systems. In addition, Andreessen invested $17 million into improvements to its offices.

The marketing campaign is touting the property's location within a couple of blocks of the Fourth and King Caltrain Station and Oracle Park, home of the **San Francisco Giants** baseball team. It's also three blocks from a new subway station under construction.

The neighborhood is home to technology companies including **Adobe, PayPal** and **Pinterest.**

San Francisco-based DivcoWest paid $28.3 million, or $689/sf, for the building in 2018. **Newmark** represented the unidentified seller in the transaction. ❖

Western Massachusetts Hotels In Play

Two select-service hotels in the Berkshires region of Western Massachusetts are on the selling block.

The 92-room Courtyard Lenox Berkshires and the 79-room Hampton Inn & Suites Berkshires-Lenox, both in Lenox, are expected to fetch bids of $37 million, or $216,000/room. Offers can be made on one or both properties. The owner, regional developer **Toole Cos.,** has given the listing to **JLL.**

The Berkshires is a popular New England vacation spot known for recreational activities — including skiing, hiking and kayaking — as well a cluster of culture and art venues. Such areas have benefited amid the pandemic, as travelers have favored domestic leisure destinations.

In 2019, the hotels had combined average occupancy of 74.7% and daily rates of $156.93/room, producing average revenue per room of $117.92. That same year, net operating income was $2.9 million. Operating metrics have recovered significantly since the early months of the pandemic, according to marketing materials.

The properties are being offered unencumbered by management contracts. The Courtyard Lenox Berkshires opened in 2017 and has a heated indoor pool and 1,400 sf of event space. The Hampton Inn & Suites Berkshires-Lenox opened in 2008 and wrapped up its most recent renovation in 2018. It also has a heated indoor pool.

The hotels are along or just off Pittsfield Road, a main artery in the Berkshires. The region is 120 miles north of New York and 110 miles west of Boston. ❖

Correction

An article in the Jan. 18 issue, "M&A Booming Back; JPMorgan Top Banker," contained errors. An annual survey of real estate mergers and acquisitions omitted advisors on two deals. With the additions, the top five advisors for real estate mergers and acquisitions are: **JPMorgan Chase, Goldman Sachs, Deutsche Bank, Citigroup** and **Morgan Stanley.** In addition, the deal chart incorrectly displayed advisors on **Kite Realty's** merger with **Retail Properties of America.** Citi advised Retail Properties, while **Bank of America** and **KeyBank** advised Kite. The corrected ranking of all M&A advisors can be found here, by clicking "Other" in the "Ranking Type" menu. ❖

Need Reprints of an Article?

Want to show your clients and prospects an article or listing that mentions your company? We can reprint any article with a customized layout under Real Estate Alert's logo — an ideal addition to your marketing materials. Contact Mary Romano at 201-839-3250 or mromano@greenstreetnews.com.

SPOT YOUR BIG BREAK

Real Estate Alert, the weekly newsletter that tips you off to the most intriguing opportunities in commercial property . . . before you're supposed to know about them.

Click here to start your subscription or call 949-706-8177

Value-Added Office Play In San Diego

Swift Real Estate Partners is pitching value-added investors on the leasehold interest in a San Diego office property that is one-quarter vacant.

The 250,000-sf building, at 530 B Street in the central business district, is expected to fetch $50 million, or $200/sf. **Newmark** is handling the listing for Swift. The San Francisco fund shop is bifurcating the building from the land, which **Haven Capital** of New York has agreed to purchase for an undisclosed price.

At the estimated valuation, a buyer's initial annual yield on the building would be 5.25%. However, the marketing campaign is touting the opportunity to boost income substantially by leasing up vacant space and raising below-market rents upon rollover.

The 24-story building is 74.5% occupied, with a weighted average remaining lease term of 3.6 years. **MUFG Union Bank,** which is rated A2 by **Moody's,** occupies 32% of the space. Investors are being told the existing rent roll will provide solid cash-flow pending stabilization.

The Class-A property was developed in 1966. Swift acquired it in 2017, paying developer **Bosa Development** $57.7 million, or $248/sf. Swift completed a renovation in 2018.

The fund shop's sale of the land is expected to close simultaneously with the sale of the leasehold interest. Under the plan being pitched to leasehold bidders, the building would be subject to a 99-year ground lease with fixed annual rent bumps and no fair-market adjustments. The pitch is that a buyer could hold the investment for three to five years, then pitch the leasehold interest as still having more than 90 years remaining on the ground lease.

Since 2014, the building has benefited from $18.5 million of upgrades. It has an 11th-floor conference center with a catering kitchen and a 15,000-sf terrace on the third floor with collaborative working space, a walking path and grills.

The marketing campaign is touting the property's pedestrian-friendly location three blocks from the Civic Center trolley station. The building is within six blocks of Interstate 5 and State Highway 163.

San Diego has been gaining favor among investors. Office trades worth at least $25 million skyrocketed 273% to $3.6 billion last year, according to **Real Estate Alert's** Deal Database. That was more than double the market's annual average over the past decade.

San Diego has 73 million sf of office space that was 85.6% leased at yearend, according to a Newmark report. Asking rents averaged $39.72/sf, up slightly from $38.40/sf at the end of 2020. ❖

Need Reprints of an Article?

Want to show your clients and prospects an article or listing that mentions your company? We can reprint any article with a customized layout under Real Estate Alert's logo — an ideal addition to your marketing materials. Contact Mary Romano at 201-839-3250 or mromano@greenstreetnews.com.

Record ... From Page 1

properties. The campus is 90% leased, with a weighted average remaining lease term of six years. The pitch was that a buyer could convert more of the property to laboratory space, bringing the life-science component up from 200,000 sf to nearly half the campus. Apple's tenancy could provide a measure of security during the conversion and lease-up phase.

The technology giant will fully occupy two research-and-development buildings in the campus that are under construction and total 164,000 sf. Apple will move in upon their completion, prior to the closing of the sale.

The property also is approved for the development of an additional 54,000-sf building, with permits in place for a buyer to start construction immediately, according to marketing materials.

Apple leases space in four of the buildings. Two, which total 127,000 sf and 38,000 sf, were offered separately but ultimately included in the deal. Investors were told their combined value was estimated at $166 million, or $1,012/sf. The high-water mark for a Colorado office trade worth at least $25 million is $921/sf, set last year.

The other two buildings occupied by Apple weren't offered separately. The tech giant leases 15,000 sf in a multi-tenant building and fully occupies a 62,000-sf building under a lease with 5.8 years remaining. All told, Apple leases 24% of the park.

Another major tenant, **KBI Biopharma,** fully leases two buildings totaling 72,000 sf. The rent roll also includes the headquarters of **PopSockets** (46,000 sf), which sells equipment for mobile devices, and life-science company **Inscripta** (41,000 sf).

The Denver-Boulder area is among the top 10 life-science markets in the nation, according to JLL. Tenants in the sector are seeking 1 million sf in the area, with scant space available, putting upward pressure on rents.

JLL also pitched the offering as an opportunity for an investor to achieve immediate scale, with the campus representing 15% of Boulder's entire office market. Listings of such size are rare in Colorado. The highest price ever paid for a single office property anywhere in the state is $400 million, achieved twice in 2020 in separate transactions in Denver: the 1.2 million-sf Wells Fargo Center and the 1.3 million-sf Denver City Center.

The Denver area, which includes Boulder, posted $2.7 billion in office trades worth at least $25 million last year, according to **Real Estate Alert's** Deal Database. That was up 47.9% over the previous year.

And the market is getting off to a fast start in 2022. In a separate deal that closed Jan. 19, Boston-based **Beacon Capital Partners** purchased the 538,000-sf 1800 Larimer Street in Denver for $291 million, or $540/sf. **CBRE** represented the seller, Dallas-based **Invesco Real Estate.**

Meanwhile, **Heitman** last week listed a trophy office building in downtown Denver that's expected to fetch $255 million. CBRE has the listing. That price would put the valuation for the 310,000-sf property, at 1401 Lawrence Street, at $823/sf — one of the highest in the city's history (see article on Page 4). ❖

Office ... From Page 15

Adam Sklar, managing principal and co-head of real estate at **Monarch Alternative Capital.** "There will be a continued incremental supply of office assets as those ownership groups look to monetize."

Monarch, in partnership with **Tourmaline Capital Partners,** is buying office properties in the Sun Belt and secondary markets.

Going forward, pros believe that the return of both workers and capital to offices is inevitable. "This next year should be the year of the office," said **Doug Harmon,** chairman at Cushman. "There's just too much capital that will not be satiated with niche [office] product." With $300 billion chasing commercial real estate properties, investors will need to look beyond the industrial and multi-family sectors, the current darlings of the market, he said.

The huge amounts of dry powder also likely will lead to much larger transactions in the year ahead. "We see the formation of capital that would prefer to do large deals across all product types, including a rotation back to office," said **Michael Leggett,** a JLL senior managing director and office group leader. That, he noted, could spell a record year for office sales.

At the same time, brokers expect buyers to expand their appetite beyond the core single-tenant, net-leased offices that offered more security amid the pandemic. Demand is expected to rise for high-quality multi-tenant properties in prime locations that have just enough remaining lease term to muscle through the near-term uncertainty, said **Chris Ludeman,** CBRE global president of capital markets. "If you fit into those categories, the capital interested, the bidding pools will widen and deepen and we will work back to 2019 pre-pandemic appetite for office product," he said.

Broker rankings are based on property transactions that closed in 2021 and involved full or partial stakes valued at $25 million or more. When multiple brokers shared a listing, the dollar credit was divided evenly, but each broker was credited with one transaction. Only brokers for sellers were given credit. Portfolio transactions were included if the package price was at least $25 million. ❖

Boston ... From Page 1

Realty, a Jersey City, N.J.-based REIT that changed its name to **Veris Residential** in December. They were developed by Mack-Cali subsidiary **Roseland Residential Trust.** Rockpoint acquired a $300 million stake in Roseland in 2017.

Rent for a one-bedroom apartment at both properties starts around $2,065. Marketing materials note that new leases over the last 90 days have been signed with rent increases averaging 13.7% at Chase and 7.5% at Alterra. For lease renewals, rent increases have ranged from 10% to 20% at Chase and from 4% to 13% at Alterra since August 2021.

Amenities include fitness centers, pools, a shared park and a private shuttle to an MBTA rail station. The complexes are 6 miles north of downtown Boston.

The pitch is that the properties offer investors the opportunity to acquire immediate scale in Boston-area neighborhoods where robust hiring in the technology and life-science sectors has fueled demand for high-end apartments. Tenants have average annual incomes exceeding $130,000.

Marketing materials also highlight the value-added potential at both complexes — especially the Alterra. Rents at Chase are 9% to 12% lower than those at comparable properties in the submarket, and rents at Alterra are 19% to 26% lower. ❖

Green Street
Week in Review

API Enhancement Now Available!
1/14/2022
The data series available through Green Street's API just increased by over 50%, including additions for our retail databases, REIT portfolio exposure and macroeconomic data.

Heard on the Beach: Will It Rhyme?
1/19/2022
The future will certainly not be a repeat of the past, but nonetheless, a study of REIT NOI growth over the past decade is a good place for forward-looking investors to start.

Industrial Sector: Crushing It
1/19/2022
Prologis (PLD) kicked off REIT earnings season with strong fourth quarter 2021 operating results and inaugural 2022 guidance that exceeded Green Street's expectations.

If you are not a Green Street client and are interested in learning more about our commercial real estate research, insights and analytics, please contact us and we will get back to you shortly.

Green Street Research is published by a separate, regulated entity of Green Street, the parent of Real Estate Alert.

ON THE MARKET

Multi-Family

Property	Size	Estimated Value	Owner	Broker	Color
Centre at Silver Spring, 3310 Teagarden Circle, Silver Spring, Md.	256 units, 95% occupied	$70 million, $273,000/unit	Signature Properties, Baltimore	Melnick Real Estate Advisors	Garden-style property, built in 1984, is being pitched as a value-added play. Only 48 units (less than 20%) have been renovated, resulting in an average rent premium of $170. One- to three-bedroom units average 964 sf. Average rent is $1,560 ($1.62/sf).
Jefferson Palm Beach, 290 Courtney Lakes Circle, West Palm Beach, Fla.	282 units, 95% occupied	$95 million, $337,000/unit	Jefferson Apartment, Mclean, Va., and Brass Enterprises, Toronto	Newmark	Built in 2015 on 11 acres, 2 miles west of downtown West Palm Beach. Amenities include a 100-foot pool and a 2,500-sf fitness center. One- to three-bedroom units average 1,026 sf. Average rent is $1,756 ($1.71/sf).
Verona at Boynton Beach, 1575 Southwest 8th Street, Boynton Beach, Fla.	216 units, 99% occupied	$75 million, $347,000/unit	Robbins Property Associates, Tampa	Newmark	Value-added garden-style apartments built in 2002 on 14 acres. Mix of one- and two-bedroom units average 1,097 sf. Average rent: $2,374 ($2.16/sf). Less than 2 miles from Bethesda Memorial Hospital.

Office

Property	Size	Estimated Value	Owner	Broker	Color
12020 Chandler Boulevard, Los Angeles	125,000 sf, 100% occupied	$50 million, $400/sf Yield: 6.5%	Jamison Properties, Los Angeles	JLL	North Hollywood property fully leased by two entertainment companies for post-production. Weighted average remaining lease term is 5.7 years. Surrounding L.A. Media Triangle has 5.2 million sf of studio space and 437 soundstages. North Hollywood office submarket is 94.2% occupied, with no new construction on horizon.
251 Rhode Island Street, San Francisco	67,000 sf, 72.3% occupied	$55 million, $815/sf	Private investor	CBRE	Office/R&D building in Showplace Square submarket. Weighted average remaining lease term is 3.3 years; 45% of space occupied by investment-grade tenant with lease that matures in December 2026. Buyer could convert existing space and a 13,000-sf garage to labs, or redevelop entire property into a 180,000-sf lab building by adding 2.5 floors.

Student Housing

Property	Size	Estimated Value	Owner	Broker	Color
Aspen Heights Springfield, 1028 East St. Louis Street, Springfield, Mo.	166 units (564 beds), 100% occupied	$46 million, $277,000/unit ($82,000/bed)	Aspen Heights Partners, Austin	JLL	Mid-rise property, built in 2016, is less than 2 blocks north of Missouri State University, with a student population of 24,000. Two- to four-bedroom units average 1,256 sf, with one bathroom per bedroom. There are 443 parking spaces.
Aspen Heights Amherst, 408 Northampton Road, Amherst, Mass.	88 units (192 beds), 99% occupied	More than $35 million, $398,000/unit ($182,000/bed)	Aspen Heights Partners, Austin	JLL	Property was completed last year less than a mile from University of Massachusetts, Amherst, which has 27,000 students. One-, two- and three-bedroom units average 765 sf. There are 240 parking spaces.

THE GRAPEVINE

... From Page 1

Carson. He relocated from Abu Dhabi last month. Link spent six-plus years working at **Abu Dhabi Investment Authority,** leaving as a senior investment manager focused on the Americas. Before that, he spent five years at **Carlyle Group.** As previously reported, the fund titan added former **Invesco Real Estate** pro **Evan Sherman** this month as a principal in New York. He's focused on affordable housing.

Andre Ferrari this month joined developer **Tellus Group** as an acquisitions manager. Tellus, based in the Dallas suburb of Prosper, focuses on residential and mixed-use development, primarily in Texas. Ferrari came from **JLL,** where he had spent three-and-a-half years as a capital-markets associate, joining via **HFF's** 2019 merger with the brokerage.

Jeff Gardner has joined **Civitas Capital** as a managing director and head of fundraising and investor relations. He started in December and runs a 10-member team responsible for new fund management and business development. Gardner, based in the firm's New York headquarters, reports to founder **Dan Healy.** Gardner most recently was a managing director at **Encore Capital Management,** also in New York. He's had stints at **Invesco Real Estate** and **Metropolitan Real Estate Equity Management.**

Michael Zito joined **Belay Investment** on Jan. 10 as a senior vice president on the investment team. He focuses on acquisitions and asset management and works with the firm's joint-venture partners. He reports to managing principal **Eliza Bailey.** Zito previously spent six years at **Aulder Capital,** a New York investment shop focused on multi-family properties. Earlier, he served as senior vice president and co-head of a **Partners Group** unit that focused on property acquisitions in the Americas. He also had a stint at **Lehman Brothers.**

Rob Schlesinger this week joined **Colliers** as a vice president of sales and equity placement in Boston. Previously, he was an assistant vice president at **AEW Capital Management,** where he spent the last four-and-a-half years working on capital markets, acquisitions and asset management. Prior to that, Schlesinger spent three years in the **U.S. Marine Corps,** leaving as a captain. Colliers has added three **JLL** alumni to its investment-sales team since 2019, including managing directors **Frank Petz** and **Matthew Sherry** and senior advisor **John Nasca.**

Meredith Farahmand arrived at **Long Wharf Capital** this month as a director on the fund shop's investor-relations team. She's based in the firm's Boston headquarters and reports to managing partner **Jeffrey Gandel.** Farahmand was previously in the local office of **Tishman Speyer,** where she spent a little over two years, leaving as a capital-markets associate. Before that, she had a four-year stint at **PGIM Real Estate.**

Berkadia is seeking an analyst focused on hotels. The recruit would support investment-sales brokers and be based in Tampa. Candidates should have one year of experience. To apply, send a resume to **Mary Labrusciano** at mary.labrusciano@berkadia.com.

Questions about your current subscription?
Please contact your Account Manager

Call 949-640-8780 or
Email clientsupport@greenstreet.com

NOT YET A CLIENT?

CLICK HERE or scan below to subscribe:

REAL ESTATE ALERT **Visit REA Website**

Telephone: 949-706-8177

Richard Quinn	Managing Editor	201-234-3997	rquinn@greenstreetnews.com
Alison Waldman	Assistant Managing Editor	201-234-3986	awaldman@greenstreetnews.com
Sam Ali	Senior Writer	201-234-3989	sali@greenstreetnews.com
Jeff Whelan	Senior Writer	201-234-3973	jwhelan@greenstreetnews.com
T.J. Foderaro	Editor-in-Chief	201-839-3233	tfoderaro@greenstreetnews.com
Ben Lebowitz	Executive Editor	201-839-3244	blebowitz@greenstreetnews.com
Moira Dickinson	Deputy Editor	201-839-3231	mdickinson@greenstreetnews.com
Guelda Voien	Deputy Editor	201-839-3256	gvoien@greenstreetnews.com
Jim Miller	Copy Editor	201-839-3246	jmiller@greenstreetnews.com
Michelle Lebowitz	Operations Director	201-839-3245	mlebowitz@greenstreetnews.com
Evan Grauer	Database Director	201-234-3987	egrauer@greenstreetnews.com
Robert E. Mihok	Database Manager	201-234-3974	rmihok@greenstreetnews.com
Mary Romano	Advertising	201-839-3250	mromano@greenstreetnews.com
Shanon Tuli	Advertising	646-531-6207	stuli@greenstreetnews.com
Joy Renee Selnick	Layout Editor	201-839-3252	jselnick@greenstreetnews.com

Real Estate Alert (ISSN: 1520-3719), Copyright 2022, is published weekly by Green Street Advisors, LLC ("Green Street"), 5 Marine View Plaza, Suite 400, Hoboken, NJ 07030-5795. Real Estate Alert is published by an independent news business unit of Green Street and is unaffiliated with Green Street's advisory arm. Green Street maintains information barriers to ensure the independence of the news unit and the research and advisory services provided by the firm. It is a violation of federal copyright law to reproduce any part of this publication or to forward it, or a link to it (either inside or outside your company), without first obtaining permission from Real Estate Alert. We routinely monitor usage of the publication with tracking technology.