Real Estate Alert
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THE GRAPEVINE

Lendlease has tapped **Andrew Trickett** as a managing director to lead the firm's Americas investment-management division. His duties include overseeing investor relationships and working on investment strategy. The division targets high-growth markets nationally, with a focus on multifamily, life-science and office properties. Trickett, who started this week in New York, reports to **Claire Johnston,** chief executive for the Americas. He came aboard after five-plus years at **Safanad,** where he led the firm's real estate business, and was at **Oxford Properties** for more than a dozen years before that.

Brad Briner last month stepped down from his role as co-chief investment officer of a firm that invests on behalf of billionaire **Michael Bloomberg.** A real estate veteran, Briner had served in that

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Big Student-Housing Portfolio Hits the Block

OC Ventures is shopping eight student-housing complexes valued at roughly $400 million, adding to a recent wave of listings in the niche property segment.

The offering encompasses 1,108 units with 3,098 beds in Alabama, Illinois, New York and North Carolina. The anticipated valuation translates to $129,000/bed, or $361,000/unit. OC, a Chicago-based investment firm, has given the marketing assignment to **Newmark.**

Investors can bid on individual properties or any combination, but the preference is to strike a deal with a single buyer.

Benefiting from robust university enrollment growth nationwide, the student-housing space has been experiencing high occupancy rates and record rents. Listings of such properties have surged over the past several months, defying a slowdown in the overall commercial real estate market.

Properties in the offered package are 95% occupied on average. All serve

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M&A Rebound Expected; Citi Tops Rankings

Mergers and acquisitions of real estate companies fell to a three-year low in 2023, but as debt costs have pulled in and equity markets have risen, conditions may be ripe for a bounce-back.

Just eight deals totaling $37.76 billion closed last year, the lowest volume since 2020. By deal count, it's the fifth-slowest year since **Real Estate Alert** began tracking M&A activity in 1996. Aside from 2020 — when the pandemic froze the market — it's the first year with fewer than 11 deals since 2011.

Market pros blamed the stalled market on rising interest rates and falling property valuations, but with debt prices improving over the last two months, the sentiment among bankers has shifted to cautious optimism.

"We see an increased activity level in boardrooms and willingness to think through strategic options," said **Jens Thomas Jung,** a managing director in the real estate and lodging M&A group at **Citigroup.** "Is this translating into transactions

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Developer Seeks Recap for Manhattan Hotel

A new luxury hotel on New York's Fifth Avenue is in play following a redevelopment and expansion that cost $360 million.

Developer **Flaneur Hospitality** is looking to recapitalize the 153-room Fifth Avenue Hotel, which partially opened last year. The equity would be used to complete the project and pay down its approximately $161 million of construction debt.

Flaneur would prefer to sell a stake in the hotel, which has an overall value above its current loan, but where pricing shakes out ultimately will depend on how a deal is structured. Flaneur is willing to negotiate the stake's size, which can be structured as an equity or preferred-equity interest. **Newmark** has the marketing assignment.

Flaneur extended the maturing construction loan last year after an unsuccessful bid to refinance that was stymied by largely illiquid debt markets — particularly for sizable urban hotels. That complicated efforts to complete the project. Only roughly

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Big Price Tag Seen for Calif. Offices

Bids are expected to reach some $440 million for a 1.1 million-sf piece of a Silicon Valley office campus that **Broadcom** has decided to offload.

The semiconductor giant tapped **CBRE** to market 13 buildings within the **VMware** campus, in Palo Alto, Calif. The sales campaign is slated to launch later this month, and sources expect the offering to command around $400/sf. The **San Francisco Chronicle** first reported on the listing last week without pricing.

A sale at the estimated valuation would represent Silicon Valley's biggest office trade since 2022, according to **Green Street's** Sales Comps Database.

The buildings make up the bulk of a 1.6 million-sf campus that Broadcom assumed as part of its $69 billion purchase of rival VMware last November. Broadcom initially planned to relocate its headquarters to the VMware campus. But the company since has started to cut back and has announced layoffs — including some at the Palo Alto site.

As a result, Broadcom intends to occupy about a third of the VMware campus and sell the rest. The space headed for the selling block has just one tenant: **Toyota,** which occupies 100,000 sf under a short-term lease.

The listing is expected to generate interest from corporate users and investors who see an opportunity to fill the vacant space. Palo Alto, a technology hotbed, has **produced** office trades with valuations topping $2,000/sf.

The pitch is that the campus, which has two cafeterias, two gyms and three garages, is move-in ready for a corporate user, or for an investor to lease up.

The property, along Hillview Avenue, is within the 10 million-sf Stanford Research Park. Like most Palo Alto properties, it's subject to a ground lease held by **Stanford University.** The agreement has just over 20 years of term remaining, local pros said.

As a result of the ground lease, the offered space cannot be broken up and must be purchased in a single transaction. Given the challenging debt markets, sources expect it likely will trade in an all-cash deal.

The largest office transaction ever in Palo Alto came two years ago, when **Alexandria Real Estate Equities** paid **Morgan Stanley** $446 million, or $1,527/sf, for the 292,000-sf property at **3301-3307 Hillview Avenue**. **Newmark** brokered the deal. A trade of the Broadcom property at the estimated value would mark Silicon Valley's biggest office sale since that transaction, according to the Sales Comps Database. ❖

Rental Home Portfolio Hits the Block

A real estate investment firm has begun marketing a raft of single-family rental homes with a total estimated value of $250 million.

High Opportunity Neighborhood Partners is looking to sell more than 600 three- to five-bedroom rental homes in the coming months in Florida, Minnesota and Texas. **Newmark** has the sales assignment for the Dallas-based shop.

The company was founded in 2019 by **Matthew Berke, Grant Herlitz** and **Andrew Ludwig** to buy homes in good neighborhoods and rent them exclusively to tenants who have qualified for the federal Housing Choice Voucher Program — better known as Section 8.

High Opportunity intends to liquidate three of its four funds, but the focus of the marketing campaign is on 218 homes in Minnesota and Texas that are held by its first two funds.

Some 145 homes are in the Dallas-Fort Worth market and average 2,438 sf. Another 48 homes in Houston average 2,252 sf. The Texas homes have an average vintage of 2006. The remaining 25 homes are in Minneapolis. They average 2,161 sf and have an average vintage of 1982. The portfolio is 97% occupied, and its average rent is $3,098.

Another 395 rental homes held by the third fund are expected to hit the market in the coming months. That offering will include three- to five-bedroom homes in the Dallas-Fort Worth, Houston, Minneapolis and Tampa markets.

According to marketing materials, federal government subsidies contribute 90% of the portfolio's total revenue, ensuring financial stability. The portfolio has a low 0.25% annual rate of delinquent rent payments, a strong record that further reflects its financial stability, according to marketing materials. Tenant retention is high, with an average stay of five years.

High Opportunity owns more than 1,000 properties in the Dallas-Fort Worth, Houston, Jacksonville, Minneapolis and Tampa markets. In addition to turning a profit, the company's stated goals include combatting generational poverty and economic segregation by giving people with lower incomes a chance to reap the structural benefits that come from living in "high-opportunity neighborhoods," according to marketing materials and the company's website.

Homes in the offering are in affluent areas with strong population growth and high property values. Residents of the areas in which portfolio homes are located had a median net worth of $296,000 in 2023. Home values in those areas are projected to rise by more than 14% over the next five years to a median of $397,000.

Historically, Section 8 vouchers paid two-thirds of rent up to a metropolitan area's **HUD**-designated fair-market rent, which often fell short of actual rental costs. Under updated HUD policies, vouchers now align with fair-market rent in certain ZIP codes, enabling people in higher-cost areas to use the program, marketing materials state.

For instance, under the old **Houston Housing Authority's** Section 8 program, a voucher for a three-bedroom home would have been only $1,722/month based on the area's 2023 fair market rent. Following program revisions, however, vouchers for such homes in a Houston high-opportunity neighborhood can now reach as high as $3,000/month. ❖

EQT Exeter Snags Calif. Warehouses

EQT Exeter paid a **Goldman Sachs** partnership $193 million last month for a recently built warehouse complex in Northern California.

The property encompasses 1.5 million sf across five buildings at the TriPoint Logistics Center, in Lathrop, 60 miles east of San Francisco.

CBRE brokered the deal for Goldman and partner **Crow Holdings,** which completed the property in 2022. The deal was one of the largest industrial trades in Northern California last year, according to **Green Street's** Sales Comps Database.

At the $130/sf sale price, Radnor, Pa.-based Exeter will realize an initial annual yield of about 5.3%, though the firm could lift the stabilized yield by raising below-market rents upon rollover and filling vacant space.

The property is 82% leased, with a weighted average remaining lease term of six years. Tenants include **Cargill, Ryder** and **Tesla.** The buildings, at 5150 Glacier Street and 5026, 5030, 5050 and 5070 Yosemite Avenue, have ceiling heights of 32 to 40 feet.

There is 18.2 million sf of industrial space in Lathrop that was 90.9% leased at the end of the quarter, according to a CBRE leasing report.

Northern California's largest industrial trade last year came in March, when **Amazon** paid $240.5 million for the 877,000-sf property at 960 and 980 Central Expressway in Silicon Valley's Santa Clara. CBRE represented the seller, **Owens-Corning.** ❖

CBRE Builds Out Golf and Resort Team

CBRE has expanded its team focused on golf and resort properties, a niche that's attracting greater interest from institutional investors.

This month, the firm added **Billy Knight** as a vice president in Atlanta, covering the East Coast. **Brandon Schempp** came aboard as a first vice president in San Diego, joining **Jeff Rice,** who returned to the firm in September as an investment-sales analyst.

The group focuses on real estate services — largely investment sales — for recreational facilities including golf clubs, ski resorts and marinas, as well as developable land associated with such properties.

CBRE's hiring comes as more institutional investors are seeking opportunities in the recreational facilities space. While such buyers have long held a toehold in the niche sector, interest has surged since the onset of the pandemic, said **Jeff Woolson,** a three-decade-plus CBRE veteran who leads the group as vice chair.

That investor interest coincided with an uptick of new participants in golf, due in part to the pandemic as well as a rise in so-called off-grass golfing facilities, such as **Topgolf.**

But there are high barriers to constructing new courses — namely land costs, as well as building and environmental restrictions. That, Woolson said, has led fund operators and institutional buyers to deduce that "there are strong returns on such properties."

Investors "think that they can go in there and do something operationally different … and make it better," he added. "People are pretty bullish on the golf market right now and believe there is a long runway for growth."

Large buyers also tend to have an advantage in the space. The availability of debt backed by golf courses is extremely scarce, but institutional investors can tap into existing credit lines and lender relationships, Woolson noted. On the flip side, the limited supply of larger, cash-flowing properties makes it difficult for those firms to assemble the sizable portfolios they often pursue to deploy meaningful capital.

CBRE said 2023 was its busiest year in the space, with $282 million of deal volume via the trades of seven golf and resort properties.

Knight arrived at CBRE after 10 years at **Invited,** where he worked on some $600 million of golf and country-club transactions. Schempp was most recently head of commerce, content and data insights in North America for **Dept,** a technology and marketing-services company.

Rice spent eight years as an analyst at **Integra Realty Resources,** and before that spent nearly 20 years at CBRE, leaving as an appraisal analyst. ❖

Bronx Rentals Pitched With Loans

A six-building apartment portfolio in the Bronx is on the block with an asking price of $28 million.

The package, which is nearly fully occupied, encompasses 100 units in walk-up buildings close to the campus of **Fordham University.** A trade at that price would value the apartments at $280,000/unit. Based on $1.9 million of net operating income, a buyer would realize a 6.8% initial annual yield.

Matthews Real Estate Investment Services has the listing for **ABJ Properties,** a Great Neck, N.Y.-based investment shop.

Each building has its own agency loan held by **Arbor Realty Trust.** The sales pitch is touting that a buyer can assume those loans, which carry 4.6% fixed rates and require only interest payments for another 18 months or so. The maturity dates are unclear.

The properties are at 301, 311 and 349 East 193rd Street, and 2605, 2650 and 2654 Marion Avenue. Some 15% of the apartments have a single bedroom, while 11% have two bedrooms. The rest are split among three-bedroom (29%), four-bedroom (38%) and five-bedroom (7%) units. Bidders are being told that an overall shortage of larger apartments in the Bronx makes the larger units easier to rent.

Sales of large multifamily properties in the Bronx appear to have fallen dramatically in 2023. At least $371.8 million of trades worth at least $25 million took place last year, according to **Green Street's** Sales Comps Database. That's down 41% from 2022, when $627.0 million of transactions closed. ❖

San Antonio Student Rentals Marketed

A student-housing complex in San Antonio with value-added potential is on the block, with bids expected around $46 million.

The 14-acre property, at 15949 Chase Hill Boulevard, is less than a mile from the **University of Texas'** San Antonio campus. It has 204 units with 624 beds that are 96.5% occupied. The estimated value comes out to $225,000/unit, or $74,000/bed. **Newmark** is representing the seller, **Preiss Co.** of Raleigh.

The garden-style complex, known as High View, was built in 2008. Units, which have one, two or four bedrooms, average 1,092 sf and are fully furnished. Rents average $2,029/unit and $663/bed.

Amenities include a pool, indoor and outdoor lounge space, a sand volleyball court, a game room and a fitness center.

Marketing materials note that rents are $130 below those of comparable properties in the area, even though they increased 11.7% during the 2023-2024 academic year. The pitch is that a buyer could boost revenue by upgrading the units.

The University of Texas' San Antonio campus had 34,864 students enrolled as of last fall, including nearly 6,000 first-year students — a record high for the school. ❖

NJ Mixed-Use Space Up for Grabs

Site Centers is marketing a mixed-use property along the Hudson River in New Jersey, in an offering expected to command bids of $58 million.

Edgewater Towne Center, in Bergen County's affluent Edgewater, comprises 64 market-rate apartments and 77,000 sf of retail space anchored by **Whole Foods.** At the estimated value, a buyer's initial annual yield would be roughly 6%.

JLL is representing Site, a shopping-center REIT based in Beachwood, Ohio.

The marketing campaign is touting the opportunity to add value by leasing up 4,700 sf of vacant, contiguous retail space and renovating the apartments to boost occupancy. It also highlights the property's choice location, which offers views of the New York skyline and is a third of a mile from a ferry to Manhattan and 2 miles from the George Washington Bridge.

The retail space, all on the ground floor, is 93% leased, with a weighted average remaining lease term of 4.1 years. Whole Foods, a subsidiary of **Amazon,** draws 1.1 million visits per year to its 42,000-sf store, where it posts sales of $1,230/sf.

Three-quarters of the retail space is leased to national retailers. Other tenants include **Basecamp Fitness, Bond Vet, Amazing Lash Studio, Pure Barre, Club Pilates, Trek Bicycle** and **Restore Hyper Wellness.**

The apartments, located on two floors above the stores, are 89% occupied. There are eight studios and 40 one-bedroom units, which could benefit from upgrades including new counters and appliances. There also are 16 two-bedroom units, which have been renovated with stainless-steel appliances and quartz counters.

Edgewater Towne Center's apartments average 917 sf and rent for an average of $2,448. At $2.67/sf, that offers a discount to Class-A rents in Lower Manhattan ($6.57/sf), Hoboken ($4.48/sf) and along the Jersey City waterfront ($4.41/sf), according to marketing materials.

Edgewater's population has grown 25% since 2010. The community's average household income is $188,000. There are 1 million people living within 3 miles of the property.

Edgewater Towne Center, developed in 2000, is on 14 acres at 905 River Road. The pitch is that a buyer could convert the property to high-rise apartments with ground-floor retail space.

Site owns approximately 100 properties worth some $5.5 billion, according to **Green Street,** the parent of **Real Estate Alert.** The REIT was an active seller in 2023, having unloaded $937.2 million worth of properties during the year while purchasing $140.1 million of properties, according to Green Street's Sales Comps Database. ❖

RANKINGS

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over the next couple of weeks or months? While that is always hard to tell, we've come through a long period in the markets with a disconnect between buyers and sellers on valuations and we see that disconnect vanishing. So, it's hard to see another year with subdued deal activity as the overall factors that are facilitating transactions are starting to outweigh the negatives, favoring a rebound."

Citi easily won the M&A league table by working on four deals totaling $28.74 billion, taking a 76.1% market share. The race for second through fourth was tight, with less than $2 billion separating advisors. **Eastdil Secured** took second, working

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Real Estate M&A

	Amount ($Bil.)	No. of Deals		Amount ($Bil.)	No. of Deals
2007	$168.4	33	2016	$36.3	16
2008	7.1	5	2017	58.0	17
2009	0.8	2	2018	106.1	17
2010	28.2	7	2019	39.6	13
2011	44.1	9	2020	26.5	6
2012	12.3	11	2021	73.4	13
2013	40.4	14	2022	101.6	16
2014	34.1	11	2023	37.8	8
2015	68.4	25			

Real Estate M&A Advisors in 2023

Full credit given to all advisors to buyers and sellers on deals that closed in 2023

		2023 Deals ($Mil.)	No. of Deals	Market Share (%)	2022 Deals ($Mil.)	No. of Deals	Market Share (%)
1	Citigroup	$28,742.1	4	76.12	$69,707.0	7	68.58
2	Eastdil Secured	17,478.3	3	46.29	15,606.3	5	15.35
3	Wells Fargo	16,417.0	4	43.48	37,485.4	5	36.88
4	Goldman Sachs	15,201.7	2	40.26	64,085.4	5	63.05
5	Evercore	13,801.7	1	36.55	0.0	0	0.00
6	JPMorgan Chase	12,208.3	2	32.33	71,136.4	8	69.99
6	Bank of America	12,208.3	2	32.33	40,291.3	8	39.64
8	BMO Capital Markets	5,374.7	2	14.23	3,700.0	1	3.64
9	JLL	3,500.0	1	9.27	5,800.0	1	5.71
9	CBRE	3,500.0	1	9.27	0.0	0	0.00
11	Truist Securities	3,174.7	1	8.41	0.0	0	0.00
12	Newmark	2,200.0	1	5.83	0.0	0	0.00
12	Sumitomo Mitsui Banking Corp.	2,200.0	1	5.83	0.0	0	0.00
14	RBC Capital Markets	1,476.6	1	3.91	14,700.0	2	14.46
14	DWS Group	1,476.6	1	3.91	1,429.4	1	1.41
16	Morgan Stanley	868.0	1	2.30	75,985.4	8	74.76
17	Barclays	0.0	0	0.00	22,685.4	3	22.32
17	KeyBanc Capital Markets	0.0	0	0.00	18,891.3	3	18.59
17	SMBC Securities	0.0	0	0.00	12,800.0	1	12.59
17	TSB Capital Advisors	0.0	0	0.00	12,800.0	1	12.59
17	DH Capital	0.0	0	0.00	11,485.4	1	11.30
17	TD Securities	0.0	0	0.00	11,000.0	1	10.82
17	Lazard Freres	0.0	0	0.00	9,500.0	2	9.35
17	Bank of Nova Scotia	0.0	0	0.00	8,034.3	1	7.90
17	Societe Generale	0.0	0	0.00	7,600.0	1	7.48
17	JonesTrading Institutional Services	0.0	0	0.00	5,800.0	1	5.71
17	Hodges Ward Elliott	0.0	0	0.00	5,229.4	2	5.14
17	CS Capital Advisors	0.0	0	0.00	2,987.4	1	2.94
	TOTAL	**37,761.4**	**8**	**100.0**	**101,642.7**	**16**	**100.0**

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on three deals valued at $17.48 billion, good for a 46.3% market share. **Wells Fargo** placed third (four deals, $16.42 billion, 43.5% market share), just ahead of **Goldman Sachs** (two deals, $15.20 billion, 40.3%). **Evercore** rounded out the top five, working on one $13.80 billion transaction that gave it a 36.6% market share.

In the three-year ranking, JPMorgan retained its title as the top advisor, working on 16 deals totaling $133.69 billion, or 62.8% of all M&A activity. Citi (14 deals, $118.77 billion) remained in second place with a market share of 55.8%. Goldman moved up a notch to third place (12 deals, $102.38 billion, 48.1% market share), pushing **Morgan Stanley** down one spot (13 deals, $95.11 billion, 44.7%). Fifth-place Wells (10 deals, $71.91 billion, 33.8%) was the only other advisor to break $70 billion from 2021 to 2023.

The largest deal last year was **GIC** and **Oak Street Real Estate Capital's** $13.80 billion purchase of net-lease REIT **Store Capital,** followed by **Extra Space Storage's** $11.34 billion acquisition of fellow self-storage REIT **Life Storage.** The remaining six deals had much lower price tags, ranging from $3.5 billion to $868 million.

Much like in the property-sales market, the cost of debt last year made most deals difficult to pencil out. **Cedrik Lachance,** director of research at **Green Street,** the parent of Real Estate Alert, said that if buyers temper their return expectations for a higher-interest-rate world, dealflow can resume.

"The real estate world is priced appropriately, and you're starting to get close to levered returns that work for the classic private equity owner," he said. "They're not great, but they're starting to get close. … What you need from the private side is accepting that the new world is a lower-return world for them, on a levered basis."

Lachance noted that while some market pros last year were confident in a second-half rebound that ultimately never materialized, this year's positive sentiment is more rooted in the fact

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Top M&A Advisors: 2021-2023

Full credit given to all advisors to buyers and sellers

		Deals ($Mil.)	No. of Deals	Market Share (%)
1	JPMorgan Chase	$133,690.9	16	62.8
2	Citigroup	118,770.7	14	55.8
3	Goldman Sachs	102,382.3	12	48.1
4	Morgan Stanley	95,112.0	13	44.7
5	Wells Fargo	71,913.3	10	33.8
6	Bank of America	69,990.0	15	32.9
7	Eastdil Secured	39,420.3	10	18.5
8	Barclays	38,764.4	6	18.2
9	DWS Group	24,193.0	6	11.4
10	KeyBank	23,653.3	4	11.1
11	Evercore	23,282.2	2	10.9
12	RBC Capital Markets	21,064.9	5	9.9
13	Lazard Freres	20,361.7	4	9.6
14	Moelis & Co.	18,011.0	1	8.5
15	BMO Capital Markets	14,571.3	5	6.8
16	TSB Capital Advisors	12,800.0	1	6.0
17	SMBC Securities	12,800.0	1	6.0
18	DH Capital	11,485.4	1	5.4
19	TD Securities	11,000.0	1	5.2
20	Jefferies Group	9,623.0	1	4.5
21	CDX Advisors	9,480.4	1	4.5
22	JLL	9,300.0	2	4.4
23	Bank of Nova Scotia	8,034.3	1	3.8
24	Societe Generale	7,600.0	1	3.6
25	JonesTrading Institutional Serv.	5,800.0	1	2.7
26	Hodges Ward Elliott	5,229.4	2	2.5
27	Truist Securities	4,374.7	2	2.1
28	CBRE	3,500.0	1	1.6
29	Desjardins Group	3,100.0	1	1.5
30	CS Capital Advisors	2,987.4	1	1.4
31	Robert A. Stanger & Co.	2,396.6	1	1.1
32	Centerview Partners	2,300.0	1	1.1
33	Sumitomo Mitsui Banking Corp.	2,200.0	1	1.0
34	Newmark	2,200.0	1	1.0
35	CenterCap Group	1,200.0	1	0.6
	(None)	34.0	1	0.0
	Total	**212,836.8**	**36**	**100.0**

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Real Estate Mergers and Acquisitions in 2023

Purchases of companies that primarily own U.S. commercial properties

Acquired Entity (Seller)	Buyer	Seller's Advisor	Buyer's Advisor	Price ($Mil.)
Store Capital	GIC, Oak Street RE Capital	Evercore, Goldman Sachs	Citigroup, Eastdil Secured	$13,801.7
Life Storage	Extra Space Storage	Bank of America, Wells Fargo	Citigroup, JPMorgan Chase	11,340.3
Omni Holding Co.	Nuveen	CBRE Group	JLL	3,500.0
Necessity Retail REIT	Global Net Lease	Truist Securities	BMO Capital Markets	3,174.7
Simply Self Storage (Blackstone REIT)	Public Storage	BMO Cap. Mark., Citi, Newmark, SMBC, Wells Fargo	Eastdil Secured	2,200.0
Urstadt Biddle Properties	Regency Centers	DWS Group, Eastdil Secured	RBC Capital Markets, Wells Fargo	1,476.6
Hersha Hospitality Trust	KSL Capital Partners	Goldman Sachs	Citigroup, Wells Fargo	1,400.0
Indus Realty Trust	Centerbridge Part., GIC	Morgan Stanley	Bank of America, JPMorgan Chase	868.0

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that falling property valuations over the last year have set asset-level pricing at or near the bottom for most property sectors.

"The optimism is ripe to be there," Lachance added. "I'll be quite surprised if we have a lower deal volume in '24 than in '23. There is a leveling of pricing, pricing is consistent with what's available in terms of debt cost, and there is more of an acceptance of the pricing environment."

Valuation fluctuations vary from sector to sector. Buildings in niche sectors such as data centers, self-storage and medical office remain popular with investors, while there are more concerns about rent growth in the multifamily and industrial sectors. Office REITs continue to have the most clouded future amid the stubborn work-from-home trend and a burgeoning wave of distressed sales.

To spur more deals, **Kristin Gannon,** a managing director at Eastdil, said the market needs to see conviction from some of the largest buyers. When players at the scale of **Blackstone, Starwood Capital** and **Brookfield** reenter the fray, others likely will follow.

"I think they all want to open the market back up," she added. "They want to see activity and a great way to do that is to buy a company."

Gannon said she expects dealflow to pick up in earnest once the **Federal Reserve** follows through on the first of its three telegraphed interest-rate reductions this year. Market speculation pegs that cut to take place, at the earliest, in March.

"There is greater probability that we will see more take-private activity later in the year after the rate cuts," she added. "And not just because of the cut itself, but people are also still dealing with their asset-management issues."

Another factor that could lead to more deal activity is the sheer volume of capital that firms are waiting to put toward taking advantage of potential distress. Gannon said "the weight of that capital" could result in large-scale deals, particularly if debt pricing continues to recede from last year's peaks.

"There's so much dry powder out there and so much capital sitting on the sidelines," Citi's Jung added. "This is a unique point in time."

Steve Hentschel, senior managing director and head of the M&A and corporate advisory group at **JLL,** said rising stock markets also are lifting REITs' share prices, which better positions some of them to be acquirers in stock-for-stock deals, or to issue stock to be used in cash transactions.

"While REIT stocks underperformed the broader market last year, they're still up and closing the gap," he added. "If we can just see a couple of weeks of interest-rate stability, you're going to see more things be announced. It won't all happen three weeks from now, but the pace of the transaction grind is picking up."

Real Estate Alert tallies acquisitions of entities that primarily own income-producing commercial properties in the U.S. It excludes single-property and portfolio transactions; sales of advisory, management or brokerage firms; roll-ups of investment vehicles; and other reorganizations involving affiliated entities in which ownership doesn't change substantially.

Advisors are given full credit for transactions if they represent either the buyer or the seller. As a result, two or more advisors often receive full credit for a deal. Investment banks are given credit only when expressly named as "advisor" or "financial advisor" to a transaction. Advisors don't receive credit if their duties are limited to providing fairness opinions. ❖

TRANSACTIONS

Large Single-Property Transactions in the 4th Quarter

Office

Price Per SF	Price ($Mil.)	SF (000)	Property	Buyer	Seller
$6,538	$425.0	65	724 Fifth Avenue, New York	Prada	Wharton Properties
3,314	172.8	52	1708-1710 Broadway, New York	Riu Hotels & Resorts	Extell Development
2,851	397.4	113	720 Fifth Avenue, New York	Prada	Wharton Properties
1,123	633.0	564	625 Madison Avenue, New York	Related Cos.	SL Green, Winthrop Capital Adv.
989	160.0	162	1440 Northern Boulevard, Manhasset, N.Y.	New York University	
983	675.0	687	Westside, Los Angeles	Regents of the Univ. of Calif.	Hudson Pacific Properties, Macerich
727	117.2	161	670 Albany Street, Boston	Healthcare Trust of America	
697	99.5	143	855 Boylston Street, Boston	Ezdan Holding Group	Los Angeles County Employees
638	129.1	203	Riverview at 1700 Platte, Denver	Crescent Real Estate	CalSTRS, Lionstone Investment
602	250.0	415	801 Brickell, Miami	Monarch Alt. Cap., Tourmaline Cap.	Nuveen Real Estate
462	157.2	341	3655&3689 Kifer Road, 2999 San Ysidro Road, Santa Clara, Calif.	Intuitive Surgical	Bayview Development
454	126.0	278	100-104 Fifth Avenue (condo), New York	Sovereign Partners	Clarion Partners
403	132.9	330	Midtown Plaza, Raleigh	Crescent Real Estate	CalSTRS, Lionstone Investment
382	197.8	518	Station Place 3, Washington	Kaiser Permanente	Property Group Partners
327	75.0	230	211 Commerce, Nashville	PNH Properties	Lincoln Property Co., Velocis
256	580.0	2,263	State Farm at CityLine, Richardson, Texas	3Edgewood	Mirae Asset Global Investments
168	185.0	1100	Bala Plaza, Bala Cynwyd, Pa.	Adjmi Family, FLD Group	Tishman Speyer Properties
135	153.5	1133	Aon Center, Los Angeles	A.K. Tischer, Carolwood, D. Abrams	Shorenstein

Multifamily

Price Per Apt.	Price ($Mil.)	Units	Property	Buyer	Seller
$544,355	$135.0	248	29 Wyn, Miami	Berkshire Res., Bayshore Global	Metro 1 Commercial, Related Group
522,917	125.5	240	Margo at the Society, San Diego	Decron Properties	Holland Partner Group, Sekisui House
515,228	101.5	197	Flats on D, Boston	Eaton Vance Management	Clarion Partners, UC Investments
500,000	130.0	260	Nine20, Tempe, Ariz.	Coastal Ridge RE, Virtus RE Cap.	Coastal Ridge Real Estate
444,118	151.0	340	Novel Midtown, Atlanta	Goldrich Kest	Crescent Communities
442,531	106.7	241	Enclave at Warner Center, Los Angeles		MG Properties, Trammell Crow Res.
437,282	125.5	287	Platform at Union Station, Denver	Griffis Residential	Holland Partner Group
437,008	111.0	254	Kendrick, Denver	Jackson Square Partners	Alliance Residential
436,260	114.3	262	One Upland, Norwood, Mass.	UDR	Cottonwood Residential
406,604	107.8	265	Broadstone Makers Quarter, San Diego	Jaskson SquareProperties	Alliance Residential
398,436	96.8	243	Alta Arlo, Seattle	Carmel Partners	Wood Partners
398,350	120.7	303	One Riverwalk, Knoxville, Tenn.	Greystone, Passco Cos.	Southeastern Co.
385,906	115.0	298	Epoch Clemson Student Living, Seneca, S.C.	Inland Real Estate	Valeo
384,578	127.7	332	Elara at the Sawmill, Flagstaff, Ariz.	Core Spaces	Kayne Anderson RE, McGrath RE Part.
380,893	106.7	280	Summerset Village, Chatsworth, Calif.	IMT Residential	Equity Residential
377,660	106.5	282	Alexan Kingston, Kingston, Mass.	Pantzer Properties	Goldman Sachs, Trammell Crow
370,968	161.0	434	Zia Sunnyside, Denver	Kairoi Residential	Confluence Cos.
366,122	89.7	245	West 22, Kennesaw, Ga.	Investcorp	Vesper Holdings
363,492	114.5	315	Solis Hills, Raleigh	TA Realty	Terwilliger Pappas
358,543	128.0	357	Union West, Chicago	Tishman Speyer Properties	Zom Living
356,918	113.5	318	Azure, Santa Maria, Calif.	Afton Properties	MBK Rental Living
346,783	94.1	296	Ellington at Oviedo Pk., Oviedo, Fla. (91.7%)	Gary W. Rollins	Brand Properties
335,000	114.6	342	Bexley Stockyards, Nashville	Weinstein Properties	ShopCore Properties

Continued on Page 11

TRANSACTIONS

Large Single-Property Transactions in the 4th Quarter

Continued From Page 10

Multifamily (cont.)

Price Per Apt.	Price ($Mil.)	Units	Property	Buyer	Seller
$329,000	$105.3	320	Novel Cary, Cary, N.C.	TA Realty	Crescent Communities
327,731	234.0	714	Grand Costa Mesa, Costa Mesa, Calif.	Advanced Real Estate Services	Camden Property Trust
325,203	120.0	369	Expo, Minneapolis	Bigos Mgmt., Oak Grove Capital	Gary Holmes, Kelly Doran
324,031	83.6	258	Bell Meadowmont, Chapel Hill, N.C.	Mesirow Financial	Bell Partners
322,581	80.0	248	Alta Cooley Station, Gilbert, Ariz.		Wood Partners
317,028	102.4	323	Haverly, Phoenix	Mid-America Apartment Comm.	Toll Brothers
313,383	84.3	269	Avila, Oviedo, Fla.	Gaia Real Estate	Lecesse Development
313,253	78.0	249	Peyton Stakes, Nashville	Ditmas Mgmt., Phoenix Realty	Bluestone Properties
311,881	94.5	303	Lake Vista, Loveland, Colo.	Centerspace LP	LivCor
310,204	76.0	245	3Eleven, Chicago	Vista Property	John Buck Co.
309,414	100.3	324	Parc Broadway, Tempe, Ariz.	MG Properties	Evergreen Devco
308,500	99.3	322	Novel Harpeth Heights, Nashville	TA Realty	Crescent Communities
308,157	102.0	331	Grove, San Jose	Jonathan Rose Cos.	Nuveen Real Estate
306,748	100.0	326	Broadstone Olivine, Littleton, Colo.	Connor Group	Alliance Residential, JPMorgan Chase
304,025	143.5	472	Prynne Hills, Canton, Mass.	Friedkin Realty Group	Blackstone Real Estate
303,977	107.0	352	Alta Filament, Charlotte	Mid-America Apartment Comm.	Wood Partners
301,424	95.3	316	4400 Syracuse, Denver	MG Properties	LaSalle Invest. Mgmt., Morgan Group
298,413	94.0	315	Alexan Summerhill, Atlanta	Weinstein Properties	PGIM Real Estate, Trammell Crow Res.
298,246	85.0	285	Vida Health Village, Orlando	RPM Living	Conti Capital
293,478	81.0	276	Windsor Westminster, Westminster, Colo.	GID	Jackson Square Properties
292,308	76.0	260	Bear Valley Park, Denver	MG Properties	Jackson Square Properties
290,000	83.5	288	Primrose, Santa Rosa Beach, Fla.	Olympus Property	Crest Residential
287,977	86.7	301	Residences at the Green, Bradenton, Fla.		Tavistock Development Co.
279,167	80.4	288	Grove at Clermont, Clermont, Fla.	Venterra Realty	Penler
277,419	86.0	310	Cuvee, Glendale, Ariz.	Pillar Communities	Fore Property Co.
273,333	82.0	300	Alta Warehouse District, Phoenix	Brixton Capital	Wood Partners
267,500	107.0	400	Carriages at Fairwood Dwns., Renton, Wash.	Abacus Capital	Sequoia Equities
262,408	79.8	304	Water’s Edge, Kent, Wash.	FPA Multifamily	Jackson Square Properties
253,720	85.3	336	Statesman, Cumming, Ga.	Harbor Group International	TPA Residential
253,247	78.0	308	Alta Depot, Smyrna, Tenn.	Gaia Real Estate	Wood Partners
250,000	142.0	568	Sloane Street, Carrollton, Texas	AvalonBay Communities	Billingsley Co.
247,941	84.3	340	Crossings, New Hudson, Mich.		
236,705	81.9	346	Alta Grand Central, Chicago	Waterton	D2 Realty Services, Wood Partners
236,041	93.0	394	Pinebrook Pointe, Margate, Fla.	Bar Invest Group	Blackstone
233,333	76.3	327	Culebra Commons, San Antonio	Lynd Acquisition Group	Lynd Development Group
225,962	94.0	416	Haven on Long Grove, Aurora, Ill.	Standard RE Invest., Vistria Group	Pensam Capital
204,598	89.0	435	Gates at Carlson Center, Minnetonka, Minn.	FPA Multifamily	RREEF Property Trust
186,574	80.6	432	Boot Ranch, Palm Harbor, Fla.	Eagle Property Capital, Promecap	Providence Real Estate
157,879	102.8	651	Belmont Hills, Richmond, Va.	Levco Management	Weinstein Properties
151,677	135.9	896	Hunters Glen, Princeton Meadows, N.J.	AJH Management	Carmel Partners
150,157	95.5	636	Addison Crater Woods, Petersburg, Va.		Weinstein Cos.
147,344	94.3	640	Seven Lakes at Carrollwood, Tampa	Bridge Investment Group	Covenant Capital
130,137	95.0	730	Woodlands of Crest Hill, Crest Hill, Ill.	Osso Capital	DRA Advisors, Marquette Cos.

Continued on Page 12

TRANSACTIONS

Large Single-Property Transactions in the 4th Quarter

Continued From Page 11

Retail

Price ($Mil.)	Total SF (000)	Property	Buyer	Seller
$342.9	780	Chelsea Piers, New York	VICI Properties	Roland Betts
193.5	825	Bridge Street Town Centre, Huntsville, Ala.	Tanger Outlets	Institutional Mall Investors
110.4	263	Cotswold Village, Charlotte	Asana Partners	Site Centers Corp.
110.0	292	South Coast Collection, Costa Mesa, Calif.	Continental Realty Corp.	Rockwood Capital
96.8	354	Paddock Shops, Louisville, Ky.	CBRE Invest. Mgmt., Fairbourne	AEW Capital Management
77.0	485	Maple Tree Place, Williston, Vt.	Acadia Realty Trust	Brookfield Asset Management

Hotel

Price Per Room	Price ($Mil.)	Rooms	Property	Buyer	Seller
$561,224	$110.0	196	Hilton Brooklyn New York, Brooklyn	Ohana Real Estate Investors	Tidal Real Estate Partners
520,505	165.0	317	Renaissance N.Y. Times Sq. Hotel, New York	Apollo Global Mgmt., Newbond	Sherwood Equities
349,057	370.0	1,060	Boston Park Plaza, Boston	Parks Hospitality	Sunstone Hotel Investors
284,878	81.8	287	Holiday Inn Express Nash. Down., Nashville	Noble Investment	Highland Capital Management
250,836	75.0	299	SpringHill Suites by Marriott Las Vegas	Apple Hospitality REIT	Gem Realty Capital

Industrial

Price Per SF	Price ($Mil.)	SF (000)	Property	Buyer	Seller
$2,113	$80.0	38	575 East Weber Avenue, Compton, Calif.	Universal Logistics Holdings	Yellow Corporation
722	83.0	115	15927 Distribution Way, Cerritos, Calif.	Prologis	Revantage
230	183.9	800	400 East Ellis Avenue, Perris, Calif.	Blackstone	IDI Logistics
197	115.0	583	Mosaic Commerce Center, Las Vegas	Kennedy Wilson	Mosaic Co.
179	217.5	1,218	601-906 Murray Road, 151 Ridgedale Ave., East Hanover, N.J.	Morgan Stanley, Saxum RE	Urban Edge Properties
173	77.6	447	265 Industrial Park Drive, Binghamton, N.Y.	Global Securitization Services	42 Real Estate
161	111.7	693	Walgreens Dist. Ctr., Moreno Valley, Calif.	Malulani Group	Walgreens Boots Alliance
141	227.8	1,620	560 Oak Street, Brockton, Mass.		
140	90.6	646	Northwest Distribution Center, Apopka, Fla.	Clarion Partners	Oakmont Industrial, PGIM Real Estate
131	82.5	632	700 Milan Drive, Sparks, Nev.	Westcore Properties	Washington Capital Management
130	193.0	1,479	TriPoint Logistics Center, Lathrop, Calif.	EQT Exeter	Crow Holdings, Goldman Sachs
128	93.1	727	Riverpark 500&600, Fort Worth, Texas	Epsidium	Barings
127	184.0	1,444	Airpark Logistics Center, Goodyear, Ariz.	Prologis	Creation, CrossHarbor Capital Partners
126	91.0	725	I-30 Distribution Center 1&2, Dallas	Link Logistics	Brookfield
121	120.0	993	15801 West First Street, Irwindale, Calif.	Rexford Industrial Realty	Pabst Brewing
119	159.0	1,332	Omni Industrial Campus, Summerville, S.C.	Rockpoint Group	Stonepeak Partners
110	110.3	1,000	84 Zions View Road, Manchester, Pa.		GLP Capital Partners
106	127.0	1,200	6600 New Vent. Gear Dr., E. Syracuse, N.Y.		Index Investment
105	106.0	1,008	Stateline 77, Fort Mill, S.C.	EQT Exeter	Rockefeller Group

LA-Area Industrial Property Available

Investors are getting a crack at a single-tenant distribution center in suburban Los Angeles that's worth about $50 million.

The 154,000-sf West Valley Distribution Center is in Conoga Park. Bids are expected to come in around $325/sf. **Newmark** has the listing for **AEW Capital Management,** which is acting on behalf of **GM Pension.**

Interamerican Motor Corp., a unit of aftermarket auto-parts maker **Parts Authority,** fully occupies the Class-A property under an agreement that runs until May 2029, including a recent five-year extension. IMC has been in the building since 2001. Parts Authority, which acquired IMC in 2018, has been in business for over 50 years. It has more than 250 U.S. locations and generated $1.7 billion of revenue in 2022.

West Valley Distribution Center is on 8 acres at 8901 Canoga Avenue, just off California Highway 27. It's 4 miles from U.S. 101 and 7 miles from Interstate 405. Downtown Los Angeles is 24 miles southeast of the property.

The warehouse, developed in 1999, has 30-foot ceilings, 14 dock doors, 271 parking spaces and truck courts that are 130 feet deep.

The property is in the North Los Angeles submarket, which has 236.7 million sf of industrial space that is 98.4% leased, according to marketing materials. Asking rents in the submarket average $18.84/sf. There is 1.1 million sf of space under construction. ❖

Hotel ... From Page 1

half of the rooms are in operation.

The trophy-caliber hotel is the result of a 13-year redevelopment and expansion of the landmark Second National Bank Building at 250 Fifth Avenue, a 1907-vintage renaissance-style structure also known as the Mansion. Flaneur gutted and redesigned the interior, while adding an attached 23-story building. The hotel, listed among the most anticipated openings by **Forbes** and **Travel + Leisure,** officially opened in the fall. It operates as an independent luxury property managed by Flaneur, a firm led by investor **Alex Ohebshalom.**

The offering comes amid renewed investor interest in the New York market, which was among the hardest hit during the pandemic when a sudden and sharp decline in property performance resulted in many hotel closures, reducing supply. But demand rebounded last year due in part to a jump in international and business travel. At the same time, city officials cracked down on illegal short-term rentals offered via services such as **Airbnb** and **Vrbo.**

As a result, room rates and revenue have risen above pre-pandemic levels even as occupancy continues to recover for high-end hotels. Through November, luxury hotels in Midtown averaged revenue of $374.70/room, exceeding the $326.60/room average during the same period in 2019, according to **CoStar.** The revenue increase was driven largely by room rates, which rose to an average of $510.56 during the first 11 months of 2023. Occupancy during that period climbed to 73.4%, still trailing an average of 79.7% over the same period in 2019.

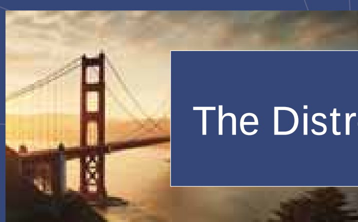
Some 30% of the rooms at the Fifth Avenue Hotel are suites, with high-end finishes, unique color palates and an eclectic mix of furnishings. The hotel's restaurant is run by James Beard Award-winning chef **Andrew Carmellini.** The hotel also has a bar and 7,200 sf of event and meeting space. It is at the corner of West 28th Street, two blocks north of Madison Square Park.

Even as the overall hotel market registered a decline in sales last year, New York hotels mounted a rebound, with activity easily surpassing the 2022 total of $1.6 billion for deals valued at $5 million and up, according to **Green Street's** Sales Comps Database. ❖

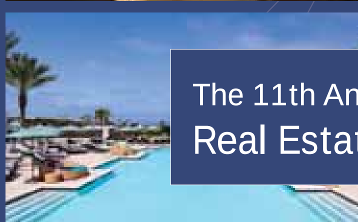
IMN 2024
REAL ESTATE
FEATURED EVENTS CALENDAR

For the full calendar listing of IMN's 40+ Real Estate event conferences this year, please visit: *https://www.imn.org/real-estate*

The 2nd Annual
ESG and Decarbonizing Real Estate (Winter)
February 8-9
Nashville, TN



The Distressed CRE West Forum
April 17
San Francisco, CA



The 11th Annual
Real Estate CFO & COO Forum (West)
May 2-3
Dana Point, CA

AI in Real Estate
June 11
New York, NY

The 11th Annual
Real Estate Family Office & Private Wealth Management Forum (West)
June 13-14
Dana Point, CA

The 24th Annual
U.S. Real Estate Opportunity & Private Fund Investing Forum
June 19-21
Newport, RI

For information on speaking or branding/sponsorship opportunities, email Todd Rosenberg at trosenberg@imn.org

New Amazon Facility in Colo. Offered

A developer is marketing the first **Amazon** distribution center in Colorado dedicated to same-day delivery, with bids expected to come in just under $43 million.

The 305,000-sf Dove Valley Logistics Centre 2 was completed last year in Denver's Southeast industrial submarket. The anticipated sale price translates to $140/sf. **JLL** has the listing.

The owner, Kansas City, Mo.-based **BlueScope Properties,** developed the property as a build-to-suit for Amazon. The warehouse has 36-foot ceilings, 89 dock doors, and modern lighting and sprinkler systems. There also are 99 truck-parking spaces and 395 standard spaces.

The e-commerce giant fully occupies the Class-A property under an agreement that includes annual rent bumps of 3.25%. The lease has five years of term remaining and four renewal options.

According to marketing materials, Amazon selected the property as its first same-day delivery facility in the state due to its proximity to major highways and the surrounding area's dense and wealthy population. The warehouse, at 7800 South Fairplay Street in Englewood, is a mile from the E-470 tollway and 3 miles from Interstate 25. Residents within 10 miles of the property have an average net worth of $1.6 million.

Last year, Amazon said it planned to double the number of same-day delivery centers it operates nationally. The company operates 53 such facilities totaling 9.1 million sf nationally, according to **MWPVL International,** a logistics consulting firm based in Montreal. ❖

Calif. Hotel Pitched as Conversion Play

An extended-stay hotel on the block in Sacramento is being marketed as a potential apartment-conversion project.

PEG Cos. is shopping the 176-room Residence Inn Sacramento Cal Expo, at 1530 Howe Avenue, for $29 million, or $165,000/unit. **Marcus & Millichap** has the listing.

The 1985-vintage property has entitlements in place to convert it for multifamily use, according to marketing materials. All rooms, comprising 132 studios and 44 two-bedroom suites, have separate heating and cooling systems and full kitchens with granite counters, dishwashers, stoves and hood-mounted microwaves.

There's also a pool and a lobby, which a buyer could convert into a leasing office and amenities clubhouse.

The hotel was one of eight properties that PEG bought in 2018 from **Blackstone** for an undisclosed price. Blackstone had acquired the property three years earlier as part of a $203 million portfolio deal.

Provo, Utah-based PEG, led by chief executive **Cameron Gunter,** specializes in buying discounted extended-stay hotels that it then converts to Class-B multifamily housing, typically under its Avia Apartments banner. ❖

Student ... From Page 1

large universities, with enrollments ranging from 16,500 to 34,000 students, and are within 2 miles of their respective schools — with some less than a tenth of a mile away.

Units across the portfolio range from studios to five bedrooms. They have modern furniture packages, stainless-steel appliances, granite or quartz counters, wood-style flooring and washer/dryers.

Amenities include fitness centers, study and entertainment lounges, rooftop terraces and pools.

The package includes two properties in Auburn, Ala., that serve **Auburn University:** the Midtown Auburn (153 units, 315 beds), at 1188 Opelika Road; and the Balcony Auburn (32 units, 102 beds), at 137 East Glenn Avenue.

The remaining properties are:

- Block20 (192 units, 640 beds), at 100 Herron Drive in Amherst, N.Y., serving the **State University of New York's** Buffalo campus.
- Hill at Rochester (182 units, 358 beds), at 20 Fairwood Drive in Rochester, N.Y., serving the **Rochester Institute of Technology.**
- Letterman Greensboro (168 units, 576 beds), at 3610 Clifton Road in Greensboro, N.C., serving the **University of North Carolina's** Greensboro campus.
- Letterman Chicago (142 units, 482 beds), at 410 South Morgan Street in Chicago, serving the **University of Illinois'** Chicago campus.
- Lighthouse (124 units, 348 beds), at 4955 Pepys Lane in Wilmington, N.C., serving the University of North Carolina's Wilmington campus.
- Block75 (115 units, 277 beds), at 1475 Washington Street in Albany, N.Y., serving the State University of New York's Albany campus.

Most of the complexes were built or substantially renovated from 2006 to 2019. OC Ventures bought the properties from 2016 to 2021. ❖

Correction

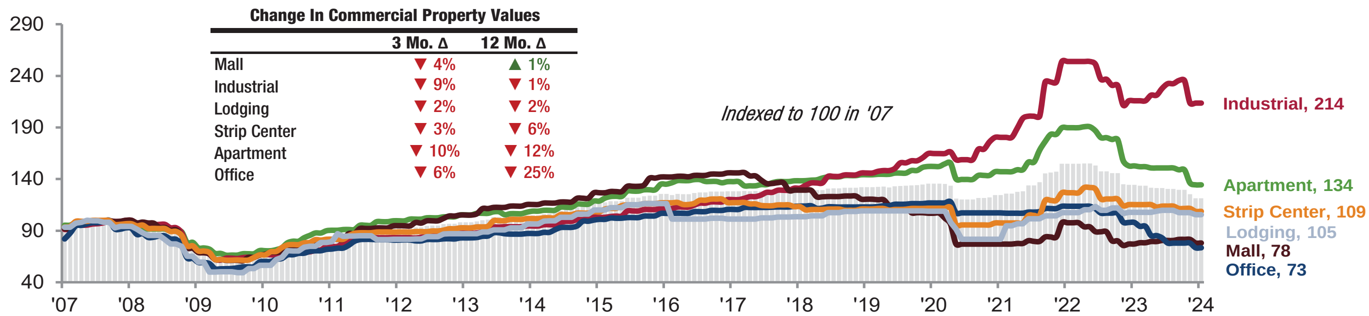
An article in the Jan. 9 edition, "JLL Hires Another Team From CBRE," contained an incorrect title for **Joe Thavis.** He is a senior director. ❖

MARKET MONITOR

SUMMARY

- Lodging real estate valuations have declined 2% in the last 12 months.
- Relative to other sectors, lodging properties are expensive in both the private and public markets.
- Lodging REITs are trading at an implied capitalization rate of 9.6% and a 9.1% discount to asset value on average.
- Total returns for the RMZ Index were 5% over the last 12 months, underperforming the S&P 500 Index by about 1,700 bp.

GREEN STREET COMMERCIAL PROPERTY PRICE INDEXES



Change In Commercial Property Values

	3 Mo. Δ	12 Mo. Δ
Mall	▼ 4%	▲ 1%
Industrial	▼ 9%	▼ 1%
Lodging	▼ 2%	▼ 2%
Strip Center	▼ 3%	▼ 6%
Apartment	▼ 10%	▼ 12%
Office	▼ 6%	▼ 25%

Source: Green Street

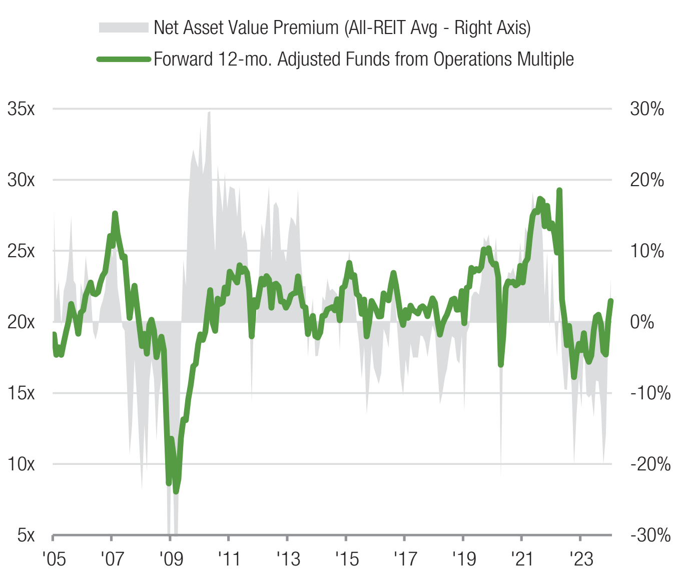
PUBLIC MARKET PERFORMANCE

	Total Returns*			Pricing Metrics		
	1 mo.	YTD	Last 12M	Prem to NAV	Prem to Assets	Nominal Cap Rate
RMZ	5%	-1%	5%			
S&P	3%	0%	22%			
US 10-Yr.	2%	0%	0%			
Apartment	7%	0%	1%	-9%	-6%	5.7%
Healthcare	3%	-1%	3%	37%	23%	7.1%
Lodging	7%	1%	17%	-14%	-9%	8.6%
Industrial	7%	-2%	8%	13%	10%	4.8%
Mall	8%	1%	22%	12%	7%	7.9%
Manu. Housing	3%	0%	-3%	-2%	-1%	5.0%
Net Lease	8%	2%	-4%	15%	10%	7.3%
Office	9%	-1%	-6%	-21%	-11%	7.8%
Storage	8%	-5%	6%	-2%	-2%	5.6%
Strip Center	2%	-2%	5%	-2%	-1%	6.9%
Wtd. Avg.	**5%**	**-1%**	**5%**	**-2%**	**0%**	**6.6%**

**Pricing as of 01/12/2024*

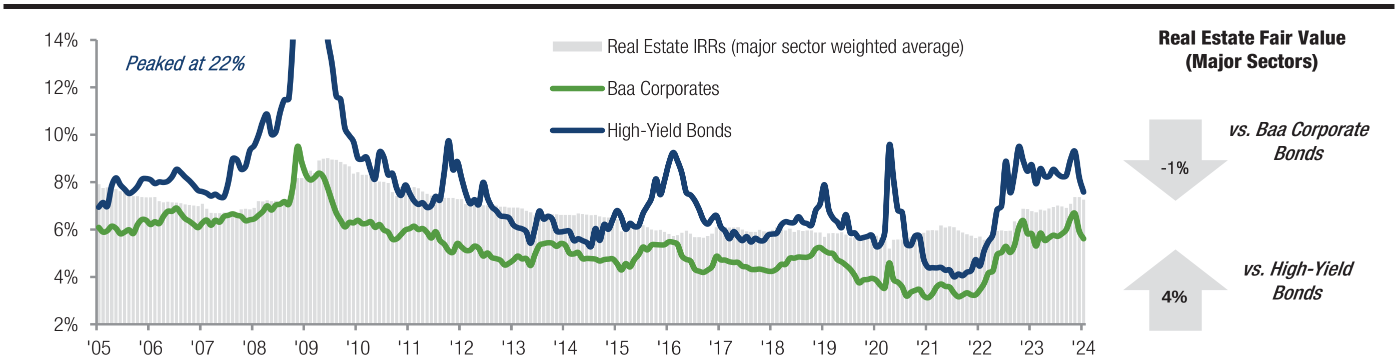
Sources: Bloomberg, Green Street

NAV PREMIUMS AND REIT AFFO MULTIPLES



Source: Green Street

REAL ESTATE RETURNS VS. BOND YIELDS

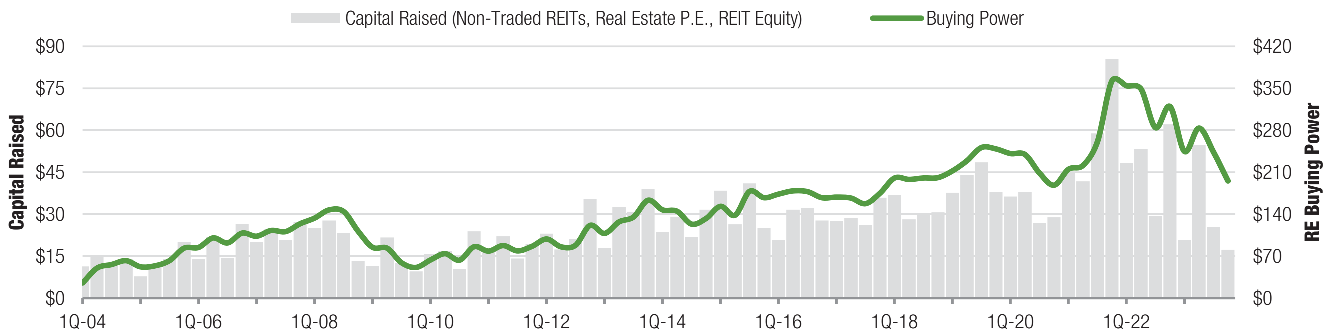


Sources: Bank of America, Moody's, Green Street

MARKET MONITOR

US REAL ESTATE CAPITAL RAISING AND BUYING POWER ($BIL.)

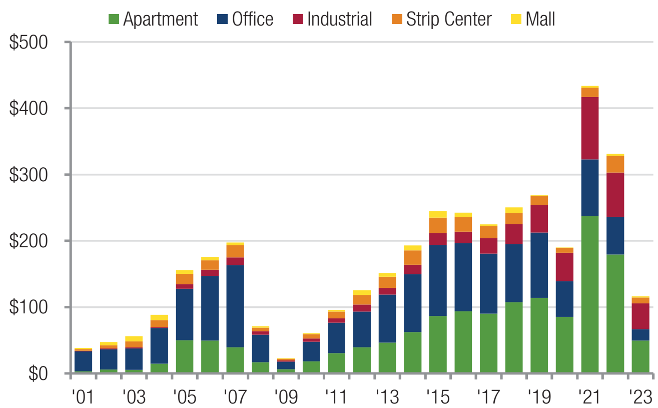
Buying power calculated as cash plus estimated incremental debt



Sources: Robert A. Stanger & Co., Preqin, SNL, Green Street

SALES VOLUME BY PROPERTY TYPE ($BIL.)

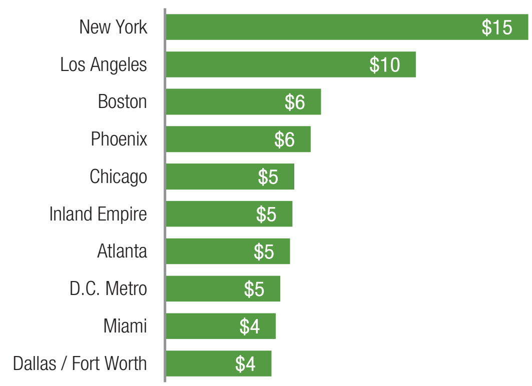
Volume representative of verified transactions $25 million or more



Source: Green Street

LAST 12 MONTHS TRANSACTION VOLUME ($BIL.)

Volume representative of verified transactions $25 million or more



Source: Green Street

NOTABLE RECENT TRANSACTIONS

Individual property transactions of $25 million or more. Excludes portfolios and partial-stake sales.

	Property Name	Date	Sector	Market	Price ($Mil.)	SF / Units	Price PSF / Unit	Buyer	Seller
1.	Gehr Building	01/09/24	Industrial	Los Angeles	$50.0	251K	$199	Prologis	Gehr Group
2.	451 East Vanderbilt Way	01/09/24	Office	Inland Empire	$26.8	116K	$232	San Bernardino County	Harbor Associates; Taconic Capital
3.	1910 NW 97th Avenue	01/08/24	Industrial	Miami	$26.4	114K	$232	TA Realty	GLP Capital Partners
4.	Gateway University Park 1 & 2	01/08/24	Industrial	Phoenix	$48.0	268K	$179	BKM Capital Partners	Stockbridge Capital
5.	Palmetto Logistics Center	01/06/24	Industrial	Miami	$42.4	144K	$295	Parker Davis HVAC International	Grandview Partners
6.	Park at Ferentino	01/05/24	Apartment	Charlotte	$30.9	216	$143,056	Community Solutions International	Stonecutter Capital Management
7.	MacArthur Place Hotel & Spa	01/04/24	Lodging	Santa Rosa, Calif.	$65.6	69	$950,725	Foley Entertainment Group	Lat33 Capital
8.	Tampa Airport Logistics Center	01/04/24	Industrial	Tampa-St. Petersburg	$55.6	297K	$187	Clarion Partners	PCCP
9.	61 South Paramus Road	01/03/24	Office	New Jersey (Northern)	$56.0	287K	$195	First Mile Properties	DRA Advisors; Onyx Equities
10.	Pelham Hall	01/02/24	Apartment	Boston	$70.0	148	$472,973	Aker Cos.	Atalaya Capital Mgmt.; Fairstead Capital

Visit the News Library to access the data in the Market Monitor charts.

Source: Green Street

THE GRAPEVINE

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role at **Willett Advisors** for about seven years. He joined Willett in New York in 2012 as a director of real assets, including commercial real estate. He later relocated to North Carolina and now is running for state treasurer. Before Willett, Briner was a managing director at **Morgan Creek Capital Management** and worked at **UNC Management,** which invests on behalf of the **University of North Carolina.**

Atlanta-based **Vista Residential Partners** last month hired **Ben Lazarus** in Washington as a managing director and Mid-Atlantic regional partner focused on multifamily development in the Southeast region. Previously, Lazarus worked at **Wood Partners** for nearly five years, leaving as a managing director. He also worked at **Carmel Partners** and **MAC Realty Advisors.**

Kent Cullins returned to **JLL** this month as a managing director and head of the healthcare and life-science sector for the brokerage's value and risk advisory program. He spent two years at the firm previously, leaving in 2018 to join a similar unit at **Newmark,** where he was a senior vice president focused on institutional and medical-office properties. At JLL, he works with investors and lenders on valuations and identifying, mitigating and monitoring risk. He reports to **Bryan Lockard,** head of alternative real estate.

SkyView Advisors this month tapped two **Northmarq** brokers to lead its new manufactured-housing group. **Don Vedeen** and **Jared Bosch** joined the Tampa-based commercial real estate brokerage firm as senior vice presidents and directors, focused on national manufactured housing, recreational-vehicle resorts and development. They are based in Phoenix. Both Vedeen and Bosch spent nearly six years at Northmarq as vice presidents focused on multifamily and manufactured-housing properties.

Eyzenberg & Co. has added two staffers. Industry veteran **Seth Schumer** started last month as a managing director at the advisory shop's Miami headquarters, while **Simon Balaj** came aboard this month in New York as a senior associate. Both will help place equity and debt for deals. Schumer reports to president and founder **David Eyzenberg** and most recently ran his own firm for several years. Before that, he was head of U.S. investment at **Quadrum Global** and had stints at **ABN Amro, HQ Capital** and **AIG.** Balaj, who moved over from an investment role at **New York Common Fund,** sits on the firm's equity desk, reporting to its head, **Henry Chakardjian.** He had prior positions at **Pacer Partners** and **Lionheart Strategic Management.**

Sperry Commercial Global Affiliates added an investment-sales broker in Washington state last month. **Levi Sterley** is starting as a vice president in the Seattle suburb of Edmonds, focused on multifamily properties. Before that, he spent three years at **Lee & Associates,** leaving as a vice president. Sterley reports to principals **John Downing** and **Ryan Downing.** The two in 2013 founded **Capstone Commercial Real Estate,** which became part of Irving, Calif.-based Sperry Commercial Global's network in September 2022.

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