Real Estate Alert

A Green Street News Title

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THE GRAPEVINE

Jay Dunn started at New York investment shop **601W Cos.** last month as a managing director and head of capital markets. He has held similar roles at **RFR,** where he worked for two years, leaving in 2023, and at **Alliance HP,** where he worked for six-and-a-half years. Most recently, Dunn founded and led his own boutique advisory firm, **Almanack Pond Capital.** 601W Cos. is led by managing members **Victor Gerstein, Mark Karasick** and **Michael Silberberg.** Dunn's hire was arranged by executive-search firm **Rhodes Associates.**

Melissa Bartolucci, Jennifer Loh and **Sarah Postyn** this month launched **TRE Asset Partners** as an asset-management

See GRAPEVINE on Page 20

H1 Industrial Sales Up as Tariff Worries Ease

Sales of industrial properties climbed 13% in the first half, and market pros expect activity to build over the rest of the year as dealmakers move beyond the initial shock of President **Donald Trump's** tariff hikes.

Some $26.97 billion of trades worth at least $25 million closed during the first six months of 2025, up from $23.79 billion during the same period last year, according to **Green Street's** Sales Comps Database. Defending champ **CBRE** maintained its lead in the brokerage race, despite gains by **JLL** and **Cushman & Wakefield.**

The sector came out of the gate strong, with first-quarter volume jumping 57% year over year to $12.53 billion. It added $14.44 billion in the second quarter, nearly 9% lower than the comparable period in 2024.

Market pros had been optimistic about conditions for trading at the start of the year. Uncertainty surrounding the presidential election was in the rearview mirror,

See INDUSTRIAL on Page 9

Retail Shop Seeks Huge Recap, Future Funding

An investment firm is looking to recapitalize a large portfolio of shopping centers worth about $800 million, and is hoping the buyer also will kick in $400 million of equity for more acquisitions.

Baceline Group has dispatched **Newmark** to market a stake in the package, which comprises 133 unanchored shopping centers totaling 4.7 million sf. The Denver-based investment manager is open to negotiations about the size of the stake it will sell.

The portfolio is 89% occupied with a weighted average remaining lease term of 4.1 years. The centers average 35,000 sf and are occupied by retailers focused on essential daily needs. They are located in high-growth secondary and tertiary markets across the U.S., according to marketing materials.

Baceline estimates that with the additional equity, it would be able to purchase another $1 billion of unanchored shopping centers with leverage. The firm already has identified $250 million of potential off-market acquisitions in the Northeast,

See RETAIL on Page 17

Prices on Boston Offices Are Tale of 2 Markets

Two large office properties in Boston have found buyers, each at prices that illustrate a divergence within the struggling market.

Synergy is negotiating to purchase the 857,000-sf complex at 75-101 Federal Street. The price hasn't been finalized, but sources place it close to $100 million, or $117/sf — 79% below the property's valuation when it was recapitalized in March 2020. That discount is in line with what many older, traditional office properties with low occupancy are fetching.

Meanwhile, **DivcoWest** has won a heated bidding contest for 399 Boylston Street, a well-located, 245,000-sf property with trophy-level finishes. Word is the San Francisco-based fund shop has agreed to pay around $125 million, or $510/sf, for a capitalization rate north of 8%. That's above both the $110 million initial estimate when the listing hit the block in April and the property's $117 million trade price in 2014.

Newmark is brokering both sales on behalf of their owners.

The deals come as a sleepy Boston office-sales market is starting to show signs of

See BOSTON on Page 17

SoCal Apartments Could Break Record

A massive apartment complex in Southern California's Inland Empire is up for grabs and could command $340 million, which would be a record for the region.

Paseos at Ontario, in Ontario, encompasses 800 units that are 96% occupied. The estimated valuation works out to $425,000/unit.

Newmark has the sales assignment on behalf of **G.H. Palmer Associates,** a Beverly Hills-based developer. The offering includes an assumable $203 million, interest-only mortgage from **Freddie Mac** that has a fixed coupon of 2.71% and a remaining term of six years.

The 21-acre property was developed in two phases, with 355 apartments built in 2018 and 445 units completed in 2019. It comprises 12 podium buildings, each of which has three residential stories atop one floor of above-grade parking. The sales campaign is touting the design as a rarity in the region.

Units, ranging from one to three bedrooms, average 1,000 sf and have balconies or patios, quartz counters, stainless-steel appliances, walk-in closets and washer/dryers. Rents average $2,540, or $2.54 /sf.

Amenities include two pools, two outdoor fitness centers, a sauna and steam room, conference rooms and two dog parks.

Marketing materials highlight the potential for a buyer to add value via core-plus renovations. They note that in-place rents are about $560 below comparable market rates, though rents on the last 15 new leases have been 6.2% above the in-place average.

A purchase of Paseos at the estimated valuation would be the largest single-asset multifamily trade in the Inland Empire market, according to **Green Street's** Sales Comp Database. The current high-water mark was set in May 2022, when **Waterton** paid $310 million to buy the 736-unit Terracina, also in Ontario, from **Bridge Investment Group. Marcus & Millichap's IPA** division brokered that deal.

The sales campaign is pitching Paseos as a rare opportunity to snap up a huge property at a discount to replacement costs, which are estimated to be $525,000/unit, with the added benefit of assumable agency debt with a below-market coupon. Investors also are being told that a new owner could divide the property in two, potentially attracting a wider pool of buyers when it's time to sell.

The complex is at 2615 East Date Palm Paseo, just off Inland Empire Boulevard and near Interstate 10. It's a mile north of Ontario International Airport and is less than 3 miles west of Ontario Mills, the largest mall in the Inland Empire.

Marketing materials note that rents in the area are insufficient to support new development amid elevated construction costs, restricting supply. Just two projects, totaling 730 units, are under construction in the submarket.

At the same time, the average price for a single-family home in Ontario is $700,000, suggesting that in-place rents at Paseos are about half of homeownership costs. ❖

Waterton Spends $180M for LA Rentals

Waterton has paid $180 million for a garden-style apartment complex in Los Angeles, the largest multifamily transaction in the city so far this year.

The all-cash deal closed last week, and valued the 522-unit AMLI Warner Center, in the Woodland Hills neighborhood, at $345,000/unit, sources said. The sale was announced on July 25, without the pricing.

The seller, Chicago-based **AMLI Residential,** began shopping the complex in April with price expectations exceeding $200 million, or roughly $400,000/unit. **Newmark** brokered the transaction.

The 2006-vintage AMLI Warner Center spans 17 three-story buildings, with one- to three-bedroom apartments averaging 882 sf. The complex is 95% occupied, with average rents of $2,534, or $2.87/sf.

When the offering launched, marketing materials positioned it as a value-added opportunity with significant upside potential. Only 20 units had been fully renovated, leaving more than 96% of the property primed for upgrades. Marketing materials also noted that existing amenities, including a pool, a gym and a clubhouse, could be upgraded.

Chicago-based Waterton's acquisition price is a discount of more than 30% to estimated replacement costs.

The property is at 21200 Kittridge Street, 22 miles northwest of Downtown Los Angeles. It is in an affluent submarket where the average home value within 3 miles is $933,000, and household incomes average $130,000.

AMLI Warner Center is near the 1.1 million-sf Warner Center Business Park and a **Kaiser Permanente** hospital. It also is near the proposed 52-acre Rams Village at Warner Center, the future headquarters of and practice facility for the **Los Angeles Rams** football team that will include retail, dining and office space, and indoor and outdoor entertainment venues.

Los Angeles is set to host a series of major global sporting events over the next few years, including the 2026 **FIFA** World Cup, the 2026 **NBA** All-Star Game, the 2027 Super Bowl and the 2028 Summer Olympics. ❖

Tariffs Slow Hotel-Sales Revival in H1

Large hotel sales dropped 21% in the first half of the year as the **Trump Administration's** tariff policies derailed a slew of transactions, delaying the sector's long-awaited recovery.

The volume of hotel sales worth $25 million or more totaled $4.36 billion from January to June, down from $5.51 billion in the prior-year period, according to **Green Street's** Sales Comps Database. Aside from 2020, when the pandemic halted travel, it was the sector's weakest start to a year since 2012.

Eastdil Secured held on to first place at midyear, with a 48.7% market share, and was the only brokerage to crack $1 billion of sales activity. **CBRE** came in a distant second with a 12.6% share, followed by **JLL** (12.0%). **Hodges Ward Elliott** (8.5%) and

See HOTEL on Page 14

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683K SF | Sale & Acquisition Financing

Kansas City Transcontinental Logistics Portfolio
Kansas City, KS | 4 Buildings | 2.5M SF
Sale

SLC Building 4
Salt Lake City, UT | 1.0M SF
Sale

Alliance Center North 1
Fort Worth, TX | 1.1M SF
Sale & Acquisition Financing

4400 & 4450 Ruffin Road
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9 Markets | 167 Buildings | 7.2M SF
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Peterson Buys More DC-Area Rentals

Peterson Cos. has struck a deal to buy an apartment property in Northern Virginia, in what would be its second purchase in the Greater Washington area this month.

The Fairfax, Va.-based firm's pending deal values the 292-unit **Clarendon**, in Arlington, at $151 million, or $517,000/unit. **CBRE** is representing the seller, Chicago-based REIT **Equity Residential,** which acquired the property in May 2011 for $130 million, or $445,000/unit.

The 2005-vintage Clarendon is at 1200 North Herndon Street, near a Metro station in the Clarendon neighborhood. It encompasses two buildings, a 12-story high-rise with 156 units, and a four-story midrise with 136 units, on nearly 2 acres. There also is a little more than 4,000 sf of retail space that's fully leased to a fitness center.

The studio to three-bedroom units average 855 sf and are 95% occupied. When the listing hit the market in May, average rent at the property was $2,993, or $3.50/sf.

Marketing materials highlighted the opportunity to unlock additional rent premiums by upgrading kitchens and bathrooms in all apartments.

Amenities include a newly renovated pool, a fitness center, a game room and lounges.

The pending deal follows Peterson's $155 million July 15 purchase of the **Batley**, a 432-unit apartment property in Washington's Union Market District. That was the firm's first multifamily acquisition in the city, and it came at a 25% discount to what seller **JBG Smith** paid in 2021. The Batley also includes 29,000 sf of retail space, with tenants such as **La Cosecha** and **Warby Parker.**

Traditionally a developer, Peterson has turned to acquisitions following a series of major sales totaling $1.1 billion, including assets sold to the **CIA** and other U.S. government agencies, according to the **Washington Business Journal.**

The Clarendon is between the Rosslyn and Ballston neighborhoods and a mile from each. It is 8 miles from Tysons Corner, and 3 miles from downtown Washington. ❖

More Firms Building Out Tech Teams

More commercial real estate investment managers have bulked up their internal technology-related teams, pointing toward a potential shift in how such firms could evaluate both investments and staffers.

Head counts focused on information technology, data and artificial intelligence increased more than 40% in 2024 compared with the prior year, as more firms opted to bring such talent in house, according to the 2025 Global Management Survey from **Ferguson Partners** and the **National Association of Real Estate Investment Managers.**

Overall, 83% of the poll's respondents have such teams in house, versus 74% previously. That shift coincides with growing conversations about how data is factoring into investment decisions, and how demand and qualifications could change for future junior-level staffers.

"In the past [analysts] might have been coming in with heavily quantitative finance backgrounds," said **Mike Cordingley,** a managing director at Ferguson. Now, the question is: "Are firms potentially going to hire fewer business analysts or [move to bring aboard] business analysts that are coming in with more rich … backgrounds [in data science and AI]?"

The uptick in tech-related staffing came even as overall hiring growth flattened. The median increase in staffing was just 1% last year, below the annual 4.3% average from 2017 to 2023, said **Michelle Yelaska,** a vice president on Ferguson's management-consulting team.

At the time of the survey, which collected responses from January to March, 63% of firms said they planned to increase staffing this year, with 20% expecting as much as an 11% jump in anticipation of higher transaction volume in 2026. It's unclear how a fresh bout of uncertainty since might have changed those plans.

The survey also highlighted the continued dominance of larger firms when it comes to capital raising. Some 70% of firms with $15 billion or more under management reported an increase in capital raising in 2024, versus 53% for firms below that threshold. "It really highlights that the scale of platforms continues to dominate in the fundraising space, whereas those smaller players are struggling to get the dollars," Yelaska said.

The Global Management Survey polled 83 firms, mostly in the U.S., on topics including staffing levels, capital raising, revenue and expenses. The data allows companies to benchmark themselves against the broader industry. ❖

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2025 MID-YEAR INDUSTRIAL INVESTMENT SALES HIGHLIGHTS

Premier Logistics Portfolio
DALLAS, HOUSTON, CHICAGO MSA

5,793,026 SF | **Recapitalized on behalf of:** Crow Holdings

Garfield Business Center
COMMERCE, CA

544,705 SF | **Sold on behalf of:** Terreno Realty Corporation

El Paso Infill Industrial Portfolio
EL PASO, TX

1,054,233 SF | **Sold on behalf of:** Stonelake Capital Partners

Birch Commerce Center
BREA, CA

218,648 SF | **Sold on behalf of:** AEW Capital Management

Sunrise Industrial Park
LAS VEGAS, NV

509.216 SF | **Sold on behalf of:** Institutional Investor

Inwood Center
DALLAS, TX

738,199 SF | **Sold on behalf of:** Hines

Dallas Infill Industrial Portfolio
DALLAS/FORT WORTH, TX

553,242 SF | **Sold on behalf of:** Stonelake Capital Partners

180 Centreport/ 95 Distribution Center
FREDERICKS, VA

486,720 SF | **Sold on behalf of:** TF Cornerstone

15015 Valley View
SANTA FE SPRINGS, CA

302,850 SF | **Sold on behalf of:** Institutional Investor

Amazon Easy Street
SIMI VALLEY, CA

175,035 SF | **Sold on behalf of:** XEBEC

I-35 Convergence
DENTON, TX

477,500 SF | **Sold on behalf of:** Hunt Southwest

Sierra View Industrial Park
ROSEVILLE, CA

712,733 SF | **Sold on behalf of:** Institutional Investor

SoCal Mall Seen as Ripe for Conversion

Kennedy Wilson is pitching a Southern California mall as a candidate for conversion to a large mixed-use property.

The 1.3 million-sf South Bay Galleria, in Redondo Beach, is expected to attract bids around $100 million. **Newmark** has the lender-facilitated listing and is pitching the 30-acre site as a "blank slate opportunity" for redevelopment.

The mall is 84% leased by 91 tenants, most on short-term agreements that would allow a new owner to pursue such a project quickly while still collecting interim cashflow. **Macy's, Kohl's** and **AMC Theatres** anchor the property, along with a vacant **Nordstrom.**

The site has approvals for the addition of 300 multifamily units and another 30,000 sf of retail space. Pending plans near finalization would expand the project's scope to include a mall renovation while boosting the number of housing units to 650, increasing the retail addition to 38,300 sf and creating outdoor event space.

A buyer wouldn't be beholden to those plans, however, and even could demolish the mall to make way for apartments, a hotel, senior- or assisted-living facilities, or new retail space. Marketing materials say the city has been "anticipating this 'gateway' project and is eager to work with developers to create a community enhancing project."

The marketing campaign is touting strength in the surrounding South Bay leasing market across property types. The area has 13.2 million sf of retail space that is 93.1% leased, 19,589 multifamily units that are 96% occupied, 79 fully leased senior-housing and assisted-living units, and 3,140 hotel rooms that have maintained a 77% occupancy level over the past 12 months.

The South Bay residential market is "drastically underbuilt," according to marketing materials, with more than 85% of its multifamily units constructed before 2000. The median home price in Redondo Beach is $1.8 million, and the local government is "increasingly receptive to residential development" to meet state mandates.

South Bay Galleria is at 1815 Hawthorne Boulevard. It was built in 1985 and was renovated in 2003. The immediate area is an employment hub, with 60 million sf of office space and 238,000 jobs, according to marketing materials. ❖

Developer Relists New NJ Apartments

A newly built apartment complex in Northern New Jersey is back on the market, this time with construction complete and with a revised pricing target.

Bids for the 199-unit Royal, in Bloomfield, are expected to come in around $90 million, or $452,000/unit. At that price, a buyer's initial annual yield would be 5.25%. **JLL** is shopping the property on behalf of **CHA Partners,** a local community developer.

CHA initially listed the eight-story complex with **CBRE** in August 2024, about a month out from its completion, with pricing guidance around $92 million, or $462,000/unit. But no trade occurred.

At the time, investors were told that 42% of the units had leased since the property opened last April. Now, it is 96% occupied.

The Royal's studio to two-bedroom apartments average 893 sf. The units have stainless-steel appliances, quartz counters, wood-style plank flooring and washer/dryers. There are seven penthouse units that average 2,160 sf, with views of the Manhattan skyline, 10-foot ceilings, floor-to-ceiling windows, hardwood flooring, heated bathroom floors and private rooftop access.

The complex has 14,000 sf of amenities, including a fitness center, an indoor basketball court, a coworking lounge and a courtyard.

The Royal additionally has 7,200 sf of ground-floor retail space that is fully leased and a 311-space garage owned and operated by the **Township of Bloomfield.**

The property benefits from a 30-year payment-in-lieu-of-taxes agreement with the township that has 29 years remaining. Under the agreement, the owner pays 10% of annual gross revenue for the first 15 years, and 11% for the remainder of the term.

The Royal is at 620 Bloomfield Avenue, a few blocks from an NJ Transit station with service to Midtown Manhattan, 11 miles east. The station is in the midst of a $50 million renovation, according to marketing materials.

The property also is near major highways including the Garden State Parkway and Interstate 280.

The average occupancy level among apartment properties in surrounding Upper Essex County is 96.3%, with rents projected to grow 3.2% annually over the next three years. Nearly half of Bloomfield's residents are renters, and there are no multifamily developments with more than 50 units under construction within a mile. ❖

Rentals on Philly's Main Line on Block

A package of apartment properties along Philadelphia's Main Line is on the market with a valuation of roughly $95 million.

The offering encompasses 380 units in eight garden-style complexes that were built from 1940 to 1964.

A purchase at the estimated value of $250,000/unit would give a buyer a 5.2% initial annual yield, based on year-one net operating income of $4.95 million. Marketing materials suggest a renovation and repositioning could raise NOI to approximately $7.1 million.

CBRE is shopping the package on behalf of **Marks & Co.,** a local family-owned real estate firm that has owned the properties for several decades. The complexes are in Ardmore, Bala Cynwyd, Haverford, West Chester and Wynnewood.

The portfolio's one- to three-bedroom units average 869 sf. Nearly 60% have two bedrooms. Occupancy averages 92%, with average in-place rent of $1,761, or $2.02/sf. CBRE projects that rents can be increased by 30% via unit renovations.

Seven of the properties are located along Philadelphia's Main Line, a historically affluent stretch of suburbs west of Philadelphia in which development of new rentals is limited. Only two multifamily projects totaling 155 units are under construction between Bala Cynwyd and Paoli, and none are underway in West Chester.

According to marketing materials, Marks has prioritized high occupancy and tenant retention over rent growth, resulting in a notable gap between in-place rents and potential rents. While the properties have not been fully renovated to modern standards, the building systems are in good condition with limited deferred maintenance.

Most, but not all, apartments have in-unit or on-site laundry facilities, and common areas such as hallways show signs of wear. According to marketing materials, the top floor of the 27-unit Haverford Gables, in Haverford, consists of 11 individual bedrooms with shared bathrooms, which Marks leases separately in a hostel-style arrangement. A buyer could renovate the floor to convert it to two large one-bedroom apartments. ❖

Marks & Co. Pennsylvania Portfolio

Property	Location	Units	Built	Rent	Occ. (%)
Racquet Club	1308 West Chester Pike, West Chester	72	1964	$1,598	94
Wyndon	625 East Lancaster Avenue, Wynnewood	66	1948	1,801	91
St. Georges	115-119 Mill Creek Road, Ardmore	63	1946	1,794	94
One Montgomery	1 Montgomery Avenue, Bala Cynwyd	47	1964	1,852	96
170 Lakeside Road	170 Lakeside Road, Ardmore	45	1963	1,826	91
101 Mill Creek Road	101 Mill Creek Road, Ardmore	39	1963	1,912	97
Haverford Gables	312 W. Montgomery Avenue, Haverford	27	1940	1,784	96
Llanberris	101 Conshohocken State Road, Bala Cynwyd	21	1950	1,449	95

Offices Near White House Hit Market

An updated and well-occupied Washington office building one block from the White House is up for grabs, and expectations are that bids will come in 40% below its 2018 valuation.

The 211,000-sf building, at 1401 New York Avenue NW, is 93% occupied. It is expected to fetch bids in the vicinity of $100 million, or $474/sf. That would produce a 10% initial annual yield. **Eastdil Secured** has the marketing assignment.

The building traded seven years ago at a valuation of $166.5 million, when **AXA Investment Managers** acquired a 95% interest in the property from a venture of Chicago-based **Heitman** and **Minshall Stewart Properties,** of Bethesda, Md. It was the Paris-based investment manager's first purchase in Washington.

The building is in a micro market that, due to its proximity to the White House, tends to lease up faster and at higher rents than the surrounding East End submarket. That, and a $26 million renovation completed in 2016, has helped keep the property's occupancy rate high despite a wide market decline.

Since 2022, existing building tenants have expanded into an additional 15,000 sf. The weighted average remaining lease term is 4.7 years. Tenants include **BlackRock** and law firm **Boies Schiller.**

The 12-story building has a LEED-gold designation, a fitness center, a 102-seat conference center, a 3,300-sf rooftop terrace and 169 parking spaces.

The Washington area was the second-most active market for office sales valued at $25 million and higher in the first half, with $2.24 billion of activity — up 49.3% compared with the same period last year, according to **Real Estate Alert's** published rankings. Since June 30, three more downtown Washington offices have changed hands: 2033 K Street NW, 1625 Eye Street NW and 1750 H Street NW. ❖

Rental-Conversion Pool Pitched in Ga.

A portfolio of completed and potential hotel-to-multifamily conversions in Georgia is on the block as a workforce-housing play, with an estimated value around $100 million.

The offering includes four former hotels in Rome that have been substantially or totally repurposed into 477 apartments. That component is valued at about $43 million, or $90,000/unit.

The rest of the package comprises two extended-stay hotels in suburban Atlanta, totaling 497 units, that have permits in place for redevelopment. That's valued at roughly $57 million, or $115,000/unit.

Atlanta-based **5th Street Capital Partners** has given the listing to **Northmarq.**

The portfolio encompasses predominantly efficiency-style studio apartments, ranging from 316 to 402 sf. Rents, which run from $1,000 to $1,471, include utilities, trash disposal and furniture packages.

Three of the Rome properties — the 75-unit Hilltop Lofts, the 64-unit Hilltop Lofts 2 and the 201-unit Skytop Studio Lofts — already have completed their conversions and are 65% to 75% occupied. The fourth, the 137-unit Winthrop Court Senior Living, is partially renovated and has minimal capital work remaining. It's currently in lease-up.

The sales campaign highlights that more than half of all households in surrounding Floyd County are renters, but affordable units are in short supply. Rents at the Rome properties run from $1,000 to $1,095, compared with the city's median mortgage payment of $1,700, which doesn't include utilities.

Marketing materials also note that the properties are close to two clean-energy manufacturing projects that are expected to create more than 5,000 jobs.

The suburban Atlanta properties are the 307-unit Parc @75, in Marietta, and the 190-unit Lodge Atlanta, in Doraville. They're being pitched as redevelopment plays, with both having been rezoned and permitted for multifamily conversion.

About 100 of Parc's units include kitchenettes. Extended-stay tenants at that property pay an average rent of $1,468, or $1.30/sf, while those at Lodge Atlanta pay $1,471, or $4.66/sf.

According to marketing materials, both properties are in high-demand submarkets. They also note that Lodge Atlanta is adjacent to a 135-acre redevelopment project that is set to include film-studio, office, retail and civic space, and is expected to bring over 4,000 jobs. ❖

Georgia Hotel-to-Apartment Conversion Package

Property	Address	Units	Built/ Renovated	Occ. (%)
ROME				
Skytop Studio Lofts	20 Chateau Drive SE, Rome	201	1983/2021	66
Winthrop Court Senior Living	10 U.S. Highway 411, Rome	137	1972/2003	62
Hilltop Lofts	21 Chateau Drive SE, Rome	75	1995/2022	73
Hilltop Lofts 2	23 Chateau Drive SE, Rome	64	2008/2023	66
SUBURBAN ATLANTA				
Parc @75	2360 Delk Road, Marietta	307	1968/2016	n/a
Lodge Atlanta	4422 Northeast Expressway, Doraville	190	1983	60

RANKINGS

Industrial ... From Page 1

debt market was strong and there was pent-up demand for dealmaking, among other factors.

But on April 2, Trump began rolling out his tariff increases, which were higher and broader than many expected. Tenants put a hold on new lease signings, further softening a shaky leasing market to make underwriting harder. That in turn spooked investors.

"We had pretty good traction, and when April 2 happened, it put uncertainty back into the market," said **Andy Smith,** a **Brookfield** managing partner who leads the investment titan's logistics investments in North America. "When you think about investing, you have to factor in risk premiums, and where there is more uncertainty, it increases the risk premium."

John Huguenard, co-head of industrial capital markets at JLL, said the tariffs caused investors to go pencils down in April.

"The first quarter was great, and we felt the second quarter may have been the best quarter ever rolling in," Huguenard said. "But then came Liberation Day."

The biggest casualties were the largest deals. Mega-portfolios had been scarce since interest rates started to rise in 2022. But at the start of 2025, amid rising optimism about a recovery, a flurry of massive portfolios hit the block.

However, the big plays went bust. Most of those massive portfolios since have been broken up into smaller chunks, including offerings by **Hillwood Investment Properties** ($3 billion), **EQT Real Estate** ($2.8 billion), **Dalfen Industrial** ($3 billion) and **Beacon Partners** ($1.2 billion).

"The current uncertainty is prompting firms to take a more conservative approach to deal size," said **Sean Dalfen,** president and chief executive of Dalfen Industrial. "Deals are still

See INDUSTRIAL on Page 12

Industrial Sales

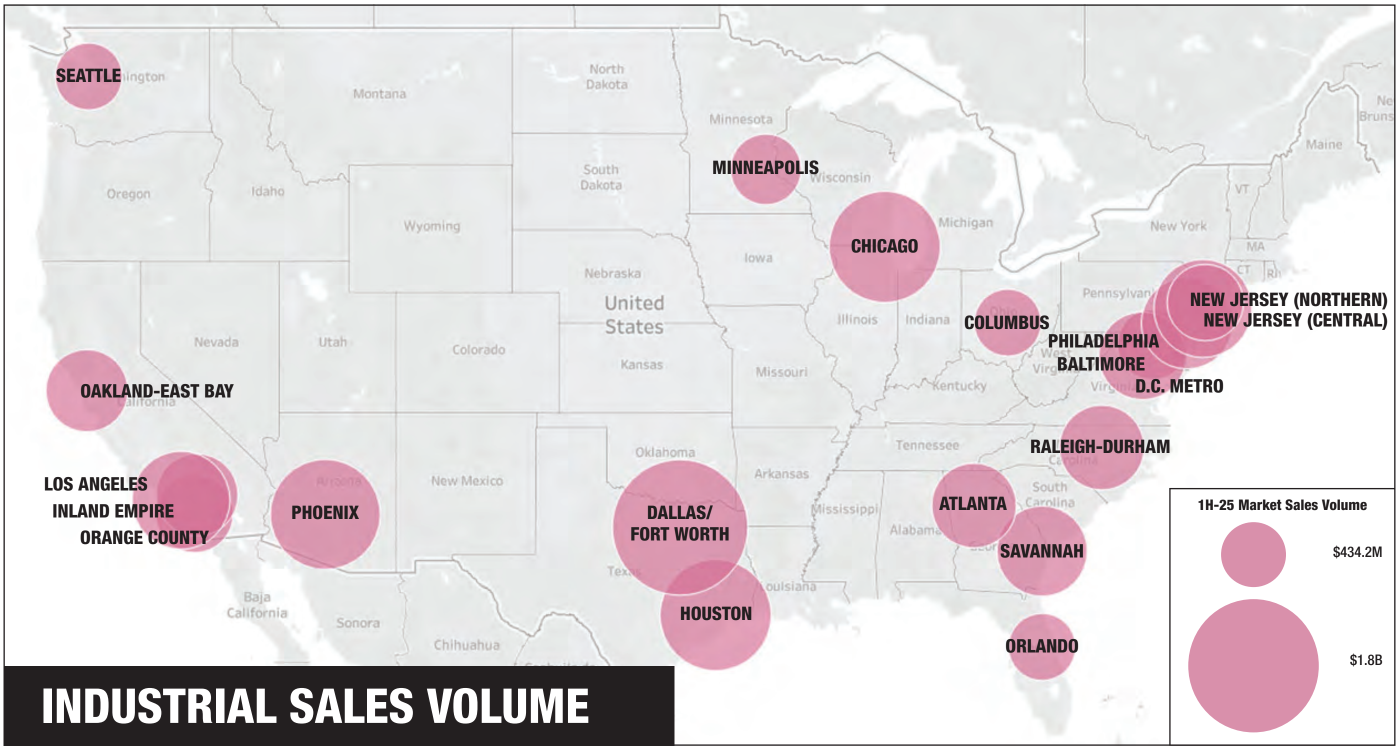
	Amount ($Bil.)	No. of Prop.
2016	$17.7	523
2017	23.5	1,054
2018	31.5	1,061
2019	44.1	1,527
2020	44.9	1,692
2021	97.7	3,762
2022	74.7	2,392
2023	53.6	1,678
2024	62.8	2,416
1H-25	27.0	1,046

Top Brokers of Industrial Properties in the 1st Half

Brokers representing sellers in deals of at least $25 million

		1H-25 Amount ($Mil.)	No. of Properties	Market Share (%)	1H-24 Amount ($Mil.)	No. of Properties	Market Share (%)	'24-'25 % Chg.
1	CBRE	$6,199.5	167	26.5	$5,846.8	240	29.4	6.0
2	JLL	4,855.2	164	20.8	3,524.0	144	17.7	37.8
3	Cushman & Wakefield	4,297.8	198	18.4	3,637.1	150	18.3	18.2
4	Eastdil Secured	3,051.6	218	13.0	3,466.8	133	17.4	-12.0
5	Newmark	2,370.8	91	10.1	1,470.1	58	7.4	61.3
6	Colliers	1,438.6	40	6.2	786.5	18	4.0	82.9
7	Stream Realty Partners	430.9	18	1.8	132.1	8	0.7	226.2
8	Northmarq	156.4	3	0.7	468.7	18	2.4	-66.6
9	Lee & Associates	99.5	3	0.4	45.5	4	0.2	118.7
10	KBC Advisors	87.0	1	0.4	0.0	0	0.0	
11	Foundry Commercial	54.0	1	0.2	0.0	0	0.0	
12	Kidder Mathews	52.7	1	0.2	125.9	4	0.6	-58.2
13	Klabin Co.	52.5	1	0.2	0.0	0	0.0	
14	Marcus & Millichap	51.6	2	0.2	35.2	1	0.2	46.7
15	Land Advisors Organization	40.0	1	0.2	0.0	0	0.0	
16	Branch Industrial	36.8	1	0.2	0.0	0	0.0	
17	Katsikos Group	31.0	1	0.1	0.0	0	0.0	
18	NAI Global	27.9	1	0.1	62.3	3	0.3	-55.3
19	Rosen Harbottle	27.3	1	0.1	0.0	0	0.0	
20	Axiom Capital Advisors	25.0	1	0.1	0.0	0	0.0	
	OTHER	0.0	0	0.0	289.9	9	1.5	-100.0
	Brokered Total	**23,386.0**	**870**	**100.0**	**19,890.8**	**757**	**100.0**	**17.6**
	No Broker	3,588.7	176		3,903.4	139		-8.1
	TOTAL	**26,974.7**	**1,046**		**23,794.3**	**896**		**13.4**

RANKINGS



Industrial-Property Sales by Market in the 1st Half

Sales of at least $25 million

		1H-25 Amount ($Mil.)	No. of Properties	1H-24 Amount ($Mil.)	No. of Properties	'24-'25 % Chg.	Top Brokerage in 1H-25
1	Dallas/Fort Worth	$1,798.2	83	$1,414.5	38	27.1	Newmark
2	Chicago	1,219.6	50	626.8	34	94.6	Cushman & Wakefield
3	Houston	1,212.3	42	561.3	22	116.0	JLL
4	Phoenix	1,185.8	28	659.3	31	79.9	Cushman & Wakefield
5	Los Angeles	940.0	16	1,466.7	54	-35.9	Newmark
6	New Jersey (Central)	923.6	31	279.7	10	230.2	Cushman & Wakefield
7	Philadelphia	817.8	36	401.5	16	103.7	JLL
8	Savannah	800.8	8	379.3	6	111.1	Eastdil Secured
9	D.C. Metro	755.0	15	114.7	7	557.9	JLL
10	Atlanta	705.0	39	1,389.2	45	-49.3	Eastdil Secured
11	Raleigh-Durham	701.0	60	89.2	3	685.6	Eastdil Secured
12	Inland Empire, Calif.	663.5	10	738.8	14	-10.2	CBRE
13	Oakland-East Bay	663.0	16	922.1	21	-28.1	Colliers
14	Orange County, Calf.	591.2	9	565.3	16	4.6	CBRE
15	New Jersey (Northern)	573.2	20	352.7	18	62.5	Eastdil Secured
16	Minneapolis	491.3	31	454.3	24	8.1	CBRE
17	Baltimore	490.9	24	253.7	11	93.5	CBRE
18	Seattle	441.5	15	171.2	4	158.0	CBRE
19	Orlando	440.9	20	252.5	14	74.6	Cushman & Wakefield
20	Columbus, Ohio	434.2	18	351.5	7	23.5	Cushman & Wakefield
	OTHERS	11,125.8	475	12,350.0	501	-9.9	
	TOTAL	**26,974.7**	**1,046**	**23,794.3**	**896**	**13.4**	

RANKINGS

Top Industrial-Property Brokers by Market in the 1st Half

Dallas/Fort Worth		1H-25 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Newmark	$841.8	44	48.0
2	CBRE	343.9	7	19.6
3	Eastdil Secured	186.6	15	10.6
4	Cushman & Wakefield	157.0	12	8.9
5	JLL	140.1	6	8.0
6	Stream Realty Partners	85.4	3	4.9
	Brokered Total	**1,754.7**	**87**	**100.0**

Chicago		1H-25 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Cushman & Wakefield	$453.6	18	42.5
2	CBRE	253.7	6	23.8
3	Colliers	133.0	3	12.5
4	JLL	96.0	12	9.0
5	Eastdil Secured	73.7	7	6.9
6	Newmark	57.4	2	5.4
	Brokered Total	**1,067.5**	**48**	**100.0**

Houston		1H-25 Amount ($Mil.)	No. of Properties	Market Share (%)
1	JLL	$412.8	7	38.5
2	Newmark	201.0	7	18.7
3	CBRE	200.5	12	18.7
4	Stream Realty Partners	190.7	10	17.8
5	Colliers	29.3	1	2.7
6	Eastdil Secured	19.8	2	1.8
7	Cushman & Wakefield	19.1	2	1.8
	Brokered Total	**1,073.3**	**41**	**100.0**

Phoenix		1H-25 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Cushman & Wakefield	$432.4	10	40.8
2	CBRE	336.6	8	31.7
3	JLL	194.0	4	18.3
4	Eastdil Secured	50.5	3	4.8
5	Marcus & Millichap	23.6	1	2.2
6	Colliers	23.6	1	2.2
	Brokered Total	**1,060.7**	**27**	**100.0**

Los Angeles		1H-25 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Newmark	$330.3	4	41.8
2	CBRE	197.8	3	25.1
3	Stream Realty Partners	99.9	1	12.7
4	Kidder Mathews	52.7	1	6.7
5	Klabin Co.	52.5	1	6.7
6	Land Advisors Organization	40.0	1	5.1
7	Eastdil Secured	11.6	1	1.5
8	JLL	4.6	1	0.6
	Brokered Total	**789.4**	**13**	**100.0**

New Jersey (Central)		1H-25 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Cushman & Wakefield	$485.1	23	52.5
2	CBRE	229.1	2	24.8
3	JLL	175.5	3	19.0
4	Eastdil Secured	33.9	3	3.7
	Brokered Total	**923.6**	**31**	**100.0**

Philadelphia		1H-25 Amount ($Mil.)	No. of Properties	Market Share (%)
1	JLL	$215.8	6	33.6
2	CBRE	202.2	4	31.5
3	Cushman & Wakefield	130.0	2	20.3
4	Branch Industrial	36.8	1	5.7
5	Newmark	31.0	1	4.8
6	Eastdil Secured	26.1	3	4.1
	Brokered Total	**641.8**	**17**	**100.0**

Savannah		1H-25 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Eastdil Secured	$299.4	4	66.6
2	JLL	150.4	2	33.4
	Brokered Total	**449.8**	**6**	**100.0**

Continued on Page 12

RANKINGS

Top Industrial-Property Brokers by Market in the 1st Half (continued)

DC Metro		1H-25 Amount ($Mil.)	No. of Properties	Market Share (%)
1	JLL	$372.0	7	53.5
2	CBRE	155.5	4	22.4
3	Eastdil Secured	118.5	2	17.1
4	Cushman & Wakefield	49.0	1	7.1
	Brokered Total	**695.0**	**14**	**100.0**

Atlanta		1H-25 Amount ($Mil.)	No. of Properties	Market Share (%)
1	Eastdil Secured	$273.1	16	40.9
2	CBRE	238.7	14	35.7
3	JLL	86.8	8	13.0
4	Cushman & Wakefield	69.4	9	10.4
	Brokered Total	**668.0**	**47**	**100.0**

Industrial ... From Page 9

happening, but companies are making smaller, more calculated bets."

Dalfen said his firm pivoted under the new reality, breaking up its larger portfolio offering and landing buyers on more modestly sized packages. "We were able to get great returns with smaller, tailored pools," he said. "We want to give the market what it wants."

Smith, of Brookfield, said few buyers have the appetite for massive deals, and they demand discounts for the risk.

"On the bigger deals, … there are only so many people who can write that check," he said. "I can probably count them on one hand in this environment, and four years ago I didn't have enough fingers and toes to count them."

But while large transactions were forced to splinter, the tariff-driven trading freeze proved to be relatively short-lived. By May, activity was picking up again. And despite the speed bump, the first half of 2025 was the industrial-sales market's second-most active start of the year ever, behind only the peak in 2022 ($41.02 billion).

"We do see a lot of liquidity in smaller transactions," Smith said. "If you have something that is $30 million to $100 million, there is pretty good depth out there. There are a lot of firms that can write a check for that size."

Smith said investors have been encouraged by the **Trump Administration's** willingness to negotiate on tariffs, as well as the resilient economy.

"We've had decent economic prints," Smith said. "Employment has remained strong, and we haven't had big inflation spikes, [which] some folks were worried about. Generally speaking, it at least feels like we know the path we are headed."

Will Pike, CBRE's president of industrial and logistics capital markets, said the industrial sector has settled into a groove, with a stable and dependable performance that suits its now institutional ownership base. With interest-rate cuts anticipated, he said his firm expects solid — though not sensational — growth in sales activity during the second half.

"The type of rent growth we witnessed post-Covid was unsustainable," Pike said. "One could argue that we've had a correction and that this moderate and sustained rent growth is healthier than a volatile market — going up or down."

He added that the industrial sector is "a very predictable, at this point, core-plus and core business that has become the leading indicator for risk-adjusted returns in commercial real estate."

Pricing held steady in the first half, with the per-sf price on trades $25 million and up coming in at a weighted average of $149/sf. In 2024, the comparable figure fell 7% to $147/sf, ending a six-year streak of increases.

JLL's Huguenard noted that the fallout from the tariffs shrank buyer pools, which has helped keep pricing in check. But he predicted it is only a matter of time before confidence builds, more buyers get back in the market and valuations increase.

"You can buy now at a lower basis with less competition than you are going to see later this year and next year," he said. "We are not in a bad situation at all. Buyers want to buy, sellers want to sell. We have available product. This is a moment in time. Things are going to change — and when they change,

See INDUSTRIAL on Page 13

RANKINGS

Industrial ... From Page 12

they are going to change quickly."

Dalfen struck a more cautionary note, citing lingering uncertainty over tariffs.

"The more delay you have in any tariff negotiations and the more bluster you get, it gives people pause," Dalfen said. "If you don't know the rules of the game, you can't play the game. So there has been a delay in leasing from larger tenants."

The leasing market continues to work through the overhang from a building boom in the wake of the pandemic, as well as softening consumer confidence. Nationally, occupancy fell 20 bp in the second quarter, to 92.9%, and is now 430 bp below its record high in mid-2022, according to a Cushman report. The brokerage also found that annual average asking-rent growth decelerated to 2.6%, with 41% of markets even seeing rents decline.

Dalfen said his firm is seeking to take advantage of dislocation in the market, though it is tempering its rent-growth projections in underwriting and is digging deeper into occupancy at the submarket level.

"This is one of the better times to buy product in the past decade," he said. "That is why we are going full speed in buying things on the smaller side, where we can be the gorilla in the room."

There are encouraging signs in the leasing market. Development completions fell to 71.5 million sf in the second quarter, the lowest level in over six years. Meanwhile, the construction pipeline has dwindled to an eight-year low, at 286.6 million sf, and is expected to continue shrinking, according to the Cushman report.

What's more, new development restrictions are putting an additional damper on the expansion of warehouse inventory, which likely benefits owners of existing properties.

"The gig is up for industrial," Dalfen said. "Nobody wants to live next to a warehouse. Nimbyism is very real. In the last couple of years, we have had more projects blocked on the development side than in my entire career. Even in very business-friendly communities, people don't want trucks clogging up their roads."

In the brokerage race, CBRE, the perennial champ, held on to first place despite underperforming the market. Its $6.20 billion of trades translated to a 26.5% market share, down from 29.4% in the first half of 2024.

JLL increased its sales volume 38% year over year to $4.86 billion, good for second place with a 20.8% share. Cushman followed with $4.30 billion, leaving its market share barely changed at 18.4%.

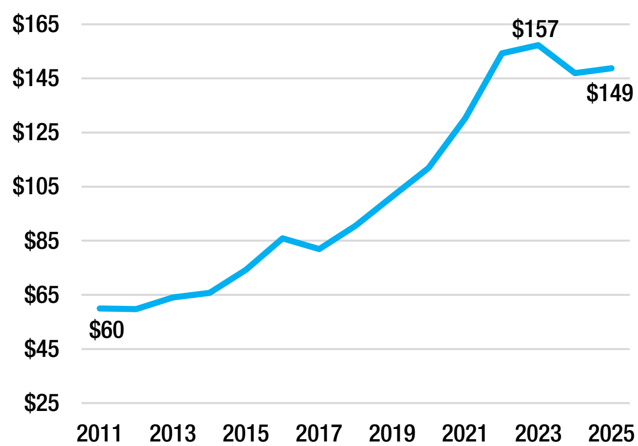
Fourth-place **Eastdil Secured,** which specializes in the sort of blockbuster deals that have been in short supply, was the only major brokerage to see lower volume. The firm handled $3.05 billion (13.0%) of sales during the six-month stretch, down 12% from the prior-year period.

Newmark rounded out the top five with $2.37 billion of trades and a 10.1% market share. That volume represented a 61% increase from the year-ago period, among the biggest gains of any major broker.

Broker rankings are based on property transactions that closed January through June 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. ❖

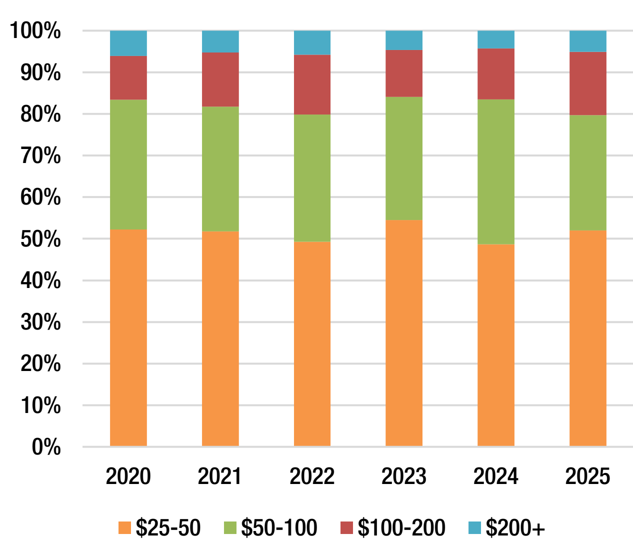
Industrial Deal Prices Level Off

Weighted average trade price per sf



Investors Stick to Middle-Market Deals

Industrial transaction count by price range ($M)



RANKINGS

Hotel ... From Page 2

Newmark (5.3%) rounded out the top five.

The sales market had started the year strongly, with first-quarter activity more than doubling year over year to $2.66 billion. A full pipeline of large listings, a cooperative debt market and a resurgence of buyer interest all signaled smoother sailing ahead after three years of declining volume.

But President **Donald Trump's** Liberation Day tariff announcement on April 2 introduced new uncertainty around hotel demand and operating costs, upending valuation assumptions. Buyers largely went pencils down, and owners that needed to sell found a viable alternative in the debt market. As a result, the number of pending sales and listings thinned, dragging down sales volume.

"Many deals that probably would have closed [in the] second quarter either … paused, or they converted to financing," said **Dan Peek,** president of JLL's hotel and hospitality team.

Still, he noted that most buyers have since adjusted and are more comfortable underwriting again.

"Most of the big private equity players that withdrew from the market post-Liberation Day … are back," Peek said. "They are seeing [capitalization rates] in the upper single digits for high-quality assets, and as a result, they are gaining conviction."

Hotel Sales

	Amount ($Bil.)	No. of Hotels
2016	$22.1	234
2017	17.9	510
2018	22.9	308
2019	20.1	387
2020	6.5	146
2021	26.6	552
2022	22.8	530
2023	14.2	234
2024	13.6	196
1H-25	4.4	66

It remains to be seen when that may translate to higher sales volume, but brokers broadly expect more trades in the second half.

"We will end up in a more traditional growth cycle starting in the third and fourth quarters, and that will feed into a more traditional hotel-transactions market in 2026," said **Louis Stervinou,** a managing director at Eastdil. But he also cautioned that the lag time between listings and sales could stretch out.

"Deals take longer [to close]," Stervinou said. "If you are going out to market in September, I don't know if you can get it closed by yearend."

Buyers also will have to continue competing with the debt market, which remains eager to provide financing on high-quality, income-producing assets. Case in point: Eastdil's hotel financing assignments are more than double sales assignments currently, Stervinou said.

Another drag on overall volume: smaller deal sizes. "Volume is made based on larger deals getting done," said **Adam Etra,** a vice chair and co-head of lodging at Newmark. "It generally has not been a large deal market as smaller and midsize deals have been closing with more consistency, but we are starting to see a slight shift with larger transactions increasing."

Of the 66 large hotel trades in the first half tracked by the

See HOTEL on Page 15

Top Brokers of Hotels in the 1st Half

Brokers representing sellers in deals of at least $25 million

		1H-25 Amount ($Mil.)	No. of Hotels	Market Share (%)	1H-24 Amount ($Mil.)	No. of Hotels	Market Share (%)	'24-'25 % Chg.
1	Eastdil Secured	$1,432.2	15	48.7	$1,889.5	9	39.8	-24.2
2	CBRE	369.2	9	12.6	225.4	8	4.7	63.8
3	JLL	353.6	5	12.0	720.0	9	15.2	-50.9
4	Hodges Ward Elliott	248.6	4	8.5	842.4	13	17.7	-70.5
5	Newmark	155.2	3	5.3	382.6	6	8.1	-59.4
6	Colliers	128.0	4	4.4	0.0	0	0.0	
7	Berkadia	92.0	2	3.1	85.8	2	1.8	7.3
8	Cushman & Wakefield	76.8	3	2.6	73.0	2	1.5	5.1
9	Paramount Lodging Advisors	29.1	1	1.0	0.0	0	0.0	
10	Hunter Hotel Advisors	29.0	1	1.0	281.8	12	5.9	-89.7
11	RobertDouglas	27.3	1	0.9	87.0	1	1.8	-68.7
	OTHERS	0.0	0	0.0	164.0	4	3.5	-100.0
	Brokered Total	**2,940.8**	**48**	**100.0**	**4,751.3**	**66**	**100.0**	**-38.1**
	No Broker	1,418.4	18		757.8	19		87.2
	TOTAL	**4,359.2**	**66**		**5,509.1**	**85**		**-20.9**

RANKINGS

Hotel ... From Page 14

Sales Comps Database, 66% were priced below $75 million. Only 3% were valued above $200 million.

As the market works to regain its footing, brokers note that hotel owners already are showing a growing willingness to list their properties.

"There is more motivation to transact on the seller side, and this is likely an arbiter of the second half of the year and looking ahead to 2026," Etra said.

But investors are unlikely to budge much on pricing — at least for now. "None of the data inputs that affect the buy-side are changing materially, so pricing … is not likely to move materially from the current baseline," said **Bob Webster,** a CBRE vice chair and co-head of its hotel practice.

To be sure, there are some bright spots, he added. A thin construction pipeline likely means that supply will hold steady, which could prop up values. And expectations for additional interest-rate cuts, potentially by yearend, could make underwriting more attractive.

Additionally, the hotel deals that are crossing the finish line are doing so "at attractive yields," Webster noted. "You don't need significant growth in net income to satisfy your return thresholds."

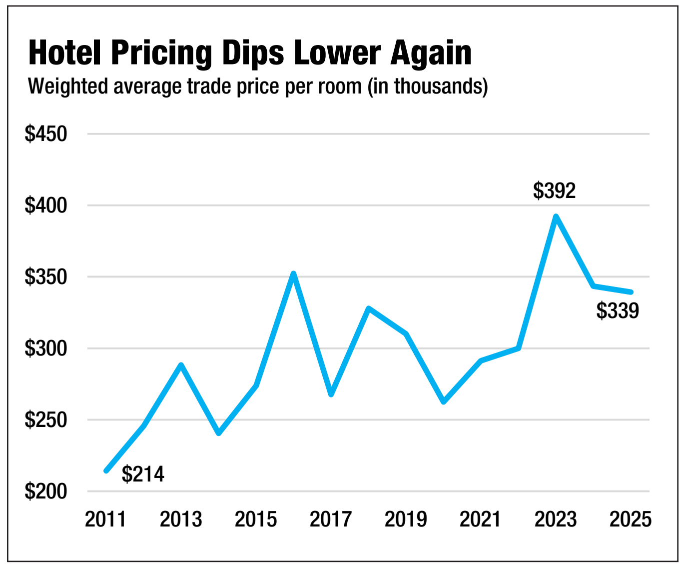
Pricing on a per-key basis dipped again in the first half, averaging $339,000/room versus the $392,000/room average for full-year 2024.

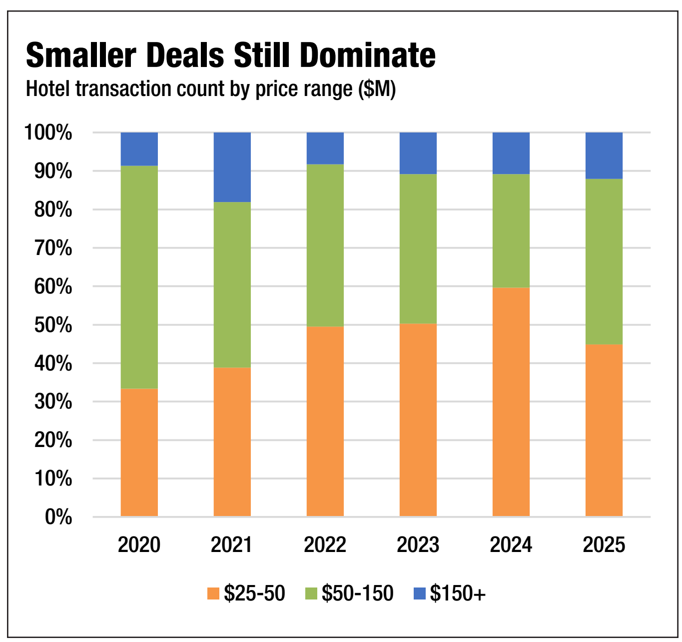
In the brokerage race, Eastdil tallied $1.43 billion of hotel trades during the first half. That was down 24% from the year-ago period, but the firm's market share still improved by nearly 9 percentage points against a 38% decline in the volume of overall brokered deals.

CBRE also lifted its market share thanks to a 64% jump in its volume, to $369.2 million.

The rest of the top five, however, all saw sharp year-over-year drops in sales volume. JLL took in $353.6 million (down 51%), Hodges Ward Elliott had $248.6 million (down 71%), and Newmark booked $155.2 million (down 59%). The rankings don't include deals recapitalized with preferred equity, which tend to be more common when the market is down.

Broker rankings are based on property transactions that closed from January through June 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. ❖





Industrial Lease-Up Play Floated in Ga.

Investors are getting a crack at a recently constructed distribution center in Georgia that is just 46% occupied.

The Class-A warehouse totals 725,000 sf in the River Park E-Commerce Center, 40 miles south of Atlanta in the city's Interstate 75 South submarket. It has an estimated value of $76 million, or $105/sf. **JLL** is marketing the property on behalf of a joint venture between **ICM Asset Management** of Calgary, Canada, and **Waterloo Partners** of Atlanta.

The partnership completed the warehouse, called River Park 6, in 2023.

Luggage company **Travelpro** is the building's only tenant, under a lease with seven years remaining and with annual rent bumps of 4%. The pitch is that will provide stability as a new owner works to fill the vacant space.

The building has a cross-dock configuration, 40-foot clearance heights, 185-foot-deep truck courts and modern sprinklers. There are 154 trailer parking spaces, with the potential to expand to 238.

The marketing campaign is touting the property's location at 450 Logistics Parkway, between Atlanta and the Port of Savannah, 190 miles southeast. Since 2021, the Interstate 75 South submarket has maintained an average occupancy level of 93.5%, while average asking rents have soared 71%, outperforming Greater Atlanta by 200 bp.

River Park is the fastest-growing industrial park in the state, according to marketing materials, with 4.4 million sf of absorption since the start of 2024. **Amazon** plans to build a $13 billion data center at the complex. Other tenants include **Procter & Gamble, GreenBox Systems, Yusen Logistics** and **Quanex.** ❖

Miami Site Listed for Development

A Miami development site zoned for high-density residential, commercial or mixed-use construction has hit the market.

The 1.5-acre plot, at 210 NE 18th Street, has an estimated value of $41 million. **Berkadia** is representing the seller, **Sapir Organization** of New York.

Existing zoning would permit the construction of up to 741 residential units, or approximately 1.4 million sf across the allowed uses. However, a builder might be able to increase the total buildable space by up to 40% — encompassing nearly 2 million sf with buildings of up to 60 stories — by taking part in a bonus program available to developers that contribute to a public benefit trust.

There are no submitted development plans for the site.

The parcel houses a 13,000-sf building occupied by the restaurant **Mignonette.** According to marketing materials, the restaurant's lease produces annual income of approximately $120,000 and runs through May 2026, with the option to terminate the agreement with notice of 90 days.

That said, investors have been told that the 1937-vintage building is designated historic and any redevelopment involving the structure would be subject to approval by the city's **Historic & Environmental Preservation Board.** The remaining land, totaling 1.2 acres, is vacant.

The property is within a federally designated Qualified Opportunity Zone, offering potential capital-gains tax benefits to investors that meet holding and reinvestment requirements.

The site is in the growing Edgewater neighborhood, which borders the expanding Wynwood, Midtown and downtown Miami districts. A **Publix** supermarket, the bayfront Margaret Pace Park and stops on the Metromover and Brightline transit lines are nearby. ❖

Google Facility Near Seattle Available

An R&D building fully occupied by **Google** in Seattle's Eastside market is expected to fetch bids around $37 million.

Unico Properties is shopping the 79,000-sf Marymoor Technology Center, in Redmond. **CBRE** has the listing and is touting the property's marquee tenant, location and long-term redevelopment potential. The estimated valuation translates to $475/sf.

The Registry previously reported on the offering without price expectations.

The building includes 42,000 sf of Class-A offices, accounting for 53% of its overall space, with laboratory (17,000 sf) and warehouse (21,000 sf) space making up the rest.

Google, a unit of technology giant **Alphabet,** uses the property to develop robotics and automation hardware for data centers. It recently extended its lease through August 2032, and the building's transformer is being upgraded to boost power.

Marketing materials tout the building's location in the Redmond flex submarket, where occupancy is 90.6% — 520 bp above the 83.4% average for the broader Eastside market. They also note that flexible zoning could offer a long-term covered land play. The 3-plus-acre site can accommodate a mixed-use property with 512 apartments plus retail space.

The Eastside market has an average household income of $223,000, and 70% of its workforce has a bachelor's degree or higher.

Marymoor Technology Center is at 17275 NE 67th Court, adjacent to the 640-acre Marymoor Park and the Sammamish River Trail and is near a light-rail station. There are 230 stores, 73 restaurants, 19 fitness facilities and 12 hotels within 3 miles of the property, according to marketing materials.

Seattle-based Unico paid $23.5 million, or $297/sf, for the property in 2019. ❖

Boston ... From Page 1

a revival. But they also are indicative of a sharp divide within it: Buyers are demanding deep discounts to take on older properties in need of leasing work, but are highly competitive for well-located, updated buildings that can attract tenants.

Lender **Wells Fargo** is driving the sale of 75-101 Federal Street. **Carr Properties** acquired a 50% interest in the complex from **Rockpoint** for $242.5 million in March 2020 — valuing it at $485 million just as the pandemic was taking hold. Rockpoint paid $326.5 million for the property in 2015 and, after cashing out its equity in the recapitalization, is cooperating with the sale.

A transaction at roughly $100 million would suggest a double-digit initial annual yield. The complex is 62% leased, but that figure is set to drop with additional near-term vacancies. There are 48 tenants with a weighted average remaining term of 3.6 years.

The property comprises a 31-story tower completed in 1999 and an attached 21-story building that dates to 1929. It has a shared lobby, 27,000 sf of ground-floor retail space, 21,000 sf of amenity space and 175 underground parking spaces.

Meanwhile, **Blackstone** is set to book a valuation gain on its exit of 399 Boylston Street — a rarity for recent office trades. The Class-A building underwent $35 million of improvements that have enabled Blackstone to sign new leases for 46,000 sf and a 4,000-sf renewal over the last 24 months at rents exceeding the building's competitive set. Overall, the property is 90% leased, but that will drop to 78% next year with a tenant departure.

The thinking is that it will be easier to fill space at 399 Boylston Street, given the premium companies have been willing to pay for high-quality offices in prime locations. The 13-story, glass-clad building is within a block of Boston Public Garden and Newbury Street, which is lined with high-end retailers and restaurants. The property includes street-level retail space occupied by a bakery, a yoga studio, a salon and an urgent care center, among others.

Locally based Synergy was an early buyer in Boston's beleaguered office market, snapping up five properties since 2021 at historically low pricing, according to **Green Street's** Sales Comps Database. Its most recent deal was the $227 million purchase of 99 High Street in April.

DivcoWest also has been among the sector's early investors during the latest downturn. In April, it was part of a joint venture that took over the equity interest in One Lincoln, a 1.1 million-sf trophy tower in Boston via foreclosure of a mezzanine debt position.

The purchase agreements come on the heels of another Boston office trade. This month, **Live Oak** and **Tritower Financial** paid $28 million to buy One Bowdoin Square, less than half what the property traded for in 2016. Newmark also brokered that sale.

Office sales of $25 million and up in Boston and its suburbs totaled $591.7 million in the first six months of this year, more than double from the prior-year period. However, that total also placed the market as the ninth-most active nationally in **Real Estate Alert's** published rankings — well below its historical standing. ❖

Retail ... From Page 1

Southeast and Sun Belt, areas it believes have "strong secular tailwinds."

Doug Arnold, David Puchi and **Craig Zoellner** founded the firm in 2004. It since has acquired 194 shopping centers totaling 8.2 million sf. Baceline has raised $580 million of equity, distributed $343 million to investors and delivered an internal rate of return of 17.5% with no foreclosures, according to marketing materials. It targets centers with mom and pop ownership.

The offered portfolio is in 22 states, with the highest concentrations by sf in Illinois (13%), Wisconsin (9%), Texas (8%), Missouri (8%), Indiana (7%) and Tennessee (7%). Tenants are in the restaurant, specialty-store, medical, hair-and-beauty, professional-services, specialty-grocer, specialty-services and fitness sectors.

Unanchored shopping centers have outperformed other types of centers over the past five years, according to an April 21 report by **Green Street, Real Estate Alert's** parent. It said properties in the niche benefit from shorter leases amid rising rents.

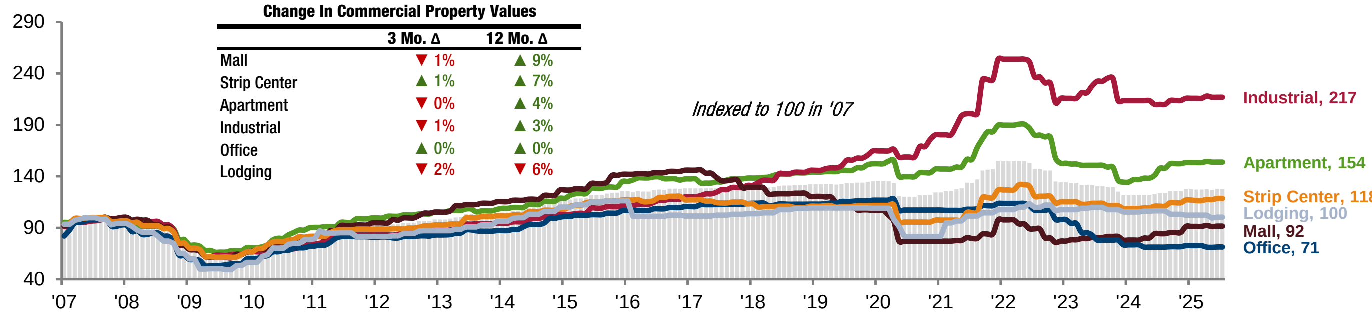
The report said unanchored centers have the highest expected risk-adjusted returns across the strip-center sector due to low capital-expenditure needs and "slightly higher expected" net-operating income growth. But Green Street also said "small shops tend to be more volatile throughout economic cycles as a higher proportion are occupied by local tenants." ❖

MARKET MONITOR

SUMMARY

- The MSCI US REIT (RMZ) Index's year-to-date total return is 2%, underperforming the S&P 500 by 760 bp.
- Mall REIT total returns averaged 15% over the last 12 months, the best performance among traditional sectors.
- On average, mall REITs are trading at an implied capitalization rate of 6.9% and a 3% premium to gross asset value.
- In aggregate, commercial real estate appears cheap relative to high-yield bonds and expensive relative to investment-grade bonds.

GREEN STREET COMMERCIAL PROPERTY PRICE INDEXES



Change In Commercial Property Values

	3 Mo. Δ	12 Mo. Δ
Mall	▼ 1%	▲ 9%
Strip Center	▲ 1%	▲ 7%
Apartment	▼ 0%	▲ 4%
Industrial	▼ 1%	▲ 3%
Office	▲ 0%	▲ 0%
Lodging	▼ 2%	▼ 6%

Source: Green Street

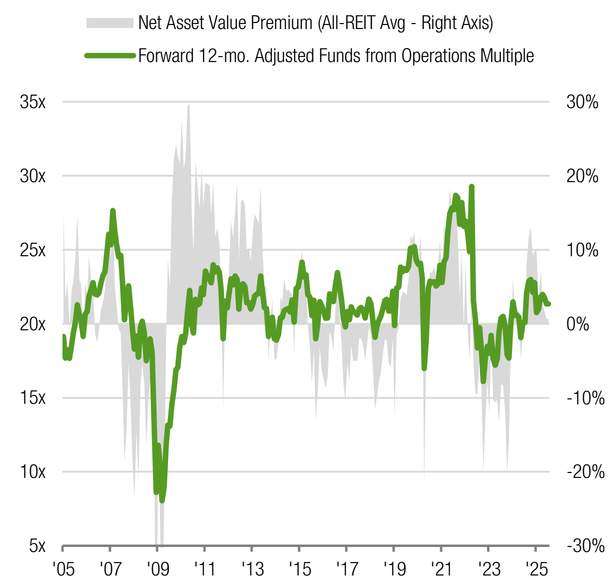
PUBLIC MARKET PERFORMANCE

	Total Returns*			Pricing Metrics			
	1 mo.	YTD	Last 12M	Nominal Cap Rate	Implied Cap Rate	Prem to NAV	Prem to Assets
RMZ	2%	2%	5%				
S&P	4%	9%	19%				
US 10-Yr.	-1%	4%	3%				
Apartment	1%	-3%	2%	5.2%	5.8%	-14%	-10%
Data Center	3%	-8%	14%	6.1%	6.1%	1%	0%
Healthcare	6%	16%	23%	7.2%	4.8%	90%	64%
Industrial	3%	3%	-12%	5.1%	5.6%	-11%	-8%
Lodging	5%	-9%	-5%	8.2%	9.6%	-23%	-14%
Mall	5%	-1%	15%	7.1%	6.9%	6%	3%
Manu. Housing	-4%	-3%	-3%	4.8%	5.5%	-16%	-13%
Net Lease	1%	9%	5%	7.3%	6.7%	15%	10%
Office	2%	-6%	5%	7.4%	7.8%	-8%	-4%
Storage	1%	0%	-4%	5.6%	5.5%	2%	1%
Strip Center	1%	-6%	5%	6.6%	6.9%	-7%	-4%
Wtd. Avg.	**2%**	**2%**	**5%**	**6.1%**	**5.9%**	**11%**	**7%**

**Pricing as of 07/28/2025*

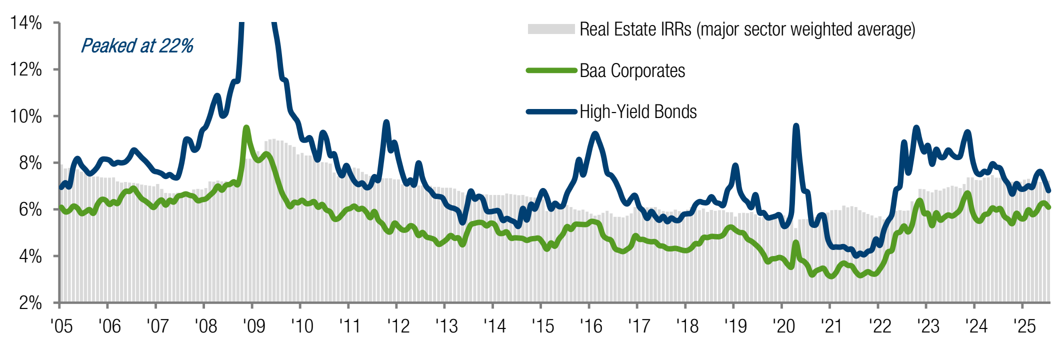
Sources: Bloomberg, Green Street

NAV PREM. AND REIT AFFO MULTIPLES

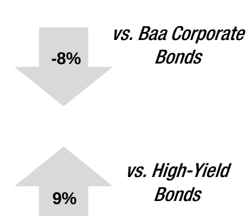


Source: Green Street

REAL ESTATE RETURNS VS. BOND YIELDS



Real Estate Fair Value (Major Sectors)

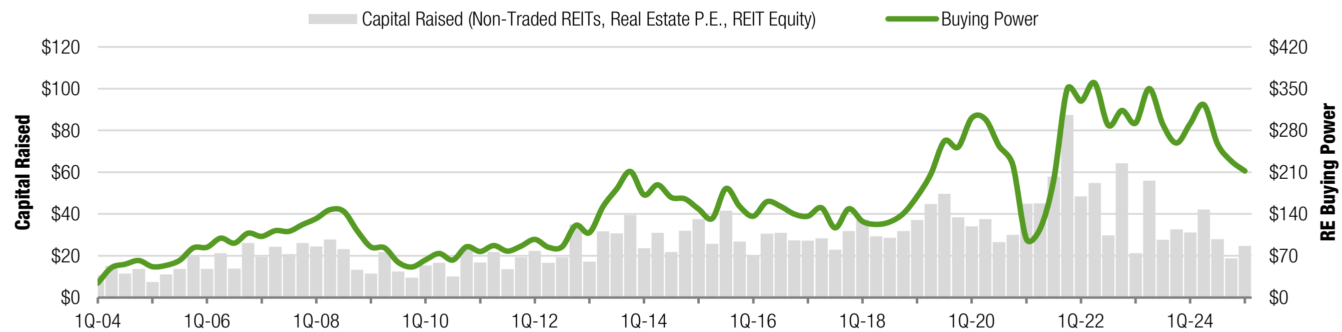


Sources: Bank of America, Moody's, Green Street

MARKET MONITOR

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

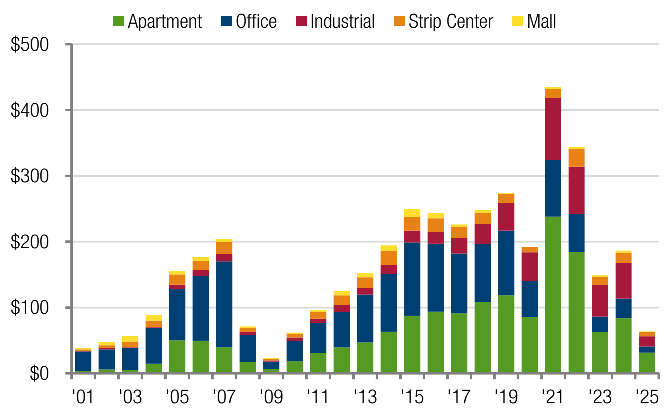
Buying power calculated as cash plus estimated incremental debt



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

SALES VOLUME BY PROPERTY TYPE ($BIL.)

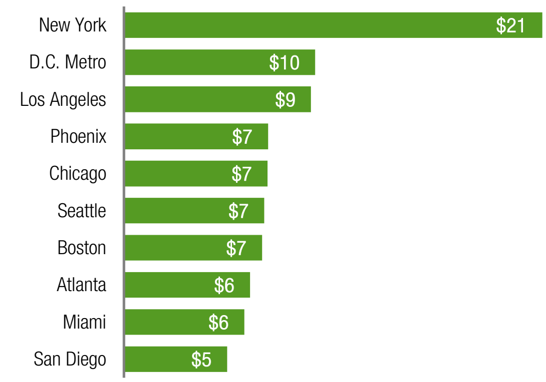
Volume representative of verified transactions $25 million or more



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.	1109 & 1151 McKay Drive	07/24/25	Office	San Jose	$29.5	111K	$265	FH One Investments	South Bay Development
2.	Golden Acres Shopping Center	07/24/25	Strip Center	New Jersey (Central)	$40.0	220K	$182	Agus Holdings; Trecco	Polimeni International
3.	Grand	07/24/25	Apartment	Oakland-East Bay	$97.5	243	$401,235	Lakeside Group	Essex Property Trust
4.	Hampton Inn Chicago Dwntwn./Magnif. Mile	07/23/25	Lodging	Chicago	$28.3	352	$80,398	Ketu Amin	Arbor Lodging; MB Real Estate
5.	University Valley	07/23/25	Student Housing	Phoenix	$38.5	153	$251,634	Dinerstein Cos.	Tara Investment Group
6.	TenTen Glendale	07/23/25	Apartment	Los Angeles	$33.5	66	$507,576	Regent Properties	Amidi Group
7.	Preston of Rockville	07/23/25	Senior Housing	D.C. Metro	$44.0	146	$301,370	Kisco Senior Living; Welltower	Silverstone Senior Living
8.	Maverick	07/23/25	Apartment	Seattle	$83.9	229	$366,376	Stockbridge Capital	Pillar Properties
9.	1322 North	07/22/25	Apartment	Auburn, Ala.	$36.5	214	$170,561	BRT Apartments; Mulberry Properties	LIV Development
10.	One Bowdoin Square	07/21/25	Office	Boston	$28.0	142K	$197	Live Oak; Tritower Financial	New York Life Insurance

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

Source: Green Street

THE GRAPEVINE

... From Page 1

firm. The San Francisco Bay Area-based shop focuses on development-stage, value-added and distressed multifamily properties, and is targeting clients including wealthy individuals, family offices, lenders and sub-institutional investors. Bartolucci most recently was managing partner of operations at **Tides Equities.** Loh has run her own boutique brokerage, **Loh Sisters,** for nearly seven years. Postyn spent the past decade at **BGO** and predecessor Bentall Kennedy, leaving as a principal.

Milo Spector has landed at **Essential CRE** after more than nine years at **Northmarq** and predecessor firm **Stan Johnson Co.** He started last week as a managing partner, and as founder of the firm's education-property group. Spector, based in Pleasant Hill, Calif., works with executive managing partner **Michael Cisternino,** who founded Essential in 2019. Earlier, Spector spent three years at **NAI Northern California.** He left Northmarq as a senior vice president.

Justin Roth and **David Parks** this month debuted multifamily real estate investment firm **Ascent Property Partners.** The New York-based company targets 100- to 200-unit, light-to-moderate value-added properties in the $15 million-to-$25 million range, and focuses on secondary and tertiary markets across the Sun Belt, Mid-Atlantic and Northeast. Roth spent the past seven years as a managing director and head of asset management at **Kushner,** following an 11-year stint at **Morgan Stanley** as an executive director and trader. Parks spent the past 31 years as general counsel at **GPG Management.**

Tucker Floyd came aboard **Ascendant Capital Partners** last month as a vice president focused on hotel and residential property investments nationwide. He is based in the firm's Los Angeles headquarters. Tucker spent the last 10 years at **Singerman Real Estate** in Chicago, where he also was a vice president. Ascendant is led by chief executive **Russell Gimelstob** and co-presidents **Alex Halpern** and **Eric Calder.**

Dan McDonough this month formed **Borel Hill,** a Portola Valley, Calif.-based firm focused on opportunistic multifamily acquisitions and value-added asset management. McDonough spent the past 14-plus years as a senior vice president at **FPA Multifamily,** working on multifamily acquisitions in eight Western states.

Alexander Davis joined **CBRE** this month as an associate in Southern California. He focuses on the industrial sector in the Inland Empire, working with executive vice president **Ryan Athens** and senior vice president **Jeff Fritch.** Davis came from **Colliers,** where he spent two years and left as an associate.

Noe Couvat started at hotel investment firm **AWH Partners** in New York this month as an asset-management analyst. He spent the last three years at **Island Hospitality Management,** where he was an investment analyst. His hire was arranged by executive-search firm **Keller Augusta.**

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