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Real Estate Notes

Regent lands two tenants for 3344 Peachtree tower

Atlanta Business Chronicle - September 15, 2006 by [Jill Lerner](#)

3344 Peachtree, Regent Partners LLC's 50-story vertical mixed-use building rising on Peachtree, has captured two big tenants -- the Buckhead Club and First Horizon Bank's state headquarters.

Both tenants will move to the under-construction 3344 from the Atlanta Financial Center, which is across the street.

The new leasing activity means 3344 Peachtree is approaching 25 percent preleased, with nearly 100,000 square feet of space under lease and "significant" additional deals being negotiated, Regent Partners said.

The nearly 500,000-square-foot class A office and retail portion of the building is scheduled for occupancy in early 2008.

The building's 93 luxury condos atop the offices, which are known as Sovereign, are scheduled to open in summer 2008.

First Horizon Bank, a subsidiary of Memphis-based First Horizon National Corp. (NYSE: FHN) will occupy 33,000 square feet, including a 4,600-square-foot retail branch on the first floor fronting Peachtree Road. The bank, which signed a 10-year lease, also will get signage on the building, said Tammy Driggers, First Horizon Georgia president.

Eric Ross of Trammell Crow Co. represented First Horizon and David Tennery represented Regent Partners.

Driggers cited "access to the highway" as a top reason for choosing the building over others in Buckhead, and also added that the design and feel of the building, along with the high-end residents expected to occupy its 93 condominiums -- which are priced from \$1 million, fit with the bank's more upscale image.

The Buckhead Club will relocate to 20,000 square feet of space on the 26th floor. The club also will operate the adjacent Executive Spa and Fitness Center for the building's residential homeowners.

Rick Lackey of City Commercial Real Estate represented the Buckhead Club and Tennery represented Regent Partners.

The two new tenants will join the previously signed Buckhead Life Group Inc. in the building. The restaurant group is planning a 9,000-square-foot signature restaurant for the street level.

Regent Partners itself will take 15,000 square feet for its corporate headquarters, relocating from 3348 Peachtree Road.

Canton west models

The massive new Canton West development in Cherokee County will be a "self-sustaining village" along the lines of Celebration, Fla., with homes ranging in price from \$100,000 to the high \$800,000s, according to its developers.

PEC Development Group, the Atlanta-based developer of master-planned communities, along with Atlanta-based Shoal Creek Partners, is behind the 2,331-acre mixed-use Canton West.

In addition to a total of about 4,300 townhomes and single-family homes, the master-planned community will include commercial and office buildings in a town center.

Zoning approvals are expected in the spring, and the entire project will take 10 to 15 years to build, said Paul Corley, CEO of PEC Development Group, whose master-planned communities locally include James Creek and Hampton Oaks -- the Martha Stewart community.

Developers planned the public-private collaboration in a yearlong partnership with city and county officials.

The agreement also calls for infrastructure improvements, including a seven-mile parkway running through the property, which will connect Georgia 5 to Ga. 108 and is expected to relieve congestion in the region.

Project executives plan to work with the Atlanta Regional Commission and the Georgia Department of Transportation to acquire state and/or federal funds.

Construction on the parkway is scheduled to begin as early as late 2007.

Also planned for the community are four new neighborhood schools, and a new regional water and sewer plant.

The development is one of three enormous projects headed to Cherokee County.

Most 'Excellent'

The Urban Land Institute Atlanta District Council will honor John and Helen Aderhold and Bernie Marcus with its 2006 ULI Atlanta Excellence in Development Awards.

At the Sept. 21 dinner ceremony, ULI Atlanta will present the Frank Carter Community Achievement Award to the Aderholds, in recognition of "outstanding development contributions" to the Atlanta community.

Marcus will receive the Dan Sweat Community Leadership Award, given for leadership in "responsible land use promotion and implementation."

Tickets are still available. For more information, call (800) 321-5011 or visit www.atlanta.uli.org.

Green Gables

Gables Residential Trust is planning two apartment projects -- adding nearly 600 units to the metro market.

The Atlanta developer has spent a total of more than \$15 million for the properties.

Gables closed July 13 on its \$9.2 million purchase of an old office park campus at North Druid Hills and Interstate 85, with plans to tear down the existing buildings and build a 330-unit mid-rise apartment complex, said Richard Munger, vice president of investments for Gables, overseeing the Atlanta area.

"There was a particular tract we purchased that had zoning in place to allow us to do multifamily," he said.

Gables bought the property from Boston-based Hallwood Properties. Bob Nagel and Mike Cooper of Nagel & Cooper were the brokers for Gables.

Construction on the project should begin in November, Munger said.

Gables also spent \$6 million to buy 3.66 acres July 13 from Kim King Associates Inc. at 925 Joseph E. Lowery Blvd. for a 248-unit apartment complex. The existing 20,000-square-foot building will be razed, Munger said.

"This will be a loft type of product," Munger said.

Construction should start in mid-October.

George Reid of CB Richard Ellis represented Gables in the deal.

Gables nearly had another project, buying Dunwoody Park apartments from Denver-based AIMCO on July 31 for \$31.1 million.

But Gables immediately sold the 318-unit Dunwoody Park apartments at 4108 Dunwoody Park in Atlanta and the 26 acres of the property to Jim Braden with BHC Properties, Munger said. Joe Cannon of Keller Williams Realty Inc. represented AIMCO in the transaction and CB Richard Ellis' Reid brokered the sale for Braden, Munger said.

More Lane Terrain

Atlanta-based Lane Co. is expanding its development presence into Alabama, Mississippi and Louisiana.

Ted Doody, a development associate based in Orange Beach, Ala., will head Lane Southeast, a newly established division of Lane Co.'s subsidiary Lane Investment and Development LLC.

The creation of Lane Southeast is the latest step in Lane's expansion efforts. Earlier this year it launched Lane Florida. Lane Northeast, serving the Northeast and mid-Atlantic states, was established in 2004.

"Lane Co. is already one of the nation's top apartment and condominium developers," Doody said. "We've also recently closed on our first hotel deal and look to grow our presence in the industry over the coming years. However, we remain primarily focused on mixed-use, apartment, condominium, and townhome development."

Lane is also looking at redevelopment projects in the coastal communities damaged by Hurricane Katrina, he said.

Lane Investment & Development is one of the nation's top 10 multifamily developers. Its current development portfolio, including projects that will soon begin construction, includes more than 22,000 condominium and apartment units valued at \$2 billion.

Lane Co.'s projects include apartments and condos in Atlantic Station in Midtown; the redevelopment of the Dulaney Valley apartments in Towson, Md.; and Radius, a new condo project in Hollywood, Fla.

Leaving for Lindbergh

High-Tech Institute Inc., which offers degrees in such fields as technology, health care and criminal justice, is moving to Lindbergh City Center from the Northchase Office Park in Marietta.

Atlanta-based Carter will begin development in October on a 60,000-square-foot office building - 43,300 square feet of which will be occupied by the school.

The first floor of the building will include 16,700 square feet of retail space and the top two floors will house the High-Tech Institute.

Scheduled to be complete in July, the building will be on Main Street in the development, and will front Piedmont Road.

Carter is master developer for Lindbergh Center.

Harold Wyatt of Carter represented his company in the lease agreement and Jerry Cobb and Jim Palermo of CB Richard Ellis Inc. represented the High-Tech Institute.

-- Staff writer Lisa R. Schoolcraft contributed to this column. If you have news for Real Estate Notes, contact Jill Lerner at (404) 249-1073; fax, (404) 249-1058; or at jlerner@bizjournals.com.

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