

MetLife Invests in \$1.1B Mixed-Use Atlanta Project

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MetLife has invested in a joint venture preparing to break ground on the second phase of a \$1.1 billion mixed-use project in Atlanta called 12th and Midtown (pictured). Daniel Corp. and Selig Enterprises are the other joint venture partners. The overall development goal is to create Atlanta's version of Chicago's Magnificent Mile or New York City's Madison Avenue.

While declining to provide specifics about the MetLife investment, Tom Coakley, head of MetLife's real estate investment group in Atlanta told CPN today that the MetLife investment is predicated on the belief that the Atlanta is a growing market. "



This mixed-use development is also consistent with our strategy and fits in nicely with our plans to grow our portfolio," he added. Scheduled to begin construction this summer, the second phase of 12th and Midtown will feature a 725,000-square-foot Class A office tower, up to 60,000 square feet of flagship retail space, and a 400-room luxury hotel topped with signature residences.

According to Grubb & Ellis Co. research, Atlanta's midtown submarket is one of the most active of the 17 submarkets in that metropolitan region. During 2006, midtown absorbed 804,813 square feet of office space, behind the North Central and Roswell Alpharetta submarkets, both of which absorbed more than 900,000 square feet of space. Buckhead/Lenox ranked fourth with just 266,310 square feet.

Class A office asking rents in Midtown are \$23.62 per square foot, second highest in the metropolitan area. Buckhead/Lenox is first with \$25.29 per square foot.

The first phase of the development, being constructed by Daniel Corp., Selig, and Canyon-Johnson urban Fund, includes a 35-story high-rise with 443 residences and up to 50,000 square feet of retail and dining space.

Phase three will include 500,000 square feet of Class A office space, 40,000 square feet of retail space, and a boutique five-star hotel topped with residences. Daniel Corp. and Selig have not announced a joint venture partner for phase three yet.