

MULTI-HOUSING NEWS

THE NEWS AND INFORMATION SOURCE FOR THE MULTI-HOUSING PROFESSIONAL

Daniel Corp., Selig, MetLife Begin Mixed-Use Project's Second Phase

By Kelly Sheehan, Online News Editor

APRIL 09, 2007 -- Atlanta -- Daniel Corp., a Birmingham, Ala.-based full-service real estate firm, and Selig Enterprises Inc., a full-service real estate firm based in Atlanta, have partnered with MetLife to pursue the development of the second phase of 12th and Midtown, a \$1-billion mixed-use development in Atlanta. MetLife is the team's equity partner for the second phase.

This partnership is consistent with Daniel Corp.'s 25-year relationship with MetLife. Over the past few decades, the companies have done business together on more than 18 property leasing and management, real estate joint venture and mortgage loan transactions.

"MetLife brings a lot more to the table than just being our equity partner," Steve Baile, senior vice president of Daniel Corp.'s Atlanta office, tells MHN. "They're very interactive with the development process--they've always helped with everything from the start through completion of projects. They help us with the leasing process and they also provide us with new ideas, solutions to development issues, and consulting services."



Spanning three city blocks, the development will feature 600 condominiums, 500 hotel rooms and 150,000 square feet of office space. Daniel Corp. is developing 12th and Midtown's residential component and Selig Enterprises is developing its office and retail elements. Rule, Joy, Trammell + Rubio LLC (RJT + R) is the project architect.

The second phase is slated to break ground in July 2007 and be completed in August 2009, Baile says. It will consist of a 400-room hotel with 100 condos, along with a 725,000-sq.-ft. office tower.

The 2.5-million-sq.-ft. project was inspired by initiatives of the Midtown Alliance, a local organization that promotes the revitalization of urban Atlanta. The development team hopes the community will help turn the corridor into a site that is comparable to Chicago's Magnificent Mile and New York's Madison Avenue.

"The surrounding community is really excited about the development," Baile tells MHN. "We're kickstarting the revitalization initiative. This has been the neighborhood's vision for a long time, so it's nice to get everyone's ideas off the paper and onto the concrete."

12th and Midtown's first phase consists of a 35-story high-rise, offering 443 residences and up to 50,000 square feet of retail and restaurant space. Construction on the phase began in summer 2006, Baile says, and is expected to be completed in February 2009. One-, two- and three-bedroom condos will feature 10-ft. ceilings, hardwood flooring, stainless steel appliances and large balconies. The first phase's equity partner was The Canyon-Johnson Urban Fund (CJUF), a joint venture between Canyon Capital Realty Advisors and Earvin "Magic" Johnson, is the project's equity partner. The third phase will include five-star hotel with residences, as well as 40,000 square feet of retail and 500,000 square feet of office space.

According to Robert Merck, head of real estate investments for MetLife, the firms believe that the real estate market fundamentals are strong in Atlanta's Midtown area, and there will be "enthusiastic demand" for the project. "Our alliance with Daniel and Selig fits nicely into our strategy to expand our development efforts across all property types and in major global markets," he adds.

Previously, Daniel Corp., Selig Enterprises and CJUF partnered to build The Plaza Midtown, another mixed-use development in Atlanta, consisting of two towers with 418 condominiums atop 70,000 square feet of street-front retail. The development opened in January 2006.