

# ATLANTA BUSINESS CHRONICLE

## COMMERCIAL REAL ESTATE

# Institutional investors sell dozens of industrial properties in Atlanta

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Dozens of metro Atlanta buildings were included in nationwide sales of industrial properties by two institutional investors.

Stonelake Capital Partners, a Dallas-based real estate private equity firm, recently sold 91 industrial buildings located across the United States for \$920 million. Thirty-one of the buildings included in the sell-off were located in the Atlanta area, according to a spokesperson.

Mapletree Investments Pte Ltd, a Singapore-based real estate firm, sold its warehouse portfolio to Pennsylvania-based EQT Real Estate for \$241.2 million. Of the 10 buildings sold, six were located in the Atlanta area.

Both Atlanta-area portfolios totaled over 1 million square feet. Spokespersons for Stonelake and Mapletree declined to disclose the prices of the Atlanta transactions. An analysis of property deeds from June shows that Stonelake collected over \$100 million for its Atlanta portfolio across several counties; Mapletree's sales have yet to be recorded in public records.

Industrial real estate is in a reset period following a pandemic-era boom. Average warehouse vacancy rate in the United States increased to 7.1% last quarter – the highest rate in at least 10 years, according to the Wall Street Journal.

In Atlanta, leasing fell to about 10 million square feet in the second quarter with no deals over 500,000 square feet, according to a report from CBRE.

New construction has cooled to its lowest level in over a decade, which should at least stabilize valuations going forward. There is also a bifurcation happening in the market where newer, well-located assets are holding their value for the most part.

A Stonelake spokesperson said “significant institutional demand” still exists for industrial assets, making this a good moment to exit and recycle capital.



**Stonelake Capital Partners sold nearly \$1 billion in industrial assets across the country, including this one at 455 Great SW Parkway in Atlanta.**

“[Stonelake] will continue to focus on acquiring and developing high-quality light industrial warehouses in key markets where there is significant demographic growth,” the spokesperson said. Beyond Atlanta, these markets include Austin, Dallas, El Paso, Houston and San Antonio in Texas; Orlando, Tampa and South Florida; Charlotte, North Carolina; Nashville, Tennessee; and Phoenix.

### Here are a few of Stonelake's divested buildings in Atlanta:

- 123 Interstate W Parkway, Lithia Springs
- 7800 The Bluffs, Austell
- 6050 Boat Rock Blvd. SW, Atlanta
- 455 Great SW Parkway SW, Atlanta
- 5625 Fulton Industrial Blvd. SW, Atlanta

### Mapletree's sale included:

- 5890 Ronald Reagan Blvd., Alpharetta
- 5000 Westpark Drive SW, Atlanta
- 1700 Westgate Parkway SW, Atlanta

- 6215 Fulton Industrial Blvd. SW, Atlanta
- 6255 Fulton Industrial Blvd. SW, Atlanta
- 301 Eagles Landing Parkway, Stockbridge

Mapletree's sale of Sunbelt properties followed another deal announced earlier this month where it unloaded a 1.8 million-square-foot industrial portfolio to Faropoint for \$328 million. That marked Mapletree's first industrial sale since its 2019 launch of its U.S. and EU logistics private trust, a closed-end private fund focused on warehouse buildings.

The company still owns roughly 70 million square feet of industrial assets across the U.S., per a news release.

“This divestment represents a strong outcome for our investors and affirms the value we've created across our U.S. industrial portfolio,” Richard Prokup, U.S. Mapletree CEO, said in a statement. “As we look ahead, we remain focused on reinvesting in premier warehouse assets that align with our long-term growth strategy.”