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## Atlanta real estate firm breaks into Charlotte market with \$62.5M buy

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An Atlanta real estate firm has made its first purchase in the Charlotte region.

OA Development acquired five buildings at The Park-Huntersville in a \$62.5 million transaction that closed Feb. 27, according to Mecklenburg County real estate records. The acquisition is the firm's largest to date and encompasses 395,796 square feet of office space — the Kemp Building, the Reed Building, the Latta Building, the Storrs Building and the Alexander Building.



OA DEVELOPMENT

OA Development acquired five buildings at The Park-Huntersville in a \$62.5 million.

"In this particular cycle, we've been focused exclusively on buying instead of building," said Brian Granath, partner at OA Development, adding there's been more opportunities for investment, especially in mid-rise suburban product.

Much of The Park-Huntersville has traded hands over the past year or so. With OA's acquisition, Bank of America (NYSE: BAC) has now sold off all of its existing office and industrial buildings in the park, which sits off the Gilead Road exit on Interstate 77. It unloaded two single-story office buildings in January to Viking Partners for \$14.7 million, an 18.3-acre property where Scannell Properties will build a 150,000-square-foot industrial flex building, the Caldwell Building that One Liberty

Properties purchased for \$8.7 million and a portfolio of office and industrial buildings that sold to Alidade Capital for \$53 million.

The buildings that OA Development acquired are 91.4% occupied with tenants in business services, health care, technology and manufacturing. The firm says 34% of the tenants maintain investment-grade credit. Rents are about 14.1% below market rates and the average weighted remaining lease term is a little more than four years.

Steve Berman, founder of OA Development, said this is the company's first investment in Charlotte. He said the firm will do some improvements and maintenance at The Park-Huntersville but no significant changes are planned at this time.

"We want to maintain the same quality ownership that Bank of America had, that institutional quality," Berman said.

OA Development is looking for other investment opportunities in the Charlotte region, he added. The Park-Huntersville is the 19th property that OA has acquired in the past nine years, bringing the company's portfolio to 2.8 million square feet.

The Spectrum Cos. will continue to lease and manage the buildings OA acquired at The Park-Huntersville.

Ryan Clutter, Scot Humphrey and Chris Lingerfelt at HFF represented the seller in the transaction. Patterson Real Estate Advisory Group arranged acquisition financing with Principal Real Estate Investors.

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