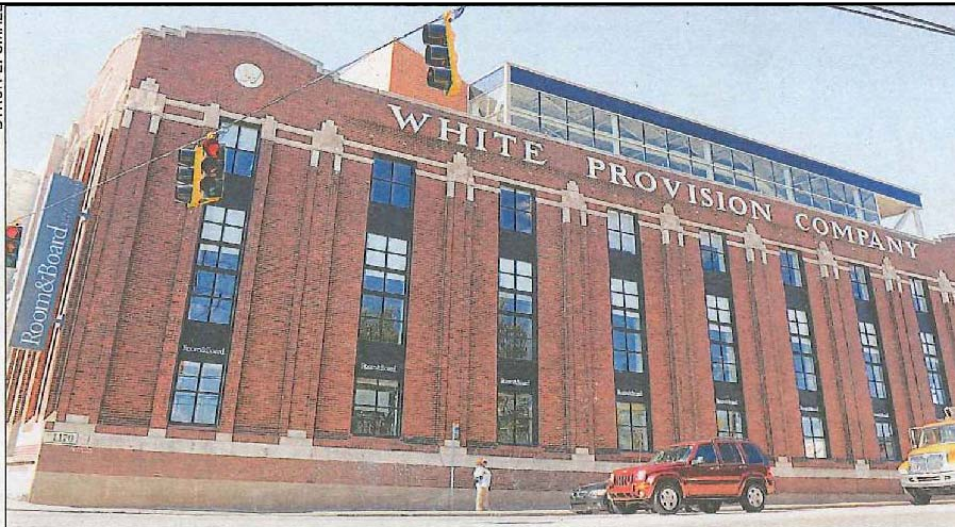


ATLANTA BUSINESS CHRONICLE

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West Midtown: The Westside Provisions District, at Howell Mill Road and 14th Street, is the site of a planned apartment and retail project.

New apartments for the west side

By Douglas Sams
STAFF WRITER

Developers are planning a 195-unit apartment building and shops along Howell Mill Road in West Midtown — the latest intown multifamily project to enter the development pipeline.

Westbridge Realty Partners LLC filed for a special administrative permit from the city of Atlanta Oct. 19 for a more than 250,000-square-foot project at Howell Mill Road and 14th Street, next to the Room & Board and showroom building. It was a necessary step in the process to obtain a building permit.

The project, known as 691 14th Street, will likely be closer to 180,000 square feet, excluding the

parking deck, said Chris Faussemagne, a Westbridge founding partner. It could break ground next year.

The proposed apartment site is part of Westside Provisions District, a redeveloped industrial area within West Midtown stretching along Howell Mill toward Marietta Street and downtown. For the past decade, developers have turned the area into the Virginia-Highland of West Atlanta, drawing affluent intown residents from Buckhead and Midtown to some of the city's best-known restaurants, including Bacchanalia, and trendy clothing stores, such as Anthropologie.

Some 3,000 apartment units have been planned

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New apartments for the west side

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within West Midtown in recent years, and since 2008 about half of those proposed units have been started, according to the Reid report, a publication that tracks apartment development trends. **Alliance Residential**, **Gables Residential** and **Walton Communities** are just a few of the apartment developers that have either considered or completed projects.

Westside Provisions is one of the fastest-growing neighborhoods within West Midtown, and **Jamestown** was one of its original investment partners and maintains a strong presence there. Jamestown is now attempting to turn the giant former Sears building on Ponce de Leon Avenue into a mix of retail, residential and offices.

For 691 14th Street, the challenge is obtaining construction financing.

Apartment projects, generally, have been the most favored type of commercial real estate project in the early going of the new development cycle, as lenders like the

convergence of solid multifamily fundamentals, including a growing population of Generation Y workers who want to live close to work and the ongoing difficulty to secure mortgages for a new home.

Westbridge, founded as White Provision Development Co. almost seven years ago, will also use its experience developing the area as an advantage in its discussions with lenders. Westbridge has yet to secure an equity partner or construction financing for the roughly \$30 million project.

"I think, based on their track record, they will be able to attract the attention of lenders," said Faron Hill, a principal with commercial real estate debt and equity placement firm **Peregrine Oak LLC**.

Lenders have financed a few of the proposed intown multifamily projects.

PNC Bank originated about \$60 million in construction financing for Emory Point, the more than \$100 million apartment and retail project **Cousins Properties Inc.** and



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Drawing attention: The area's retail already draws weekend nightlife.

Gables Residential are developing near the **Centers for Disease Control and Prevention** and **Emory University**.

Daniel Corp. and **Selig Enterprises Inc.** have secured **Northwestern Mutual** as a debt and equity partner on their new 77 12th Street apartment tower at Crescent Avenue. Construction is slated to begin this quarter.

Batson-Cook Development Co., a subsidiary of **Kajima Corp.**, a Japanese conglomerate with more than \$16 billion in revenues, will help finance construction on **Novare Group Holdings LLC's** Sky House apartment tower at 12th and West Peachtree. Batson-Cook assisted in the purchase of the 1-acre site at 1084 West Peachtree and has partnered with Novare Group to jointly develop SkyHouse, a planned 23-story, 320-unit high-rise apartment.

Construction is scheduled to begin this quarter. The project will be built by Batson-Cook Co.

The proposed 691 14th Street "is very consistent with the multifamily projects that have been financed so far," said John Akin, a senior vice president in **Carter's Investments** group. "I think they have a good story to tell. It's a high-traffic area and it has become a retail destination."

The site for 691 14th Street was once pitched to become the new Atlanta office of architect **Perkins+Will Inc.**, before the economy crashed and the firm ultimately decided to stay in Midtown. Westside Provisions, though, has nevertheless lured office tenants, and its retail draws weekend nightlife.

The one thing lacking is more rooftops, one of the essential components of the village concept developers want to create.

"It's the perfect and natural evolution of the district," said Brian Leary, president and CEO of **Atlanta BeltLine Inc.**

The neighborhood's White Provision condo building, like other projects, has struggled to sell its condos; about half of the 94 units have closed.

When Westbridge decided to pursue its next residential piece, it felt that apartments were the most likely to get financed. The district, ultimately, could become connected to a proposed park at the nearby Atlanta Waterworks and linked to the Atlanta Beltline.

And Howell Mill and 14th, where the new apartment project would take shape, might become "one of the great intersections in this city," Faussemagne said.

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