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## Related Group to soon start second Atlanta tower in Buckhead



Scott Trubey - The Atlanta Journal-Constitution
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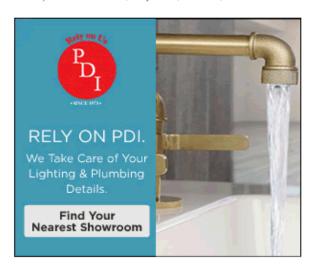


The distinctive crown to Related Group's planned 35-story apartment tower in Buckhead. The building is designed by Smallwood, Reynolds, Stewart, Stewart. Source: Related Group and Smallwood, Reynolds, Stewart, Stewart

A Miami development group plans to break ground on a 35-story luxury apartment tower near Lenox Square in Buckhead early next year.

Steve Patterson, the president and CEO of the development arm of Related Group, said the company will soon finalize its financing for the 362-unit tower, and the company plans to break ground by the middle of February.

Prudential is Related's equity partner in the \$140 million project.



The Buckhead tower, likely to carry the Apogee brand, will rise at Peachtree and Stratford roads near the Maggiano's Little Italy restaurant and the Mandarin Oriental hotel. The project is Related's second residential tower underway in Atlanta. Related's first Atlanta project this economic cycle is the Apogee Midtown tower at 14th and West Peachtree streets that will feature a Whole Foods grocery store.

Atlanta has seen a wave of new apartment development since the Great Recession, driven by demand caused by job growth, downsizing baby boomers and Millennials who have tended to rent rather than buy.

Though there has been some concern about overbuilding, particularly in the luxury segment, with some lenders pumping the brakes on development loans and developers taking pause in certain submarkets, Patterson said he believes in the fundamentals driving Atlanta's economy and the growth in the rental market.

"All of this residential is happening because of the demand," Patterson said.

Patterson said Related will begin pre-leasing Apogee Midtown in August and that tower is expected to open in November. The Whole Foods market should open about the same time.

Related is targeting an early 2019 completion for the Buckhead tower. The Buckhead property will feature more than 30,000 square feet of commercial space, which Patterson said will be designed for a high-end restaurant, a retailer and potentially some office space.

A second phase in Buckhead is also planned and could be a hotel, condos or apartments, but the decision on that project will come later, Patterson said. The site also could be appealing to an office building developer.

Read more about this story later today at our premium website, MyAJC.com, and in the Friday edition of The Atlanta Journal-Constitution.