



**TRIAD**  
COMMERCIAL  
PROPERTIES

## R E L A T E D   N E W S   A R T I C L E

### SIX G-T GATEWAY PROPERTIES SOLD FOR \$108 MILLION

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The Business Journal Serving the Greater Triad Area - by Matt Harrington

Less than two years after creating one of the biggest industrial portfolios in the Triad, G-T Gateway is selling six buildings totaling more than 2.6 million square feet to GE Commercial Finance Business Property Corp. for \$108 million.

The properties are spread between the Winston-Salem and Greensboro markets, and feature three buildings of more than 500,000 square feet each. Two of the buildings in Winston-Salem are available for lease, while the others are under long-term leases to Hanesbrands, South Atlantic Cos. and Procter & Gamble, said Hap Royster, a partner in G-T Gateway and in Triad Commercial Properties.

Triad Commercial brokered the deal on behalf of G-T Gateway and was also instrumental in the formation of G-T Gateway in early 2006. The entity was formed by the merger of the real estate holdings of Jim Rucker, president of South Atlantic Bonded Warehouse Corp., and Gateway Holdings, a real estate firm led by John Turner and Frank Hinman, both former executives at Forsyth Partners.

At that time, the portfolio consisted of nearly 2.5 million square feet and was valued at about \$82 million. Since then, G-T Gateway has continued to develop more industrial space. G-T Gateway will continue to own an under-construction 244,000-square-foot building in Browns Summit, and the entity also has some real estate ownership interest in projects outside the Triad, Royster said.

Rucker added that the deal in no way signals the end of G-T Gateway, though he wasn't sure what the future direction of the entity would be. G-T Gateway wasn't necessarily looking to sell, he said, but the offer was too good to refuse. "This was basically an unsolicited bid that came to us," Rucker said. "As a partnership, we knew we had some valuable properties that had appreciated in the last few years. I'm sure we'll continue to look at all kinds of opportunities."

Though a few of the buildings are occupied by South Atlantic, Rucker said that business was not included in the deal. South Atlantic will lease space from GE Commercial.

Officials at GE Commercial were not available for comment, but Royster said that the company, which is based in Bellevue, Wash., had been expanding its real estate holdings, as many pension funds have, in recent years, and saw the portfolio as a good opportunity. Royster said he expected GE Commercial would invest additional capital in the two vacant buildings in an attempt to lease them.

The deal also continues a recent trend in the Triad of companies from outside the state, especially from the Northeast and West Coast, buying up real estate in the region as an investment. And the deal is not likely to be the last. Both Greensboro-based Starmount Co. and Highwoods Properties have large portfolios currently up for sale. "There have been shifts in capital, so the profile of (real estate) owners are changing," Royster said, adding that Triad Commercial had recently worked a similar, \$136 million industrial portfolio deal in Richmond, Va., a couple of months ago.

"You have larger national buyers buying up the portfolios of larger regional players."

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