



TRIAD
COMMERCIAL
PROPERTIES

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

CHARLOTTE GROUP BUYS G'BORO INDUSTRIAL PARK

October 17, 2003

by Paul Davis, The Business Journal

Greensboro — A Charlotte-based partnership has taken its first position in the Triad after buying an industrial park in southwest Greensboro from Highwoods Properties.

Beacon Ventures LLC, a subsidiary of Beacon Partners, bought Holden/I85 Business Park on Sept. 30 for \$5.8 million, according to public records.

Tim Shaughnessy, chief financial officer for Beacon Partners, said the purchase consists of eight buildings with 160,072 square feet of office/warehouse “flex” space. He said the deal excludes one building in the park, which Highwoods had previously sold to a tenant.

Seven of the buildings sold are flex properties built in the late 1980's. The eighth building is a warehouse that Highwoods built in 2000. Shaughnessy said Beacon Ventures principal Pete Lash had been interested in buying the park for “some time”, particularly due to its proximity to Interstate 85 and a “good mix” of tenants that includes Bellsouth, Piedmont Plastics, and Dow Electric.

Shaughnessy said his group will face the challenge of filling a significant amount of empty space in the business park. He said about 30 percent of the space is vacant.

Beacon Ventures hired Triad Commercial Properties in Greensboro, which handled the sale for Highwoods, to lease and manage the park, Shaughnessy said. It is unclear if Triad Commercial will cut flex rates for the park, which were listed at \$8.50 a square foot in the Business Journal's spring leasing guide.

For Highwoods, this concludes a two-year effort to sell flex properties that were not close to Piedmont Triad International Airport, said Mark Shumaker, Highwoods' Triad division manager. Highwoods asked Triad Commercial around a year ago to start looking for interested buyers.

“It was a noncore asset both in terms of geography and product type,” Shumaker said. “Flex (space) is not viewed typically as an investment-grade real estate holding, and it can be very capital intensive in terms of tenant-improvement costs.” Shaughnessy said his group is interested in adding to its new Triad portfolio.

“We are definitely in a mode of looking for good deals to the extent that we could find good properties and value,” he said. “The more (properties) you have in any one location makes the cost of operating go down.”

© 2003 American City Business Journals Inc