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Palisades Park Trades in One of Atlanta's Largest Office Investment Sales of 2018

Oaktree Capital, Atlanta Property Group Pay \$121 Million for 4-Building Office Park in Dunwoody



In one of Atlanta's largest office investment sales this year, Los Angeles alternative investment manager Oaktree Capital acquired a key stake in the Palisades Office Park in Dunwoody, GA.

Oaktree and partner Atlanta Property Group (APG) paid \$121 million for the set of four Class A office buildings near Interstate 285 and Ga. 400. The seller was Angelo, Gordon & Co., a New York-based alternative investment manager that also had partnered with APG. Angelo, Gordon and APG owned the portfolio for about four years before Angelo, Gordon sold its position.

Palisades Office Park comprises four office buildings totaling 636,856 square feet of space, including the 11-story Building D at 5909 Peachtree Dunwoody Road. Building D is home to insurance companies New York Life and Centene Corp., a Fortune 100 company as well as tax firm Schwartz International and an office of The Coca-Cola Co.

The sale exemplifies continued investor confidence in Atlanta's office market, which has seen rental rate increases and an overall lack of new construction in key markets including Central Perimeter and Buckhead. The overall price of \$121 million ranks the sale of Palisades as the fourth-largest office investment of 2018, according to CoStar research.

Palisades is located in the heart of Atlanta's Central Perimeter, a market favored by national investors seeking assets in Atlanta. Most recently, Starwood Capital Group, the Greenwich, CT-based investment firm managed by accomplished lodging executive Barry Sternlicht, [paid \\$104.8 million](#) - or \$252 per square foot - for 7000 Central Park.

During its tenure as owner, the Angelo, Gordon and Atlanta Property Group partnership sold land at Palisades to multifamily developer Pollack Shores Real Estate Group of Atlanta. Pollack Shores currently is developing The Bishop, a luxury apartment community at the office park.

Office tenants at Palisades, which received Estoppel Certificates asking them to confirm their lease terms, should see no difference in management and services since Atlanta Property Group continues to be the public face of the ownership group, APG partner Jonathan Rodbell told CoStar News.

For more information on the transaction, please see CoStar COMP #4470199.