

# ATLANTA HOMES<sup>TM</sup> & LIFESTYLES

## PRIDE *of* PLACE

*The Architecture Issue.  
historic homes  
& modern outlooks*

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above Equity Estates, Napa Valley. right Equity Estates, Costa Rica.



# Vacation VENTURE

WRITTEN BY *Lori Johnston*

ATLANTA-BASED EQUITY ESTATES is aiming to turn vacations into a long-term investment. Its luxury residence fund has a portfolio of more than 60 residences in more than 25 countries such as Costa Rica, Turks & Caicos, Hilton Head and Lake Tahoe. Equity's first fund raised more than \$60 million, and the second fund, which seeks to raise about \$30 million to purchase another 10 to 12 residences, is expected to be finished this year. **MATHEWS FURNITURE + DESIGN** and **PINEAPPLE HOUSE INTERIOR DESIGN** have contributed to the design of the properties.

Average annual occupancy rate is 57 percent, which protects the properties and allows investors to have their pick of vacation spots. "We are intentionally putting homes in a portfolio for the long-term financial gain of investors," says co-founder Philip Mekelburg. We are leaving time available for homes (to be) open. We are not acting like a hotel or renting it out."

# MARKET MANIA

WRITTEN BY *Lori Johnston*

ROBIN LOUDERMILK stepped into his second career as a developer about five years ago, after his role at Aaron's, the Atlanta-based rental company his father, Charlie Loudermilk, founded. Now, his planned Buckhead Village projects include a new 50-unit condo/retail tower at the triangle, a 12-story office tower (359 E. Paces Ferry), a medical office building (371 E. Paces Ferry) and the renovation of the former Aaron's headquarters (309 E. Paces Ferry) for office and retail. Architecture firms Lord Aeck Sargent and Rule Joy Trammell Rubio are involved.



**HOW WOULD YOU DESCRIBE ATLANTA'S DEVELOPMENT CYCLE?** There's been a boom in the multifamily residential development, for rent mainly. It's hard to get financing now. I think a lot of lenders are shying away. They're wondering how long the market can sustain it [with so many projects announced] and how rents will support it. Construction costs are going up.

**HAS THAT AFFECTED YOUR TIMETABLES?** We are doing more boutique-y type projects because we own the land. And for the large projects that you see us doing we're partnering [with others for ownership]. We'll end up at the end of the day owning the retail and parking component [with Hanover Buckhead Village next to the Buckhead Theatre].

**HOW COULD RISING APARTMENT RENTS AFFECT FUTURE DEVELOPMENT?** We're hitting rates that nobody has ever seen before in Atlanta. What are you going to do? Move 20 to 30 miles away and fight traffic? Put it in the gas tank, or pay the rent. It's going to continue being rentals. We're pretty darn cheap, when you compare Atlanta to other markets.

**DESCRIBE THE CHANGES IN STORE FOR BUCKHEAD VILLAGE.** The buildings have kind of outlived their useful life. Fifteen years ago, all the properties were owned by separate owners. Some folks had to come in and consolidate, put these parcels together. We got ahead of it. We're trying to keep the village scale and the walkability.

**IS THERE A HOTEL PLANNED FOR THE PROJECT NEXT TO BUCKHEAD THEATRE?** There is no hotel. We first contemplated a hotel, and frankly, the land prices outran development. We tried and tried and tried. Now it's 300-plus residential units.

## by the NUMBERS

Housing permits are skyrocketing. Here's a quick snapshot of the construction boom.

### FULTON COUNTY

5,078

Total housing permits (single and multi-family), January–April 2016

2,544

Total housing permits (single and multi-family), January–April 2015

### ATLANTA

3,289

Total housing permits (single and multi-family), January–April 2016

1,762

Total housing permits (single and multi-family), January–April 2015

Source: SOCDs Building Permits Database