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Florida developer enters Atlanta market with new Buckhead condo tower (Renderings)

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A Florida developer entering the Atlanta market is counting on pent-up demand in the city for high-rise luxury condominiums in Atlanta as it prepares to break ground in the first quarter 2020 on 22-story The Graydon Buckhead.



RENDERING/SPECIAL

Kolter Urban's project is to be located at 2520 Peachtree Road, which is a 1.8-acre site north of Lindbergh Drive where Atlanta developer JPX Works LLC once planned to build the Emerson, a 21-story, 41-unit condominium tower with prices starting at \$2.2 million up to a more than \$6 million penthouse.

The Graydon's 47 two- and three-bedroom units will start at \$1.6 million and go up to \$8.5 million for the sole penthouse, Ed Jahn, senior vice president, Kolter Urban, told Atlanta Business Chronicle. The company, which is working with Ansley Atlanta Real Estate's Developer Services division, expects to begin taking reservations for units in the next seven to 10 days, he said.

The Graydon is the first Georgia project and the first outside of Florida for Kolter Urban, the condominium and townhome development division of Palm Beach County, Fla.-based The Kolter Group LLC. Kolter Group's Kolter Home and Kolter Land divisions both have been active in Georgia, with 10 projects involving either

direct residential development or lot development for other homebuilders. The company also has a hospitality division.

An affiliate of Kolter, KT Buckhead LLC, bought 2520 Peachtree Road from 2520 Venture LLC for \$13.5 million on April 15, 2019, according to Fulton County property records. Financing included a \$8.775 million construction mortgage with CIBC Bank USA, with a maturity date of April 15, 2023, according to property records. Jahn said that money was for initial construction.

"We are very excited about the market and about Atlanta and what Atlanta offers," said Jahn. "We believe it is a prime location and a prime time to bring a luxury high rise to the Buckhead area."

Kolter Urban looks for locations that are easily accessible and with great views, as well as walkability, Jahn said, and The Graydon site scores high on "many of those points." The project is expected to offer view of the Buckhead, Midtown and downtown skylines and the city's historic tree-line neighborhoods.

Jahn believes there are sidelined buyers waiting for new construction, high rise condominiums in Atlanta, making the time right for Kolter Urban to enter the market. There haven't been many new condominiums built in the metro area in the past 15 years but the population has grown, he noted. Other Buckhead residential towers include the Waldorf Astoria Residences, the St. Regis Atlanta and the Ritz Carlton Residences.

"With all of the corporate offices that are in the Atlanta area, the demographics, the existing price points of existing homes in the area, we believe that bringing a boutique luxury project of 47 units to the Buckhead area, that there's going to be a large supply of people that would be potential buyers, whether it would be people downsizing from a single family home, they may be going from another condo to this condo, (or) this may be a second home for them, that they perhaps live in the Northeast and they are coming down to Atlanta for a second home," Jahn said. "We think there is a large variety of potential buyers in the market."

The proposed Graydon project follows on the heels of the Loudermilk Cos.' successful condominium tower The Charles, located at 3107 Peachtree Road in the Buckhead Village, about 1.3 miles north of 2520 Peachtree. Eight homes remain available at the 57-unit Charles since sales began in December 2016, said [Anne](#)

Schwall, vice president developer services, Atlanta Fine Homes Sotheby's International Realty, which marketed the project for Loudermilk Cos.

The Charles met a 30% pre-sale condition for breaking ground in June 2017, with units starting at \$1.4 million for two-bedroom and den, 2,400-square-foot units and ranging up to \$4.3 million for one of the three penthouses, which were all over 4,000 square feet, Schwall said. The largest penthouse was approximately 4,900 square feet. All three penthouses were sold. Loudermilk was able to raise prices 12% throughout the project over the three years, she said.

"We think it was extremely successful. We delivered the building 80% sold, 90% (sold or) under contract," Schwall said.

Kolter Urban representatives spoke with the Atlanta Fine Homes Sotheby's International Realty team at The Charles in researching the Atlanta market.

"It was very helpful," Jahn said. "The Charles is a very nice project. Ours is a just a little different than The Charles. It is not in as much of an urban setting. Our design is a little more classic design versus an urban design. I think both projects will be a success. The Charles is already, from all accounts, a success and so, being that our project is a little different, a little smaller in number of units — 47 versus 57 is not that big of a deal — we think that our offering, being more of a boutique-y setting, will appeal to a lot of people."

The main attraction for The Charles buyers has been the location in Buckhead with proximity to retail and restaurants at the Shops Buckhead Atlanta and the Buckhead Village, Schwall said.

The Lindbergh area isn't as dense, with less concentration of retail and restaurants. But Jahn sees that as a potential plus.

"I feel that it is walkable enough. This property offers close proximity to great restaurants, culture and shopping in a secluded setting. It's the best of all worlds," he said, "where you can go into the more commercialized areas at a short distance as often as you want, and come back to the more neighborhood setting."

That could be appealing to residents of nearby area neighborhoods like Peachtree Battle and Peachtree Hills who choose to downsize from single-family homes of

5,000 square feet and more. Jahn noted the amenity area is to be located in the rear of the building where the traffic noise is muffled: “quiet, serene and tranquil.”

The Graydon will offer two bedroom homes of approximately 2,200 square feet with a den and 2.5 bathrooms for \$1.6 million, with 2,500-square-foot, two-bedroom, den and three bath homes priced at \$1.9 million, according to Jahn. A three-bedroom, den and 4.5 bath home of about 3,500-3,600 square feet will be priced at \$3.2 million, while the sole penthouse on the 22nd floor, priced at \$8.5 million, is designed to be 5,850 square feet with four bedrooms and 5.5 bathrooms.

The project will incorporate amenities including valet and concierge services, a pool and spa, entertainment areas, formal and informal club rooms, fitness center with spin studio, a yoga lawn, a news room, dog spa and park, and two guest suites, according to the company.

The project is named for landowner Wesley Grey Collier, whose home was located on the west side of Peachtree Road south of Muscogee Avenue. It’s designed by Rule Joy Trammel + Rubio Architecture. Integra Construction is the general contractor. Susan B. Bozeman Designs is the interior designer of the common spaces and residential finishes. Ansley Atlanta Real Estate will handle sales for the development.

There have been 4,637 condominium units sold in the Atlanta metropolitan statistical area so far in 2019, totaling \$1.17 billion in sales volume, with an average sale price of \$252,587 and a median price of \$213,000. That compares to 4,526 units sold, sales volume of \$892 million, with average sales price \$197,223 and median price \$161,000 in 2015, according to the Georgia Multiple Listing Service.

In Buckhead, 2019 year to date, 1,275 condo units have sold, totaling \$437 million in sales volume, with average price \$343,025 and median price \$260,000. That’s down from 1,327 units in 2015, totaling \$396 million, average price \$298,858 and median price \$219,000 in 2015, according to GMLS. It said 525 of the 2019 sales were high rise units, including four new construction. The average sale price of the new construction high rise units was \$2.18 million and the median price was \$2.03 million, according to GMLS.

Kolter Urban has completed or has under construction more than \$3 billion of residential projects including more than 2,800 condominium and townhouse residences.

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