

Massive mixed-use Gwinnett project stalls out

By Lisa R. Schoolcraft
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Billed as Gwinnett County's answer to Atlantic Station, developer Wayne Mason's proposed \$600 million mixed-use Global Station project is dead.

Mason sold the 42.5-acre site at the corner of Pleasant Hill Road and Satellite Boulevard July 19 for \$30 million to **Phillips Investments LLC**.

When it was announced in June 2006, Global Station, adjacent to Gwinnett Place, Atlanta's eighth-largest mall, had plans for office towers, condominium towers and redeveloped retail space.

"I had it under contract with an Asian group for almost a year," said Mason, CEO of **Madison Ventures Ltd.** "They never could get all the finances in order. I finally just gave up on it."

From its inception, Global Station was an aggressive project, said Patti Pearlberg, vice president of **Coro Realty Advisors LLC**.

"It's no different than any real estate project," she said. "The right project at the right place can make sense. I don't know the details of that specific project, but that project was very aggressive and things are tough right now."



Mason
Madison Ventures Ltd.

This is the second large-scale abandoned project for Mason, who walked away from development of a portion of 80 acres he controls along the Beltline, after disagreements with the city of Atlanta over

rezoning. Mason bought the land for Global Station in April 2006, starting with 38 acres from the estate of mall developer Scott Hudgens. He paid \$20.5 million for the property. Mason later added 4 acres from The Kroger Co. for \$4 million.

The 42.5-acre site is occupied by Gwinnett Prado and Gwinnett Station, which has 421,000 square feet of retail space that is only 20 percent occupied, said George Reid, director of **CBRE Melody & Co.**, who represented Mason in the sale.

Six months ago, Phillips approached Mason "and offered me a deal I couldn't turn down," he said. "I just bought [the Global Station land] as an investment."

New owner Ly Phillips, partner in Phillips Investments, said she has 14 leases ready to go with new tenants, including a sandwich shop, a hair salon, a coffee

shop, a noodle shop, a jewelry store, a lawyer's office, a travel agency, and a mortgage company office.

"We haven't even advertised and I have people calling me [to lease space]," said Phillips, who was represented in the recent sale by Sam Hale, associate broker at **Brown Realty Advisors Inc.**

She expects to attract ethnic retailers and hopes to get some of them in their space by Aug. 1. Phillips may add more retail space to the site and plans to give the existing shopping centers "a face-lift" but does not know what that will cost.

She's also received an offer to sell 3 acres to another developer to build a high-rise hotel.

Global Station is not the only Gwinnett project to get revamped.

Yamasaki Development Inc. has changed its proposed \$150.8 million La Bella Verde, two 25-story condominium towers on Steve Reynolds Boulevard near Interstate 85, said Joe Allen, **Gwinnett Place Community Improvement District** executive director. The new project, now mid-rise condos with retail space, is called Villa More.

The Gwinnett Place trade area has the highest vacancy rate compared with other mall trade areas in metro Atlanta, said Ruth Coan, principal at **The Shopping Center Group LLC**. To some degree, vacancy in the area is the result of speculators who have purchased properties with an eye toward redevelopment and let retail leases expire, she said, but then have not followed up.

The area's high vacancy may ultimately spur new retailers to cater to the rising Asian population in the trade area, as well. Coan said.

