

# SOUTHEAST REAL ESTATE BUSINESS®

The Southeast's Real Estate Source

## GROCCERS REMAIN TOP BRASS IN CAROLINAS

Entertainment, fitness and fast-casual dining concepts are also infiltrating the region with new stores.

By John Nelson

The narrative of “grocery wars” may be considered well-worn at this point, but in North and South Carolina, the development and leasing activity of grocers is playing out like a montage scene from a war movie, where battle formations are drawn and troops are making their advances.

The Carolinas have a couple home-grown grocery brands, namely Harris Teeter, that are entrenched in the market. The company, recently purchased by Kroger, has been reformatting its stores and expanding its capabilities in preparation for other large-scale supermarket chains like Publix and Wegmans that are scouring the region for sites.

“Publix is marching north, they’re

now in Virginia where we’re based,” says Jon Wheeler, CEO of Wheeler Real Estate Investment Trust (Wheeler REIT), a shopping center owner and developer based in Virginia Beach. “Wegmans is marching south as well, which bodes well for the area because they tend to have a higher demographic profile like Trader Joe’s and Whole Foods Market.”

In the Charlotte suburb of Belmont, Harris Teeter will anchor the 105,000-square-foot Belmont Town Center, a shopping center under development by Raley Miller Properties. The grocer plans to open the new store this fall, roughly a year after opening a 53,000-square-foot location in nearby Gastonia.

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Regency Centers is developing Midtown East, a retail center in Raleigh that Wegmans will anchor. The Raleigh store will be Wegmans’ first location in the Triangle region.

## ‘PLENTY OF RUNWAY LEFT’

A multifamily investor outlines a three-step acquisition strategy for 2017.

By Colin Gillis of Passco Cos.

Multifamily has remained the preferred investment vehicle of commercial real estate for the last several years, and for good reason. Apartments have demonstrated strong demand, healthy absorption levels and rents that are growing at rates above historical norms.

In addition, multifamily provides a stabilized opportunity for investors, as it is more apt to withstand shifts in economic pressures compared to other products types. People will always need a place to live, and therefore there will always be demand for multifamily product.

see **MULTIFAMILY**, page 35



Passco Cos. purchased The Ivy in Orlando’s Florida Hospital Health Village in 2016. The firm was attracted to Orlando’s job growth and the metro’s renter demographics.

## UNCERTAIN FUTURE

Interest rates, political unrest threaten to jeopardize health of commercial real estate, says economist.

By Peter Muoio of Ten-X

The U.S. economic expansion continues on, extending its long streak of slow but steady growth. The economy has benefited from years of stability in both the political and monetary realms, but massive paradigm shifts are underway. These changes are breeding uncertainty, which threaten both overall economic

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