

Real Estate  
**Forum**

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**THE BEST**  
IN COMMERCIAL REAL ESTATE

FEATURING

2018'S BEST DEALS & DEALMAKERS

CRE TECH'S TOP ENTERPRISERS

INFLUENCERS IN...NET LEASE

Last year was one of plenty for dealmakers across the nation. Despite some reports, leasing activity was steady in many markets, spurred by the tech and pharmaceutical/biomedical fields. Financing was going at a full clip as borrowers sought to take advantage of interest rates before they started rising. Several markets across the country welcomed new developments across the property spectrum. And the \$562.1 billion in investment transactions recorded by Real Capital Analytics marked a 15% jump from the prior year. Meanwhile, prices rose by some 6% across the board.

Of course, much of that was due to the M&A activity the industry saw as private equity players took advantage of public market pricing to grow their holdings. We take a look at these entity-level deals below, followed by our annual rundown of some of the most significant transactions that took place throughout the country last year.

2018 was a high water mark for real estate merger and acquisition activity. By SNL's reckoning there were 22 M&A transactions announced of firms that the company covered. Those deals aggregated \$90.55 billion in deal value and were up 154.7% compared to the \$35.55 billion over 18 M&A deals announced in 2017.

Many of these transactions stand out because of their massive scale. For example, the top two transactions were by

Brookfield Asset Management when it acquired two REITs in separate deals: GGP in a \$15 billion takeover and Forest City Realty Trust in a \$11.4 billion transaction (*see sidebar*).

Another deal that rivaled the heft of Brookfield's GGP transaction was Unibail-Rodamco's \$15.7 billion takeover of Westfield Corp. After multiple approvals, the two companies declared that the cash-and-stock deal, which was first announced the previous December, would create "the world's premier developer and operator of flagship shopping destinations."

Although not quite the scale and scope of these retail plays, there were many other significant acquisitions from 2018.



In one of the largest single asset permanent loans ever obtained for a multifamily community in South Florida, Aztec Group's Peter Mekras arranged \$142 million for Square Station, a transit-oriented multifamily development in Miami's Arts and Entertainment District. The 10-year fixed-rate loan was awarded to Freddie Mac via Berkadia's Miami office as its seller servicer. The borrower is Melo Group, developer of the 710-unit rental property, which also includes 20,000 sf of retail.