

Atlantic Cos. Lands \$59M Refi for Atlanta Asset

Proceeds retire a maturing construction loan.

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The Atlantic Cos. has secured a \$59 million loan for 8West, a 193,000-square-foot office building in Atlanta. The lender is Morning Calm Office Finance, a recently formed \$500 million joint venture between Morning Calm Management and a global investment manager. Eastdil Secured negotiated the deal, as reported by Commercial Observer.



The financing also includes a mezzanine component, that was initially meant to be covered by MCOF. Proceeds retire a maturing \$37.3 million construction loan that was provided by a private lender in 2018, according to CommercialEdge data. The property's previous debt also included a two-year, \$70.5 million bridge loan provided by Rubenstein Partners in 2021.

Completed in 2020, the Class A creative office building rises nine stories and features open floorplates averaging 22,500 square feet. Amenities include a fitness center, a rooftop deck, a catering kitchen, collaborative spaces and conference facilities. One of the property's major tenants is Ford Motor Co., which leased 24,000 square feet for its Atlanta Research and Innovation Center in 2022.

Located at 889 Howell Mill Road in West Midtown Atlanta, the property is roughly 2 miles from the city's downtown. It is also adjacent to the Georgia Institute of Technology and its campus.

Navigating the financing environment

MCOF aims to provide financing to office owners over the next two years as the economic environment has created a particularly severe capital void. Construction financing specifically has become harder to come by, and with more difficult terms if obtained. Lenders seem to be mainly looking for borrowers with the possibility of securing permanent financing.

But MCOF is not the only real estate lending venture that has Morning Calm Management as founding partner. In May, the Boca Raton, Fla.-based firm joined forces

with Axar Capital Management for the creation of a joint lending platform targeting the middle-market CRE.

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