

# The Herald-Sun



## Greenfire sells Willard Street property for \$2.6 million



Jun. 12, 2013 @ 06:31 PM

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DURHAM — Greenfire Development sold property on Willard Street downtown for \$2.6 million to a company connected to the Virginia Beach, Va.-based real estate firm that it planned to partner with on an apartment construction project at that site.

The Durham development company announced last year it was planning to partner with Virginia Beach-based Armada Hoffer to build a \$20 million, 183-unit apartment complex at the corner of Jackson and Willard streets. The location is near the N.C. Mutual Life Insurance Co. headquarters building.

Work was targeted to begin in the first quarter and to be finished next year. The property that Greenfire sold Monday is at 501 Willard St. in Durham, according to Durham County property records.

It sold to a limited liability company called AH Durham Apartments LLC, which has the same listed address as Armada Hoffer.

The sale was the latest sale or contracted sale for Durham-based Greenfire.

In February, a Greenfire company sold the downtown SunTrust tower to Kentucky-based 21c Museum Hotels. The company plans to turn the building into a boutique hotel. Greenfire remained a minority partner in the company that bought the building, 21c Durham.

And last year, a Greenfire firm sold vacant land and several vacant buildings in downtown's City Center where a Colorado-based development firm plans to build a 26-story tower, primarily for apartments.

More recently, developer Roger Perry of East West Partners got a contract on Greenfire's Liberty Warehouse, the former tobacco-auction warehouse on Rigsbee Avenue. The proposal is to redevelop the property into apartments and commercial space.

A partial roof collapse at Liberty in May 2011 sparked lawsuits from former Greenfire tenants in the building as well as a lawsuit by the insurance company of a former tenant.

In reaction to the deals, retired downtown economic development leader Bill Kalkhof championed Greenfire and its managing partner Paul Smith.

Kalkhof, the former president of Downtown Durham Inc., described the firm as moving forward to find partners to accomplish what he said had been the Durham firm's own development vision.

"Greenfire owned a lot of property, and they honestly, because of the economy and other issues, they simply didn't have the money to develop the big projects, and that's when we really talked about, maybe we should try to find some really good partners," he said.

He credited Smith with what he called a turnaround in the firm's strategy.

"What you're having happening now in downtown Durham is the property that they own is being sold and moved, under development," he said. "And development of that property is very consistent with the vision that Greenfire had back when they were purchasing all of this property."

Smith could not be reached for comment. Attempts to reach Armada Hoffer officials were also not successful.