



- Bidding Wars Escalating for These Assets  
Last Updated: May 13, 2015 12:37pm ET

## Bidding Wars Escalating for These Assets

By [Jennifer LeClaire](#) | Atlanta

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"Bidding wars are a common occurrence for prime net lease assets in primary markets."

ATLANTA—There's no doubt that foreign capital loves net leased assets. But how much? And with whom are foreign investors competing? Just about everybody, as it turns out, at least for net leased assets in prime markets.

GlobeSt.com caught up with **Jereme Snyder**, executive vice president of Retail Services at **Colliers International**, to pick his brain about foreign investors in the net leased market and the bidding wars in part two of this exclusive interview. You can still read part one: [Colliers Sees Spill Over Into Tertiary Markets](#).

**GlobeSt.com: Where do foreign investors fit into the net leased market?**

**Snyder: Foreign capital** has made a strong impact on the net leased market, particularly in gateway markets and—generally speaking—along both seaboards. Relative to other investment instruments, including low risk bonds in foreign countries, US properties still present attractive, stable returns along the risk spectrum to foreign investors looking to boost returns and diversify

risk. Many of the competitive buyers, especially for non-institutional assets are from foreign investors.

***GlobeSt.com: Are you seeing any bidding wars in the net lease sector? If so, can you offer any examples?***

**Snyder:** Bidding wars are a common occurrence for prime **net lease** assets in primary markets. Investors are thirsty for long-term leases with fixed rental increases backed by investment grade credit situated in an excellent location.

Recently, we sold a brand new 20 year Starbucks ground lease on a hard corner in Southern Los Angeles. With multiple competitive offers, we were able to play the buyers off of each other and achieve a record setting cap rate for the asset at a 3.43% cap rate. The property proved uniquely attractive due to its 20 year term with fixed increases and investment grade corporate guarantee.

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Jennifer LeClaire has been covering the real estate industry for the past decade. Her credits include the New York Times, Associated Press, Florida Real Estate Journal, The Real Deal magazine and many others. Jennifer is based in Hallandale Beach, FL. Contact [Jennifer LeClaire](#). [Bio](#)

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