



Commercial Real Estate Specialists

2015 Newsletter

# Southpace Properties

BIRMINGHAM, ALABAMA

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## STRAIGHT talk

WITH JOHN LAURIELLO, CCIM

2015 was our 31st year in business. As I say every year, "Where did the time go?" We had an overall good year; had a few staff changes, added some folks, lost one of our wonderful brokers, Tyler Bradford, who was hired by Books-A-Million as Vice President of Real Estate—all things considered 2015 was fine.

Our brokerage activity was mixed, we added some new property management assignments and developed a few projects for clients. Our retail brokers have been really busy, the warehouse and industrial sector was OK, and overall office, especially south of town, has been very soft.

Downtown is doing very well, with new and redevelopment projects being developed for residential rental units, mixed use and office. There is more than \$600 million in private development in the

downtown/midtown area—that's more than the last 15-20 years combined.

Up until now our most consistent growth in the downtown/midtown area has been Children's Hospital, UAB and Health Services, which continue to grow, but now private developers are in the market. For the first time in 30 years, UAB/Health Services has competition for properties, which is raising the price of property in the lower southside/midtown areas.

Avondale and Lakeview continue to grow and expand, especially with all the new residential units and retail being developed for lease. The over-the-mountain activity for retail and residential is also very good, with prices continuing to increase and demand exceeding supply. North and East of Birmingham, Gardendale, Fultondale, Trussville and Moody are also enjoying good retail and residential activity.

The overall outlook for metro Birmingham is OK, not great. We simply are not adding many new jobs or bringing new companies to our market. The cities we compete with—Atlanta, Nashville, Charlotte, Jacksonville, Tampa—are all doing fine. Nashville maybe the hottest city in the south, other than Atlanta.

Investment properties are selling for really low cap rates/returns. It's a great time to be a seller of investment grade real



300 Richard Arrington Jr. Blvd. N  
Title Building, Suite 900  
Birmingham, AL 35203  
[TEL] 205.326.2222  
[FAX] 205.251.4753  
[www.southpace.com](http://www.southpace.com)

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estate and a horrible time, in our opinion, to be a buyer—unless you're a tenant owner, in which case, these deals can still work, mainly due to extremely low interest rates.

In fact, several of my clients who own buildings that they occupy are being contacted by many folks to sell their properties, with them signing long term leases. This "Sale-Leaseback" is not a bad option, but if you have a property that your firm/company occupies that is either paid for or will be paid off within the next three, five or seven years,

why sell it? Where will you find a safer investment than a building you own and occupy? If we did the deal for you, the return before taxes is normally 10% or more per year. Where can you find a better investment in the current market?

There is simply too much money chasing too few deals. Again, it's a great time if you want to "cash out" and sell.

We are overly conservative on buying existing properties for our clients with low returns. We receive calls several times a month from great clients and

friends who have money and want to invest in income producing properties. We are not finding many deals that we can recommend.

It is not that we are afraid of risks, it's simply that the pricing is too high, and three to five years from now these types of investments may look awful.

Maybe we are too old-fashioned, but we worry about our clients and friends more than we worry about ourselves. And that is not going to change. **SP**



# Have a great 2016!



## OFFICE market

WITH BLAKE CROWE, CCIM

Over the past two or three years, I have begun the office portion of the Southpace newsletter by saying something along the lines of, "Are we finally seeing the end of the tunnel?" Unfortunately for the Birmingham office market, 2015 was not our year to break through with huge rebounds.

In fact, as of the end of the 3rd quarter of 2015, the market has posted a net absorption of -90,000 SF. In other words, we have lost approximately 90,000 SF in our multi-tenant inventory.

At the end of the 3rd quarter 2015, our vacancy rate is approximately 14.6%. If you include the sublease space that is on the market, our vacancy rate is approximately 16.8%.

The largest block of space vacated this year was Infinity Insurance, who left approximately 150,000 SF at the

Colonnade to purchase and occupy a building downtown. Although it is a positive note that Infinity is staying in Birmingham, it does not take too many of those "punches to the nose" to do some real damage to the numbers.

These are obviously not great numbers to boast about. However, if you focus on just Class A product, our vacancy rate is approximately 9.3%. That is not too bad, especially if you compare Birmingham to the rest of the southeast. Compared to the top 11 office markets in the southeast, we are in sixth place behind Nashville, Jacksonville, Memphis, Raleigh and Louisville. At 19,700,000 SF, our market is much smaller than some of these others in the southeast.

The Birmingham office market is comprised of seven submarkets. The Midtown submarket is historically the strongest submarket in Birmingham, however, Southside has overtaken it this

year. The vacancy rate is around 7.1%. The Highway 280 / I-459 submarket is hovering around an 11.6% vacancy rate. The Southside submarket is approximately 5.9% vacant. The Central Business District has a vacancy rate of around 16.4%. The Riverchase submarket is in the 11% vacancy range. The weakest submarket we have is the Oxmoor submarket. With a vacancy rate at approximately 37.5%, this submarket continues to struggle even though it has seen a positive absorption so far this year.

Class A rental rates average \$21.50 per square foot. Class B rate average is \$15.00 per square foot and Class C rates are approximately \$11.25 per square foot. It is likely that these rates will increase in 2016. There were modest increases in the A rates in 2015, however, B and C rates dropped slightly this year. Landlords will likely continue

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to be aggressive in offering rental concessions to increase activity and occupancy. The method appears to be working.

Despite being considerably smaller than our Southeast rivals, Birmingham has received a lot of attention from outside investors this year. The Hertz Investment Group purchased the Wells Fargo Tower. Privet Investments purchased Two North 20th, The Crescent Building and Urban Center at Liberty Park. The Matrix Group purchased Meadow Brook North, and Point One Holdings purchased Colonial at Blue Lake and International Park.

At the end of the 3rd quarter 2015, 89 buildings have been sold. In 2014, a total of 59 buildings were sold. In 2015, eight buildings sold that were over 100,000 SF!

I mention the information above to say even though we have significant negative absorption, outside investors see value in Birmingham....and they should! Birmingham is a slow and

steady market. We generally hold rental rates along a steady plain with modest occasional increases.

During the "good times" people hate that we are slow and steady; however, when the inevitable downturn comes, they love our market!

## MARKET REVIEW

Our 2015 overview of the major disciplines in the Birmingham commercial real estate market.

### Significant deals that happened in the office market this year

#### LEASE

Bradley Arant Boult Cummings, LLP renewed at One Federal Place 209,291 SF

Labcorp expanded in Midtown Center 25,048 SF

Education Corporation of America renewed at Grandview Plaza 57,371 SF

Newquest Management of Alabama renewed at Chase Corporate Center 71,923 SF

#### SALE


Meadow Brook North (508,976 SF) \$35,962,500

The Birmingham News Building (120,493 SF) \$19,591,353

Wells Fargo Tower (514,893 SF) \$75,980,00

Inverness Center (455,853 SF) \$53,400,000

BB&T Building (122,228 SF) \$15,190,000

*If you have any questions regarding the market in general or anything specific in this portion of the Southpace Newsletter, please feel free to contact me directly at 205-326-2222. *

## INDUSTRIAL market

WITH RICH VANCHINA, CCIM, SIOR

As Alabama's economy continues to grow, Birmingham's industrial real estate market is sustaining slow and steady occupancy growth. The automotive industry, as well as Alabama's business friendly economic climate, continues to drive the industrial sector of the market.

The overall occupancy rate of the approximately 116 million square feet of tracked industrial space increased to approximately 90%. Similarly to the last two or three years, we experienced very few individually significant transactions, but actually had a good year due to the large number of small-to-medium-sized deals that occurred.

More deals with corporate tenants are

being completed in central Alabama, and our usual amount of local and regional companies are also still healthy. This trend is consistent with other similarly sized tertiary markets across the United States.

#### OCCUPANCY BY THE NUMBERS

For the second straight year, the occupancy levels in each of Birmingham's five industrial submarkets experienced slight increases in 2015.

Occupancy in the Oxmoor Valley increased to 79% this year, while the Central and Western submarkets also increased to 83.5% and 90% respectively. Occupancy in the Eastern

submarket was unchanged, but remained strong at 91%. After a big year in 2014, the Southern submarket remained stable at a strong 90% occupancy level.

In addition to the modest leasing gains, sales of free standing owner-occupied industrial buildings increased again in 2015, which has resulted in a dwindling supply of quality industrial buildings. And similarly to the leasing market, relatively few of these transactions were large enough to be considered significant deals. This type of sales activity drives home the notion that the local and regional players in Birmingham continue to thrive. And with the supply tightening, we are definitely seeing a

price increase, although prices are still well below replacement value.

The market is still not experiencing any speculative development, however, build-to-suit activity is starting to increase. Interest rates for commercial real estate mortgages are still hovering close to record lows, so in many cases it makes more sense financially for these companies to own, as opposed to lease their buildings. Also, many of the commercial lenders in town are aggressively seeking owner-occupied commercial real estate loans, making it easier for qualified applicants to secure a great deal on a commercial mortgage. All of these factors have created a dwindling supply of available buildings, which has lead to inevitable price increases.

## SIGNIFICANT DEALS

One of the more exciting developments this year was auto supplier Kamtek's announcement of a major expansion to its operation in Pinson Valley. The total investment is expected to be \$530 million and will create around 350 jobs.

Also, Publix announced that it will build a 625,000 square foot distribution facility in Jefferson Metropolitan Park in McCalla. This \$34 million investment is expected to create approximately 200 new jobs. The company has not announced a timetable for construction.

Finally, generic drug manufacturer, Oxford Pharmaceuticals broke ground on its \$29 million, 120,000 square foot manufacturing facility in the Lakeshore

Jefferson County Metropolitan Park. This project is expected to eventually create 200 jobs.

Birmingham continues to benefit from the product shortage of industrial space created by the strong demand for industrial property in major U.S. markets, which has pushed some major tenants into secondary markets. As evidenced by the projects that were announced this year, corporate tenants realize that Birmingham has the geographic advantage of being an excellent strategic distribution location in the Southeast. This, in addition to a favorable business climate and quality standard of living, makes our region an excellent place for them to conduct business. **SP**

## RETAIL market

WITH DAVID ASHFORD, CCIM

Retail real estate in Birmingham continued to improve in 2015, with lowering vacancy rates and tenants looking for creative ways to expand their footprint in the market. A lack of available space has caused a serious demand for new developments. Although there was not much in the way of new development in 2015, we expect 2016 will bring more new construction.

In 2015, vacancy rates continued a slow but steady drop from 9.9% in the first quarter to 9.4% at the end of 3rd quarter this year, according to Xceligent. This steady drop is to be expected without new projects coming online. This should change in 2016 with the ground breaking of several new projects, such as 20 Midtown, Lane Park and Publix at Patchwork Farms among others. Although these projects will increase the square footage in the market, this will not increase vacancy rates much since the demand for retail real estate remains high.

The 20 Midtown project marks a huge achievement for the city of Birmingham. The first downtown grocery store, Publix, should be a shot in the arm to the

downtown/UAB market. The first tenants to be a part of the project, Starbucks and Chipotle, are doing very well and the additional phases to this project will also be successful. The addition of more than 1,000 apartments to the Downtown/UAB market will definitely help to attract more retail to the area.

High-end specialty grocers continued to expand throughout Birmingham in 2015, with Sprouts opening their store in Hoover and another under construction in Vestavia Hills. Whole Foods is under construction at their location in Hoover and should open middle-to-late 2016. Blackwater Development is working on a site in Trussville anchored by Fresh Market. The Piggly Wiggly in Crestline, currently under construction, will also deliver in 2016. But the biggest news in retail for 2015 was the opening of Trader Joe's at the Summit. The long awaited specialty grocer took the former Banana Republic space. Other new retailers to the Summit this year include, Alumni Hall, Sprout and Pour, The Art of Shaving, Tumi, Pieology and Oli-O. The opening of the Grandview Hospital has sparked a string of new developments on Cahaba River Road,

with two new apartment complexes and the addition of Publix to Patchwork Farms. Blackwater Development is developing the Publix and adding 39,000 square feet of shop space and four outparcels to the site.

New tenants to the market in 2015 mostly consisted of restaurant concepts—both national and local—like Bamboo, Five Point Public House Oyster Bar, Miss Dot's and Oven Bird as well as Grille 29, Sky Castle, Brava, Twisted Root Burger and Habitat Feed & Social. This year has also been the year of the pizza craze. Pieology, Ironstone, Pyros, Pizza 120 and Your Pie all expanded into Birmingham, begging the question, "How much pizza can you eat?"

As we look ahead, the future looks bright for retail in Birmingham. The downtown retail market is growing and should continue this growth next year as several projects with retail space are completed. Talk of several new projects in suburban areas surrounding Birmingham has us excited for what 2016 has to bring. **SP**





# Inside SOUTHSPACE

WITH BRYAN HOLT, CCIM, CLS

In 2013, I talked about leadership and how involved our brokers and I had become in leadership roles across the industry and also how the CCIM Institute had recognized John Lauriello's contributions with an endowed scholarship. In 2014, I talked about the implementation of our training program for new brokers and what an impact it had not just on the new brokers but on the veterans who administered the program.

Looking back now, 2015 seems like the year we hit the 'reset button' in our property management department. After more than a year of work, we are wrapping up a complete overhaul of our Skyline Property Management software and the accompanying database. This included a completely new software system and abstracting of every lease in the portfolio. The new system gives us much faster access to information and new metrics that will help improve the service to our clients.

In 2016, we will be working on integrating several new system capabilities into our property management process and we are looking to add more technology to our accounting department. I would like to thank our property management staff for all their hard work including several nights and weekends spent working with the vendor to get this massive project completed.

We also completed some minor building renovations this year, bringing our accounting department and property managers up to the eighth floor here in the Title Building. Getting everyone on two contiguous floors is already paying dividends in terms of communication and teamwork. Our Retail, Property Management and Accounting groups occupy the eighth floor, while Reception, Office and Industrial groups occupy the ninth floor. This historic building continues to serve us well and we are very proud to

remain downtown to witness yet another renaissance for Birmingham.

2015 was another successful year in leadership roles for our brokers serving industry organizations; CCIM, SIOR, BCRC, RBN, IREM and ICSC all had Southspace brokers and property managers serving in leadership positions. As the 2016 President of the Alabama CCIM Chapter, I am looking forward to making connections with CCIMs in markets like Mobile, Montgomery and Huntsville while leading the nation's top CCIM chapter.

My role on the Retail Brokers Network (RBN) Executive Committee has been invaluable, giving

me exposure to principals in the top CRE firms around the country. RBN is officially a referral network, but has proven to be even more valuable as an information exchange. Networking in leadership roles like this gives us access to resources that put us ahead of our competitors. The extra time, money and effort that goes into these commitments pays off when done consistently over time, and

Southspace has a legacy of industry leadership.

Those new brokers who we trained in 2014 are coming into their own and helped make 2015 one of our best years ever. As business continues to grow we will add another wave of

young talent to help us maintain the level of service Southspace clients have come to expect for the past 30+ years. **SP**

**“ This historic building continues to serve us well and we are very proud to remain downtown to witness yet another renaissance for Birmingham. ”**

# Our 2015 PROPERTY MANAGEMENT *report*




The mission of Southpace Management is to add value, to monitor and to account for our client's real estate holdings. This can only be accomplished if you have a dedicated team of experts who aspire to be the best in their field. Our current management team has the right combination of dedication, knowledge, experience and tenacity to excel in providing our clients and their tenants with unparalleled service.

In 2015, there were a couple of key personnel moves. Travis Rutherford, who took a leave of absence in 2014, returned this year and has resumed property management duties for a number of key properties in the Southpace portfolio, including the recent addition of the 115,000 square foot Office Park South complex in Huntsville, Alabama. Southpace is serving as the court appointed receiver and property manager/broker for this property.

Janice Self has taken on additional responsibilities within the management department and is now our Maintenance Coordinator. In this role, she is responsible for coordinating the daily activities of our maintenance staff and responding to tenant and property maintenance calls.

While retaining our wide ranging footprint from Texas to North Carolina, we also added some key office building assignments in our own backyard, the Central Business District and suburbs of Birmingham. Among those new assignments are the 34,000 square foot Chambers Building in Vestavia with excellent convenience to Highway 31 and I-65 and the 30,000 square foot Land Title building, which is prominently located in the CBD.

Southpace Director of Property Management, Tommy Joyce, along with Principal, Bryan Holt and Broker, Michael Randman, worked with an investor out of Bend, Oregon on the purchase of the Roebuck Crossings Shopping Center. The investor was impressed with our team and retained Southpace as the manager and agent of the property.

In 2015, Thomas C. Joyce, Jr., CCIM, CPM, Senior Vice President and Director of Property Management continued his involvement with the state chapter of the Institute of Real Estate Management (IREM). Tommy was installed in November as the 2016 Treasurer for IREM #43. 



# looking back at CASCADE PLUNGE



1929 postcard view of the Cascade Plunge entrance



1940s photograph of the Cascade Plunge swimming pool

Southpace broker Greg Despinakis reflects on Birmingham's Cascade Plunge—past and present.

I was about six or seven years old the first time I rode the streetcar from Norwood with my mom and sisters to Cascade Plunge.

We loved Cascade Plunge and made many visits there during the summer months. The magnificent Olympic-sized pool was fed by a year round (and very cold!) natural spring. My mother would pack a picnic lunch and we would eat under the shaded pavilion facing the pool.


As the years passed, additions were made to Cascade Plunge, including the famous "Cloud Room" which boasted many private parties, wedding receptions and other social events, including the annual Birmingham Bar Association soiree.

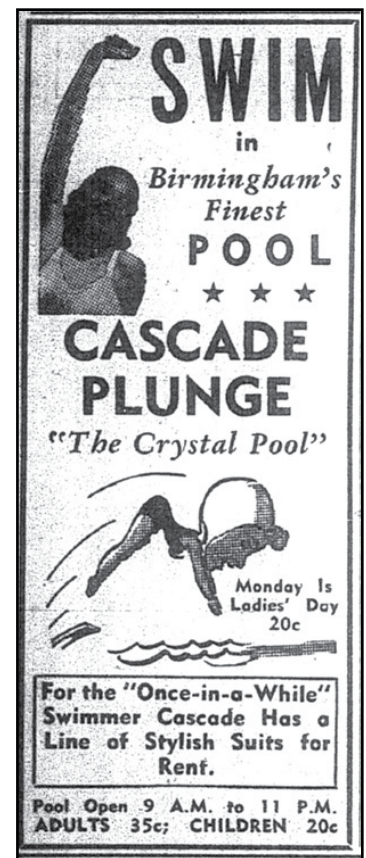
Over time, deterioration took its toll, and the pool was eventually stocked with fish to

allow the children in the neighborhood the opportunity to go fishing. The splendor of the Cascade Plunge from my childhood was no more.


While the Cascade Plunge may not currently live up to the glory that it once was, it will soon have a new life breathed into it by its new owners, Habitat for Humanity.

Never could I have imagined at the age of seven that I would grow up to become a realtor and represent the sellers of the 19 acres Cascade Plunge property to Habitat for Humanity, championed by my good friend Mike Graham of Graham and Company.

As Forrest Gump said, "Life is like a box of chocolates." 



**SWIM**  
in  
Birmingham's  
Finest  
**POOL**  
★ ★ ★  
**CASCADE  
PLUNGE**  
"The Crystal Pool"



Monday Is  
Ladies' Day  
20c

For the "Once-in-a-While"  
Swimmer Cascade Has a  
Line of Stylish Suits for  
Rent.

Pool Open 9 A.M. to 11 P.M.  
ADULTS 35c; CHILDREN 20c

photo credit: [www.birminghamrebound.com](http://www.birminghamrebound.com)



**Joseph Sedita honored as 2014 BCRC Rookie of the Year**

## Southpace Has Largest Presence Among All Firms in the BCRC Commercial Club of Excellence

For 26 of the 27-year history of the Birmingham Commercial Realtors Council (and 17 years in a row) Southpace has had more brokers named to the BCRC Club of Excellence than any other real estate firm. This year was no exception with a total of 15 Southpace brokers receiving award recognition for their outstanding sales and achievements in 2014.

Southpace's qualifying brokers in the sales and leasing division included: John Lauriello, Bill McDavid, Bryan Holt, Rich Vanchina, Blake Crowe, Andrew Loveman, Michael Randman, David Ashford, Tyler Bradford, Stephen Lazarus, Marcus Bruchis, Stutts Everette, Steve Mordecai, Bob Vines and Joseph Sedita.

Among achieving placement in the Commercial Club of Excellence, other affiliated honors and awards included Southpace Principal John Lauriello also becoming a 33 Years Club Member, Michael Randman becoming a 21 Years Club Member and Joseph Sedita recognized as Rookie of the Year.

Several Southpace brokers received Vulcan awards (having qualified for 10+ years) including Bryan Holt, Blake Crowe, Rich Vanchina and David Ashford. Steve Mordecai, Stutts Everette and Marcus Bruchis became New Life Members in 2014 (qualifying this year for the third time in a five year period) while Andrew Loveman, Tyler Bradford and Stephen Lazarus remained Life Members (continuing to qualify).

## We were honored to support these organizations in 2015





## Congratulations to Southpace Broker Steve Mordecai on earning his CCIM designation!

We're pleased to announce Southpace Properties Associate Broker Steve Mordecai earned his Certified Commercial Investment Membership (CCIM) designation in Austin, Texas in late October of this year.

The CCIM designation is acquired in three stages, beginning with completing more than 200 hours of case-study driven education on topics such as interest-based negotiation, financial analysis, market analysis, investment analysis and ethics.

The CCIM designation, which is conferred by the CCIM Institute, is a prestigious title that recognizes each member as an industry expert proficient in both theory and practice.

Southpace has always regarded the CCIM designation as the pinnacle of professional development in our industry. We encourage all of our brokers to work towards the designation and remain involved as industry leaders.



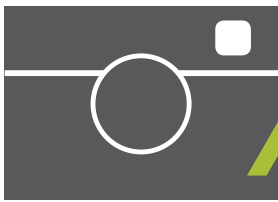
# See all of our CCIMs



We're proud to announce we have 12 CCIMs under one roof. That's more than any other commercial real estate firm in the Southeast.

When you work with our Southpace team, rest assured you're working with an industry expert who's certifiably proficient in theory—and practice.





# photo review

A look back at several highlights for Southpace in 2015.



1) Southpace employees enjoy a Birmingham Barons game. 2) Southpace brokers and friends take an ATV ride in Las Vegas. 3) A birthday celebration for Southpace receptionist, Gloria Weintraub. 4) Southpace brokers win YMCA Swing to Swim golf tournament. 5) Southpace Principal Bryan Holt being sworn in as next year's President of the Alabama Chapter of CCIM. 6) Southpace supports the Southside Orioles baseball team. 7) We cooked up some tasty treats at the Big Green Egg Fest in support of the Easter Seals of Birmingham. 8) Everyone had a great time at our annual summer lake party. 9) Southpace brokers go sailfishing.





# SHOW US YOUR *Southpace swag*

THE COAST OF HAWAII



CLEVELAND, OH



CHARLESTON, SC

WEST PALM BEACH, FL



COSTA RICA

E-mail your Southpace swag photos to [southpaceprop@gmail.com](mailto:southpaceprop@gmail.com) and we'll add them to our swag photo album on Facebook.



MOUNTAIN BROOK, AL



AMSTERDAM, NY



## 2015 DEALS

A sample of highlighted transactions our brokers completed in 2015.

## RETAIL



**Stutts Everette** & Tyler Bradford represented Twisted Root Burger Company in the leasing of 3,759 SF at 2501 Rocky Ridge Road in Birmingham, Alabama.

**Blake Thomas & Troy Gisi** represented the landlord in the leasing of 20,000 SF to Badcock Furniture at the Palisades Shopping Center in Homewood, Alabama.



**Bryan Holt & Stutts Everette** represented Zoës Kitchen in a built-to-suit at Brook Highland shopping center in Birmingham, which will be the fast casual chain's first freestanding restaurant in Alabama.

**Stutts Everette** represented Zoës Kitchen in the leasing of 2,800 SF in Dothan, Alabama.



**Bryan Holt** represented Pyro's Pizza in the leasing of 3,500 SF at the Shoppes of Legacy Park in Tuscaloosa, Alabama and 2,450 SF at the Crossroads of Opelika shopping center in Opelika, AL.

**Bob Vines** represented the United States Bankruptcy Court-Northern District of Alabama in the sale of a 3,605 SF former car wash to DLR Associates, LLC at 3295 Morrow Road in Trussville, Alabama.

**Stutts Everette** represented the landlord in the leasing and renewal of retail space at the Colonnade shopping center to the following tenants: Health Star Physical Therapy, FirstBank Mortgage Partners, Dr. Michael Maniscalco, Johnny Ray's BBQ, Gold's Gym, Black Market Bar & Grill, Avadian Credit Union, The Black Pearl and Pablo's Restaurant & Cantina.

**Andrew Loveman & David Ashford** represented the landlord in the leasing of 22,600 SF to Beauty Masters at Midfield Shopping Center in Midfield, Alabama.

**David Ashford** represented the landlord in the leasing and renewal of retail space at Country Club Park to the following tenants: La Paz Restaurant & Catering, Total Fitness and 32° Yogurt Bar.



**Bob Vines** represented ACT Properties in the purchase of the former V. Richards property, as well as two other adjacent properties at 3912 and 3920 Clairmont Avenue in Birmingham, Alabama.

**Bryan Holt** & Tyler Bradford represented Fleet Feet in the leasing of 2,957 SF at 3972 Airport Boulevard in Mobile, Alabama.

**Andrew Loveman** represented the landlord in the leasing of 1,800 SF to AT&T at 10055 Memorial Parkway in Huntsville, Alabama.

**Bryan Holt** & Tyler Bradford represented Milo's Hamburgers in the leasing of 2,393 SF at the corner of Highway 69 and Skyland Boulevard in Tuscaloosa, Alabama.



**Bryan Holt** represented Verizon Wireless in the leasing of retail space in the following locations across Alabama: 5,200 SF in Tuscaloosa, 4,400 SF in Alabaster, 5,100 SF in Homewood and 6,872 SF in Inverness.

**Stutts Everette** represented Verizon Wireless in the leasing of 1,200 SF at The Shoppes of Letson Farms in McCalla, Alabama.



**Bryan Holt** represented Chipotle in purchase and lease negotiations for a 2,200 SF location in Opelika, a 2,400 SF restaurant in downtown Birmingham and a 2,400 SF location in Vestavia, Alabama.

**David Ashford & Andrew Loveman** represented the landlord in the leasing of 10,811 SF to Mattress Firm at Hoover Square shopping center in Birmingham, Alabama.



**Bob Vines** represented Elements Float Spa in the leasing of 2,800 SF at 4851 Cahaba River Road in Birmingham, Alabama.

**Bill McDavid** represented Pranzo, an Italian-influenced restaurant, in the leasing of 3,750 SF in the Concord Center at 2100 Third Avenue North, Suite 100 in Birmingham, Alabama.

**Blake Thomas & Troy Gisi** represented the landlord in the leasing of 2,080 SF to Firehouse Subs at 800 Green Springs Highway in Homewood, Alabama.

**Andrew Loveman** represented the owner in the sale of a 9,000 SF former CVS at West Meighan Boulevard and North 27th Street in Gadsden, Alabama.

## INDUSTRIAL



**Rich Vanchina** represented the landlord in a lease renewal of 67,050 SF to Eben Tire and 6,000 SF to Mendez Woodworks at Continental Gin Industrial Park in Avondale, Alabama.

**Rich Vanchina and Jim Collins** represented the landlord in a lease renewal and expansion of 82,752 SF at 165 Goodrich Drive.

**Rich Vanchina** represented the landlord in a lease renewal of 28,800 SF of warehouse space to DMS Moving Systems at 900 Powder Plant Road in Bessemer, Alabama.

**Rich Vanchina** represented the landlord in an expansion and renewal of a total of 67,000 SF to Triton Stone at the Continental Gin Industrial Park in Avondale, Alabama.

**Bob Vines** represented B'ham Properties, LLC in the purchase of a 14,700 SF warehouse at 3722 Third Avenue South in Birmingham, Alabama.

**Rich Vanchina and Jim Collins** represented the landlord in a lease renewal of 61,658 SF and expansion of 21,094 SF to NDI Office Furniture, LLC at 165 Goodrich Drive in Birmingham, Alabama.

**Rich Vanchina** represented the landlord in the leasing of 16,335 SF to Mayer Electric Supply, Inc. at 504 34th Street North in Birmingham, Alabama.



**Rich Vanchina** represented the landlord in the leasing of 43,000 SF to American Freight at 4600 Highway 52 in Helena, Alabama.

**Rich Vanchina and Jim Collins** represented the landlord in a lease renewal of 24,000 SF to Royal Standard at 165 Goodrich Drive in Birmingham, Alabama.

**Bill McDavid** represented DHL Express in the leasing of 25,200 SF at 3636 7th Avenue North in Birmingham, Alabama.

**Rich Vanchina** represented the landlord in a lease renewal of a 30,000 SF warehouse at 2547 Commerce Circle in Birmingham, Alabama to Birmingham Packers, LLC.

**Rich Vanchina** represented the landlord in the leasing of 20,000 SF to Truckworx at 113 45th Place North in Birmingham, Alabama.

## OFFICE



**John Lauriello & Blake Crowe** represented the owner in the sale of the 57,000 SF Booker T. Washington building at 1728 3rd Avenue North in Birmingham, Alabama. The purchaser, Gray Construction, will renovate the space for their Southeastern regional office headquarters.

**Stephen Lazarus** represented the buyer in the purchase of the former Baptist Health System headquarters including approximately 69,000 SF of office space and 3.4 acres located at 3201 4th Avenue South in Birmingham, Alabama.

**Blake Crowe** represented Smith & Pace, PC in a lease renewal of 5,654 SF at SouthBridge Office Park in Birmingham, Alabama.



**Blake Crowe & Joseph Sedita** represented the owner in the sale of a 73,000 SF office building at 801 Noble Street in Anniston, Alabama.

**Stephen Lazarus** represented the buyer in the auction purchase of a 22,800 SF medical clinic at 3001 27th Street North in Birmingham, Alabama.

**John Lauriello & Blake Crowe** represented Wettermark & Keith in the leasing of 10,558 SF of office space at Grandview II in Birmingham, Alabama.





**John Lauriello & Blake Crowe** represented the owner in the sale of a 70,000 SF office building at 2101 Highland Avenue in Birmingham, AL.

**John Lauriello** represented WhatleyKallas in the leasing of 7,471 SF of office space at 2001 Park Place North in Birmingham, Alabama.

**Bryan Holt & Joseph Sedita** represented the buyer in the purchase of a 3,170 SF office building at 713 27th Street South in Birmingham, Alabama.

**David Ashford & Stutts Everette** represented the Palmetto School of Career Development in the leasing of 1,440 SF at Galleria Trace Plaza on Highway 150 in Hoover, Alabama.

**John Lauriello & Blake Crowe** represented the tenant in a lease renewal of 10,238 SF at 600 20th Street South in Birmingham, Alabama.

**Joseph Sedita** represented the owner in the sale of 3,800 SF office building to Lighting Solutions, Inc. at 3180 Cahaba Heights Road in Vestavia Hills, Alabama.

## LAND



**Greg Despinakis** represented the owner in the sale of the 19 acres former Cascade Plunge property to Habitat for Humanity at 6815 2nd Avenue South in Birmingham, Alabama.

**Steve Mordecai** represented the buyer in the purchase of 22 acres on High School Road in McCalla, Alabama.

**Steve Mordecai** represented the buyer in the purchase of the Cheshire Parc subdivision in McCalla, Alabama.

**Troy Gisi** represented the owner in the sale of 1.06 acres to Urgent Care on Gilmer Avenue in Tallassee, Alabama.



**Michael Perry** represented the owner in the sale of 16,041 SF of land at the corner of 19th Street South and 13th Avenue South in Birmingham, Alabama.

**Steve Mordecai** represented the buyer in the purchase of 2.14 acres at 501 Emery Drive West in Hoover, Alabama.

**Joseph Sedita** represented the owner in the sale of 1.5 acres to Rural Urgent Care, LLC at 2020 2nd Avenue East in Oneonta, Alabama.

## INVESTMENT



**Michael Randman** represented the buyer in the investment purchase of the 66,410 SF Village in Trussville shopping center at 305 Main Street in Trussville, Alabama. Dan Anderson of Engel Realty represented the seller.

**Bill McDavid** represented the owner in the investment sale of a 10,828 SF office building at 1713 Hamric Drive East in Oxford, Alabama.

**Andrew Loveman** represented the owner in the investment sale of the Irondale Mobile Home Park in Irondale, Alabama.



**Bryan Holt & Michael Randman** represented the owner in the investment sale of the 10,400 SF Roebuck Crossings shopping center located at 9256 Parkway East in Birmingham, Alabama. The center, which was developed by Southpace for the original owners, is 100% leased with tenants including Payless Shoes, Gamestop and AT&T. An out-of-state 1031 buyer purchased the Super Walmart shadow anchored strip center for \$2.4 million.

**Michael Perry** represented the buyer in the investment purchase of a 7,405 SF multi-family property at 2029 13th Avenue South in Birmingham, Alabama.

**Stephen Lazarus** assisted the seller and the purchaser as a transaction broker in the sale of a 40-unit apartment building at 3400 Cliff Road in Birmingham, Alabama.



**Bryan Holt** represented the owner in the investment sale of a 4,500 SF Verizon Wireless store located at 641 Boll Weevil Circle in Enterprise, Alabama.

**Troy Gisi** represented the owner in the investment sale of a 15,000 SF property at 4690 Highway 17 in Helena, Alabama.

**Andrew Loveman** represented the buyer in the investment purchase of a 9,026 SF Dollar General at 5545 Eastern Valley Road in McCalla, Alabama.



## SELECTED HIGHLIGHTED TRANSACTIONS

David Ashford Retail Lease Birmingham, AL \$15,679,725	Stephen Lazarus Investment Sale Birmingham, AL \$2,000,000	John Lauriello & Blake Crowe Office Sale Birmingham, AL \$1,200,000	Bryan Holt & Joseph Sedita Office Sale Birmingham, AL \$680,000
Michael Randman Investment Sale Trussville, AL \$5,200,000	Bryan Holt Investment Sale Enterprise, AL \$2,000,000	Steve Mordecai Land Sale McCalla, AL \$1,125,000	Steve Mordecai Land Sale Irondale, AL \$600,000
John Lauriello & Blake Crowe Office Sale Birmingham, AL \$5,150,000	Bob Vines Retail Sale Birmingham, AL \$1,900,000	Rich Vanchina Industrial Lease Birmingham, AL \$1,116,338	D. Ashford & A. Loveman Retail Lease Midfield, AL \$595,000
David Ashford Retail Lease Birmingham, AL \$4,203,102	D. Ashford & A. Loveman Retail Lease Birmingham, AL \$1,671,921	Bryan Holt Retail Lease Birmingham, AL \$1,058,400	Joseph Sedita Office Sale Birmingham, AL \$578,000
John Lauriello & Blake Crowe Office Lease McCalla, AL \$3,780,000	Stephen Lazarus Office Sale Birmingham, AL \$1,565,000	Blake Thomas & Troy Gisi Retail Lease Birmingham, AL \$1,050,000	Stutts Everette Retail Lease Birmingham, AL \$548,963
Bryan Holt Retail Lease Birmingham, AL \$2,737,380	Andrew Loveman Investment Sale Irondale, AL \$1,550,000	Bryan Holt Retail Lease Vestavia Hills, AL \$938,760	Blake Crowe Office Lease Birmingham, AL \$536,099
Bryan Holt Retail Lease Tuscaloosa, AL \$2,625,000	Bryan Holt & Tyler Bradford Retail Lease Tuscaloosa, AL \$1,531,530	Bob Vines Retail Sale Trussville, AL \$900,000	Stutts Everette Retail Lease Birmingham, AL \$509,248
Bryan Holt Retail Lease Birmingham, AL \$2,525,460	Andrew Loveman Investment Sale McCalla, AL \$1,488,636	David Ashford Retail Lease Birmingham, AL \$883,008	Bill McDavid Land Sale Birmingham, AL \$500,000
Bryan Holt Retail Lease Alabaster, AL \$2,448,600	John Lauriello & Blake Crowe Office Lease Birmingham, AL \$1,462,356	John Lauriello Office Lease Birmingham, AL \$881,127	Michael Perry Land Sale Birmingham, AL \$450,000
Bryan Holt & Michael Randman Retail Sale Birmingham, AL \$2,400,000	Stephen Lazarus Industrial Sale Birmingham, AL \$1,371,844	Rich Vanchina & Jim Collins Industrial Lease Birmingham, AL \$734,784	Bill McDavid & Rich Vanchina Industrial Sale Birmingham, AL \$325,000
S. Mordecai & A. Loveman Land Sale Birmingham, AL \$2,200,000	Blake Crowe & Joseph Sedita Office Sale Anniston, AL \$1,350,000	Stutts Everette Retail Lease Birmingham, AL \$721,759	Julie Gieger Office Lease Birmingham, AL \$243,000
Bryan Holt & Stutts Everette Retail Sale Birmingham, AL \$2,101,350	Bryan Holt Retail Lease Tuscaloosa, AL \$1,286,250	Rich Vanchina Industrial Lease Bessemer, AL \$701,340	Greg Despinakis Land Sale Birmingham, AL \$205,000

## The Southpace Team

### Principals

John Lauriello, CCIM, SIOR, CPM  
Bill McDavid, CCIM  
Bryan Holt, CCIM, CRX, CLS

### Associates

David Ashford, CCIM  
Jim Collins, CCIM  
Blake Crowe, CCIM  
Greg Despinakis  
Stutts Everette  
Julie Gieger, CCIM, CPM  
Troy Gisi  
Stephen Lazarus  
Andrew Loveman, CCIM  
Steve Mordecai, CCIM  
Bill Moss, CCIM  
Michael Perry  
Walter Pittman, MD  
Michael Randman  
Joseph Sedita  
Blake Thomas  
Rich Vanchina, CCIM, SIOR  
Bob Vines

### Development & Construction

John Lauriello, CCIM, SIOR, CPM

### Property Management

Tommy Joyce, CCIM, CPM  
Julie Gieger, CCIM, CPM  
Travis Rutherford  
Janice Self

### Accounting

David James  
Sharon Gladney

### Marketing & Research

Leslie Evans  
Christen Lewis Pitner

### Staff

Cathy Marques  
Gloria Weintraub

### Maintenance

John Cushing  
Wade Jemison  
Billy Johnson  
Brett Melton  
Michael Newland  
Johnny Persall

## SOUTHPACE PROPERTIES INC.

300 Richard Arrington Jr. Blvd. N.  
Birmingham, AL 35203

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## TOP 5 BROKERS

At the beginning of this past year, Southpace recognized our top five brokers from 2014.

From left to right, they are:  
Steve Mordecai, Michael Randman, Blake Crowe, Tyler Bradford and David Ashford.

## Southpace Leaders & Achievers

**John Lauriello, CCIM, SIOR, CPM** was honored as one of *Birmingham's 60 Most Influential Executives* and one of *Birmingham's 30 Executives of Influence* from the Birmingham Business Journal.

**Bryan Holt, CCIM, CRX, CLS** was selected by the Birmingham Business Journal as a previous *Top 40 Under 40 honoree who is transforming Birmingham*. **Bryan** also served as President-elect on the Alabama Chapter CCIM Board of Directors and as Government Relations Chair for the Alabama chapter of the International Council of Shopping Centers (ICSC). **Bryan** was also an Executive Committee member for the Retail Brokers Network (RBN) and serves on the board for Keep Vestavia Beautiful.

**Rich Vanchina, CCIM, SIOR** served as President for the Louisiana, Mississippi, Alabama, Northwest Florida Chapter of SIOR.

**Blake Crowe, CCIM** served on the Marketing Advisory Board for Xceligent Commercial Real Estate.

**Joseph Sedita** was named 2014 *Rookie of the Year* by the BCRC Commercial Club of Excellence. **Joseph** also served as President of the Junior Board for the YMCA of Birmingham.

**Stutts Everette** served as a board member for the downtown branch of the YMCA.

**Greg Despinakis** continued to serve on the Zoning Board of Adjustments for the City of Birmingham. **Greg** also served on the Southern Museum of Flight City Board and Relocation Board.

**Michael Randman** served as a board member for the Magic City Art Connection.

**Andrew Loveman, CCIM** began serving a three year term on the Alabama Sports Hall of Fame (ASHOF) Modern Selection Committee.

**Christen Lewis Pitner** served her fourth term on the Junior Board for Triumph Services.