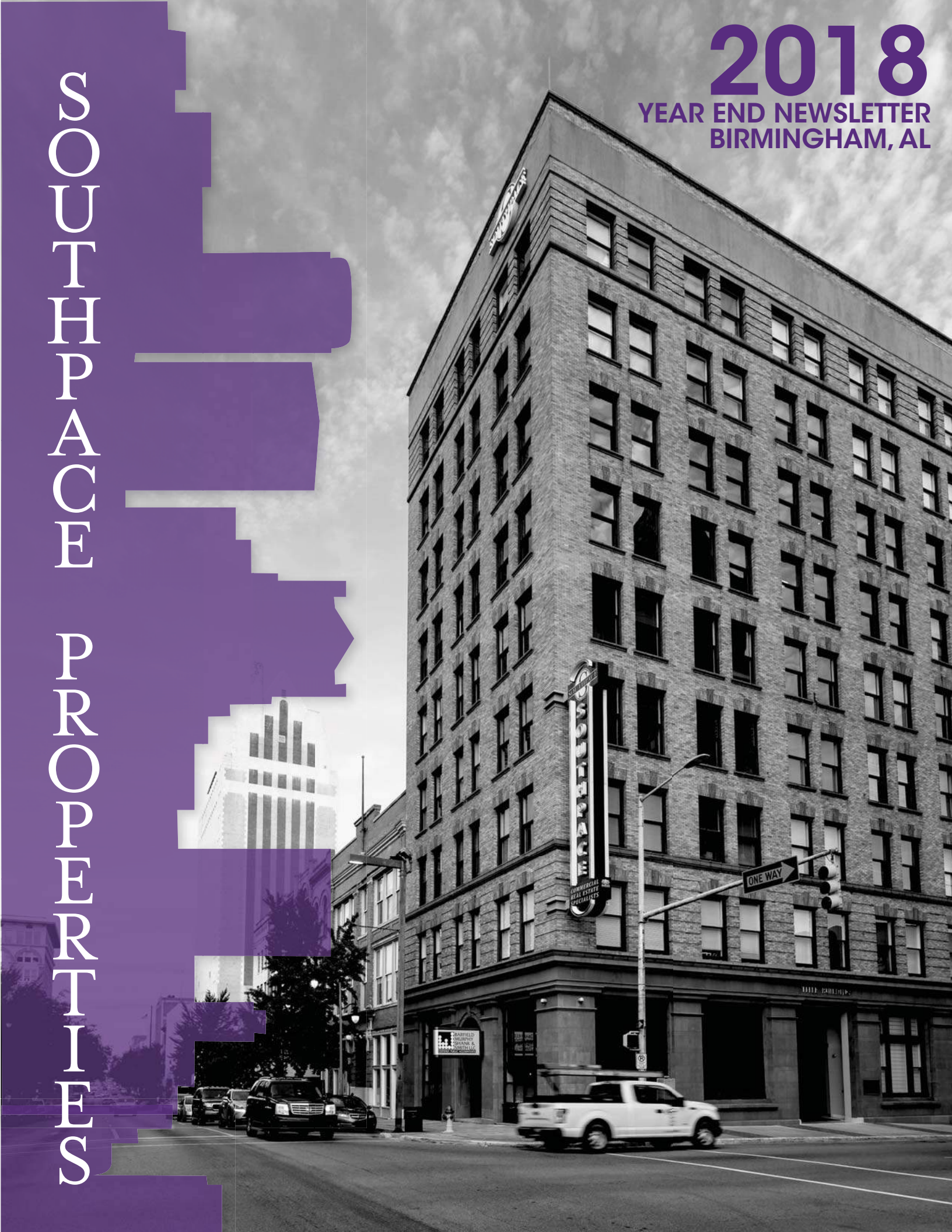


# SOUTHPACE PROPERTIES

2018  
YEAR END NEWSLETTER  
BIRMINGHAM, AL





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# STRAIGHT TALK

JOHN LAURIELLO, CCIM, SIOR, CPM - PRINCIPAL

We just completed our 34th year in the real estate business and are grateful that 2018 was a great year for Southpace. Brokerage activity maintained its strength and our Retail, Warehouse/Industrial, Land, & Specialty Group teams did well. Our Office Group had a very good year despite a soft market in Metro Birmingham. We were fortunate to add several new talented professionals to our team, who strengthen our knowledge-base and are valuable additions to our team. We continue to believe that we are the top commercial real estate group in Alabama.

We always strive to deliver superior management services for our clients by being proactive and solving problems before they occur. Our maintenance team is highly qualified and is on call 24/7 to address any problems or emergencies that might occur. When you call our office during business hours, you immediately speak with our receptionist who will direct your call to the appropriate recipient. After hours we have a call service that takes your request and delivers it to the proper person right away in order to resolve your issue quickly.

We continue to support and promote local causes that are important to our clients, employees, and the metro area. In 2018, Southpace donated to over thirty-five charities. In addition, the Southpace team members are personally involved with many charities, churches, synagogues, and schools. Southpace and team members also support and aid under-privileged children and adults.

## OUTLOOK

The overall outlook for the year in commercial real estate in metro Birmingham is positive. It is exciting to see new projects being announced almost every week. It remains a seller's market due to a strong demand for properties and interest rates remaining low. It is a wonderful time to sell but a difficult time to buy due to high prices. Residential real estate is doing very well in both the single and multi-family markets. The warehouse and industrial markets should remain very active and I foresee a need for more inventory in the near future. Retail is all over the board. The demand for casual dining and fast food remains strong. Older retail - malls, and shopping centers - are fairly weak and it is not expected to change any time soon. The office market has excess inventory and will be a major challenge over the next several years. Specialty areas, hotels, and fine dining restaurants look positive and will remain active.

We still believe the long-term future of

metro Birmingham is very bright, and see positive things happening in local governments. UAB continues to grow and remains the largest employer in the State of Alabama. We see that growth continuing for a long time.

## MY ANNUAL RANTS

I have never seen our country more divided and responsibility lies on both sides of the aisle. Both the Democrats and Republicans should be ashamed of themselves for not working together to do what is best for the country instead of throwing rocks at each other for political gain. The great majority of people in our country have a lot more in common and probably 75% or more of us agree on most issues, no matter what political parties or individuals we vote for. Unfortunately, most of the folks in Washington seem only to care about being re-elected and doing whatever benefits them most; and not what is best for the country. This is crazy and needs to stop. Term limits or finding some way to take money out of politics would help.

## CLOSING

We are grateful for our friends and clients who have allowed us to lease, manage, maintain, develop or sell their properties. We deliver the excellent services you expect, want, and deserve. Our philosophy is "The Client Comes First," and that is how we do business!

As most of you know I am old school and prefer returning calls personally rather than texting. However, I realize times change and some prefer texting and emailing so we do keep up with the times. Our website was completely redesigned to stay on top of new technology. Take a look, you might find some interesting properties to fit your needs. Southpace website: [www.southpace.com](http://www.southpace.com).

I am always grateful for the friendships and opportunities our industry has offered me over the last forty-five years. Occasionally, I get asked when I am going to retire, and my answer is why would I retire when I love what I am doing. Thankfully, I am in good health and expect to be here at Southpace for many years to come.

Enough of me! Our Southpace team knows you have many choices in our business. We are local and work hard to provide the kind of service you deserve and need. Our reputation depends on this. Our team is ready to serve you with any of your commercial real estate needs. **SP**





# OFFICE MARKET

BLAKE CROWE, CCIM - OFFICE DIVISION DIRECTOR

Lesson for the year: never say, "Things cannot get any worse". For several years, I have reported on the Birmingham office market. Unfortunately, over the past few years, there has not been a lot of great news as it relates to our office market. Last year, after a friend read our newsletter, he asked, "Why so negative in the office portion?"

I appreciate the feedback, but I am simply reporting facts; and unfortunately, there are not a lot of great statistics to report. That trend continued into 2018. For 4 consecutive years, the Birmingham office market has had negative absorption. As a reminder, net absorption is the difference between tenant move-ins and move-outs. For example, if a tenant moves into 10,000 square feet in an office building in January, while another tenant vacates 5,000 square feet in the same month, that office building experienced 5,000 square feet of positive net absorption that month. Reverse the square footage and the building would experience negative net absorption. In 2017, the Birmingham office market experienced a negative net absorption of approximately 200,000 square feet. Simply said, we lost 200,000 square feet of tenants or occupied space in our inventory. That is a significant loss for our market. We thought... things cannot get much worse- wrong. In 2018, we have lost approximately 350,000. If you combine the last 3 years with YTD 2018, we have lost approximately 800,000 square feet of occupied space in the Birmingham office market.

With the lack of demand for office space, there is little demand for new multi-tenant office product in Birmingham. There have been a few exceptions, but those buildings have had leadoff tenants which have taken significant space in the building. Even under this scenario, these deals are difficult to understand. One reason is rental rates have not kept up with the rise in construction costs. If a developer were to build a new multi-tenant office building, they would have to lease space in the \$30 to \$35 per square foot range on a full-service basis. The average rent for office space in Birmingham is \$19.11. For Class A space, the average rate is \$22.86 per square foot. With existing Class A office rates in the low \$20's per square foot, a glut of office space on the market and construction costs continuing to rise, it is difficult to justify building new office construction.

A trend that is developing due to the rise in

construction costs / tenant improvement expenses along with rental rates staying flat is the length of term the landlords are requiring is increasing. If rental rates were increasing at the same rate as tenant improvement cost, the landlords would not have to spread out the cost to build out space for tenant as much. However, since the rates and remaining relatively flat, they need more time to spread out the expenses of building out space to meet the needs of tenants.

This trend has developed partial due to a combination of material shortages, increases in labor costs, and a lack of labor availability. In 2017, we predicted that this may help launch an increase in rental rates, but it appears the easier route for tenants is extending lease terms. In this market, maintaining reliable, long-term tenants is not a bad position for landlords to take.

At the end of the 3rd quarter 2018, the Birmingham office market had an occupancy rate of 87.5%. At the same time in 2017, the occupancy rate was 89.15%. Once sublet and soon to expire space hit the open market, the occupancy rate is hovering around 85.4%.

In terms of the five major submarkets in Birmingham, the CBD has an occupancy rate of approximately 86.4%. In Midtown, the occupancy rate is approximately 92.2%. The 280/459 submarket is approximately 88.7%. The Hoover/Riverchase occupancy rate is approximately 85.0% and the Vulcan/Oxmoor submarket is approximately 46.2%.

Despite the challenges that Birmingham faced in 2018, there were several exciting new developments that broke ground or were completed. Encompass Health, formally known as HealthSouth completed their 200,000 square foot headquarters in Liberty Park. The Sheffield Group completed their 40,000 square foot building in Meadow Brook. America's First Credit Union has expanded their headquarters downtown by approximately 50,000 square feet. Pump House Plaza was completed in Midtown and is approximately 40,000 SF. Orchestra Partners is redeveloping the historic Frank Nelson Building in the CBD.

Despite the valley we are in at the moment, we continue to believe that Birmingham's brightest days are

CONTINUED ON PAGE 3 ►

ahead of it. Over time, we will adjust, and the office market will rebound. Birmingham is continually rated highly as one of the most livable and affordable cities in the country. The younger generation is accepting Birmingham as home and growing the community. We have embers of job growth that

we hope will continue to develop. 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. [SP](#)

## SIGNIFICANT 2018 OFFICE MARKET DEALS

### LEASE

- Southern Company – 700,000 SF @ Colonnade
- Drummond – 60,000 SF @ Urban Center
- FIS – 112,500 SF @ Inverness
- Daxko – 41,500 SF @ University Park
- Milo's Tea Company - 25,000 SF @ Lakeshore Park Plaza

### SALE

- AT&T Building – 618,000 SF/\$47 per SF
- The Concord Center – 153,000 SF/\$150 per SF
- 3500, 3700 & 3800 Colonnade/\$150 Avg. PSF
- Former Birmingham News Production 100,000 SF/\$16 PSF
- 300, 500 & 1200 Meadow Brook – 360,000 SF/\$62 per SF



# INDUSTRIAL MARKET

RICH VANCHINA, SIOR, CCIM - INDUSTRIAL DIVISION DIRECTOR

During 2018, the overall economy in central Alabama remained strong with employment and job count hitting a record high for the sixth consecutive year, according to the Alabama Department of Labor. The automotive industry and growth of the e-commerce industry continue to fuel growth in the industrial sector of the real estate market. The overall occupancy rate of the approximately 116 million square feet of tracked industrial space dipped slightly to approximately 93%. The small to medium size deal flow was healthy as usual; however, the amount of significant transactions were less this past year than in 2017. More deals with corporate tenants are being completed in central Alabama, in addition to a healthy amount of local and regional companies. This is a strong trend which should continue to fuel demand for new industrial development in the Birmingham area.

Leasing activity in Birmingham's five industrial submarkets was decent, with an overall net absorption of nearly 200,000 square feet. Occupancy in the Oxmoor Valley increased to 94% this year, while the Central and Eastern Submarkets decreased slightly to 83%, and 84% respectively. Occupancy in the Southern, and Western Submarkets increased to a strong 98% each.

In addition to strong leasing activity, free-standing, owner-occupied industrial building sales increased again in 2018, which has all but wiped out our available supply

of quality industrial buildings. Over the last few years, this constricted supply has been driving demand for new construction in the form of both build-to-suit deals and speculative buildings. Then finally, in the first quarter of 2018, Birmingham saw the delivery of Oxmoor Logistics Center: its first speculative industrial development since 2007. Despite the highest asking rents our market has ever seen, the 112,000 square foot development was successfully 100% pre-leased. The high cost of new construction in conjunction with a tightening supply of product has finally created an increase in asking rents and sales prices for industrial real estate. However, there are no plans for any more speculative development and it will probably be awhile before this happens again. With the costs of construction materials and labor continuing to rise, it seems to have pushed rents outside of the range of what typical tenants will pay in our market.

On the contrary, construction prices are showing no ill effect on expansion in the auto manufacturing or e-commerce sectors of the market. Mercedes Benz is building a 1,395,000 square foot North American Sales Hub and a 680,000 square foot Global Logistics Center. Additionally, Amazon has broken ground on an 855,000 square foot fulfillment center. These major economic development projects should have a positive effect on central Alabama's industrial market.

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Another trend we have been seeing over the last four or five years is the adaptive reuse of older industrial buildings in and around the downtown and Southside markets. These are buildings considered functionally obsolete for industrial use, but make great conversions to office, retail, and apartment developments. Removing product from this sub-market to re-purpose it is another factor contributing to the supply shortage in the market, which in turn, should be another factor igniting new industrial development in the region.

## SIGNIFICANT 2018 INDUSTRIAL MARKET DEALS

### LEASE

- Alabama Crown leased approximately 59,400 SF @ 1330 Corporate Woods Drive
- America's Thrift Stores leased approximately 52,100 SF @ the Birmingham Food Terminal
- Voestalpine leased approximately 48,600 SF @ 260 Lyon Lane
- Performance Architectural leased approximately 52,000 SF @ the Continental Gin Industrial Park
- DMS Color leased approximately 36,000 SF @ Cahaba Valley Business Park

### SALE

- UPS \$3,800,000/73,000 SF
- SGI Delivery Solutions \$2,452,500/151,000 SF
- Rice Lake Weighing Systems \$2,650,000/102,700
- BNSF Railways \$1,975,000/163,000
- Favor Steel \$1,600,000/107,000
- SCA Performance \$1,250,000/52,000

Although we didn't see quite the amount of sales and leasing activity in 2018 as we did in 2017, Birmingham's industrial market remains healthy, as evidenced by the success of Oxmoor Logistics Center. Also, major investments made by Mercedes, and Amazon show an ongoing confidence in our region's economy. As supply continues to tighten, and rents and property values continue to rise, we can hopefully expect to see additional new industrial development in our region during 2019 and beyond. <sup>SP</sup>



## RETAIL MARKET

BLAKE THOMAS - ASSOCIATE BROKER

Retail in Alabama continues to grow in a positive direction giving our state hopes for a bright future in the retail industry. Huntsville and Birmingham metro areas experienced most of the retail growth for Alabama in 2018. Despite the "Amazon Effect", numerous large-scale retail developments are taking place across Alabama, retail rates are at all-time highs, new concepts continue to flood the state, and grocery-anchored developments have heated up again.

Traditional retail is not backing down in the battle against E-commerce. In fact, retailers are learning how online sales compliment brick-and-mortar locations and the two are working in conjunction with one another more so than once was thought. The International Council of Shopping Centers (ICSC) released statistics showing a retailer's online sales increase by approximately 37% in specific mar-

kets where it also has brick-and-mortar locations. The study also found that when a retailer closes a brick-and-mortar location, it experiences nearly a 55% loss in online sales from that specific market. Retailers are using an omni-channel approach where brick-mortar supports online sales and vice versa.

Alabama has seen a rise in mixed-use developments across the state. In Huntsville, Alabama's fastest growing city, there are three large scale mixed-use projects under construction: Town Madison, Cliff Farms, and Mid-City. The largest being Town Madison—a 563-acre modern, walkable, urban community aimed to create "connectivity, community, and a cultural experience unique in North Alabama." It follows the trend of retail centered on the connectivity between live, work, shop, and play concepts.



Birmingham is also witnessing its own surge of mixed-use projects, which commenced in 2016 and 2017 with the development of the Pizitz and Phase I of the 20Mid-town Project. The momentum in downtown Birmingham has attracted the attention of out-of-state developers, such as Atlanta's Third & Urban, who are bringing in creative projects like The Denham- a large warehouse re-development property in the Parkside District. Third & Urban also developed the world-renowned Ponce City Market in Atlanta. These developments will have a catalytic effect on downtown Birmingham and the surrounding areas.

Since the early to mid-1990's, "power centers" have been a major retail development, defined by a big box retailer such as Walmart or Target with smaller tenants surrounding it. They were the dominant format for middle-market retail until the recession and overbuilding by category killers brought this development to a halt. However, not all junior box brands were in trouble and several are leading a new genre of shopping center development without the presence of a big box retailer. These project types have been successful in places like Sylacauga and more are planned for Troy, Moody, and Alabaster.

Across the state, Publix has dominated the retail scene from a development and acquisition standpoint. In 2018, Publix opened six new locations. The company has plans to open another six stores in 2019 and 2020. As Publix

continues to build its brand throughout Alabama, we could see more Greenwise stores, which compare to Whole Foods and Fresh Market. We expect to see a total of five to six in Alabama. Along the way, Publix's employee pension fund has been purchasing existing store real estate and the adjacent shopping centers. Publix now owns more grocery-anchored shopping centers than any other entity in Alabama. Not only do they control the grocery market in the state, but now they dominate an entire asset class. This will have a ripple effect far beyond grocery sales as Publix can now set the table for management and leasing trends in this arena.

The state of Retail in Alabama is strong and showing little signs of slowing down. E-Commerce and Brick-and-Mortar retail continue to complement one another despite the "Amazon Effect". Notwithstanding the continual growth of retail real estate, we are witnessing a change in traditional retail developments. There is now a larger emphasis on community involvement than ever before with the idea of live, work, play, shop implemented in many new developments. Retail developments have broken free of the cookie cutter model where projects traditionally have been anchored by a large tenant accompanied by junior boxes and small shop tenants. Retail continues to morph as our community/societal needs change, which will lead to the continual growth in the retail sector of commercial real estate. [SP](#)



## PROPERTY MANAGEMENT

DONNA COX, CCIM, CPM - SENIOR VP OF PROPERTY MANAGEMENT

Collecting rent, paying bills, making repairs, producing monthly financial reports... these are obvious responsibilities of property management, but there is so much more that makes a great property management company. Protecting our clients' real property assets is a mission we take seriously. Not only do we protect their assets, we strive to add value through solid property management skills played out consistently, day in and day out. Whether you are looking at a long-term hold, or your desire is a shorter investment term, protecting and adding value is the mission. If there is one statement I hope our clients make about us it is, "My property investment is worth more in the marketplace because of the value that Southpace has created." One of the most recent examples of our success is the sale of Whole Foods Market Plaza, formerly known as Riverchase Village in Hoover, Alabama. The center sold in

October of 2018. In March 2013, Southpace partnered with Boyle Investment Company to aid in their re-development of Riverchase Village. Five years later, after a renovation, Whole Foods and several other successful retailers added, plus careful attention to budget planning and resource allocation, our Client was successful in obtaining top dollar and achieved an investment return that exceeded their original targeted goals.

Southpace manages 60+ diverse commercial properties, including retail shopping centers, office buildings, commercial bank branches and office/warehouse developments throughout the greater Birmingham area. Changes to our team this past year included both promotions and additions. Elizabeth Miles was promoted to Property Manager and manages retail centers and financial institution

branches. Joining our team in 2018 was Dianne Jaffe and Brooks Powell. Dianne serves as Property Administrator and Brooks began in January 2018 as Maintenance Technician.

This year marked the 23rd year that Southpace Management has retained the Accredited Management Organization (AMO) certification from the Institute of Real Estate Management. The AMO accreditation is awarded to those real estate management firms who meet a strict AMO Code of Professional Ethics and carry out the best practices of real estate management. In addition to this important recognition, we are one of the few firms with property managers who hold both the Certified Property Manager (CPM) and Certified Commercial Investment Member (CCIM)

designations. Our knowledge in the realms of both property management and investment analysis gives Southpace Management the ability to handle the day-to-day property management needs of our clients, as well as provide valuable input to the overall health of the properties we manage, proving again our strong commitment to maximizing our clients' investments.

As we embark on 2019, we anticipate our management portfolio to grow. If you need property management services, please give us a call. If you are an existing client, thank you for your trust in us and please know that we are committed to protecting and maximizing your investment. SP



BRYAN HOLT, CCIM, CLS, CSX - PRINCIPAL

Technology has changed commercial real estate investment, brokerage, and management in big ways. However, the greater evolution in our industry is due to the ever-changing patterns of America's working and shopping behaviors. These changes have altered the way our clients utilize their real estate assets. Retailers call it fulfillment; the method(s) in which the product makes it from the design table to the consumer. The concept of product fulfillment permeates every part of what we do at Southpace, and not just in our retail division.

Just a few years ago there were only two routes for product fulfillment: buy it in the store and take it home or buy it online and have it shipped to you. Now consumers use multiple combinations of shopping, buying, and delivery (or pickup). There are multiple points of sale and multiple points of delivery/pickup. Online shopping was supposed to kill brick-and-mortar retail. While it changed retail for sure, it didn't reduce the overall square footage needed to facilitate the totality of product fulfillment. Rather, it simply spread out the supply chain and the real estate assets behind the fulfillment process, forcing them to adapt. We have seen retailers shrink their stores or add drive-through and pickup services or build remote facilities for customer pickup. Behind the scenes, some went from using their own large distribution facilities to outsourcing that part of the business to a third-party operating multiple smaller facilities.

The world of office buildings has been equally affected by changing consumer patterns. The most desired

amenities in an office environment used to be nice lobbies, fast elevators and close parking. It is no longer good enough to have some exposed brick in your waiting room and polished concrete floors in the employee lounge. Now tenants want rooftop decks, nearby entertainment venues, proximity to other millennial employers, and mixed-use projects close to the office. People like to work in the same neighborhoods where they play (another change in pattern). You only need to look at the renaissance of downtown Birmingham for proof that the office environment is evolving to match changing consumer patterns.

When talking about Southpace I often say that the average Birmingham resident thinks of Southpace as 'the company that does all that historic renovation downtown', mostly because my partners built the firm's reputation on the historic renovation and adaptive-reuse of downtown properties. Today Southpace does almost as much business outside the Birmingham MSA as we do inside, and more than half of our brokerage and leasing volume are in suburban retail product. As our industry scrambles to adapt to the changing patterns of American life and struggles to find a path forward, I am reminded that the soul of this company has always been about creative solutions to changing patterns in real estate. We were renovating and redeveloping this town long before it was cool and decades before the millennials changed the rules. Our team was built for adaptation and creativity and we are enjoying this new wave of the same old thing around here. SP



## SOME OF THE ORGANIZATIONS WE PROUDLY SUPPORTED IN 2018



Check Out Our  
**New Website!**  
[WWW.SOUTHPACE.COM](http://WWW.SOUTHPACE.COM)



Now accessible on all devices!





# A YEAR IN REVIEW 2018



From left to right across the spread: 1) Associate Broker Sam Centeno is awarded the John Lauriello CCIM Scholarship at the annual Market Symposium. 2) Property Managers Julie Gieger (left) and Elizabeth Miles (right) represented the IREM Alabama Chapter on a panel at the University of Alabama for senior students looking to pursue real estate careers. 3) Members of the Alabama CCIM Chapter at the CCIM Institute's Annual Global Conference in Chicago, IL. 4) Little Emmie Wooten excited for her pistachio bags that is as big as she is! 5) High school student Jacob Jowers shadows Rich Vanchina to learn what a day in the life of commercial real estate broker is all about. 6) John Cushing attends horse race at Saratoga in upstate New York.





7) Southpace crew attends the Title Group's annual Selwood Farms Clay Shoot & Dinner. 8) The Retail Broker Network's booth at the International Council of Shopping Center's ReCON in Las Vegas. 9) Southpace sponsored an MBA conference room in UAB's new Collat School of Business Building. 10) The Southpace Corporate League Team of Iron City Sports brings home the season championship. 11) Southpace Brokers at the first annual CCIM Tin Cup Classic at Top Golf. 12) Julie Gieger was installed as the 2019 President Elect of the Alabama Chapter 43 of the Institute of Real Estate Management



# SOUTHPACE SWAG!



Email your Southpace swag photos to [southpaceprop@gmail.com](mailto:southpaceprop@gmail.com) and we'll feature you on our Facebook and Instagram Pages!

**FOLLOW US ON SOCIAL MEDIA!**



Southpace Properties



SouthpaceProperties



Southpace Properties



Southpace



## HIGHLIGHTED TRANSACTIONS

Steve Mordecai Land Sale Leeds, AL \$4,200,000	Michael Randman Office Sale Birmingham, AL \$1,750,000	Rich Vanchina Industrial Sale Birmingham, AL \$975,000	Rich Vanchina Industrial Sale Birmingham, AL \$570,000
Bryan Holt Retail Lease Madison, AL \$3,750,000	John Lauriello & Blake Crowe Office Sale Birmingham, AL \$1,700,000	Bryan Holt Retail Lease Trussville, AL \$882,000	Rich Vanchina Industrial Lease Birmingham, AL \$491,400
Michael Randman Land Sale Birmingham, AL \$3,500,000	John Lauriello & Blake Crowe Office Sale Birmingham, AL \$1,640,000	John Lauriello & Blake Crowe Office Lease Homewood, AL \$878,431	Bill McDavid Industrial Lease Birmingham, AL \$485,856
Michael Randman & Steve Mordecai Industrial Sale Birmingham, AL \$3,375,000	John Lauriello & Blake Crowe Industrial Sale Birmingham, AL \$1,525,000	Bill Moss & Blake Crowe Office Sale Homewood, AL \$835,000	Blake Crowe Office Lease Birmingham, AL \$483,897
John Lauriello & Blake Crowe Land Sale Birmingham, AL \$3,350,000	Steve Mordecai Office Sale Birmingham, AL \$1,500,000	Steve Lazarus Multi-Family Sale Birmingham, AL \$810,000	Blake Crowe Office Lease Birmingham, AL \$474,259
John Lauriello & Blake Crowe Office Sale Birmingham, AL \$3,200,000	Bryan Holt Retail Sale Birmingham, AL \$1,301,000	Bryan Holt & Alex Benson Retail Lease Hoover, AL \$705,600	Blake Thomas Retail Lease Auburn, AL \$460,625
Blake Crowe & David Ashford Office Lease Birmingham, AL \$3,055,937	Steve Mordecai Land Sale Calera, AL \$1,300,000	Steve Lazarus Retail Sale Alabaster, AL \$650,000	Bill Moss Land Sale Birmingham, AL \$430,000
John Lauriello & Blake Crowe Office Sale Birmingham, AL \$2,800,000	Alex Benson & David Ashford Retail Lease Mobile, AL \$1,263,502	Bryan Holt Retail Lease Fultondale, AL \$612,360	John Lauriello & Blake Crowe Land Sale Birmingham, AL \$400,000
Bryan Holt & Blake Thomas Retail Lease Cullman, AL \$2,700,902	Bryan Holt Land Sale Madison, AL \$1,111,000	Bill McDavid Special-Use Sale Oxford, AL \$600,000	Bill McDavid Office Sale Birmingham, AL \$375,000
Bryan Holt Office Lease Birmingham, AL \$2,102,160	Bryan Holt & Blake Thomas Retail Lease Trussville, AL \$1,107,225	Alex Benson Retail Lease Birmingham, AL \$593,036	John Lauriello & Blake Crowe Office Sale Birmingham, AL \$360,000
Steve Lazarus Multi-Family Sale Mobile, AL \$2,085,000	John Lauriello & Blake Crowe Industrial Sale Birmingham, AL \$1,095,000	Bryan Holt Retail Lease Trussville, AL \$581,700	
	Blake Thomas Office Lease Birmingham, AL \$1,012,104		

## 2018 DEALS

**A sample of highlighted transactions our brokers completed in 2018.**

### RETAIL



Bryan Holt represented Duluth Trading Co. in their first Alabama location in Madison.

Bryan Holt and Blake Thomas represented Taco Bell in six new Alabama locations in 2018, including Cullman, Winchester, Huntsville, Hanceville, Talladega, and Clay.



Bryan Holt represented Boot Barn in an 8,000 square foot ground lease off I-55N in Jackson, Mississippi.



Bryan Holt and Blake Thomas represented the lessor of a new development in Trussville, AL located at Gadsden Highway and Tutwiler Drive in leases for both Metro Diner and Chicken Salad Chick.

Bryan Holt and Alex Benson helped ATI Physical Therapy occupy 6 new locations, including Oxford, Hoover, Troy, Dothan, Lee Branch, and Jasper.



Alex Benson represented Hotworx in a 2,500 square foot lease in Midtown Birmingham, Alabama.

Bryan Holt represented Verizon Wireless in a 2,500 square foot lease in Fultondale, Alabama.



Bryan Holt worked with CBRE to represent Charter Communications in its 2,250 square foot lease in Trussville, Alabama.

Bryan Holt represented Great Clips in five new Alabama locations, which include Ross Bridge Town Center (under construction) in Hoover, Lakeshore Pavilion (under construction) in Birmingham, Harvest, Jasper, and Pell City.



Alex Benson and David Ashford represented the landlord at the Shops on Montevallo shopping center in Birmingham in the lease of a 4,556 retail space to Core Life.

Bryan Holt represented General Nutrition Corporate (GNC) in its lease of a 1,400 square foot space in Decatur, Alabama.



Alex Benson represented Checkers in its location in Birmingham, Alabama.

### OFFICE



John Lauriello and Blake Crowe represented Legacy Credit Union in the purchase of a 3,478 square foot Regions Bank office space at 200 Corporate Ridge North in Birmingham.

Blake Crowe and David Ashford represented Milo's Tea in the leasing of 25,926 square feet in Lakeshore Park Plaza in Birmingham.



Bryan Holt represented Biolife Plasma Services in its leasing of the former OfficeMax space at Wildwood Centre off Lakeshore Parkway in Birmingham.

Michael Randman represented an investment group out of Denver, CO in the purchase of the 13,000 square foot form Black Diamond building on 1st Ave North in Birmingham.

John Lauriello and Blake Crowe represented the seller of a 16,000 square foot office building off Old Rocky Ridge Road in Hoover, Alabama.



John Lauriello and Blake Crowe represented the seller of the former New Ideal Department store. The building is being redeveloped into "New Ideal Lofts" with retail/office space on the ground floor. Michael Randman is the listing broker for the commercial space and H2 Real Estate is managing the residential units.





Steve Mordecai represented the seller of the Land Title building at 600 20th Street North, Birmingham, AL. Casey Howard with Harbert Realty represented the buyer of the property.

Blake Thomas represented the landlord in a 4,465 square foot office lease at the new Town Center development in the Ross Bridge community in Hoover, Alabama.

John Lauriello and Blake Crowe represented the lessee in an 8,000 square foot office lease at University Park Place off of Lakeshore Parkway in Birmingham.



Bill Moss and Blake Crowe represented the seller of a 5,000 square foot office building at 3324 Independence Drive, Homewood, Alabama.

John Lauriello and Blake Crowe represented the tenant in an 8,595 square foot office lease at the Financial Center in downtown Birmingham.

Blake Crowe represented the landlord at the historic Steiner building in Northside Birmingham in a 4,482 square foot office lease.

Blake Crowe represented the tenant in a 6,500 square foot office lease at Southbridge Center in Birmingham.



Bill McDavid represented BB&T Bank in its sale of a former bank location in Trussville, Alabama.

John Lauriello and Blake Crowe represented seller of a 4,400 square foot office building on the Northside of Birmingham

John Lauriello and Blake Crowe represented the seller of a 10,000 square foot property in Birmingham.

## LAND

Steve Mordecai and Joseph Sedita represented the seller of 232 acres of land off Rex Lake Road in Leeds, Alabama.

Michael Randman represented the buyer in the purchase of 2.67 acres of land off highway 280 at the former Mountain Brook Inn site next to Brick Tops.

John Lauriello and Blake Crowe represented the seller of 10 acres of land at 830 33rd Street North in Birmingham.

Steve Mordecai represented the buyer of 221 acres off Highway 70 in Calera.

Blake Thomas represented Taco Bell in the purchase of 1 acre in Pell City.

Steve Mordecai represented Sherman in the selling of 16.38 acres in Huntsville, AL to the City of Huntsville. Mordecai also represented Sherman in the selling of 2.36 acres in Glencoe, Alabama to Site Acquisitions Properties.

## INDUSTRIAL

Michael Randman represented the buyer while Steve Mordecai represented the seller of a 135,036 square foot cement plant in the Parkside District located at 1130 2nd Avenue South in Birmingham for redevelopment purposes.

Steve Lazarus represented the buyer of a 23,878 square foot warehouse/showroom, which housed Magic City Sportswear, located at 3131 4th Avenue South, Birmingham, AL.



John Lauriello and Blake Crowe represented the seller of the 21,000 square foot former Williams Machine & Welding warehouse. RMR 4x4 purchased the building and relocated its car lot to the space at 2625 5th Avenue South in Birmingham.

John Lauriello and Blake Crowe represented the purchaser of the 20,000 square foot Propco Pipe space located at 3225 Richard Arrington Jr. Blvd in Birmingham.

Rich Vanchina acted as a dual agent in the selling of a 25,000 square foot industrial building off University Boulevard in Birmingham, AL.

Rich Vanchina represented the landlord of a 17,000 square foot industrial lease in Birmingham, AL.

Bill McDavid represented the tenant in a 25,200 square foot industrial lease in Birmingham, AL.

Rich Vanchina represented the seller of a 30,000 square foot industrial building in Birmingham, AL.

Steve Lazarus represented the buyer of a 47,000 square foot warehouse at 418 North Royal Street in downtown Mobile, Alabama.

## INVESTMENT

Steve Lazarus represented the buyer of a multi-family property on Conti Street in Mobile, AL.



Steve Lazarus represented the seller of a multi-family property at 1861 Montclair Lane.

# OUR TEAM

## NEW FACES

**Claire Albrecht**  
Client Coordinator



**Elbert Boothby**  
CCIM, Associate Broker



**Michael Flynn**  
Associate Broker



**Dianne Jaffe**  
Property Administrator



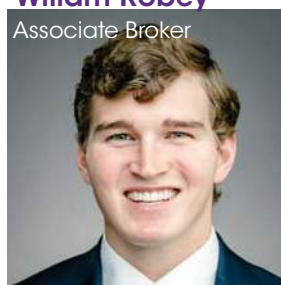
**Charles Lurie**  
CPA



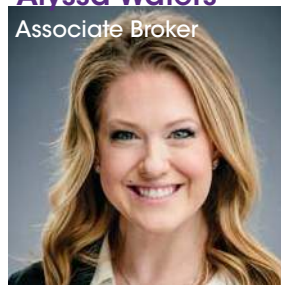
**Brooks Powell**  
Maintenance Technician



**William Robey**  
Associate Broker

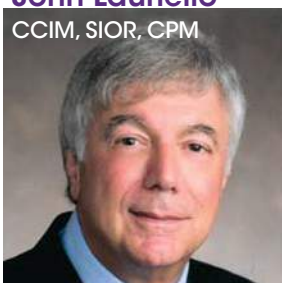


**Alyssa Waters**  
Associate Broker

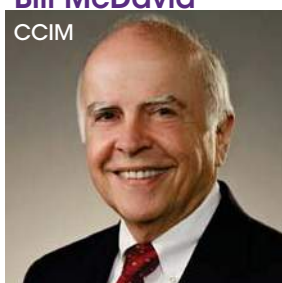


## PRINCIPALS

**John Lauriello**  
CCIM, SIOR, CPM



**Bill McDavid**  
CCIM



**Bryan Holt**  
CCIM, CLS, CSX



## BROKERS

**Alex Benson**



**Sam Centeno**



**Blake Crowe**  
CCIM



**Julie Gieger**  
CCIM, CPM



**Steve Lazarus**



**Steve Mordecai**  
CCIM



**Bill Moss**  
CCIM



**Michael Randman**





BROKERS

Blake Thomas



Rich Vanchina

SIOR, CCIM



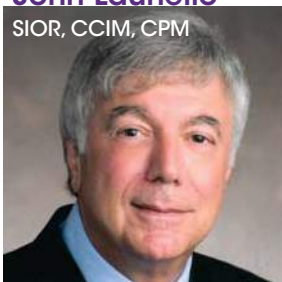
CCIM DESIGNNEES

We're proud to announce we have 12 CCIMs under one roof. When you work with Southpace, rest assured you're working with an industry expert who's certifiably proficient in theory - and practice.

DEVELOPMENT

John Lauriello

SIOR, CCIM, CPM



Kathy Okrongley



SPECIAL PROJECTS

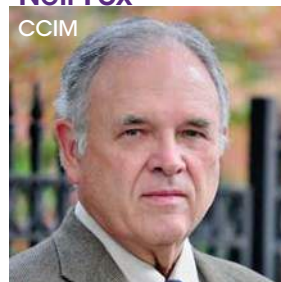
Jim Collins

CCIM



Neil Fox

CCIM



PROPERTY MANAGEMENT

Donna Cox

CCIM, CPM



Julie Gieger

CCIM, CPM



Elizabeth Miles



ACCOUNTING

Charles Lurie

CPA



Sharon Gladney



MARKETING

Stephanie Hill



ASSISTANTS

Cathy Marques



Gloria Weintraub



**Randy Crump**



**John Cushing**



**Billy Johnson**



**Michael Newland**



**Johnny Persall**



## SOUTHPACE LEADERS & ACHIEVERS

**Alex Benson** served as the Southeast Captain for the Retail Brokers Network (RBN) Restaurant Council. He was also recognized by the Birmingham Business Journal as a Rising Star in Commercial Real Estate.

**Stephanie Hill** served as the Marketing Council Co-Chair for the Retail Brokers Network (RBN).

**Bryan Holt, CCIM, CRX, CLS** served on the Retail Brokers Network (RBN) Executive Committee as Vice President of Marketing.

**Julie Gieger, CCIM, CPM** was installed as the 2019 President Elect of the Alabama Chapter 43 of the Institute of Real Estate Management (IREM).

**Bill Moss** served on the Executive Committee of the CCCIM Institute.

**Blake Thomas** served as head of the Southeast Region for Retail Brokers Network (RBN) NextGen Committee. The BBJ also recognized Blake as a Rising Star in Commercial Real Estate.

The following brokers were recognized by the Birmingham Commercial Realtors Club of Excellence: **John Lauriello, Bill McDavid, Bryan Holt, Blake Crowe, Steve Mordecai, Michael Randman, Blake Thomas, and Rich Vanchina.**



*From left to right: Blake Crowe, Blake Thomas, Steve Mordecai, Rich Vanchina, Michael Randman*





## ANNUAL REPORT

# Celebrating 34 YEARS!

# 211

Total Transactions



# \$101M

Gross Lease/Contract Value



# 2.1M<sub>sf</sub>

Managed Properties

2 minds are better than 1!

# 23%

Transactions closed  
with 2 or more brokers

# 12

CCIMS



Total CRE Designations



# 21



Landlord Representation



Property Management  
&  
Maintenance



Tenant Representation



Industrial



Retail



Land



Office



Investments

## SPECIALTIES

# SOUTHPACE PROPERTIES

SOUTHPACE PROPERTIES INC.

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