



Commercial Real Estate Specialists

# Southpace Properties | 2012 NEWSLETTER

## STRAIGHT talk

WITH JOHN LAURIELLO, CCIM

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Another year is behind us, wow was that fast! I remember my father telling me “the older you become, the faster time goes by.” I responded that that was crazy. There are only so many minutes in an hour, so many hours in a day, so many days in a month, etc. No matter how old you are that does not change. But once again my father was right: “the older you become, the faster time goes by.” You younger folks will see what I mean in 20-30 years. Where did 2012 go? Thank God the world did not end as predicted by the Mayan calendar on December 21, 2012.

Actually, 2012 was a good year overall at our company. We added some great brokers and staff. Business was better than in 2011 and we have a lot of deals working for our clients going into 2013. We also added some new quality management and maintenance accounts. Overall, we have the best group of brokers and staff as we enter our 29th year in 2013. Again, how fast time goes by.

As we all know our country is entering a real crossroads going into 2013. Do our so-called

“leaders” in Washington try to find some common ground for the benefit of all our people? Or does the BS continue as the Democrats and Republicans fight each other, moving forward at the risk of seriously hurting our country and keep us divided as a nation? My Republican friends think the world is about to end because President Obama was re-elected and wants a socialist type of government and my Democrat friends think the Republicans will ruin our country because they only favor the rich.

Hey Washington!! How about using some common sense for a change, finding some middle ground that benefits our country now and in the future and stop worrying about your next election campaign. We are in trouble and you are the primary cause for our mess. Please help! We need jobs, a stable economy, fair trade, immigration reform, a simplified tax system, infrastructure upgrades and more importantly, leadership!

I want to give a “shout out” to the Alabama Department of Education for taking over the Birmingham City Schools

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in 2012. The school board needed to lose control with the exception of a few board members. The students' needs were not the main priority of the dysfunctional school board. There is nothing better than a good schoolteacher and nothing worse than a bad one. The school system was too top heavy with administrative folks in the central office—almost 300% higher than comparable school boards around our state. Plus we have too many schools in the system that continue to lose students. The new addition of Carol Clarke to the board is very positive. Now our state leaders need to work on reducing the state taxes on businesses so we can attract and retain business in our state moving forward.

Once again, we want to thank our loyal clients and friends of many years plus new clients and friends we added in 2012 to the "Southpace Family" for working with us and trusting our company to handle their commercial and investment real estate needs. Without you we would not be here and we know you have other options. Our goal since day one is to be honest, loyal and appreciative of our clients and always put their needs and interests first. That goal has not changed.

## OFFICE market

WITH BLAKE CROWE, CCIM

As Birmingham's office market goes, status quo is status quo. The vacancy rates have not changed significantly over the past few years. The 3rd quarter vacancy rate in 2011 was approximately 17.55%. As of the end of the 3rd quarter 2012, the vacancy rate is 19.6%. In our opinion, this is not a significant swing based on a market that tracks approximately 18,500,000 square feet of office space.

As of the end of the 3rd quarter, the Birmingham office market had a negative absorption of approximately 20,000 square feet. The market has approximately 3.6 million square feet available. Of that total square footage, approximately 677,000 square feet is available sublease space. As a percentage, we have a vacancy rate of approximately 15.6%. Last year, our vacancy rate was approximately 14.2%.

We still believe in meeting folks face-to-face, having a human being answer our phones during normal working hours and visiting properties. In short, we are trying to work not only via a computer, iPad, iPhone, text, etc. Interaction with human beings is still important. Technology helps, but it is not the total answer. Technology offers additional tools that hopefully help us lease, sell, maintain or manage a property. But dealing with prospects or other brokers and meeting them at a property is still the most important way to present real estate deals and opportunities in most cases.

I know most people my age fight technology, but when did we all become so important that we need to respond to every phone call, email or text immediately, unless it is an emergency? I find that stupid. Watching friends my age constantly calling or texting their kids, wives, girlfriends and friends is simply over the top. Look at the idiots in the grocery store or restaurant that hold their cell phone in their hand while talking so everyone around them can hear their conversations as if what they are saying is important and needs to be shared with the entire place. It is totally rude! I was having dinner with some friends recently and next to us was a table of four. It

looked like a mother, father and their two sons. They were all on their iPhones during dinner, not talking to each other but checking their emails or texting. Then we have the folks that text while driving, causing more accidents nationwide than drunk driving. It all seems a little crazy to me.

Albert Einstein once said, "I fear the day that technology will surpass our human interaction, the world will have a generation of IDIOTS." Balance is important in all aspects of life especially business. Developing contacts and new business is key to the future of our company and it involves meeting people, interacting face-to-face, networking, being involved in our community, local charities and other business and civic activities. Staying in contact with our clients is vital, especially after a deal is completed, so we can ensure they are satisfied with the transaction. Plus, their goals and needs may change in the future so we need to remember to stay in touch with our clients—both old and new.

Have a great 2013! Thank you again for your loyalty and trust. **SP**

The Birmingham office market is comprised of seven submarkets. The Midtown submarket continues to be the strongest submarket with an occupancy rate of approximately 93%. The Highway 280/I-459 submarket is hovering around 88%. The Southside submarket is also in the 88% range, although it is a much smaller submarket. The Central Business District has an occupancy rate of 80%. The Riverchase submarket is in the 85% occupancy range. The weakest submarket we have is the Oxmoor submarket. With an occupancy rate at approximately 57%, this submarket continues to be in line with historical numbers.

The Birmingham office market continues to be a tenant's market. We have seen many office tenants make moves this year because the terms landlords are offering are simply too good to pass up. Effective rates have a delta of \$3 to \$4

per square foot on comparable space. Landlords who are in need of filling space are tired of "carrying cost." They are eager to spend improvement money for new tenants and pay leasing fees. Many have realized these are simply costs of doing business and it is better to spend the money now rather than "bleed" for who knows how long waiting on a tenant. When that tenant comes, they will still be in a position to have to spend the same amount of money.

Office building sales are increasing. Financing rates are at an all-time low. We are being chased by lenders offering to serve up refinance proposals that are incredible. We have refinanced deals in the 3.5% to 4.0% range. We are advising our clients to keep paying the same amount they have been paying each month and simply pay the property off sooner. We are shaving 1.5 to 2 years

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off of deals that have 13 and 14 years of payments remaining. Banks are also disposing of nonperforming loans they have taken back and they can be terrific deals.

Several significant deals that happened in the market this year are as follows:

- Cadence Bank took approximately 55,000 SF in Concord Center
- Merrill Lynch took approximately 28,000 SF in Colonial at Brookwood
- Iberia Bank will occupy approximately 27,000 SF in Grandview II
- UAB took approximately 24,000 SF on Southside
- Viva Health will be the lead tenant in the former Regions Plaza Building
- McCain Uniform bought a 23,000 SF building on Beacon Parkway.
- Accretive Health Systems will occupy 22,000 SF in The Medical Forum Building

We are expecting a positive year for 2013. We believe some positive momentum in late 2012 will carry over and start off 2013 in the right direction. **SP**

## RETAIL market

WITH DAVID ASHFORD, CCIM

As the old saying goes..."Slow and steady wins the race"—that is how I would describe retail in the Birmingham market in 2012. Vacancy rates dropped every quarter this year and new tenants continue to find homes in Alabama, so we will call that a win; not by a great margin, but a win is a win. As we look back on some of the deals of 2012, my hope is that retail continues to lead the charge to a comeback in the economy as a whole in 2013.

At year-end 2011, the overall retail market in Birmingham held a vacancy rate of approximately 12.6%. As the year moved along there was a slow, but steady drop in vacancy to 10.9% and it seems as though we will finish the year strong with yet another drop in vacancy in the 4th quarter 2012. According to Xceligent, 548,367 square feet of retail space was leased in 2012. This is encouraging, but not necessarily earth shattering. January is the time

when stores take a hard look at their sales numbers and choose which stores in their portfolio need to close. In 4th quarter last year we saw a negative absorption of approximately 356,000 square feet. We could very easily be back to 11% or 12 % vacancy in January if the holiday shopping season is slow.

Last year I predicted that we would see an increased growth in restaurants in 2012. Nostradamus I am not, but that is exactly what happened in 2012. Restaurants, mom and pops and deep discounters led the way in new store openings. New names such as Mooyah Burger, Big Bad Breakfast, World of Beers, Texas de Brazil, Todd English, Five, Tin Drum, and Seasons 52 have all been announced or opened in Birmingham this year. Restaurants continue to be a driving force in the overall Birmingham retail market. Other new tenants to Alabama include Gander Mountain, Aspen Dental, Belle Foods, Earthfare, Von Maur, Sur la Table, The North Face, Lifetime Fitness, Floor & Décor and Nordstrom Rack.

New development in Birmingham in 2012 was somewhat hit or miss. Several projects that we were watching with great anticipation have been sent back to the drawing board, while others burst out of the ground with great enthusiasm. Blackwater, who had announced two possibly three projects in 2011, saw only one break ground in Decatur, but it seems to be off to a roaring start. The 29Seven mixed use project in Lakeview came to form and is ready for tenant build-out in the apartments and retail. The Entertainment District and new Westin hotel are fully underway and have announced two new restaurants to the market, Texas de Brazil and Todd English. Capital Growth Properties is moving forward with their multi-family project in Tuscaloosa with retail soon to follow. General Growth has announced a \$60 million dollar upgrade to the Riverchase Galleria and the addition of Von Maur. Bayer Properties razed the former Sweet Bones to make way for Seasons 52 and it is a wonder if Lane Park will ever get off the shelf.

We cannot talk about retail in Birmingham without talking grocery stores. In 2012 we thought we were

## market REVIEWS

### Our 2012 overview of the major disciplines in the Birmingham commercial real estate market.

going to see an emergence of Walmart neighborhood stores, but in fact there were no new store openings. Winn Dixie completed its renovation of their Montevallo Road store with an upscale look and increased sales 77% according to a source at Winn Dixie. Publix continues to open stores in Alabama with a new 54,000 square foot store opening in Florence this year. We have also seen the emergence of a new player in the market, Belle Foods, who bought the Bruno's/Food World brand, revamped the Hoover and Alabaster Bruno's stores and are looking for additional sites in the market. It is rumored that Belle Foods and Winn Dixie are both chasing the former Bruno's on Hwy 280. As there is still an abundance of empty grocery boxes in the Birmingham market, it will be worth watching the growth of these chains in the coming months.

What is in store for retail in 2013? As the inventory of available space begins to dwindle and landlords begin to get creative, we are going to see more redevelopment and redesign of existing buildings closer to the core of downtown Birmingham. To me, all signs point to an urban shift in the Birmingham retail market. There are more than 2,000 apartment units slated to come available in the next two years and not one is south of I-459. The new downtown baseball stadium has already sparked a huge interest with developers and retailers alike. As amenities such as the Railroad Park, The Entertainment District and the baseball stadium continue to grow in Birmingham, the future looks bright for an emergence of retail players. **SP**

# INDUSTRIAL market

WITH RICH VANCHINA, CCIM, SIOR

After experiencing modest gains in 2011, occupancy rates of industrial real estate stayed flat in Birmingham during the first three quarters of 2012. The overall occupancy rate of the 16 million square feet of multi-tenant industrial space stayed at approximately 75%. This continued level of vacancy has also managed to keep rental rates from increasing again this year.

It seemed as though uncertain economic conditions, along with the presidential election really had a negative effect on market activity during the second and third quarters of this year. But people appear to be getting over all of that now, as recent sales and leasing activity in metro Birmingham suggest that absorption rates will gradually rise again in 2013.

The occupancy levels in each of Birmingham's five industrial submarkets mostly experienced slight declines in 2012. Occupancy in the Oxmoor Valley stayed flat at 81% this year, while the central submarket decreased slightly

to 84%. The big loser was the Western submarket, which dropped to 54% occupancy from 71% last year. The Eastern Submarket dropped to 78% occupancy, due to a couple of significant move-outs in the area. And finally, occupancy in the Southern submarket actually gained to 88% occupied from 83% last year.

In spite of the soft leasing market, sales of free standing owner-occupied industrial buildings increased in 2012. Over the past few years, the anemic sales activity had been generally characterized by deep discounts from distressed sellers to opportunistic buyers. Although those types of deals did occur again this year, we experienced significantly more healthy sales activity in metro Birmingham this year. Thankfully, most of the distressed supply was picked off the market prior to this year, which resulted in higher sales prices. Another market factor that had a positive effect on sales this year are the historically low interest rates that banks offer to finance owner-occupied

real estate. Buyers have shown they are willing to pay slightly more for a building, due to the favorable financing terms that they will receive.

Even with the disappointing amount of industrial leasing activity this year, the sales activity was a significant improvement from the past three or four years. This resulted in a healthy increase in property values, which is welcome news to owner occupants planning to either sell or refinance their industrial real estate in the near future. But with the leasing market still soft, landlords are going to have to wait a little longer before rents will increase.

Also, the existing surplus of industrial space will likely keep any new development from occurring in metro Birmingham for just a little while longer. However, based on recent market activity, it appears likely that occupancy of industrial real estate will continue to gradually increase over 2013, hopefully to a point that will justify modest rent increases. **SP**

**Below are some of the charitable organizations Southpace was honored to support in 2012.**



# Inside SOUTHPACE

WITH BRYAN HOLT, CCIM, CLS

2012 was a good year for Southpace. Productivity was up in both brokerage and property management, occupancy rates and rental rates improved across our portfolio and we added more capability in personnel and in operations. We spent a great deal of time, money and effort this year increasing our ability to serve our clients. A focus on education and technology has made us a better firm in 2012.

As I write this article in early December, Leslie Evans and Christen Lewis in our marketing department are ramping up a new G.I.S. software package that integrates mapping, aerial photography and a treasure trove of geospatial information and puts it at our fingertips for research and presentation to our clients. We can access information such as demographics, traffic counts, tax parcel info, sales figures and performance metrics from multiple sources all from one platform and then display the location-based information on maps and aerial photos in layers. We have the ability to add additional layers of information to the system allowing it to grow with our client base. This tool allows us to tell the story of a particular market or location in an intuitive fashion.

Our Maintenance Supervisor, Heather Turner, got new tools in 2012 to increase the efficiency of our maintenance staff and longevity of our vehicle fleet. A new GPS tracking system


allows Heather to see the vehicles on a map in real time and dispatch personnel more efficiently. This shortens our response time and saves our clients money. Managing a vehicle fleet is a tricky proposition and we are very proud of our new affiliation with Fleetio, a Birmingham software company based at the Innovation Depot. Fleetio is fleet maintenance software that helps

cut costs and lengthen the life of our company vehicles. Smart phones and another new software package are allowing our



maintenance staff to track work orders and document facility issues more effectively.

Education is as important as technology and the 2012 Southpace Learning Series (SLS) was the vehicle for making us better CRE professionals this year. We invited experts from the region to come into our offices and teach six classes this year on subjects ranging from civil engineering to law to roofing. The classes were customized by the presenters to give our people a working knowledge of fields that operate on the periphery of commercial real estate. Our clients need lawyers, architects, plumbers, engineers and contractors and they often depend on us to manage those relationships. We owe it to our clients to be conversant in a wide variety of CRE topics and assist them in identifying problems and finding solutions to match. We will continue the SLS in 2013 with a focus on deeper understanding of issues facing our clients.

You will find more information in this newsletter about the talent we added in 2012. I believe we have the strongest lineup of professionals in company history. There is a nice balance of grey-haired experience and tech-savvy motivation among the group. Our mission is to add value to the ownership, use, purchase and sale of commercial real estate. Our challenge is to continually seek ways to improve our ability to better serve our clients. 

“ Our mission is to add value to the ownership, use, purchase and sale of commercial real estate. Our challenge is to continually seek ways to improve our ability to better serve our clients. ”

# Back to the Basics OF PROPERTY MANAGEMENT

BY GABRIELLE KEEL, CPM, RPA

By definition, Property Management is a “professional activity where one oversees the operation of a property, whether it is commercial, industrial, residential, multi-family or retail, where the property objectives are dictated by ownership.” Further peeling back the layers of this simplified, textbook definition, it goes on to include leasing, customer service and general accounting administration.

Seems simple enough, but in reality, property management is not as cut and dry. Monotony, routine and consistency are words that, for the most part, do not exist in the vocabulary of a strong Property Manager. Instead, words that are quite prevalent include versatility, teams, relationships and chaos.

Typically, in the world of property management, a Property Manager is assigned to a multitude of properties, possibly of different sectors and owners. As a result, a Property Manager must be open to wearing many “hats” and possess the ability to change “hats” at the spur of the moment while cultivating a

positive relationship with owners and maintaining their assets driven by the owner’s real estate objectives.

“ Monotony, routine and consistency are words that, for the most part, do not exist in the vocabulary of a strong Property Manager. ”

important role contributing to the full management of a property and is led by the Property Manager. At the end of the day, everyone is supporting each other while achieving the ownership’s objectives.

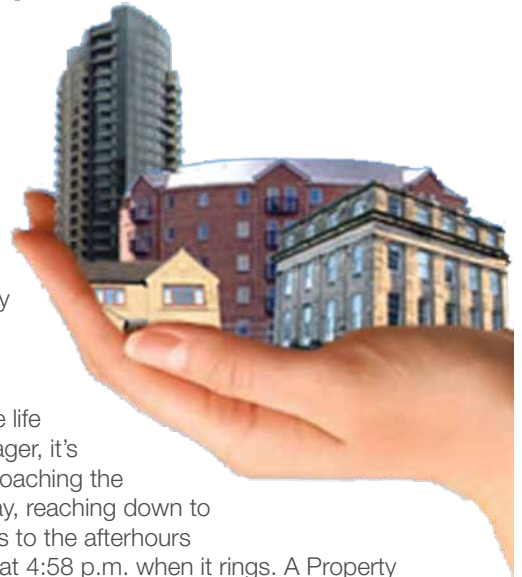
Good property management is not about one person. It’s really about a team of people. The team includes anywhere from the executive level, administration support to maintenance technicians. Each team member has a specific,

The importance of property management teams come into play when “chaos” temporarily surfaces.

For example, in the life of a property manager, it’s nothing to be approaching the end of the work day, reaching down to transfer the phones to the afterhours answering service at 4:58 p.m. when it rings. A Property Manager will contemplate, looking at the phone, for a split second as whether or not to answer or head for a glass of wine. Burning with curiosity as to who might be calling at this time of day, one picks up, discovering a tenant called to report smoke billowing out of the parking garage below his suite and he needed to know what to do. The next 72 hours are spent working on restoring power to the building where the electrical vault exploded. This also involves the engagement of a multitude of contractors while maintaining open dialogue with tenants about the progression of repairs.

Without a strong experienced, property management team and the relationships built both on the contractor and tenant side, emergency situations cannot be handled in an organized, constructive manner. And this is precisely what we, in property management, are called upon to do—day in and day out.

At Southpace, we’re proud to have a property management team that manages more than four million square feet of diverse properties including office, retail, industrial and land across the southeast. And our team answers the call of duty (ahem, chaos) in such a timely, efficient and professional manner that we were recognized as the 2012 AMO ‘Firm of the Year’ by the Institute of Real Estate Management (IREM). [SP](#)



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PROPERTY MANAGEMENT DIVISION?

Scan this QR code to read about the latest technology we’re implementing to make our team as efficient as possible.

# My Year as President

## OF THE ALABAMA CCIM CHAPTER | BY ANDREW LOVEMAN, CCIM

The Certified Commercial Investment Member (CCIM) Institute is an international organization with a commitment to educating and improving the commercial real estate community. There are 9,655 CCIMs across the globe and 3,888 currently pursuing this commercial real estate designation.

The Alabama CCIM Chapter is a statewide organization and one of the top chapters in the CCIM Institute. Our chapter plays a major role in the commercial real estate community in Alabama through networking events, continuing education events, by holding commercial real estate classes for the CCIM designation and conducting two symposiums annually (in Huntsville and Birmingham).

Southpace has a history of giving back to the commercial real estate community, particularly in serving the Alabama CCIM Chapter in some capacity. Over the years, we have had brokers who were members, instructors and/or served as an officer on the board. I have personally been a member of the state board for 6 years and was honored to serve as President of the Alabama CCIM Chapter in 2012.

The Alabama CCIM Chapter Board spends a lot of time and energy discussing and planning our events for our members and sponsors. Most likely everyone has heard the expression that a duck glides smoothly across the water, but in reality that duck is kicking feverishly underneath the water. I think that's the best description of our Alabama CCIM Chapter board.

### Here's a highlight of what the public saw this year:

- a CCIM Intro class
- a CCIM 101 class
- 4 Continuing Education classes
- 2-day Beach Meeting at Orange Beach with multiple speakers
- a Braves networking trip with the Georgia chapter
- our annual new officers election party
- our two market symposiums in Huntsville & Birmingham
- 3 scholarships awarded to college students from our chapter's three named endowed scholarships
- 2 University Alliance scholarships awarded to college students
- 1 scholarship awarded to a commercial real estate practitioner for a CCIM class
- a holiday/new officer installation party
- a Habitat for Humanity service project

This past year was a wonderful year of service for me, but here are the top five things I will always remember from my experience as president: ►

**1. People.** Business of any kind will always be about people. Make sure you work with the best. I was fortunate to have a fantastic group to work with and I'll remember the many times of hard discussions, disagreements, great brainstorming sessions and wise cracks. These experiences were had because the people involved cared to make things better.

**2. Amy Adkins.** She is the Administrative Assistant for the Alabama CCIM Chapter and she's the one that keeps things rolling. Again, it's about people.

**3. The Capitol Hill Visit.** I spent a day in Washington, D.C. visiting with a staffer for U.S. Senator Jeff Sessions, a staffer for U.S. Congresswoman Terri Sewell, Senate Banking Committee staffers in the Senate Banking Committee Chamber (this is the same room they grilled the Wall Street boys a few years ago—and the room is much smaller than you might think); and lastly U.S. Congressman

Spencer Bacchus and a Financial Services Committee staffer. Growing up in a family that talked politics at the dinner table made this opportunity the thrill of a lifetime and I was glad to discuss the issues that affect the commercial real estate industry. My funny story from Washington, D.C. was taking a picture of a man fishing in the Tidal Basin across from the Jefferson Memorial right next to a sign that said "No Fishing."



*No Fishing!*

**4. Attending the CCIM Annual Meetings.** These meetings have much minutiae and an almost grinding aspect to them that you can't imagine. People have spent countless hours (maybe even years) working on certain issues relative to the organization and what's best for it. If you ever attend, be prepared!

**5. Community Caring in Motion.** The CCIM Institute invited all CCIM members to participate in an initiative to give back in our own communities. Our chapter chose to work with Habitat For Humanity and the McDonald family in Cordova, Alabama whose house was destroyed by the April 27, 2011 tornadoes that ravaged Alabama. We shingled the entire roof, finished the siding on 25% of the house, installed all the windows, and did some other odds and ends. I have a saying that "you can't unsee some things." Usually it's reserved for bad things, but I can't "unsee" Mr. McDonald's face. This was the first year that the CCIM Institute held this initiative and I believe it's here to stay. **SP**

Lastly, I have to thank a few people: David Ashford, for doing some of my work this year when I was away for three separate conferences; Lori Livezey, for helping me keep up with my work while gone; my bosses at Southpace (John, Bill & Bryan) for allowing me to serve on the board and encouraging each of us at the office to do more for our industry than just trying to get paid; and my wife and children, for allowing me to be gone and miss a few games, dinners, helping with homework and just being Dad. It was a wonderful year.

# Can I Get Financing for My: SHOPPING CENTER, OFFICE BUILDING, APARTMENT PROJECT OR WAREHOUSE? | BY NEILL FOX, CCIM

Before I discuss the above topic let me provide a little background information on me, so one can better understand where I am coming from regarding commercial real estate financing in the current market.

In September 2008, I completed a 37-year career in commercial banking, with most of that time spent in commercial real estate lending. In September of 2012, I completed a 39-month term employment with the FDIC. During that time I reviewed commercial loans, mostly commercial real estate loans and foreclosed properties, in dozens of banks in Alabama, Florida, South Carolina and Georgia. I think I observed just about every conceivable mistake both a borrower and a banker could possibly make in underwriting, closing and servicing commercial real estate loans.

Most of the problems are now behind us, especially in Alabama. Those that are still on the books of some Alabama banks are well-recognized, proper loss reserves are established and usually work out plans or foreclosure plans are in place. Southpace Properties is working with a number of Alabama banks in both managing and selling foreclosed properties.

Now, let's return to the question of how a local developer can get his or her small to medium sized project, be it retail, office, multi-family, or industrial project financed today. The big project loans, say \$15 million to several hundred million, are being handled by the major regional and national banks and insurance companies who are working with large corporate

developers. The best source of financing for local developers working on projects, say from two to ten or twelve million dollars, are local community banks. These banks emphasize long-term personal relationships with their commercial customers. Community banks are generally not very interested in purely transactional business. They do not want to

“ A good community bank will want your personal banking business as well as your development loan business. ”

“bid” on your next development loan and get the business based on the cheapest rate and most liberal terms (that's what got so many community banks in trouble in the first place). A good community bank will want your personal banking

business, as well as your development loan business. Rather than bidding for business, they will want to sit down and negotiate a mutually beneficial loan for your next project, one that is fair and profitable for both parties, and is conservatively underwritten.

This is very different than dealing with the Atlanta regional office of JP Morgan Chase Bank and beginning the long process of arranging a development loan of \$250 million for a high rise office tower. That loan will be participated among three to five major banks, with several consultants involved, probably four or five law firms, a national appraisal firm and any number of other related parties.

Community banks, or most of them, have weathered the financial storms of the past several years, having made their share of mistakes. The ones that made too many mistakes are simply not here anymore. The survivors are starting to lend again, on a conservative and reasonable basis.

So what does this mean? It means that the banks that have survived the turmoil of the past several years now well understand the mistakes made by themselves and other community banks, and they are not about to repeat them. They are all about getting back to the basics of sound commercial real estate lending to people they know well, and people that they know are deeply knowledgeable about their own business. If you are a developer, you are not new to the business. You have good development experience, you have leasing and property management capabilities and strong tenant contacts. You know what you are doing and have a track record to back that up. This is true for developers in all aspects of commercial real estate. Pioneers get arrows in their back and today getting development financing is hard for pioneers.

Bankers are returning to the well-known five “C’s” of credit, which leads to sound underwriting on every customer and every deal. The regulators are carefully reviewing banker’s underwriting policies and procedures and are insisting on conservative and realistic project loan underwriting, which the five C’s represent. The five C’s of credit are: Character, Capacity, Capital, Conditions and Collateral.

As an example for this analysis, let's say our developer, Sam Johnson, needs a \$5,000,000 construction and mini-permanent loan to develop a 50,000 square foot neighborhood shopping center. The anchor tenant will be a 20,000 square foot Piggly Wiggly supermarket, along with 30,000 square feet of local and regional tenants. How will the five C’s of credit apply to this request?



Mr. Johnson puts his loan request package together and arranges to meet with his banker, Vice President John Jones, an experienced real estate lender with Peoples Community Bank. This is a well-established locally based bank with which Mr. Johnson has done business for eight years. Vice President Jones brings Vice President Tim Smith to the meeting. V. P. Smith is a senior credit officer, and has been with the bank for 11 years. V. P. Jones is well respected by the bank's senior management, but today, in this bank, as in most community banks, V.P. Smith, as a credit officer, will have the final decision as to whether or not this loan request makes it to the bank's loan committee for final approval.

Here is how the five C's of credit apply to V.P. Jones and Smith's decision as to whether or not to recommend this loan to the bank's loan committee for approval.

**1. Character.** The first rule of lending is that no amount or form of collateral can ever compensate for a lack of good character in the borrower. Both V. P. Jones and Smith have known Mr. Johnson for several years, he has completed two previous development loans with this bank and does all of his personal banking with the bank. He also has two business related truck loans. He has never been late on a loan payment and has a 780 credit score.

**2. Capacity.** In his early days Mr. Johnson worked with another local and very successful retail developer, gaining valuable experience. Nine years ago he left on good terms and started his own development company. This center will be the seventh he will have developed. Mr. Johnson also has a long standing relationship with a local commercial brokerage firm, Southpoint Properties, which has a large leasing and management operation. This firm handles all of Mr. Johnson's leasing and management and has sold several of his prior projects. Clearly Mr. Johnson has the proven capacity to develop and lease this center.

**3. Capital.** Mr. Johnson will be required to guarantee payment of the loan, as well as completion of the project. He has provided the bank with a CPA prepared personal financial statement, as well as a CPA reviewed statement on his company, as well as personal and business federal tax returns. V.P. Jones and Smith are satisfied that Mr. Johnson has the personal liquidity and income to handle any additional costs that could be incurred in developing a shopping center of this size, without the need of asking for additional loan funds.

As mentioned, this center is anchored by a 20,000 square foot Piggly Wiggly supermarket and the owner will sign a 20-

year lease at \$14.00 per square foot, plus full cam, tax and insurance. The operator has been in business in this market for over 30 years. This will be his 8th store and he has anchored two previous centers developed by Mr. Johnson. The operator has provided three years of audited financial statements to Mr. Johnson and the bank for review. He is acceptable. Mr. Johnson's broker has also obtained another 20,000 square feet of signed local and regional tenants and all have provided sufficient financial information to satisfy the bank.

Lastly, Mr. Johnson has negotiated a fixed price contract with a local contractor for this project. This contractor built two previous centers for Mr. Johnson and did a good job. The contractor is well known and has provided audited financial statements to the bank.

**4. Conditions.** What are retail market conditions for a center like this? Mr. Johnson has answered this by having substantial pre-leasing prior to breaking ground. Also, the job market in this community is strong, with only a 6% unemployment rate and family income is 110% of the state average. The site is properly zoned and all utilities are available. The site is at the intersection of two heavily traveled roads, has excellent visibility and a traffic light is in place.

**5. Collateral.** Mr. Johnson has formed an LLC to own this center. He, along with two

investors also known to the bank, are putting in 20% hard cash up front. The project projects a 1.3/1 debt service coverage using a 25-year amortization at current rates, allowing 10% shop space vacancy, plus normal non-reimbursed expenses and is already pre-leased beyond break-even. An MAI appraisal will be ordered and reviewed. A maximum of 75% loan-to-value is allowed and approximately a 70% loan-to-value is expected. A one-year construction loan is requested, followed by a three-year mini-permanent term. Between the 18th and 24th month Mr. Johnson hopes to sell the center at a substantial profit and repay the loan.

The above scenario outlines a realistic construction/mini-permanent loan request made by an experienced local developer to a well-capitalized and profitable community bank. Developers like Mr. Johnson, whether retail, multifamily, etc., are operating in Birmingham, Montgomery, Huntsville, Tuscaloosa, Mobile, Jackson, MS and so forth. There are numerous well-capitalized and profitable community banks ready to finance the Mr. Johnsons out there, on the basis presented here. All we need is a Federal Government as experienced and stable as Mr. Johnson and the Peoples Community Bank and we could be well on our way to a strong real estate economy. **SP**





Beaufort, SC



Seaside, FL



Birmingham Botanical Gardens

**Show Us Your SWAG!**

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



Botswana, Africa



Barbados



Italian Riviera



Portland, OR



Monterey, CA



Beaufort, SC

# New FACES

The Southpace team is always growing.

Here are the new faces we added to our company in 2012.



**Paul "Coach" Andrzejewski** joined Southpace as Assistant Property Manager in January 2012. Paul's previous experience includes a 25-year career as a high school teacher and football, basketball and baseball coach. He also spent the better part of this time as an NCAA Division I Basketball Official in the SEC, Conference USA and Sunbelt Conference and as a Baseball Umpire in the SEC, Gulf South

Conference and Sunbelt Conference. It was Paul's experience as facilities manager at Ballantrae Golf Course and the Pelham Civic Center Complex that indicated he was the perfect candidate for a newly created position at Southpace.

Paul is responsible for on-site visits to perform routine inspections of our managed properties in proactive manner to determine what, if any, maintenance issues need to be addressed. The development of this position is just one more way Southpace illustrates its commitment to providing the best possible service for our property management customers.



**Anne Michaels, SCLS** joined Southpace in early April as an Associate Broker in our retail division. Anne brings more than 15 years of commercial real estate experience with her, including execution of leasing strategies for regional malls, lifestyle centers, power centers and neighborhood strip centers.

As an Associate Broker, Anne is responsible for the redevelopment and retensing of the former Kmart in Auburn, Alabama and will represent Sears and Kmart in right-sizing more than 45 of their stores across Alabama and Mississippi. Anne will also work in tenant representation for Rainbow Fashion in Alabama, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee.

Anne has received her Senior Certified Leasing Specialist designation from ICSC and was also a founding member of Birmingham CREW.



**Stutts Everette** joined Southpace in June as Director of Retail and Tenant Representation, bringing with him nearly 15 years of commercial real estate experience. This experience has been gained through representing retail brands across the United States. His clients' businesses are universal in the retail arena, however his primary focus has been on restaurateurs, franchised

and chef-driven food concepts. Stutts transactional history ranges from neighborhood strip centers to class "A" lifestyle centers.

As Director of Retail and Tenant Representation, Stutts is responsible for establishing a deeper focus on client-based services such as: tenant representation, site selection, concept roll-out, negotiations, demographic/psychographic profiling and consulting. He will continue providing services throughout the United States, both directly and through Southpace's affiliation with the Retail Brokers Network.



**Neill Fox, CCIM** joined Southpace in early October after a 40-year career in commercial banking and commercial real estate finance, including five years as chief financial officer of a large commercial development company, and five years as vice president and director of real estate for a regional supermarket chain. From November 1998 through 2008 Neill was executive vice president of real estate banking for Compass Bank in

Birmingham, Alabama. Most recently Neill completed 39 months with the FDIC as a term employee reviewing commercial loans in banks located in Alabama, Georgia and Florida.

As Associate Broker and Director of Special Assets, Neill will be responsible in seeking listings of foreclosed real estate including land, developed lots and various commercial properties, as well as property management opportunities. He will also continue to develop and maintain strong relationships with banks and other financial institutions involved with foreclosed properties.

Neill earned his Certified Commercial Investment Member (CCIM) designation in 1985 and also holds basic, standard and advanced certificates from American Institute of Banking.



**Bill Moss, CCIM** joined Southpace in early October after a 35+ year career with a regional commercial real estate firm which eventually emerged as a publically traded Real Estate Investment Trust (REIT).

Having served as both an independent contractor and as a member of the corporate environment, Bill brings a varied background of experience to the table.

In the early years of his career, Bill developed in-fill townhomes and garden homes for sale, miscellaneous apartment homes for permanent ownership and general brokerage. More recently he was involved in site location and disposition of non-core assets.

## RETAIL



**Bryan Holt & Andrew Loveman** represented Dunkin' Donuts in the leasing of 2,000 SF of space at Trussville Station being developed by Terra Equities on Highway 11.

**Andrew Loveman** represented Dunkin' Donuts in the leasing of 1,400 SF at the corner of Brookwood Boulevard and Shades Creek Parkway near Brookwood Hospital. Construction for the site is set to begin in January 2013 and Dunkin' Donuts hopes to open this site for business later in the spring.

**Stephen Lazarus** represented Lucas Properties, LLC. in the sale of a 13,160 SF retail center at 3007-3017 27th Street North in Birmingham, Alabama.



**Bryan Holt and Tyler Bradford** represented Gander Mountain in the purchase of 5.41 acres and leasing of 52,000 SF at 1701 Frederick Road in Opelika, Alabama. Holt and Bradford also represented Gander Mountain in the leasing of 45,000 SF on Seville Road in Florence, Alabama. Both stores are now open, making these the second and third store location in Alabama for the outdoor sporting goods retailer.

**Marcus Bruchis** represented Rainbow Fashion in the leasing of retail space in the following locations across the southeast: Gulfdale Square in Mobile, Alabama, Montgomery Promenade in Montgomery, Alabama, Hammett Crossing in Clinton, Mississippi,

Sampson Crossing in Clinton, North Carolina, Woodlawn Marketplace in Charlotte, North Carolina, College Village in High Point, North Carolina, Gateway Plaza in Conway, South Carolina and American Way Plaza and Centennial Village in Memphis, Tennessee.

**Marcus Bruchis & Anne Michaels** represented Rainbow Fashion in the leasing of 11,275 SF at the Crichton Shopping Center in Mobile, Alabama.

**Bryan Holt** represented Cheddars Casual Café in the leasing of approximately two acres on Airport Highway in Mobile, Alabama and two acres of land in Dothan, Alabama.



**David Ashford** represented the landlord in the sale of the 6,820 SF former Village Wine Shop located at 2020 Cahaba Road in Mountain Brook, Alabama. The space will be converted to an office building.

**David Ashford** represented Drinkard Development in the leasing of 3,100 SF of space to Shane's Rib Shack at the Willkommen Center in Cullman, Alabama.



**Bill McDavid** represented the owner in the sale of the former 36,000 SF RoomStore at 1686 Montgomery Highway in Birmingham, Alabama to Schaeffer Properties, LLC.

**Bryan Holt and Tyler Bradford** represented Buffalo Wild Wings in the leasing of 5,250 SF at Wiregrass Commons in Dothan, Alabama.

## 2012 DEALS

A sample of highlighted transactions our brokers completed in 2012.



**Anne Michaels** represented Inspire Fitness in the leasing of 3,000 SF of space for a spin and yoga studio at 2255 Highland Avenue in Birmingham, Alabama.

**Tyler Bradford** represented Which Wich in the leasing of 1,891 SF at SOHO Square in Homewood, Alabama and 1,600 SF at The Shoppes at Valley Bend in Huntsville, Alabama. This is their second location in both cities.

**Jim Collins** represented the owner in the sale of the former 8,000 SF Incahoots Restaurant at 4300 Helena Road in Helena, Alabama.

**David Ashford** represented the landlord in a lease renewal and expansion for a total of 2,100 SF to Zoë's Kitchen at Country Club Park in Mountain Brook, Alabama.

**Bryan Holt** represented the buyer in the purchase of the 6,650 SF former O'Charley's restaurant at 101 Southgate Drive in Pelham, Alabama.

**David Ashford** represented the landlord of Crestwood Festival Center in the leasing of approximately 60,000 SF of shop space ranging from 750 SF to 15,000 SF.

## INDUSTRIAL

**Rich Vanchina** represented the owner in the sale of a 32,000 SF industrial building to an owner-occupant at 6841 Gadsden Highway in Trussville, Alabama.



**Julie Gieger & Bob Vines** represented Hubert L. Norris and Robert W. Norris in the sale of a 7,000 SF warehouse at 3000 4th Avenue South in Birmingham, Alabama.

**Bob Vines** represented Cobb Properties in the purchase of an 8,000 SF warehouse at 300 24th Street South in Birmingham, Alabama.

**Rich Vanchina and Jim Collins** represented the landlord in the leasing of 61,658 SF of warehouse space at the Multiple Distribution Center, a 152,750 SF facility on Goodrich Drive in Birmingham, Alabama. The space will be used for storage and distribution of office furniture.



**Rich Vanchina & Sloan Stevens** represented the owner in the sale of a 4,200 SF warehouse to a trucking company at 42 Sayreton Drive in Birmingham, Alabama.

**Bob Vines** represented Mudd Properties in the purchase of a 9,200 SF garage on 2116 5th Avenue North in Birmingham, Alabama.

**Rich Vanchina** represented the

landlord in the leasing of 2,750 SF of space to a landscape supply company at 1510 Simsville Road in Alabaster, Alabama.



**Rich Vanchina** represented the owner in the sale of a 10,000 SF industrial building to Fairway Lawns at 5621 Shirley Park Drive in Birmingham, Alabama.



**Rich Vanchina** represented the landlord in the leasing of a 35,000 SF warehouse to a roofing supply company at 3441 Mary Taylor Road in Trussville, Alabama.

## OFFICE

**John Lauriello & Blake Crowe** represented Hargrove Engineers in the leasing of 5,000 SF of office space in Riverchase Center at 2100 Riverchase Parkway in Birmingham, Alabama.

**Jim Collins** represented Renal Treatment Centers Southeast, LP, a subsidiary of DaVita, Inc., in the leasing of a 4,800 square foot build-to-suit medical building at the intersection of Marietta Road/County Road 174 and Purple Heart Boulevard in Springville, Alabama. The building will be used as a dialysis clinic.

**John Lauriello & Blake Crowe** represented Gathings Law Firm in the leasing of 4,000 SF at Lakeshore Park Plaza in Homewood, Alabama.



**John Lauriello & Blake Crowe** represented Abbott, Livings, Smith & Higgins in the leasing of 3,866 SF of office space in the BB&T building at 2501 Twentieth Place South in Birmingham, Alabama.

**Bob Vines** represented J.H. Berry Insurance Agency in the purchase of a 5,200 SF office building at 2208 Seventh Avenue South in Birmingham, Alabama.



**Greg Despinakis** represented the owner in the sale of the 42,000 SF German Auto Building at 2200 Third Avenue South in Birmingham, Alabama. This property will serve as the new location for the Birmingham School of Law and will undergo extensive renovations.

**John Lauriello & Blake Crowe** represented Wettermark & Keith, LLC in the leasing of 7,500 SF of office space at 2101 Highland Avenue in Birmingham, Alabama.

**Blake Crowe** represented SAWABE, LLC. in the leasing of 1,500 SF of office space and the purchase of a 4,000 SF office building in Edenton Village in Birmingham, Alabama.

**Jim Collins** represented OGA Acquisitions, LLC as the purchaser of 41,000 square feet of land located at 1600 Noble Street in Anniston, Alabama. OGA Acquisitions plans a build-to-suit for Renal Treatment Centers Southeast, LP, an affiliate of DaVita, Inc., and the building will be used as a dialysis center serving the Anniston area.

## LAND

**Greg Despinakis** represented Pappas Restaurants of Houston, Texas in the purchase of approximately one acre of land at Grandview on U.S. Highway 280. Pappas, who already owned the Ralph and Kacoos property next door and will build their cajun seafood concept "Pappadeaux" there, purchased the land in anticipation of additional parking needs.

**Steve Mordecai** represented the owner in the sale of 17 residential lots at Wisteria subdivision in Alabaster, Alabama.

**Blake Crowe** represented the purchaser of an acre of land at the Colonial Promenade in Alabaster, Alabama.

**Steve Mordecai** represented Energy Smart New Homes, LLC in the purchase of 32 residential lots in the Savannah Cove subdivision in Morris, Alabama.

**Bryan Holt** represented Drinkard Development in the purchase of 5.41 acres in Opelika Alabama. Drinkard Development is a real estate development company located in Cullman, Alabama with properties located in Ohio, Kentucky, Tennessee, Alabama and Louisiana.

**Steve Mordecai** facilitated the sale of nine residential lots at Heritage Park subdivision in McCalla, Alabama.

**Steve Mordecai** represented the owner in the sale of three residential lots at Acadian Place in Tuscaloosa, Alabama.

## INVESTMENT

**Michael Randman** represented the buyer in the purchase of the 226,837 SF Grants Mill Station shopping center in Irondale, Alabama.

## REDEVELOPMENT

If you've been keeping up with the Southpace blog, then you know we're pretty excited about the construction of Regions Field which will be the new home of the Birmingham Barons baseball team next year.

We feel the new stadium will be great for the entire metro area. There's already a lot of momentum on that side of town with the continued growth of UAB, the new Children's Hospital, Innovation Depot and Railroad Park. When you put all those things together, you really have some buzz going on and it will be great for Birmingham.

If you look at other second and third tier cities like Montgomery, Memphis and San Antonio that have similar parks, it's not a venue that's used just for 30 home AA baseball games. It will be used for concerts, festivals, weddings and maybe help keep the SEC baseball championship in the area. It will continually encourage redevelopment in that part of downtown and on the North side of town right across the railroad tracks.

When you look at similar communities that have also built their baseball stadiums in the downtown area, what you see is that it really helps the immediate vicinity.



*One look at a possible configuration for the redevelopment property across from Regions Field*

A recent and close-to-home example of this is Riverwalk Stadium in downtown Montgomery. People think the city is active and full of life because it's the state capital, but there were a lot of retail spaces, office buildings and warehouses that were vacant for years that are now restaurants, bars, hotels and more. Those type of venues will have a very positive impact on Birmingham as well and probably encourage \$50 to \$100 million within a year or two after the park is up and operating.

We're so confident in what the ballpark will do for the city, that we put a group of investors together, including

John Lauriello and Charles Ferlisi, to buy property across the street on the corner of 1st Avenue and 14th Street. Southpace broker Bob Vines represented Associated Equipment Company in the sale of the 21,600 square feet industrial building that is currently on the property. We plan to redevelop this property by doing a ground lease, build-to-suit or by restoring the existing building. We think it's a real home run site, and before we even closed on the property, we had activity and interest from national players.

So stay tuned for more news on this redevelopment project.

## SELECTED HIGHLIGHTED TRANSACTIONS

Bryan Holt/Tyler Bradford Retail Lease Opelika, AL \$8,875,000.00	Greg Despinakis Land Sale Birmingham, AL \$1,050,000.00	Rich Vanchina Industrial Sale Huntsville, AL \$547,000.00	Marcus Bruchis Retail Lease Vicksburg, MS \$400,000.00
Charles Ferlisi/Michael Randman Land Sale Lafayette, LA \$6,500,000.00	Jim Collins Office Lease Anniston, AL \$961,538.00	David Ashford/Tyler Bradford Retail Sale Huntsville, AL \$533,500.00	Tyler Bradford Retail Lease Pensacola, FL \$378,000.00
Bryan Holt/Tyler Bradford Retail Lease Florence, AL \$5,332,500.00	Greg Despinakis Office Sale Birmingham, AL \$950,000.00	John Lauriello/Blake Crowe Office Lease Birmingham, AL \$504,238.00	Bob Vines Industrial Sale Birmingham, AL \$370,000.00
John Lauriello Office Lease Birmingham, AL \$2,400,000.00	Jim Collins Office Lease Springville, AL \$880,426.00	Stephen Lazarus Investment Sale Birmingham, AL \$500,000.00	Rich Vanchina Industrial Sale Birmingham, AL \$345,000.00
Michael Randman Investment Sale Irondale, AL \$2,200,000.00	Rich Vanchina Industrial Lease Birmingham, AL \$875,050.00	David Ashford Retail Lease Birmingham, AL \$490,875.00	Stephen Lazarus Retail Sale Birmingham, AL \$300,000.00
Bill McDavid Retail Sale Birmingham, AL \$1,800,000.00	Bob Vines Industrial Sale Birmingham, AL \$840,000.00	John Lauriello/Blake Crowe Office Lease Birmingham, AL \$482,708.00	John Lauriello/Blake Crowe Office Lease Birmingham, AL \$262,089.00
David Ashford Retail Sale Birmingham, AL \$1,400,000.00	Rich Vanchina/Jim Collins Industrial Lease Birmingham, AL \$721,423.00	Bryan Holt/Andrew Loveman Retail Lease Trussville, AL \$475,000.00	John Lauriello/Blake Crowe Office Lease Birmingham, AL \$295,752.00
Bryan Holt/Tyler Bradford Land Sale Opelika, AL \$1,390,392.00	David Ashford Retail Lease Cullman, AL \$639,426.00	Bob Vines Office Sale Birmingham, AL \$465,000.00	Andrew Loveman Retail Lease Birmingham, AL \$290,500.00
Bryan Holt/Tyler Bradford Retail Lease Dothan, AL \$1,273,125.00	Blake Crowe Office Sale Birmingham, AL \$662,652.00	John Lauriello/Blake Crowe Land Sale Alabaster, AL \$459,000.00	Bob Vines Industrial Sale Birmingham, AL \$245,000.00
Bryan Holt Land Lease Mobile, AL \$1,200,000.00	John Lauriello/Blake Crowe Office Lease Birmingham, AL \$620,368.00	Marcus Bruchis Retail Lease Memphis, TN \$434,000.00	Steve Mordecai Land Sale Alabaster, AL \$229,500.00
Bryan Holt Retail Lease Dothan, AL \$1,200,000.00	Rich Vanchina Industrial Lease Trussville, AL \$608,548.00	John Lauriello/Blake Crowe Office Sale Birmingham, AL \$430,000.00	Blake Crowe Office Lease Birmingham, AL \$219,181.00
Bryan Holt Retail Sale Pelham, AL \$1,100,000.00	Marcus Bruchis Retail Lease Conway, SC \$592,125.00	Marcus Bruchis/Anne Michaels Retail Lease Mobile, AL \$422,812.00	Rich Vanchina/Sloan Stevens Industrial Sale Birmingham, AL \$210,000.00

## The Southpace Team

### Principals

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

### Property Management

Gabrielle Keel, CPM, RPA  
Melissa Achuff  
Julie Gieger  
Heather Turner  
Paul "Coach" Andrzejewski  
Lori Livezey

### Development & Construction

Charles Ferlisi

### Associates

David Ashford, CCIM  
Tyler Bradford  
Marcus Bruchis, SCLS  
Jim Collins, CCIM  
Blake Crowe, CCIM  
Greg Despinakis  
Stutts Everette  
Neill Fox, CCIM  
Julie Gieger, CCIM  
Stephen Lazarus  
Andrew Loveman, CCIM  
Anne Michaels, SCLS  
Steve Mordecai  
Bill Moss, CCIM  
Walter Pittman, MD  
Michael Randman  
Sloan Stevens  
David Trott  
Rich Vanchina, CCIM, SIOR  
Bob Vines

### Staff

Cathy Marques  
Gloria Weintraub

### Accounting

Brian Dillard  
Sharon Gladney

### Marketing & Research

Leslie Evans  
Christen Lewis

### Maintenance

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

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## Southpace Management Inc. is 2012 IREM AMO 'Firm of the Year'

We're pleased to announce that Southpace Management was recently named AMA 'Firm of the Year' by the Alabama Chapter of the Institute of Real Estate Management (IREM).

This award is given each year to the AMO firm with a property management team that best exemplifies professionalism and service to the property management industry and community at large.



FROM LEFT TO RIGHT: Paul Andrzejewski, Sharon Gladney, Gabrielle Keel, Heather Turner, Lori Livezey, Melissa Achuff, Brian Dillard and Julie Gieger.

Congrats to our Property Management Team on being chosen as the 2012 AMO Firm of the Year by IREM.

## Southpace Employees Recognized

**Bryan Holt, CCIM** was appointed Treasurer of the Alabama Chapter of CCIM and was also appointed to the executive committee of the Retail Brokers Network (RBN).

**Andrew Loveman, CCIM** was appointed Past President of the Alabama Chapter of CCIM.

**Gabrielle Keel, CPM, RPA** received the 2012 Membership Recruitment Award and she will also serve as Vice President of Alabama Chapter of Institute of Real Estate Management (IREM) for 2013.

**Sloan Stevens** was recently awarded the annual CCIM scholarship. This was the only scholarship given for continuing CCIM education in the state of Alabama.

**Brett Melton** was certified as a Master Plumber and Master Gas Fitter in April 2012 by the Alabama Plumbers and Gas Fitters Examining Board.