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A bigger playground

Florida growth's the game for investment pro John Bell as he joins Trammell Crow

by Oscar Pedro Musibay

Cushman & Wakefield real estate investment powerhouse John Bell has joined Trammell Crow as its senior vice president of investment relations.

The broker whose deals include the \$172 million sale of 701 Brickell Ave. in Miami in 2002 and the \$55 million sale this year of Waterfront Clematis in West Palm Beach is teaming up with Trammell Crow principal and South Florida area director Don Cartwright.

"We are building our business and reinforcing business in the state of Florida, hiring the best professionals," Cartwright said. "John clearly is the top investment professional in the business down here."

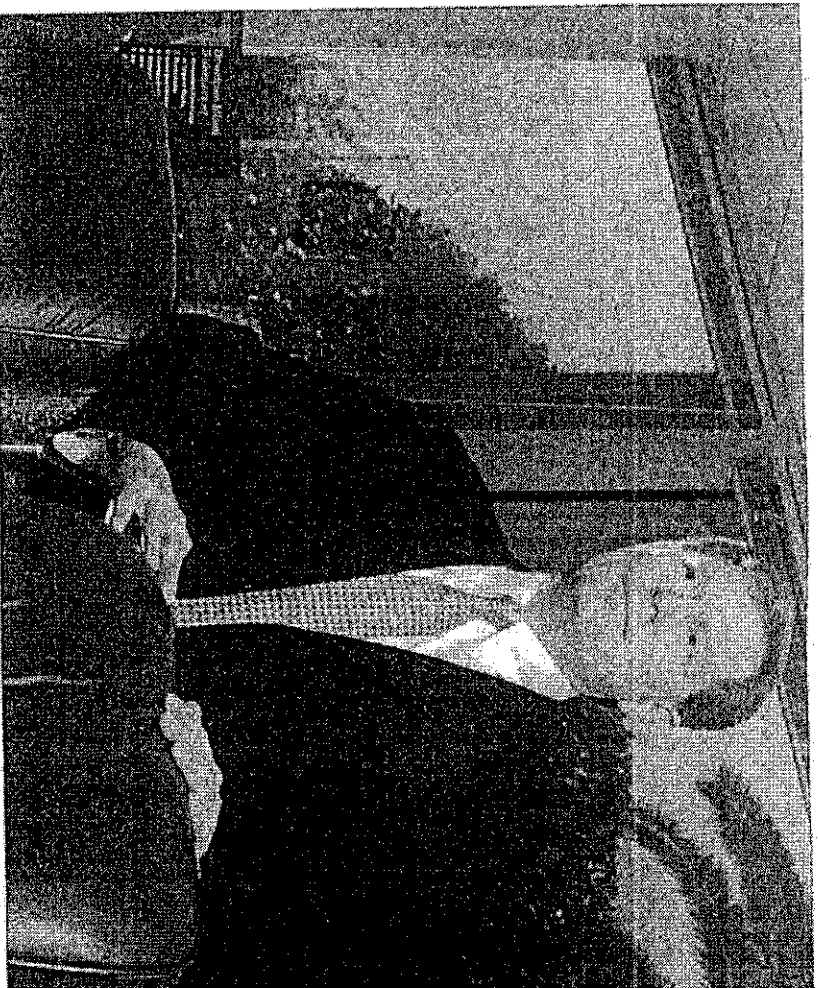
His arrival spurred Trammell's search for office space in downtown Miami and nearby Brickell Avenue, Cartwright said.

In addition to the office in Doral that has served as its South Florida headquarters, Trammell is looking for space to accommodate 35 employees. Sources say the likely destination is 801 Brickell, which the national brokerage currently manages.

It's a big leap for Bell, who was at Cushman & Wakefield for 15 years.

Bell grew up in Tallahassee and moved to South Florida two decades ago as a corporate lender for SunTrust Bank, then known as Sun Bank.

Bell said his departure from Cushman was amicable and that he made the move because Trammell wanted to focus on a statewide approach rather than the more localized operations of Cushman & Wakefield, which has two offices in South Florida and others in Jacksonville.



John Bell says he left Cushman & Wakefield for Trammell's statewide approach rather than Cushman's local focus.

Orlando and Tampa.

Calls to Cushman & Wakefield were not returned before deadline.

"My mandate is to grow the investment sales practice throughout Florida. That's what I'm most excited about," Bell said. "It gives me a larger playground."

William Holly, president of Holly Real Estate, which manages leasing at Espirito Santo Plaza, said Trammell's decision to hire Bell fills a longtime need for the company.

"Trammell Crow is trying to increase its presence," Holly said. "They have a national platform as well as strong national relationships, but they haven't had a strong institutional sales broker."

It's also a big leap for Trammell Crow in terms of its expansion.

Bell said the company's decision to open the Brickell office does not mean Trammell will end its presence in Doral. The company also has offices in Broward and Palm Beach counties. Their business in western Miami-Dade demands that the company retain a presence there.

Holly said the growth signals a change in mindset for the company.

"They have been in West Dade for a long time," he said. "They are trying to come up to the next level in leasing and sales. The downtown and Brickell market is where other dominant firms are and they

probably feel they need to be there to be considered a dominant player in the market."

Bell sees several trends that will be driving investment activity in the next year: the rising popularity of office condominiums in urban cores; increasing investor interest in Florida as a whole; the emergence of West Palm Beach as a growth market; and an improved outlook for commercial properties in the Brickell Avenue area as developers continue to develop condos.

Low interest rates and weak rental demand in areas such as Fort Lauderdale and Brickell have been fueling buyer interest in new office condos as well as condo conversions. For exam-

ple, Latitude on the River, a mixed-use project planned along the Miami River, has a significant office condo component, as does Met Miami in downtown Miami.

In terms of conversions, developer Stiles Corp. is looking to build an office condo on at 200 Brickell Ave. in Fort Lauderdale, and developer Edgardo Defortuna plans to convert an existing office building at 1100 Brickell Ave. in Miami.

Bell expects that brokers will continue to include Miami-Dade, along with parts of California and Chicago and Washington, D.C., on their buy lists. But investors have also become increasingly interested in Tampa, Orlando and Jacksonville, he said.

Competition for a shrinking pool of available land in South Florida is also driving investors north along the coast, a trend that will only intensify in the next year, he said.

West Palm Beach's new popularity is based on population shifts northward, a trend that is expected to continue.

"Deals in that market are getting twice the offers as in Dade and Broward," Bell said. "It is truly becoming the epicenter of the Gold Coast and South Florida."

He also expects the overall market, especially in the Brickell area, to improve as land becomes scarcer. Office buildings are selling for \$250 per

square foot, a significant spike from 18 months ago that is spurred by residential development.

"It's good for the office market as a whole," Bell said. "Existing office building owners are happy because it takes away competitive sites and adds residential, which will grow demand." ♦

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