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SOUTHWEST FLORIDA'S
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FEATURE:

Paul Sands of VIP Commercial

LET'S DO LUNCH/DINNER:

Blue Pepper



Meeting Client Needs in Dynamic Market Prompts Strategic Shift for Sands

By Elizabeth W. Pearce

Paul Sands won't deny the benefits of having national commercial contacts and close connections in the community. However, as an advisor with VIP Commercial-TCN Worldwide in Fort Myers, he understands that even in a molten market like Southwest Florida, negotiating successful transactions involves more than just knowing the right people. To Sands, *what* you know — as well as *who* you know — distinguishes a spectacular investment opportunity from just another deal.

"A key part of my job is advising clients about changing their investment strategy to suit changing market conditions," says Sands, whose 25+ year commercial real estate career in Florida includes 16 years with VIP Commercial. During that time, he has cultivated a client list that reads like a Who's Who of investors, developers, community leaders and contractors from near and far.

Sands is routinely recognized as a top producer for VIP Commercial by working on transactions ranging from purchasing replacement properties in 1031 Tax-Deferred Exchanges to negotiating the sales of apartment complexes for condo conversions. He also markets and leases commercial space for clients such as Realmark Development, the developer of Cape Harbour in Cape Coral. Realmark is now in the process of developing waterfront retail space around the community's marina. When construction is completed late next year or in early 2007, Sands says he expects retail tenants will include an ice-cream shop, a coffee shop, apparel boutique, deli and wine/liquor store, among others.

Harley-Davidson of Southwest Florida is another major client. Sands is the exclusive representative for the motorcycle dealership, which he says is growing "aggressively." In addition to negotiating the land purchases for its current dealerships in Fort Myers and Naples, Sands also negotiated the



▲ VIP Commercial-TCN Worldwide headquarters in Fort Myers at 13131 University Drive.

company's purchase of 12 acres in the D-75 Commerce Park at I-75 and Daniels Parkway. Within the next two years, the site will be developed to include a new dealership location and a Rider's Edge training facility. Sands also recently helped the company acquire a dealership in Albuquerque, New Mexico, and is seeking expansion/relocation sites in markets such as: Columbus, Ohio; Hilton Head, South Carolina; and Huntsville, Alabama.

"Our business is all about our clients. We go where they go," says Sands. "Regardless of where the market goes, we're working to accommodate our clients' interests, whether they're buying, selling, leasing or managing property."

To assist him, Sands, a former pitcher for the Chicago White Sox, has assembled an all-star team of his own (see box). Together, they offer commercial clients a full range of services, from sales and property management to leasing and valuation analysis. All are designed to maximize their clients' returns, which is not as easy as it seems in today's dynamic environment.

"Everyone says we're in such a great market, which it is, although it's getting increasingly difficult to place clients' money," he says, noting the sky-high prices and critical shortage of income properties. Further, low interest rates continue to make it conducive for many tenants to buy their space rather than lease it. "For the last 12 months, we've had to be creative in finding ways to help our clients put their money to work."

As a result, Sands says his focus has shifted from income-producing properties to undeveloped land. "Instead of buying value in an income stream, we've been selling our clients raw parcels or entitled land that can be developed," says Sands, who specializes in industrial properties. "Usually, they'll either have us sell the (developed) property, or lease and manage it for them." Mike Palomba has yet to experience the latter.

Palomba is a Fort Myers-based commercial contractor who has worked with Sands since 1998 on a number of successful projects.



▲ Commercial Real Estate Advisor Karen Johnson-Crowther (right) and her Personal Assistant Shannon Sylvester (left).

"Usually, he'll make a suggestion on a parcel and let my wheels turn for a little while," says Palomba. "If it's something I'm interested in, I'll buy it and then (build something) on it. I approach each project with the intention of keeping it. So far that hasn't happened," thanks to a steady stream of eager buyers.

"The first project that we did was Princeton Villas, upscale duplex units in the City of Fort Myers on Princeton Street. I didn't even have the last unit leased yet, and Paul brought me a buyer," recalls Palomba. Something similar happened with his next project, a five-acre, 48,000sf office/warehouse development in Lehigh Acres. Now nearing completion, the project was preconstruction when Sands sold it.

"His knowledge of the marketplace and his contacts with individuals interested in leasing or buying are extremely important," says Palomba. "I consider him a matchmaker. He puts the players together. Also, with Paul, I know I'm going to have a good return on investment."

Solid profits aren't the only reason why Palomba has never worked with a broker other than Sands. "In this business, you have to work with somebody you trust, someone with integrity," he adds. "With so many people coming into the area, you don't know what their motivation is. Paul has no hidden agenda."

Developer Jes Santaularia agrees, describing Sands as "real. He does what he says he's going to do and has been able to deliver the pieces of property that I'm interested in. It's a tough market. I'm a small fish in a big pond (and) I have very unique needs."

In the last three years, Sands has worked with Santaularia on several projects in Lee County, including highly successful mini-storage and warehouse/condo developments. For example, at Sunset Annex Warehouse Condominiums on Summerlin Road in south Fort Myers, Sands sold both the 26,000sf first phase and 40,000sf second phase for Santaularia before either was completed. Also through Sands, Santaularia recently contracted to purchase a parcel for development near I-75 and Corkscrew Road, as well as a five-acre tract off Daniels Parkway near I-75.

Despite his experience as a commercial developer, Santaularia lives elsewhere, splitting his time between Kansas and Sarasota, where he also works. "Guys like me who don't live there (in Lee County) need to be able to comprehend and trust what we're being told in order to make good business decisions," says Santaularia. "Paul has an extremely good understanding of the local market conditions."

Like most of Sands' clients, Santaularia was referred by an out-of-state business associate. "Referrals keep getting us choice assignments and



▲ Commercial Real Estate Advisor Mike Doyle and Paul Sands' Personal Assistant Martha Feeney.

THE SANDS COMMERCIAL GROUP

A real estate advisor with VIP Commercial-TCN Worldwide since its establishment, Paul Sands attributes much of his success to his co-workers, especially the following associates:

**Mike Doyle
Research & Valuation
Specialist**

In addition to a master's degree in real estate from Florida State University, Doyle has 15 years of experience as a commercial appraiser and an additional five years as a commercial banker.

**Karen Johnson-Crowther
Leasing Specialist**

Johnson-Crowther brings to the team more than 20 years of expertise in office and retail sales and leasing. Well-known throughout Southwest Florida's real estate community, she has been a real estate advisor with VIP Commercial since 1998 and a member of Sands' team since 2004.

**Martha Feeney
Executive Assistant**

Feeney has worked closely with Sands for the past eight years and is a licensed real estate agent. In addition to managing leases and contracts, Feeney meets with clients on due diligence and other complex issues related to major commercial transactions.

are our number-one source of business," says Sands, who has been active in the community for the last 30 years. Besides being an avid golfer and member of the Cypress Lake Country Club, he serves as a director on the boards of the YMCA, Commerce Bank of Southwest Florida and the Greater Fort Myers Chamber of Commerce.

Being so well acquainted with the market gives Sands a unique perspective on how rapidly it has evolved and

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SUITE TALK

Marine Holdings To Develop North Fort Myers Yacht Club And Marina

Marine Holdings of Delray Beach has acquired and is developing **Caloosa Isle Yacht Club (CIYC)** in North Fort Myers. The former Fish Tale Marina is located on the north side of the Caloosahatchee River between the Veterans Midpoint Bridge and the U.S. 41 Bridge. Preconstruction equity club memberships are available to boaters with vessels up to 50 feet.

Memberships feature dry dock storage, wet slips, a fitness center, pool, children's play area, waterfront restaurant, tiki bar, fuel dock, ship's store and boat repair facility. Ultimately, CIYC

is expected to include approximately 299 member-owned dry dock storage racks and 33 wet slips, as well as social club memberships.

An existing boathouse office building was demolished in September. Phase I, now underway, includes the reconstruction of the existing dry storage building and is slated for completion by the end of 2006. Phase II will feature the construction of an additional dry storage building if approvals are granted by Lee County and should be completed by 2007.

Marine Holdings, LLC, purchases,

manages and converts traditionally operated marinas into equity membership clubs, such as Sunset Harbour Yacht Club in Miami Beach.

By land, CIYC is situated at the end Inlet Drive, off of Orange Grove Blvd. across from Lochmoor Country Club. By water, Caloosa Isle Yacht Club is on the north side of the Caloosahatchee River, between channel markers 54 and 58.

For more information, please contact the sales office at (239) 656-1700 or visit www.CaloosaIsleYachtClub.com.

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Paul Sands

how quickly it continues to change. "Crossing the 500,000 population barrier has really opened up our market to national companies. As they enter the market, they're asking us to help them build, and then either sell or lease their product. In turn, a lot of our clients want to locate near those national players in order to reap the benefits of exposure to a larger customer base."

Lee County's unprecedented growth and development has prompted Sands and his partners to seek opportunities beyond the area's traditional commercial corridors. "One problem is we're running out of industrial land. What little we have has been sold and people have plans to build on it. If they were built out today, we'd fill them up."

Despite the dearth of industrial buildings for sale or lease at this time, Sands says there should be plenty in the next couple of years, particularly in Lehigh Acres and Cape Coral, as well as along Alico Road in Fort Myers. "Lehigh's especially hot and so is Charlotte County, which is no longer a best-kept secret," says Sands, adding that North Port "is on fire." Other attractive investment possibilities are farther north into Sarasota County.

Sands says he believes that imminent increases in interest rates make this a prime time to sell. "I think you're going to see some people taking their profit over the next 12 months. Maybe they've held their property for five or 10 years. They're going to get abso-

lutely top dollar now. Why wouldn't they take that money and put it on the sidelines for a little while and then come back into the market when conditions are more favorable for buying?"

Such candid observations have helped endear Sands to his clients while positioning him at the top of his commercial class. Not surprisingly, competing firms often attempt to recruit him for their teams. "Most people leave when things aren't going that well. But the grass isn't always greener on the other side," says Sands. "Besides, our company has a lot of talented people working here and we've been very successful, individually and collectively. I'm looking to continue that." ☛

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Blue Pepper

Halibut with roasted potatoes and asparagus. Entrees on the regular menu run the gamut from **Citrus-Crusted Grouper** and **Pan-Seared Medallions of Veal Strip** to a **Grilled Rib-Eye Steak** and a **Caribbean Seafood Stew**. Most entrees are priced under \$20.

Blue Pepper continues to host its extremely popular wine tastings on the second Wednesday of every month from 5:30 – 7:30 p.m. For just \$20 per person, tastings include samples of as many as 25 different wines, hors d'oeuvres, cheese and a coupon for \$10

off either a bottle of wine or an entree in the restaurant that night.

In October, Blue Pepper held its first ever beer tasting to showcase the complexity of various beers available today. The owners say they hope to continue those on a monthly or at least a quarterly basis, depending on the demand.

Also, in early 2006, area chefs-in-training can look forward to the return of Blue Pepper cooking classes, which consistently sell out well in advance. Although there won't be any classes in December, a revamped program will be

unveiled in coming months, same days and times (every other Tuesday from 5:30 – 7:30 p.m.).

(Blue Pepper is in the College Parkway Shopping Center at 7091 College Parkway, near the corner of U.S. 41 in Fort Myers. It is open Monday through Saturday from 10 a.m. - 9 p.m. and closed Sunday. Lunch is served until 5 p.m.; dinner is offered from 5 p.m. - 9 p.m. Also, catering for corporate and special events is available. Phone: 239-939-4700.)