



Prudential Real Estate

NEWSLETTER

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PRUDENTIAL CRES COMMERCIAL REAL ESTATE, TAMPA, FL, ANNOUNCES \$32.9M IN SALES OF APARTMENT COMPLEXES



Casey Babb

It's been a very busy season for the Prudential CRES Commercial Real Estate, Tampa, FL, apartment team of Casey Babb, CCIM, and Bill Renje.

In their most recent transaction, the team of Babb/Renje represented buyer, G & A Development, a Miami based development company, as they purchased the Bloomingdale Woods Apartments in Valrico, FL, for \$16M. The seller was BWP, Inc., a Tampa based investment group.



Bill Renje

Built in the mid 1980's, this elegant 224-unit property is made up of predominately 2-bedroom units with an average square footage of 931 sf.

The property was purchased for condo conversion and will most likely offer affordable housing options beginning in late 2006.

Bloomingdale Woods Apartment Complex with 224 units



Laguna Vista Apartments with 235 units, lakefront views

Also announced recently was the sale of the Laguna Vista Apartments in Largo, FL. The Babb/Renje team again represented buyer, G & A Development, as they purchased the property for \$12.5M, from Vista DeLagoa, Inc., a Canadian based investment group.

Built in the early 1980's, this elegant 235-unit property is made up of apartments with 90% offering lakefront views. The project is almost totally occupied.

The Prudential CRES commercial real estate apartment team also handled the sale of the 32-unit Westgate Apartments, a condo conversion property which sold for \$2.1M to Westgate RE, LLC, who purchased the property from a private investor and brokered the sale of two South Tampa apartment communities, the Casa del Sol Apartments, a 20-unit rental property which sold for \$1.2M, and the Palasias Apartments which sold for \$1.1M.

Over the past year, the Babb/Renje team has closed over \$60M in multi-family transactions in the Tampa Bay area.

PRUDENTIAL CRES COMMERCIAL REAL ESTATE, OREM, UT, INVOLVED IN \$80M MIDTOWN VILLAGE



Dave Runnells
Sales Associate, Prudential CRES
Commercial Real Estate, Orem UT,
Marketing Director, Midtown Village,
Orem, UT

According to Dave Runnells, sales associate for Prudential CRES Commercial Real Estate, and Marketing Director for Midtown Village, the \$80M project grew from a pre-existing trailer park, to a strip center and ultimately into an 11-acre mixed-use urban village with 1.2 million sf of enclosed space.

Almost four years in the making, Midtown Village, is located on State Street in the heart of downtown Orem.



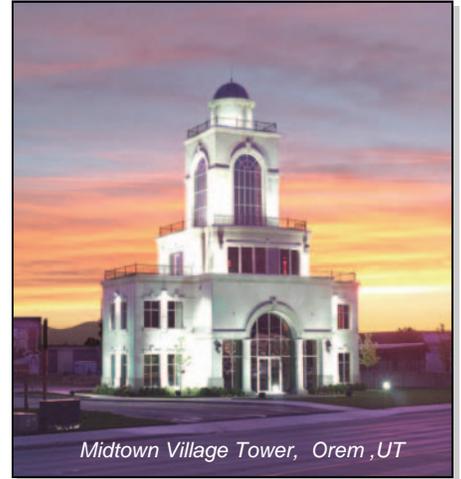
Construction site, South Wing, Midtown Village, Orem, UT

Traffic count runs about 70,000 cars per day on the two thoroughfares bordering the new urban village.

Midtown Village, the second largest project of its kind in UT, is the result of superb vision, planning and effort, and Runnells has been working on the project since the beginning.

After years of planning and numerous obstacles to overcome, construction began in September of 2005. It is a staggered single-phase building project with the first commercial and residential spaces set to be ready in ten months. The entire project is scheduled for completion in two years.

Midtown Village boasts 100,000 sf of retail and restaurant space on the first floor, 100,000 sf of office space on the second floor and 250 condos on floors three through eight with one-bedroom to three-bedroom deluxe sites, and a penthouse with 17-ft ceilings and floor to ceiling windows.



The average condo is about 1,400 sf and ranges in price from \$260,000 to \$550,000 (excluding the penthouse).

A 436-seat performing arts center is located in the complex and condo amenities include a business center, spa, salon, rooftop swimming pool and workout area. There are also two levels of underground parking.

The three wings of Midtown Village are centered around a beautiful outdoor courtyard, which will be used as a gathering place for outdoor dining and other venues.

Runnells says that 50% of the office and retail space is preleased and 80% of the condos are presold.

For a look at the project visit www.midtownvillage.com

Construction site, South Tower, Midtown Village, Orem, UT



PRUDENTIAL CONNECTICUT COMMERCIAL REAL ESTATE ATTRACTS NATIONAL and LOCAL CLIENTS

Prudential Connecticut Commercial Real Estate, Stamford, CT, recently announced major lease and sales transactions.



Bob Miller

MTM Technologies, a national information technologies company offering IT solutions and services for mid-size to large corporations, healthcare and educational institutions, and government clients, has leased 20,600 sf at 1200 High Ridge Road, in Stamford.



Corporate Headquarters, MTM Technologies, 1200 High Ridge Road, Stamford,



Stewart Snow

With 26 customer centers in 14 states, the space will be MTM's corporate headquarters, occupying the entire third floor.

The building has historical significance as the former Headquarters of Schweppes Beverages, and Commander Whitehead, at one time President of Schweppes Beverages, (USA), and popular TV commercial spokesperson for Schweppes, had his office on the top floor.

1200 High Ridge was designed by Werner Jensen, an architect from Stamford who was also one of the original developers along with Frank Mercede & Sons.

Bob Miller, and Stewart Snow were the only brokers in the transaction. Miller and Snow are partners of Prudential Connecticut Commercial Real Estate. Both are office, industrial and investment specialists.

Airoom, Inc., has leased 26,000 sf of space in Norwalk, CT, for 10 years.



Airoom, Inc., has entrances on Butler Street and on West Ave, Norwalk, CT

Home based in Illinois, Airoom is a complete design and construction center for people expanding or remodeling their existing homes. Airoom handles the entire process

Les Fradkoff, Senior Vice President of Prudential Connecticut Commercial Real Estate, represented Airoom and specializes in industrial, retail, office and investment sales.



Les Fradkoff

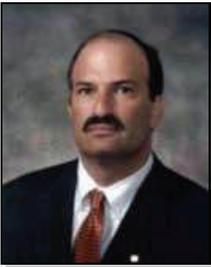
Fradkoff had both sides of a \$2M sale in New Canaan, CT.

This retail building housed a music store and school, and a four-family house on 1/2 acre. It will become part of a larger parcel that the buyer is assembling.

33 East Avenue, New Canaan, CT



Self- Storage Investments Pack Potential



Larry Goldman,
Office and Investments Properties
Specialist, Prudential CRES Commercial Real Estate, Kansas City, MO

Larry Goldman is regional first vice president of the CCIM Institute and former president of the Kansas City Chapter of CCIM in 2002. He is also Vice President of the Kansas Self Storage Owners Association and specializes in the brokerage of self-storage facilities. Goldman is the Kansas/Western Missouri affiliate of the Argus Self Storage Sales Network, the only national network of self-storage brokers in the country. Licensed in three states, he has recently closed over \$8M of storage facility sales in Kansas, Missouri and Oklahoma. Goldman has been a speaker/moderator at various national and state trade shows in the self-storage industry and a speaker with Lorman Education Services. This article is scheduled to appear in the Kansas City Business Journal and regional commercial real estate publications later this spring. It is printed with permission from the author.

The profile of self-storage investments continues to increase in the commercial investment real estate sector. Investors initially perceived self-storage as a temporary means to warehouse land until higher and better uses came along. Self-storage is now considered to be one of those higher and better uses, with climate controlled rents approaching the lower end of office and apartment rents. Currently, 40,000 self-storage facilities with 1.5 billion square feet in storage space exist throughout the United States generating over \$15 billion a year in annual rents. The translation: If every U.S. resident of stepped inside a storage unit at the same time, we would still have room for more people.

What drives America's thirst for storage space?

Many demographic factors are fueling the popularity of self-storage investments.

Geographic mobility. We are an increasingly more mobile society. Consistently during the past 10 years, more than 15% of the country's population has moved each year. Relocation is one of the main life events, along with marriage, divorce, and retirement, that triggers consumer use of self-storage.

The peak in disposable earnings. As Baby Boomers and Generation Xers become older and more affluent, they acquire more boy (and girl) toys that require storage. Jet skis, motorcycles, snow skis, and boats are examples of items frequently stored in facilities outside the home.

The aging of America's population. As Baby Boomers age and their children leave home, Baby Boomers tend to

sell their houses and move into smaller residences that require less maintenance. Their possessions may not down-size along with their dwellings, necessitating additional storage needs.

Off-site storage for businesses. Corporate America is constantly looking for ways to reduce costs and become more "virtual." With necessary samples and supplies in storage, businesspeople can work out of either their home offices and/or vehicles more efficiently. Furthermore, since 9/11, safety of records is increasingly more important as many companies have to store vital information off-site.

Investors also have noticed the appeal of self-storage, contributing to the increase in the industry's popularity. Self-storage REITS have been consolidating, as seen in last year's sale of Storage USA to Prudential Real Estate Investors and Extra Space Storage for \$2.3 billion.

In addition, private investors, who own 80% of the industry, see its profit potential. Investors love the industry's inverse relationship that exists between rate of return and intensity of management, relative to other product types. On the average, self-storage properties typically trade at capitalization rates 150 to 200 basis points over multifamily properties, while requiring less management attention.

The relative ease of management attracts many investors as well. Self-storage lends itself to self-management with direct

"Currently, 40,000 self-storage facilities with 1.5 billion sf in storage space exist throughout the United States generating over \$15 billion a year in annual rents"

employees, as opposed to third-party management companies. Currently, less than 5% of the privately owned facilities are managed by third-party management companies. But the use of outside management companies should increase dramatically as fierce competition takes its toll on investment performance and as increasing interest rates diminish the margin of error for profits.

The relatively low cost of construction further draws devel-

opers to self-storage. Even as municipalities demand higher quality and more aesthetic designs, construction costs are still significantly less than alternative property types. Self-storage also requires fewer capital infusions than other types of property investments. For example, self-storage owners do not have to replace appliances or repair plumbing as apartment building owners do. Unlike owners of office buildings, self-storage owners do not have leasing commissions to pay or improvements to perform as new commercial tenants move in.

Caution is warranted

Of course, all of these assets could also be liabilities. Overbuilding is a risk for self-storage as it is with many other industries. Quite often, as one developer makes plans to build a new project, others are thinking the same thing. The end result is cyclical overbuilding, where supply gets ahead of demand, the markets stabilize, and developers overbuild a market. The cycle then starts over again.

Ultimately, the barriers to entry help create stability and

prop up rental rates. Municipalities typically discourage self-storage development, as the properties can be unattractive and the industry generally does not produce the jobs or tax revenue that shopping centers or office buildings can. But for many properties and investors, self-storage remains an appealing investment vehicle.

Recently sold is the Bradford Mini Storage, Springfield, MO, with fourteen buildings on seven acres. Over 60,000 sf rentable space.



PRUDENTIAL COMMERCIAL REAL ESTATE, RICHMOND, VA, INVOLVED IN \$75M DEVELOPMENT PLANNED AS TOWNE CENTER WEST IN SHORT PUMP, VA

In the beginning, Charles E. Blankenship, Jr., President, and Ted Austin, Jr., Vice President of Prudential Commercial Real Estate, Richmond, VA, were asked to acquire a couple of small pieces of property to help a developer, Breeden & Co., expand an apartment complex.

They had previously represented Breeden & Co. when they sold Breeden the property to build Reflections of West Creek Apartments, a 290-unit complex.

However, the County had adopted a vision that frowned upon piecemeal development and instead wanted an urban-like mixed-use concept. To accomplish this, Blankenship and Austin had to assemble numerous adjacent parcels before a rezoning of the property could be submitted.

Blankenship and Austin began the task of assembling adja-

cent land owners, and after two years, had assembled six parcels encompassing a 42-acre site.

The developer, Breeden & Co., then purchased the land and began to create the new development which will be called Towne Center West. This large complex will have 125,000 sf of retail, restaurants and office space, and 144 additional apartments.

A full-service national hotel is also planned and Towne Center West will supply a tram to provide transportation for the apartment dwellers from its complex as well as the adjacent Reflections of West Creek Apartments.

The planned project will ultimately be connected by an expanded road network with the new 972,000 sf Short Pump Town Center, which opened in the fall of 2003.



Elevation of Building façade, Towne Center West, Short, Pump, VA Reprinted with Permission from the Breeden Company

Prudential Commercial Services Companies Recognize Top Producers

Many Prudential Commercial Services companies will be recognizing their 2005 Top Producers at special events and occasions throughout the spring. Here are a few that we've heard about. Their varied backgrounds and experience demonstrate that there is more than one way to become a Top Producer.



Bill Almon, Jr.
Associate Broker, Prudential Almon Realty Commercial, Yakima, WA

Bill Almon focuses his efforts on investment real estate and leasing. With a background in business finance he has proven very capable in many aspects of investment analysis and advanced financial concepts. Almon is involved in office, retail, industrial and multi-family sales and leasing and investments analysis, as well as development and sale of commercially zoned land.

His awards include Top Sales Associate, 2001, 2002, and 2003 Prudential Almon Realty Commercial; Top Sales Associate 2005 Prudential Almon Realty combined.

Almon is a 1999 graduate of University of Puget Sound in Business Administration and received his CCIM in 2001.



Rosie Kiene
Vice President, Prudential CRES Commercial Real Estate, Kansas City, MO

Rosie Kiene has been with Prudential CRES Commercial Real Estate since 1996 and active in the Kansas City real estate market since 1985.

She began her career in commercial real estate in 1995 and was awarded "Rookie of the Year" by the Commercial Investment Division of the Johnson County Board of Realtors that same year. Kiene was awarded Salesperson of the Year in 2002, 2003 & 2005 and achieved the Chairman's Circle, Prudential Real Estate Affiliates. In 2000, she became Vice President of Prudential CRES Commercial Real Estate.

Kiene has been successful in promoting the development of a 320-unit residential community in Kansas City, KS, along with the sale and acquisition of various multi-family, office buildings and mobile home parks. Over the years, she has had many successful long-term relationships with buyers and sellers. Her extensive investment experience helps her match properties to her investor's portfolios.



Faith Hope Consolo
Chairman, Retail Leasing & Sales Division, Prudential CRES Commercial Real Estate (a Prudential Douglas Elliman Real Estate Company), New York, NY

In recognition of her record-breaking deal volume in 2005, Prudential Douglas Elliman awarded Faith Hope Consolo the "Top Retail and Commercial GCI" award. She joined Douglas Elliman in January of 2005 and has been a top producer from the very first day.

As Chairman of the Retail Leasing & Sales Division, Consolo has assembled a dynamic and multi-talented team providing comprehensive retail leasing and sales expertise to an array of tenants and landlords, both nationally and internationally. The group's experienced team of professionals also provides strategic planning and consulting services.



James Conroy
Sales Professional, Prudential Blake-Atlantic Realtors, Albany, NY

Jim Conroy joined Prudential Blake-Atlantic in January of 2004 following a career in politics where he was most recently the Deputy Mayor of the city of Troy, NY.

In 2005, his second year in the business, Conroy achieved Chairman's Circle, Prudential Real Estate Affiliates, with 37+ closed units, \$283,000 in GCI and sales in excess of \$6.3 M in volume.

He likes to prospect door-to-door, just like in his campaigning days and recently said, "It's amazing that it is easier to convince someone to list their million dollar property with me than it was to convince them to vote for me!"

2006 PCS ANNUAL BUSINESS CONFERENCE



Prudential Real Estate Affiliates President Earl Lee addresses Awards Dinner Guests

2005 COMMERCIAL AWARDS WINNERS



Pictured are Award winners attending the Conference. Top Row: Matt Shaw, Armando Flores, Larry Weber, Craig Lewis, Claude Gardner Paul Elliott, Bob Miller, and Mark Donahue, President of CRES Front Row: Adonna Smith, Allen Crumbley, Faith Hope Consolo, Mike Fields, Stokes Graves, and Mark Spitz, Guest Speaker



Olympian Mark Spitz delivers the keynote speech at the Awards Dinner

Earl Lee, President, and Dennis Kelly, Executive Vice President, Strategic Initiatives, congratulate Phil Bright on his award



Mark Donahue, President of CRES, Mark Spitz, Guest Speaker, and Dennis Kelly, Executive Vice President, Strategic Initiatives, relax for a moment before their speeches



Ingrid van Arnhem, Claude Gardner, and Don Maddux enjoy the festivities



Paul Elliott, Jack Jawdat and Mark Spitz share some stories during the evening's celebration



**SPECIALTY CALL SCHEDULE
APRIL– JUNE, 2006**

(Note: Times listed are Eastern time)

APRIL

Wednesday	12th	4:30pm	INVESTMENT/ MULTI-FAMILY
Monday	17th	3:00pm	OFFICE
Tuesday	18th	3:00pm	RETAIL
Wednesday	19th	2:00pm	INDUSTRIAL
Wednesday	19th	3:30pm	LAND
Thursday	20th	3:00pm	TENANT REP/ CORP SERVICES

MAY

Wednesday	10th	4:30pm	INVESTMENT/ MULTI-FAMILY
Monday	22nd	3:00pm	OFFICE
Tuesday	23rd	3:00pm	RETAIL
Wednesday	24th	2:00pm	INDUSTRIAL
Wednesday	24th	3:30pm	LAND
Thursday	25th	3:00pm	TENANT REP/ CORP SERVICES

JUNE

Wednesday	14th	4:30pm	INVESTMENT/ MULTI-FAMILY
Monday	26th	3:00pm	OFFICE
Tuesday	27th	3:00pm	RETAIL
Wednesday	28th	2:00pm	INDUSTRIAL
Wednesday	28th	3:30pm	LAND
Thursday	29th	3:00pm	TENANT REP/ CORP SERVICES

Investment/Multi-Family specialty is handled by our Prudential CRES commercial real estate office in Long Island – For additional information please contact Nancy Wiener at (631) 928-9600 or nancy.wiener@prudentialcresli.com

All other specialty calls are handled by the Prudential CRES commercial real estate corporate office in Beverly Hills– For additional information please contact Ingrid van Arnhem at (310) 205-3823 or ingridvanarnhem@prudentialcres.com

**2006 Spring Training
Schedule**

CRES MOST

Management, Operations, Sales Training

CRES MOST (two days)

Features management strategies and winning sales techniques. Topics include cold calling, creating winning listing presentations, team building and territory management. New topics include personal business plans and managing the teams. Taught by Mark Donahue.

APRIL 25-26 Provo, UT

Provo Marriott Hotel and Conference Center,
101 W. 100 North, Provo, UT

MAY 16-17 Albany, NY

Albany Marriott Hotel,
189 Wolf Road, Albany, NY

The courses are free to all PCS sales professionals, however, class size is limited and registration is required. Check our website for Registration Forms and Hotel information, www.prudentialcres.com or contact helenjackson@prudentialcres.com

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