

Vacant no more

Gainesville warehouses welcome tenants

By [Michael Stone](#)

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In 2013, several warehouses in and around Gainesville were sitting empty.

At one point last year, as many as 10 to a dozen of the available buildings — which have 25,000 or more square feet — weren't being leased or sold, said Mike Ryals, senior vice president of Bosshardt Realty's Commercial and Land Division.

"Historically, Gainesville would have two, maybe, or three on the market at any given time, and we had 10," he said. "So we had absolute oversupply, and it made us nervous."

But as prices dropped and market strength grew coming into 2014, Ryals said, businesses started to pop back in.

Beau Beery, co-owner of Coldwell Banker M.M. Parrish Realtors, also noticed the change.

"The large boxes — anything over 20,000 square feet — we just had an absolute rush of companies that either leased them or bought them," Beery said.

"In the last eight to 10 months, we've pretty much gotten rid of every one of our big buildings that I'd thought we'd have for years."

Fresh tenants since the low point include Performance Food Group in the former Budweiser building north of Gainesville Regional Airport; NovaBone, a bone-tissue healing company, in the Webster Veterinary Supply building in the city of Alachua; an as-of-yet unannounced company in the former Lowe's building on Waldo Road; Tractor Supply Company in the former Scottie's and ABC Supply roofing building at NW 13th Street and 53rd Avenue; Ragner Technology, which makes collapsible hoses, in the former Heat Pipe Technology building in the Airport Industrial Park; and Halo Company, an e-cigarette manufacturer, in the Ball Corp. building in the Northwest Industrial Park.

Set to open in February 2015, Tractor Supply is "always looking for potential new store locations that are a good fit as far as the target market is concerned," spokesman Rob Hoskins wrote in an email. The company was attracted to the



BRAD MCCLENNY/Special to the Guardian
 NovaBone, a company that makes a material to fill holes in bone that is mostly used by orthopedic surgeons, has recently moved their operations into a warehouse north of Gainesville that had been empty for a period of time.

Gainesville warehouse "due to the part-time and hobby farmers, and horse owners in the area."

NovaBone moved into its new warehouse in February to consolidate two smaller locations in Gainesville and Alachua while also expanding its space.

"We saw the opportunity to plan for the future, as well as get more efficient in terms of everybody working together," NovaBone CEO Art Wotiz said.

"Aggressive" prices were a major lure for the newcomers, Ryals said. Eight years ago, warehouses might have sold, not leased, for \$50 a square foot, he added, but recent sales were about \$30.

"It doesn't matter what kind of widget you're talking about, whether it's real estate or cars or couches or horses," he said.

Now, between Bosshardt and Coldwell Banker, six warehouses are still available — two for lease and one for sale in Gainesville, and one for lease and two for sale in Alachua. The leases range from \$3.75 to \$4.50 a month per square foot, while the sale prices range from \$550,000 for 29,404 square feet to about \$4.5 million for almost 100,000 square feet.

The warehouse recovery is included in a report compiled by Ryals and his Bosshardt partner, Dan Drotos. They paint a picture of a still-struggling market in 2013 that has seen some returns to glory so far this year.

"The general consumer seems to agree and knows now is a good time to get back into real estate," the report says. "Prices have bottomed and have started to trend back up (albeit slowly and reasonably)."

Among the recovery signs are more office space being leased and more loans being approved from banks. Meanwhile, from-scratch development and vacant lands remain a rarity, but the report says that these too could improve as existing properties continue to be grabbed up.

"The good news of all of this is this is an indicator that the economy is recovering," Ryals said, "because new buyers, new tenants, new people have come back in and scooped these buildings back up to do something new with them."

Michael Stone is a Gainesville Sun correspondent.

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