

# BEST IN

# COMMERCIAL REAL ESTATE

A supplement to the  
San Antonio Business Journal





# BEST INDUSTRIAL SALE:

## 9315 BROADWAY - BROADWAY BUSINESS CENTER

### 2009 BEST IN COMMERCIAL REAL ESTATE

BY JEANETTE MCNAMEE

**D**riving to his office several times a day, John Vogel couldn't help but notice the abandoned warehouse at 9315 Broadway. It was surrounded by a chain-link fence topped with razor wire, and trash and overgrown brush were visible inside the fenced area.

"It was a community blight," says Vogel, a broker and principal with San Antonio's Henry S. Miller Commercial.

The former furniture warehouse just outside Loop 410 had been empty for more than two years, and as Vogel learned, it had attracted vagrants and criminal activity to the area, including drug use, evidenced by needles left behind in the warehouse.

The 150,000-square-foot building seemed out of place on Broadway, Vogel says, adding that most businesses needing warehouses that size wanted to be near Interstate 35. So, after studying the feasibility of

**Summary:** An abandoned warehouse on Broadway has been renovated and divided into smaller spaces to fit the needs of area businesses.

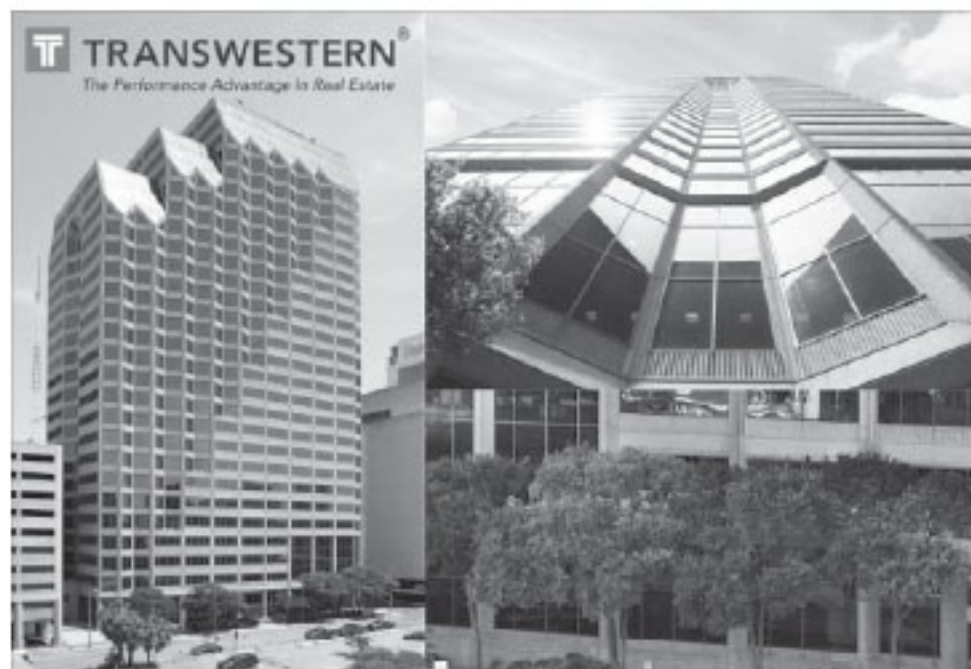
**Award winners:** Sealy & Co., Dallas, developers and main architects; Henry S. Miller Commercial, broker; Cavender & Hill Properties Inc., broker; Kel-Tech Construction, Carrollton, general contractor; Ron Kelson, Kel-Tech, main engineer; Chicago Title Company, title company.

**Size of deal:** Purchased 186,000-square-foot industrial building for \$3.8 million; \$2 million improvements; estimated value now at \$7.8 million.

**Timeline:** Began discussions with Joe Carroll, Cavender & Hill Properties Inc., representing seller, the Warmack family of Arkansas in June 2007; purchased property in March 2008; renovations on warehouse began in May 2008; work was completed in January 2009.



CATHERINE DOMINGUEZ / SAN ANTONIO BUSINESS JOURNAL  
Leasing agent Glenn Villareal, broker/leasing agent John Vogel and owner/developer Scott Sealy Jr. teamed up for the warehouse project.



splitting the building up into smaller spaces, he contacted Scott Sealy Jr. of Sealy & Co. Inc., a real estate investment firm with which he had previously done business.

Sealy recalls that one of the first times he visited the property the police were there answering a call. "It was an invitation for bad things to occur," he says of the abandoned building.

Sealy & Co., with headquarters in Dallas and Shreveport, La., focuses on "buying aged but functional property and fixing it up," says Sealy, marketing and leasing services vice president for the company.

The company purchased the building in March 2008 and invested about \$2 million in improvements to the warehouse, turning what had been an eyesore into Broadway Business Center. Improvements include a new roof; a new, high-capacity transformer capable of providing maximum power; all

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Scott Sealy Jr.  
Sealy & Co. Inc.

new electrical, plumbing, walls and lighting; new exterior and truck court; new doors, sprinkler system and bringing the property into ADA compliance. Work on the building was completed in January of this year.

Current tenants are Johnstone Supply, a  
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## 9315 BROADWAY: Warehouse renovation kick starts neighborhood transformation

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construction supply house specializing in air conditioning and electronics, which occupies 28,000 square feet, and GrassRoots Imports, which designs, manufactures and distributes up-scale home furnishings to the furniture distribution market, which leases 46,000 square feet. Two available spaces are 25,000 and 50,000 square feet.

Blue Bubble Ballroom, a dance studio and performing arts center, continues to lease 36,000 square feet of space at the front of the property as it did before Sealy & Co. bought the property.

The main challenge to revamping the warehouse was "retrofitting a 40-year-old building and complying with code issues," Sealy stated.



There were "unexpected surprises," due to the age of the building, adds Jason Gandy, investment services manager for Sealy & Co.

Neighbors in the area were "real excited" about the warehouse being renovated, Vogel says, adding that he received calls from many people who told him that crime issues, such as burglaries, were "going away."

"We are sincere about trying to improve a neighborhood" after acquiring property, Sealy says.

"The area is coming back," says Vogel. "We are proud of what we've done and being part of making it better."

JEANETTE MCNAMEE is a San Antonio freelance writer.



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The warehouse renovation improved the area.