

# Historic Paramount Building

Birmingham, AL

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**FOR SALE**



**SHANNON WALTCHACK**  
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# Executive Summary

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What makes this building so special is that it is at the epicenter of the new developments downtown and sits at the best corner from an activity standpoint. 20th street has always been the main North/South artery through the city center, but just one block down the street on 2nd Avenue to the west is the new Pizitz building and McWane Center, and one block further down 2nd is the newly restored Thomas Jefferson Tower. One block north on 20th street is the new Empire Hotel. On the other side of 2nd Avenue are some of the newest and most vibrant restaurants and bars in our city- Collins Bar, El Barrio, Bamboo on 2nd, and The Florentine Building.

<b>LOCATION</b>	200 20th Street North Birmingham, AL 35203
<b>NOI</b>	\$196,074.27
<b>CAP RATE</b>	7.25%
<b>SALE PRICE</b>	\$2,704,472.69
<b>OCCUPANCY</b>	100%
<b>SQUARE FEET</b>	15,000 SF±
<b>COMMENTS</b>	<ul style="list-style-type: none"><li>• Superior location</li><li>• Located in thriving 2nd Avenue North Historic District</li><li>• Long term tenants/leases</li><li>• Below market rents</li><li>• Action Resources just expanded next door and is extending their lease</li></ul>
<b>CONTACT</b>	Andrew Patterson, CCIM, CPM / 205-977-9908 / ap@shanwalt.com Len Shannon, CCIM, CPM / 205-222-1664 / ls@shanwalt.com



# Central Business District



**SITE**



Paramount Bar on a Saturday afternoon in February 2017

# Annualized Operating Data



Occupied Space	\$201,818.00
Expense Reimbursements	\$43,017.04
Gross Income	\$244,835.04
Operating Expenses (2016 Budget)	\$48,760.77
Net Operating Income - Current	\$196,074.27

## Expenses

Repairs and Maintenance	\$14,730.00
Insurance	\$3,120.00
Property Taxes	\$6,911.00
Management Fees	\$10,475.77
Utilities	\$10,340.04
Fire & Life Safety	\$3,184.00
<b>TOTAL EXPENSES</b>	<b>\$48,760.77</b>



# Property



**SITE**

Public Parking Deck

\*This photo was taken prior to the new roof installation

# Tenant Mix



Paramount is a bar arcade with beers, cocktails & food.

Since 2013, it has become a staple of Downtown Birmingham. Serving up its take on Bar Grub, and an Arcade of more than 20 classic and modern games.

Paramount's interior of classic neon signs, a vintage mural, shop lights and a wall of car rims blends the American Garage with those nostalgic memories from the past.



Action is a growth-oriented, leading provider of specialized transportation and environmental services. Action owns and operates a fleet of over 600 trucks through over 18 terminals across the country. Action provides asset backed, 3rd party logistics among other services.

Demographics	1 mile	3 miles	5 miles
Total Businesses	3,100	8,044	13,038
Total Residential Population	5,789	76,755	170,876
Daytime Population	67,278	151,496	214,040

## Lease Terms

**Paramount's** lease expires 9/30/18. They pay their prorata share of the taxes and utilities. They have two 5-year renewal options.

**Action Resources's** lease expires 1/31/25. We are finalizing a lease renewal for two additional years. (NNN)

# Sale Comps



**MERCHANTS WALK**  
1919 28th Avenue South  
Homewood, AL 35209

**TRANSACTION DATE** 10/1/2015  
**TRANSACTION PRICE** \$7,179,000  
**GROSS BUILDING AREA** 29,568 SF  
**PRICE PSF** \$243  
**CAP RATE** **6.75%**



**LAKE CREST PLAZA**  
2341 Johns Hawkins Parkway  
Hoover, AL 35244

**TRANSACTION DATE** 7/4/2015  
**TRANSACTION PRICE** \$3,975,000  
**GROSS BUILDING AREA** 20,000 SF  
**PRICE PSF** \$199  
**CAP RATE** **7.40%**



**PARAMOUNT PLACE**  
1420 Paramount Drive  
Huntsville, AL 35806

**TRANSACTION DATE** 6/23/2015  
**TRANSACTION PRICE** \$5,717,702  
**GROSS BUILDING AREA** 33,934 SF  
**PRICE PSF** \$168  
**CAP RATE** **7.38%**



**MEDICAL PARK STATION**  
105 Brookridge Drive  
Madison, AL 35757

**TRANSACTION DATE** 6/27/2016  
**TRANSACTION PRICE** \$9,600,000  
**GROSS BUILDING AREA** 33,157 SF  
**PRICE PSF** \$290  
**CAP RATE** **7.70%**



**STRIP CENTER**  
3022 Memorial Parkway  
Huntsville, AL 35801

**TRANSACTION DATE** 3/21/2016  
**TRANSACTION PRICE** \$3,150,000  
**GROSS BUILDING AREA** 16,109 SF  
**PRICE PSF** \$196  
**CAP RATE** **7.21%**



# Sale Comps



6



## 280 PLAZA

201 Cahaba Park Circle  
Birmingham, AL 35242

<b>TRANSACTION DATE</b>	2/9/2014
<b>TRANSACTION PRICE</b>	\$875,000
<b>GROSS BUILDING AREA</b>	7,500 SF
<b>CAP RATE</b>	7.0%

# Lease Comps

1



## THE WAITES

SE of 7th Avenue South and Richard Arrington Jr Blvd South  
Birmingham, AL 35233

<b>LEASE RATE</b>	Average \$30/SF
<b>GROSS LEASABLE AREA</b>	16,716 SF
<b>LEASE TYPE</b>	NNN

2



## 20 MIDTOWN

20th South and 3rd Avenue South  
Birmingham, AL 35233

<b>BUILDING SIZE</b>	N/A
<b>RENT/SF</b>	Average \$30-35
<b>LEASE TYPE</b>	NNN

3



## LIV PARKSIDE

1701 1st Avenue South  
Birmingham, AL 35233

<b>LEASE RATE</b>	\$19/SF
<b>GROSS LEASABLE AREA</b>	6,120 SF
<b>LEASE TYPE</b>	NNN

# Lease Comps



4



**STOCKYARD**  
1616 2nd Avenue South  
Birmingham, AL 35233

<b>BUILDING SIZE</b>	21,000 SF
<b>RENT/SF</b>	Average \$15.75
<b>LEASE TYPE</b>	NNN

5



**BAKER'S ROW**  
60 14th Street South  
Birmingham, AL 35233

<b>BUILDING SIZE</b>	30,000 SF
<b>RENT/SF</b>	\$28.00
<b>LEASE TYPE</b>	Full Service

6



**PARISIAN BUILDING**  
1924 2nd Avenue North  
Birmingham, AL 35233

<b>BUILDING SIZE</b>	23,000 SF
<b>RENT/SF</b>	\$15.00
<b>LEASE TYPE</b>	NNN

# Downtown Growth



Birmingham is experiencing tremendous growth in the city center, thanks to numerous development projects pulling people downtown. Heavy hitters like the employers listed below are paving the way, attracting entrepreneurs and innovators to our city.

**Over 100,600 jobs in Birmingham's City Center - in a 1.5 mile radius of the site.**



# Multifamily Growth in the city center



**1900 UNITS** Approximately **1,900** apartment units are under construction or have been completed within the past six months.



20 Midtown



20 Midtown - 2



Flats on 4th



29 seven



Iron City Lofts



LIV Parkside



Pizitz



Metropolitan



Station 121



Venue @ the Ballpark

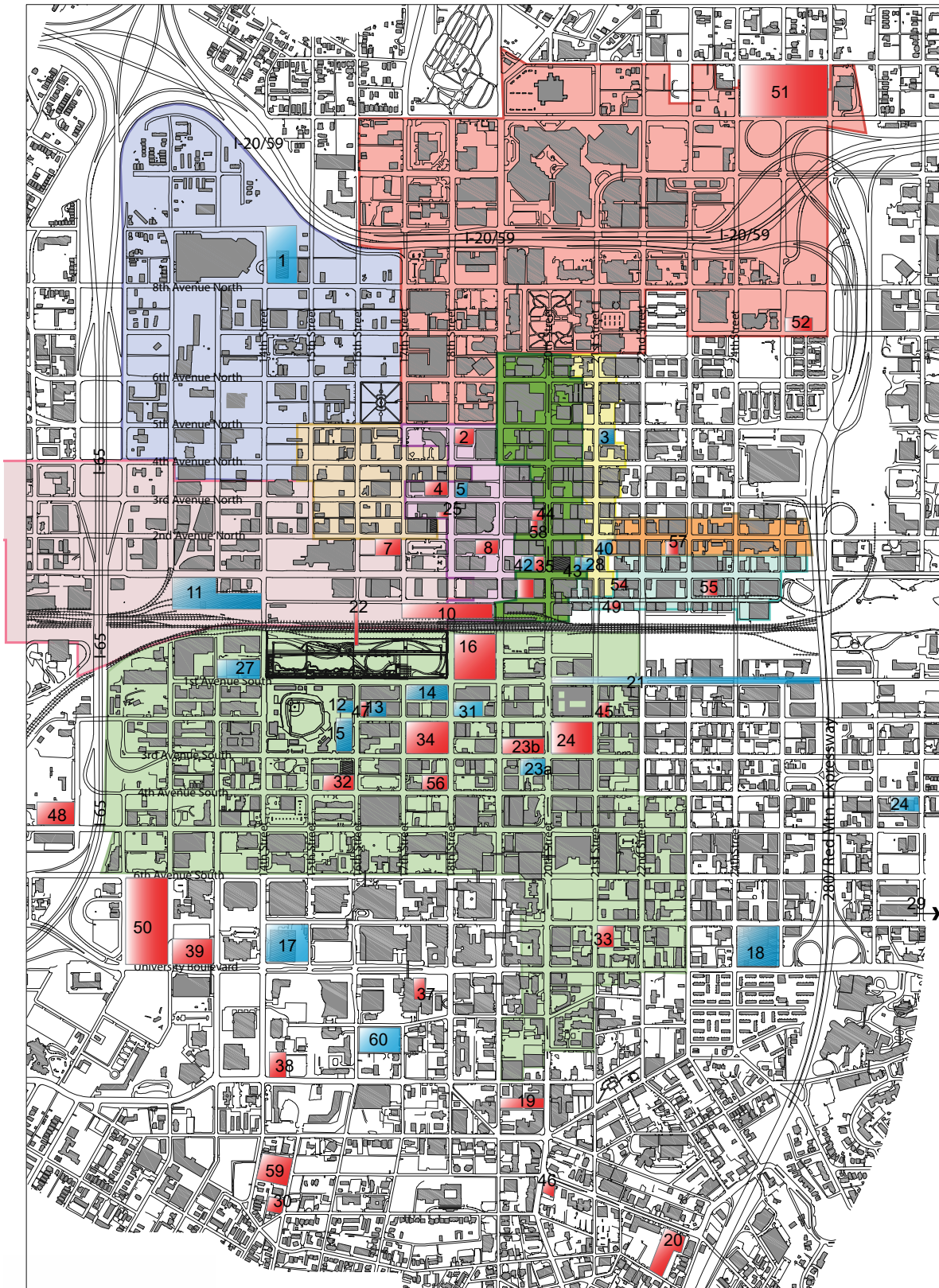


Thomas Jefferson Tower





The Waites











# Downtown Developments



**Birmingham Public Private Investments**  
December 2016



-  Projects Under Construction/ Announced
-  Projects Completed 2015-2016

- District Key
-  MidTown
  -  Downtown West
  -  Downtown Northwest
  -  Cultural
  -  Fourth Avenue North
  -  19th Street North
  -  Birmingham Green
  -  21st Street North
  -  Second Avenue North
  -  Morris Avenue

# Downtown Developments



City of Birmingham - Downtown Core  
Development Projects 12/07/2016

Projects that are currently receiving Historic Tax Credits

Map Key	District	Project Name	Project Type	Project Numbers - total Sq.ft.	Units	Estimated Project Cost in millions of dollars	Owner	Designer / Firm	Stage of Project	Estimated Completion Date
2	19th Street North	Federal Reserve Bank	Mixed Use (Comm/Office)	98,000		\$21.800	Harbert Realty Services	William Blackstock	Under Design	Spring 2017
4	Fourth Ave North	Gray's	Mixed Use - Retail/ Office	57,000		\$9.000	Gray's Construction	AG Gaston	Under Construction	Fall 2016
7	Downtown West	Thomas Jefferson Tower	Mixed Use (Res-A/Comm)	160,000	100 units/7000 sq ft of retail =	\$21.000	TI Tower, LLC / Reed Realty Advisors	Mojo Architecture	Under Construction	Winter 2016
8	19th Street North	Pizitz	Mixed Use (Residential / Commercial)	251,210	143 units, 11,000 of office, 23,000 of retail = 251,210 total	\$67.000	Bayer Properties, LLC - Wisznia Architecture & Design - Stonehenge Capital	Wisznia Architecture & Design/ local architect - KPS Group, Brasfield & Gorrie	Under Construction	Fall 2016
10	19th Street North	Intermodal Facility	Municipal/Transportation	70,000		\$30.000	City of Birmingham	Tyler-Miree Construction, Giattina Architecture	Under Construction	Winter 2016
16	Parkside	Steam Plant	Mixed Use (retail)	80,000			Alabama Power Company	Chuck Penuel, Birchfield Penuel & Associates; Thomas Woltz, Nelson Byrd Woltz	Under Design	Fall 2017
19	Southside	5 Points Hotel	Hotel	80,000	101 Rooms	\$15.000	AUM Enterprise	Richard Rauh & Associates	Design approved	Winter 2016
20	Highlands	Highland Tower	Mixed Use (Res-A/Comm)	345,000	315 Units	\$53.000	Harbert Realty Services	Smallwood Reynolds Stewart Stewart & Associates	Under Construction	Fall 2016
22	Parkside	16th Street Pedestrian Bridge	Public Infrastructure			\$2.500	City of Birmingham	MBA Engineers	Under Design	TBD
23b	Parkside	20 Midtown Phase 1b / Publix	Mixed Use (Res-A/Comm)	247,494	75	\$15.000	RSG Properties/Scott Bryant & Co	Cohen Carnaggio	Under Construction	Fall 2016
24	Parkside	20 Midtown Phase 2	Mixed Use (Res-A/Comm)	596,000	246	\$15.000	RSG Properties/Scott Bryant & Co	Cohen Carnaggio	Under Construction	Fall 2016
25	Downtown	O'Carra	Res/ Retail		3	\$1.250	Cameron O'Carra	Long and Long	Under Construction	Spring 2017
29	Lakeview	Metropolitan Apartments	Mixed Use Residential/ Commercial	228,000	260	\$40.000	Bomasada Birmingham, LLC	Lord Aeck Sargeant	Design Approved	Spring 2017
30	Southside	15th Street Lofts	Residential-Apartments		11	\$1.800		Christopher Architects	Design Approved	Jun-15
32	Parkside	Flats on Fourth	Multi Family	84,000	86	\$10.000	Watts	Hendon + Huckstein	Under Design	Spring 2017
33	Southside	Waites/ Central City	Mixed Use Residential/ Commercial	65,000	45	\$13.600	Retail Specialists	William Blackstock	Under Design	Spring 2017
34	Parkside	LBA	Hotel	285,000	210	\$30.000	LBA		Under Design	Spring 2017
35	Downtown	Empire Building	Hotel	80,000	120	\$25.000	John Tampa		Under Design / Construction	Spring 2017
37	UAB/Midtown	Renovation to the School of Nursing Building	Institutional / Educational	159,000		\$32	UAB	Williams Blackstock Architects with Payette	Construction	Fall 2018
38	UAB/Midtown	New College of Arts and Sciences Building	Institutional / Educational	119,000		\$39	UAB	Goodwyn, Mills & Cawood	Design	Fall 2019
39	UAB/Midtown	New School of Business	Institutional / Educational	110,000		\$38	UAB	William Blackstock	Construction	Fall 2018
42	Downtown	Alagasco Building	Hotel	1,000,000		\$35.000	John Tampa		Under Design	Fall 2017
44	Downtown	Iron Age Building	Retail / Apartments	6,000	4	\$0.750	Vintage Development, LLC		Under Design	Spring 2017
45	Downtown	Mack Truck Garage Building	Office	30,502		\$1.175	Wall work Investments		Under Design	Spring 2017
46	5 Points	Shepard-Sloss Building	Retail	12,680		\$1.082	Barber Companies		Under Design	Spring 2017
47	Parkside	Camp Smile A Mile	Office							
48	UAB/Midtown	Blazer Station	Mixed use - Office/ retail	35,810		\$4.200	UAB			
49	Downtown	Morris Ave Townhomes	Housing	30,000	5	\$2.000	Erydrich	Blit	under design	Ssummer 2017
50	UAB/Midtown	Football Field House		15,000		\$13.000	UAB		under construction	
51	BJCC/ Uptown	Top Golf	Entertainment			\$20.000			Under Design/ Permitting	Fall 2018
52	Downtown	Jones Valley New Campus	Office/ Retail							
53	Downtown	Founders Station	Mixed Use	44,500	30					
54	Downtown	Atomic								
55	Downtown	Omni		55,000	30	\$3.000	Blue Tongue Development	Christopher Architecture	Under Design	Spring 2018
56	Parkside	McDonald House Expansion	Hotel	28,543	33	\$7.500	Ronald McDonlad Charities	William BlackStock	Under Construction	Dec-17
57	Downton	Nuquette / old Harolds	Mixed Use		8	\$3.000	Louis Nuquette	Nuquette Architecture	Under Construction	Jan-18
58	Downtown	Former Parisan	Mixed Use			\$1.500	Ladd Realty	Five South	Under Construction	Dec-17
59	UAB/Midtown	Police HQ	Office	29,000		\$10.500	UAB	Turner Baston		
<b>Estimated Total</b>				<b>4,401,739</b>		<b>\$582.16</b>				

# Downtown Developments



## Projects Completed in 2015/ 2016

1	Downtown Northwest	US treasury Building	Office	87,786		\$33,000	CRD USTB, LLC	KPS Group, Brasfield & Gorrie	Completed	Completed
3	21st Street North	Redmont Hotel	Mixed Use (Residential / Commercial)	120,000	120	\$10,000	Baysshore Redmont, Inc.	Natalie Toy Interior Designs	Under Construction	Jun-15
5	19th Street North	Lyric Theater	Performing Arts Venue (750 seats)	23,000	23,000 sf theatre / 3,000 sf of support/ concessions etc.	\$11,675	Birmingham Landmarks	Westlake Reed Leskosky / Stewart Perry Construction	Completed	Dec-15
11	Downtown West	Alagasco Service Center	Office/ Industrial	25,000		\$5,000	Alagasco	William Blackstock	Completed	Fall 2015
12	Parkside		Commercial	15,750		\$5,000	City of Birmingham	ExpoDisplays, Dorsey Architects & Associates, Hoar Program Management,	Completed	Jun-15
13	Parkside	Stockyard 8	Office/Commercial	28,000		\$4,000	Shannon Waltchack	Cohen Carnaggio	Under Construction	Phase 1 Complete
14	Parkside	Liv Parkside	Mixed Use (Residential /Commercial)	250,000	228	\$30,000	Parkside Residences, LLC	Charlan Brock & Associates, Nimrod Long and Associates	Under Construction	Sep-15
15	Parkside	The Venue at the Ballpark	Multi Family	220,000	236	\$39,000	Cityville Venue at the Ballpark, LLC	BOKA Powell/Macknally LandDesign	Under Construction	Spring 2016
17	Southside	UAB Student Center	Campus Office	159,000		\$48,000	UAB	Hasting+Chivets with Herrington Architects	Completed	Winter 2016
18	Lakeview	Veterans Affair Project	Medical Office & Parking Deck	70,000		\$60,000	Graham & Company Birmingham LLC, The Molasky Group of Companies	Page Southerland Page	Completed	Dec-15
21	Midtown	Rotary trail	Public Park	60,000		\$4,500	City of Birmingham	Goodwyn, Mills, Caywood	Under Construction	Spring 2016
23	Parkside	20 Midtown Phase 1	Mixed Use (Residential/ Commercial)	87,471	36	\$10,000	Firestone Flowers, LLC	Cohen Carnaggio	Under Construction (ground floor retail Phase I completed)	Phase 1- October 2015 / Phase 2 July 2016 / Phase 3- March 2017
24	Lakeview	Iron City Lofts	Residential-Apartments	90,000	67	\$7,000	KRE Development Holdings, LLC	Hendon + Huckstein	Under Construction	Dec-15
27	Parkside	Baker's Row	Mixed Use (Office/Comm)	30,157		\$6,700	Parkside Bakery Investment Partners, LLC	KPS Group	Completed	Summer 2015
28	Downtown	Lewis Communications	Office	37,500		\$5,500	LDN Properties, LLC	William Blackstock	Completed	Oct-15
31	Parkside	Labcorp Deck	Parking Deck	180,000	373 spaces	\$5,000	Healthcare Realty	Hendon + Huckstein	Design Approved	Oct-15
40	Downtown	Florentine Building	Event Venue	24,664		\$5,000	Corretti Catering	Williams Blackstock	Completed	Jan-15
41	Avondale	Avondale Fire Station #10	Office	6,700		\$0.325	ABC Realty Ventures, LLC		Under Construction	Fall 2015
43	Downtown	Lewis Communications / Parking Garage	Office	21,000		\$0.248	LDN Properties, LLC	William Blackstock	Completed	Oct-15
60	UAB/ Midtown	New Residence Hall	Residential-Apartments	221,000		\$40,000	UAB	Goodwyn, Mills, Caywood	Completed	Spring 2015
<b>Estimated Total</b>				<b>1,757,028</b>		<b>\$329.95</b>				

## Projects Placed on hold

6	Fourth Ave North	Jefferson Lofts (formerly Cain)	Multi Family	24 units / 45,000 sf		\$6,600	Jefferson Lofts, LLC	Standard Creative	Under Design	Fall 2016
26	Downtown East	Powell School	Multi Family	26 Units, 35,000 sqft total		\$5,700	Integral Group	Williams Blackstock	Under Design	Fall 2016