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## **SoBro proves to be draw for white-collar businesses** *LandDesign, Qualifacts, Blackburn & McCune set to move to district come fall*

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The free parking, the central location and the interstate ramp just a quarter-mile away might have been enough to convince the partners at LandDesign to move their offices to the historic Litterer Laboratory on Second Avenue South.

Throw in the view of the downtown and windows that stretch almost to the top of the 21-foot ceilings, and the space was practically irresistible.



Design is all about having good light," partner Dwight Kiser said, "and this building has it in spades."

LandDesign, a landscape architecture firm that has grown to 35 employees since opening an office in Franklin 10 years ago, will soon become the latest company to relocate from the suburbs to SoBro, the gritty but growing neighborhood south of Broadway.



The firm bought the century-old Litterer building, once home to the University of Nashville medical school, 2½ months ago, paying just under \$3 million for the four-story, 27,000-square-foot structure.

The deal is one of the most recent signs of SoBro's steady evolution, from a cluster of buildings known for strip clubs and industrial supply outlets to a chic office setting for small, fast-growing companies looking for interesting buildings, easy access to highways and proximity to downtown.

"It's really very quickly becoming a place that a lot of companies are feeling very comfortable about," said Kate Monaghan, executive director of the Nashville Civic Design Center. "It's not at the tipping point yet, but the tipping point's hitting a lot quicker on a lot

of these things."

Besides LandDesign, at least two other white-collar firms will move into SoBro this fall: Qualifacts Systems, a west Nashville firm that makes software for the health-care industry, and Blackburn & McCune, a downtown law firm. And, on Thursday, the Bass, Berry & Sims law firm unveiled plans for a 28-story office tower south of Broadway.

They will join an assortment of businesses—architects and graphic designers among them—that have moved into the area over the last decade in search of offices that are offbeat and inexpensive.

Thanks to their interest, combined with non-commercial projects such as the Schermerhorn Symphony Center, the Nashville Sounds AAA baseball stadium proposal and the Encore condominium tower, SoBro is no longer considered cheap.

Some longtime businesses have sold their properties and moved elsewhere because of the escalating values. But some of the people moving in say they believe real estate prices will continue to increase in SoBro.

"Development is coming our way," Kiser said. "We feel it was an excellent deal."

The offices are revitalizing the area by prompting the rehabilitation of properties that had sat vacant for years or decades.

"So many tall buildings are proposed in SoBro, we are delighted that people want to preserve the few remaining buildings in that area," said Ann Roberts, executive director of the Metro Historical Commission.

The rise of the SoBro office market helped push the owners of Qualifacts' new building, for instance, to renovate their property after 50 years of little use, said Michael Hayes, the commercial real estate broker who handled the deal.

The former feed storage building at Second Avenue and Demonbreun Street had been in the family for generations. But it was not until owners Currey Turner Thornton and Lester Turner Jr. realized that there was a market for office space in SoBro that they decided the building could be saved.

"I think for Currey and Lester it was about preserving a family asset and preserving the building more than just making an investment," said Hayes, who also owns land in the area. "We put it on the market, and within a couple of weeks Qualifacts said, 'We want to be in there.' "

Some firms have moved to SoBro from the suburbs, or at least after considering buildings there.

SoBro has many of the same advantages as suburban locations, business owners said. Parking is plentiful. The neighborhood is close to the interstate. And buildings can be reconfigured to fit individual needs.

On top of that is SoBro's location close to the downtown. Besides offering great views of downtown, a SoBro location is close to clients, government offices, restaurants and nightclubs. It is also a relatively short drive from practically any home in Middle Tennessee.

"We have lost some good potential employees because they didn't want to make the commute to Franklin," said David Dederer, another LandDesign partner. "This has had some great reception from our employees."

SoBro locations also have great visibility, said Malcolm McCune, a partner in Blackburn & McCune. He first spotted the 19th century mansion that his firm bought last fall about 15 years ago — and had wanted it ever since. The firm bought it for \$675,000 last September.

One drawback to SoBro is that the area remains a bit edgy, sprinkled with adult entertainment shops and X-rated bookstores. But as white-collar businesses are moving in, the adult businesses are moving out.

"It's not going to be feasible for them to continue," McCune said. "We've got momentum in the right direction." •