

# Mixed Use | Developments

## THE GULCH

AREA AROUND 12TH AVE. S. AND LAUREL STREET

**BY TURNER HUTCHENS**  
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Just a little south of Broadway, the land takes a dip, the buildings get hip and the Gulch takes hold.

The Gulch's 60 or so acres are inside the downtown loop between the CSX railroad track and Eighth Avenue.

Through a \$400 million redevelopment initiative, the Gulch is being transformed into a fashionable urban neighborhood, with homes, offices, restaurants, clubs and public space.

Jay Turner is managing director of MarketStreet Enterprises, the main developer of the Gulch. MarketStreet owns much of the land and is guiding the design and atmosphere of the re-emerging neighborhood.

"Our job is to make sure it's pleasant taking a walk through the (area), that peo-

ple feel safe, and enjoy themselves," Turner says.

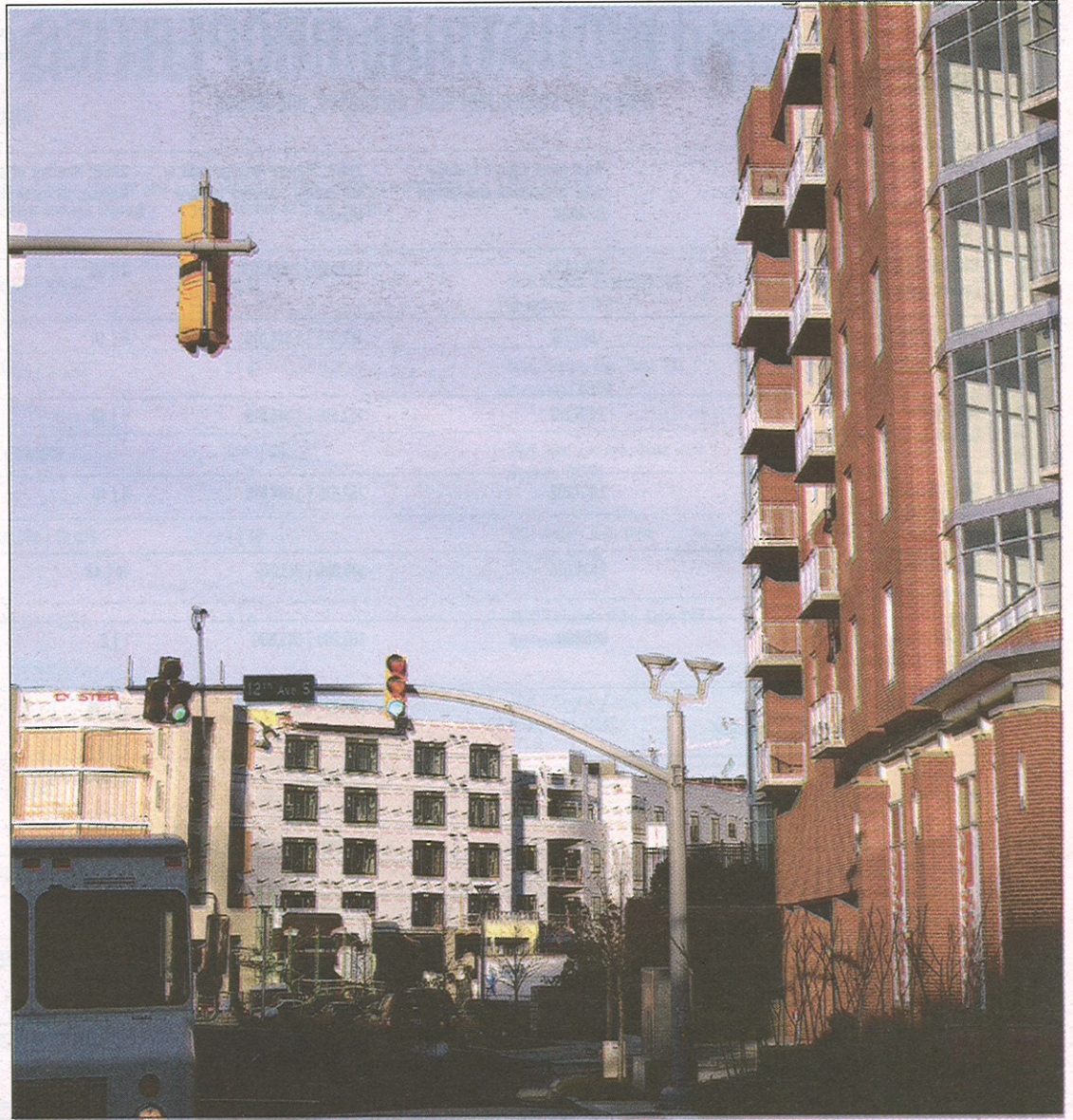
He says his firm works hard to make sure businesses moving in fit the idea and prevailing hip attitude of the Gulch, and that they complement one another.

The area has attracted large residential developments and has close to 2,000 residential units — mostly condominiums — that have either been built or are under construction. The developments include the Icon, Terrazzo, and Velocity. The eventual goal is to have more than 4,000 people living in the area.

The location has attracted the first Urban Outfitters in Tennessee, which is set to open in the former city hall space on 12th Avenue, next to Provence Bread Company Bakers and Birmingham, Ala., retailer Kenny & Co.

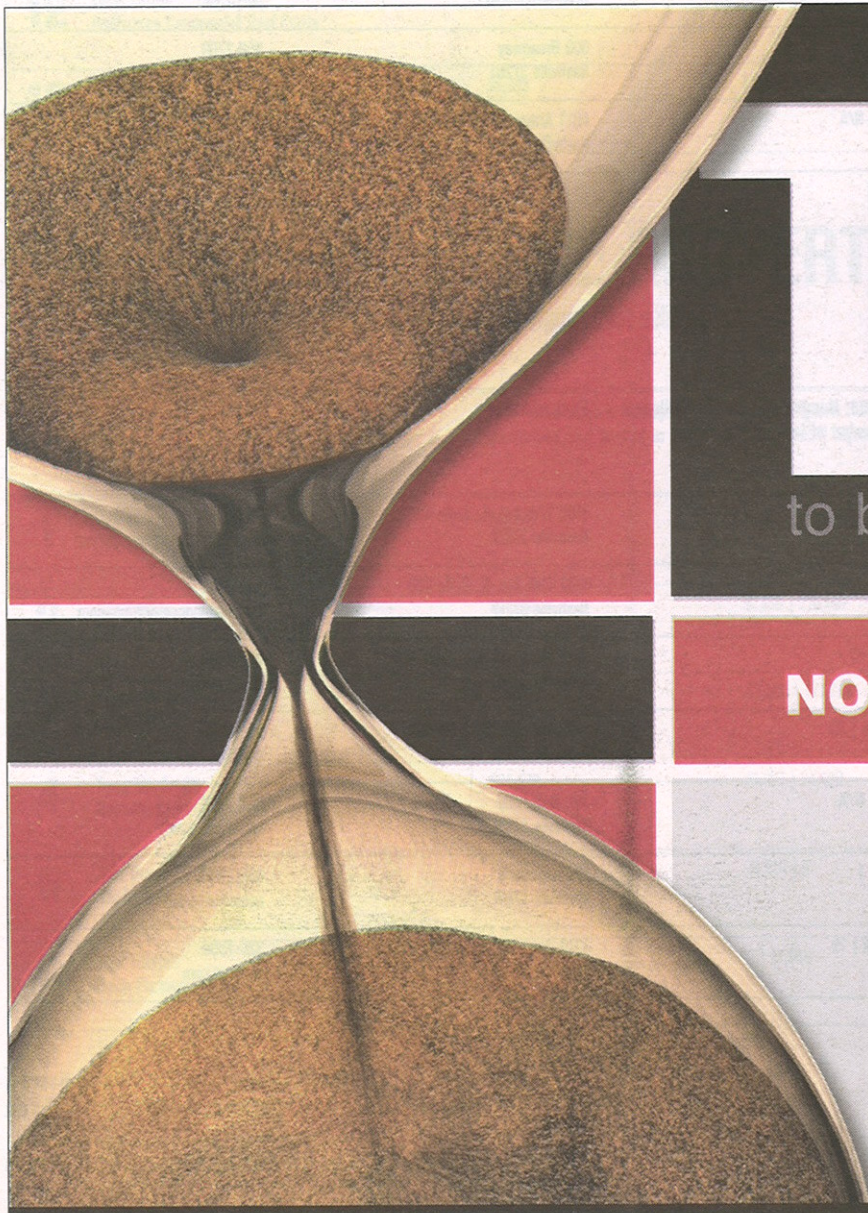
The area boasts a number

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THE GULCH IS A 60-ACRE NEIGHBORHOOD PROJECT SOUTH OF BROADWAY.



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URBAN OUTFITTERS

URBAN OUTFITTERS IN THE GULCH

CONTINUED FROM 15a

of restaurants, including upscale eateries like Watermark, which features fresh regional foods. Other restaurants include gourmet Mexican restaurant Cantina Laredo, RusSan's Japanese Restaurant and Sushi Bar and the jazz club Sambuca.

There are also more down-home-type traditional spots like locally owned coffee shop, Casablanca Coffee, and the long-standing bluegrass hub, Station Inn.

MarketStreet has applied to have the Gulch certified as a "green neighborhood" under the U.S. Green Building Council's neighborhood development pilot program.

But it hasn't been all sunshine and roses for the Gulch. Many of the residential buildings have come online as the deep recession hit, which has led to slow sales of condos.

Turner says despite the downturn, MarketStreet's not changing its development plan aside from stretching some timelines.

"It hasn't changed the businesses we're trying to attract," Turner says. "They buy into our attention to detail. They know ... when we do sell all the condos, they'll have those customers."

"If they have to wait for a year longer before the number of residents they originally thought, they're willing to do that," he adds.

Phil Ryan, director of the Metropolitan Housing and Development Agency, says the life coming to the Gulch serves as a bridge between the economically vital areas like Midtown and Music Circle and the traditional downtown area.

"It has become part of the downtown, where before it was just kind of a trench, a moat between downtown and the commercial areas west," Ryan says.

A one-time industrial hub, the Gulch fell into disrepair in the 1980s as businesses there closed or moved out of the city's core.

Pioneer venues like 12th & Porter, a night club and restaurant, and the now defunct Cafe One Two Three made the area north of Broadway "cool" in the

**TYPE OF DEVELOPMENT |**

Mixed Use

**COST |** \$400 million

**SIZE |** 60 acres

**STATUS |** Ongoing

**DEVELOPER, LEAD INDIVIDUALS |**

Jay Turner

**COMPANY |** MarketStreet Enterprises

**ADDRESS |** 138 Second Ave. N., Suite 300, Nashville 37201

**PHONE |** 615-846-4910

**E-MAIL |** jturner@marketequities.com

**GENERAL CONTRACTOR |** Various

**PROJECT ARCHITECT |** Looney Ricks Kiss

Architects

**CONTACT |** R. Hunter Gee

**PHONE |** 615-324-3394

**E-MAIL |** dwilliams@leainc.com

**PROJECT ENGINEER |** Littlejohn

Engineering Associates

**CONTACT |** Don Williams

**PHONE |** 615-324-3394

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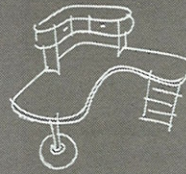
early '90s. But the MarketStreet team took the neighborhood to a whole new level with its comprehensive plan for the area.

Metro Government has helped shape design standards and funded infrastructure improvements and development preparation through tax increment financing. Metro has even acquired land to help make way for development.

The Gulch has a business improvement district overlay, which means a fraction of a cent is added to taxes on each property in the area to help pay for marketing and branding of the Gulch and services such as street cleaning.

"It's pretty satisfying now to drive through and take a look at that and how far it's come," Ryan says.

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**TYPE OF DEVELOPMENT |**

Residential Building

**COST |** \$100 million

**COMPLETED |** May 2008

**DEVELOPER, LEAD INDIVIDUALS |**

Charles Carlisle, Jay Turner

**COMPANY |** Bristol Development Group/  
MarketStreet Enterprises

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Suite 190, Franklin/  
138 Second Ave. N., Suite 300, Nashville

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**GENERAL CONTRACTOR |**

Choate Construction

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**E-MAIL |** wmchoate@choateco.com

**PROJECT ARCHITECT |** KA Inc.

**CONTACT |** Rob Weeks

**PHONE |** 216-830-1522

**PROJECT ENGINEER |**

Civil Engineer – Littlejohn Engineering  
Associates

**CONTACT |** Don Williams

**PHONE |** 324-3394

**BANK |** Fifth Third Bank

**CONTACT |** Grady Thurman

**PHONE |** 687-3036

# Residential Building | Developments

## ICON IN THE GULCH

600 12TH AVE. S., NASHVILLE 37201

**BY JENNY BURNS**

jburns@bizjournals.com | 846-4276

Icon in the Gulch is Nashville's largest luxury condominium project and a pioneer in the renaissance of the area.

The 22-story glass and brick building combines 26,000 square feet of retail, 417 condos and an 800-space parking garage on three acres of property. The project broke ground in February 2006 and opened at the end of May 2008.

"It is the standard bearer against which everything else is going to be judged," says Distinguished Deals and Developments judge Richard Exton, a Nashville appraiser. "That was probably a tough site to build on."

Icon was developed in tandem by Bristol Development Group and MarketStreet Enterprises. MarketStreet, led by Jay Turner, owns much of the land in the Gulch and is guiding design of the roughly 60-acre area inside the downtown loop.

With the Icon finished, Turner's vision has come to fruition — almost.

It will be complete, Turner says, once all the retail gets in and the foot traffic increases in the neighborhood.

"It's been a long road," Turner says. "We started this in '99. When I go down there on a Friday or Saturday night, I see the neighborhood we envisioned a decade ago."

The vision will be complete this spring for Turner, he says, when mild weather makes the pedestrian-friendly area come to life with patrons coming to dine at the Gulch's growing list of restaurants or visit its retail shops.

And as more units are sold in the Icon — 125 so far — the more activity and foot traffic there will be.

"In terms of the sales process, I'm happy to say we're still selling units, but it's an incredibly difficult environment," Turner says. "Today, considering what's going on, I'm very pleased with it. We've got a lot of happy residents there now."

Besides the pioneering spirit behind its construction, another part of the Icon's uniqueness is its amenities, says Charles Carlisle, CEO of Bristol Development Group.

It's unusual to have a deck with a pool as large as the Icon's, Carlisle says. The deck includes an indoor clubhouse that overlooks the pool and offers ample space for parties. The clubhouse has doors that roll open in nice weather.



PHOTOS COURTESY OF ICON IN THE GULCH

THE ICON IN THE GULCH OPENED LAST YEAR.

"A lot of thought has gone into the design of this thing," Carlisle says.

Condos have floor-to-ceiling windows and 24-hour security. Besides two pools and poolside grills and cabanas, Icon boasts a health and fitness studio and Internet cafes.

Carlisle says the Icon sold more than 20 units between October and December from buyers who came in off the street.

"If we sell it out in two years, we'd think that is very successful," he says.

Icon has been named a finalist for a national award by the National Association of Home Builders in the best high-rise condominium category. It was also featured in the October 2008 issue of Urban Land, the publication for the Urban Land Institute.





# Retail Lease | Deals

## URBAN OUTFITTERS

405 12TH AVE. S., NASHVILLE 37201

By **JIM WOJCIECHOWSKI**  
Contributing Writer

Jay Turner has had his eye on Urban Outfitters for years.

The trendy Philadelphia-based clothing retailer turned down Turner in 2002 when he proposed opening a store in the early stages of the Gulch devel-

### TYPE OF DEAL | Retail Lease

**VALUE** | Undisclosed

**SIZE** | 12,000 sq. ft.

**OWNER** | Jay Turner

**COMPANY** | MarketStreet Enterprises

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**PHONE** | 615-846-4910

**OWNER'S BROKER** | Susan Gorney

**COMPANY** | Gorney Realty LLC

**ADDRESS** | 4510 Harpeth Hills Drive, Nashville 37215

**PHONE** | 615-665-8770

**TENANT'S BROKER** | Sean Burke

**COMPANY** | McDevitt Company

**ADDRESS** | 1121 Admiral Peary Way, Philadelphia, Pa. 19112

**PHONE** | 215-454-4207

opment at the south end of downtown Nashville.

"The answer we got was, 'It's not time yet,'" says Turner, managing director of MarketStreet Enterprises. "So we said 'OK' and we got back to busily opening restaurants and were doing some other things. The Gulch has come quite a ways since we first talked to them."

About two years ago, MarketStreet and its broker, Susan Gorney of Gorney Realty LLC, renewed talks with Urban Outfitters, which led to the parties announcing plans in April 2008 for the retailer to open its first store in Tennessee.

"Urban Outfitters puts a stamp of approval on a development like ours," Turner says. "It really shows other retailers that if Urban Outfitters is going to open a store there then they must be onto something."

Gorney said the success of Urban Outfitters' Anthropologie store at Hill Center at Green Hills, which opened in August 2007, prompted the company to consider expanding in Nashville.

"It fit in every way," Gorney says. "The building was perfect. The types of tenants that we have going in down there, the target market — which is an urban 20- to 30-year-old customer —

it all just lined up."

Urban Outfitters is scheduled to open in late March or early April in a 12,000-square-foot space at 405 12th Ave. S. The site was formerly occupied by the City Hall music venue until the night club's lease expired last October.

The Urban Outfitters store will be the largest retail space in the Gulch. A significant retail presence has been absent in the Gulch, which has been mostly known for upscale restaurants and three major residential buildings.

"The retail is really the hardest part of doing a development like this because retailers are very careful about where they choose to go and they have a lot of choices," says Turner, whose company was designated as developer of the 60-acre Gulch by the Metropolitan Development and Housing Agency in 2001.

"It's something we have to craft very carefully, what the feel of it is going to be," he says. "I think that it is critical to any urban development — that you have a mix of retailers."

Gorney says the addition of Urban Outfitters is true to the "organic" growth of the Gulch.

"The tenants that are going in down there don't want a contrived, typical shopping and eating experience," she says. "That's what we continue to strive for is to keep it as fresh and organic and real as we can."

Turner says the retail component will increase daytime traffic, create a sense of community and add a "vitality and a liveliness to the Gulch in the middle of the day."



MICHAEL W. BUNCH | NASHVILLE BUSINESS JOURNAL

JAY TURNER

Urban Outfitters targets its clothes and home accessories to "well-educated" and "urban-minded" young adults. It operates 130 stores in the United States, Canada and Europe.

Julian Bibb, a banking and real estate attorney with Stites and Harbison PLLC and a Distinguished Deals & Developments judge, says Urban Outfitters "will mean great things for the Gulch, and the timing of it in our mind couldn't have been better because of what's happened in the marketplace on so many other fronts."

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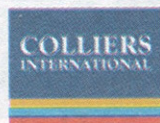
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