

Historic building didn't go long without buyer

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The Weatherly Building, located at 516 S.E. Morrison St., was sold last week to Palo Alto, Calif.-based Mayfield Investment Co. for \$7.4 million.

The historic, 1926-built structure with a decorative terra cotta facade was among the first high-rise buildings east of the river, with 12 stories towering over the Morrison Bridge. Built by the Weatherly family, it originally housed an ice cream shop on its ground floor; now the primary ground-floor tenant is Bank of America.

"I love that building," said Susan Deane, senior associate at Marcus & Millichap. "I made my mark in leasing historic buildings like that one. They just have so much character."

Deane engineered the sale for both parties swiftly—seller Landmark Investments, a private investment group based in the Pacific Northwest, listed the property in July and Deane had it under contract with buyer Mayfield in the same month. Deane said Landmark received multiple offers on the property.

"It seems like in the past 10 years or so, just about every Class C historic building has traded hands at least once," Deane said. "The Weatherly Building, in my opinion, was one of the last of the best historic buildings that was going to be available for a transaction."

The 82,000-square-foot building, which Deane was responsible for leasing earlier in her real estate career, has ground-floor retail and 11 stories of offices, many occupied by full-floor tenants.

The Burns Brothers Co. was once a large tenant, and the Kerr Violin Shop attracts dozens of instrument-toting adults and children to the building each day.

"When I knew [Mayfield was] looking for a property, I knew they wanted a property that was special and in a special location. I kind of had a feeling for the flavor of the building they wanted. It's a classic look you can't even reproduce now," Deane said.

Deane knew what Mayfield wanted because she was the broker on a portfolio of properties the company purchased almost 18 years ago. Now Deane deals exclusively in investment properties, and she believes this purchase will serve the buyer well because rents are not at the top of the market, which has suffered during the recession.

In the five years Landmark Investments owned the building, many cosmetic and mechanical upgrades were made on the building, bringing it to a level comparable to a modern building's Class B rating, Deane said.

The most recent project is redevelopment of a corner retail space, which could become a restaurant or showroom. □

