

Daily Business Review

July 29, 2009

DEALMAKERS

To suggest candidates for Dealmakers, contact Jay Rees at jay.rees@incisivemedia.com. Dealmakers should be based in South Florida, but transactions need not involve local companies or properties.

dbr

A20 dailybusinessreview.com
WEDNESDAY, JULY 29, 2009

Auto auction company signs 5-year lease

Dealmaker: Jeffrey Hartsook

The Deal: Auction House Miami, an automotive auction company that sells used cars directly to dealerships, signed a five-year lease to occupy 10.4 acres at the Ave Aviation and Commerce Center near Opa-locka Executive Airport in unincorporated Miami-Dade County.

The lease, which Auction House signed in late June, is valued between \$5 million and \$6 million and has renewal options. The vacant parcel is at 14350 NW 56th Court.

Details: Ave owner CPF Investment Group will develop an 8,000-square-foot office and auction facility for Auction House, which will use the rest of the land for its vehicle inventory, Hartsook said. Auction House was created by several auto industry veterans in South Florida. The company acquires used cars and trucks from dealers throughout the country and holds periodic auctions that are open only to dealers.

"This is a brand-new concept for this area, where [the Auction House executives] saw a void in the market," said Hartsook, who represented Auction House in the lease.

"Miami-Dade is an underserved market for auto auctions," he said. "There are various auction sites throughout the country, with the biggest one in the Northeast. Authorized dealers will unload cars and trucks before the auction and pick up the ones that are not sold afterwards. The auctions run anywhere from a couple hundred to 1,000 cars."

The lease at Ave was in the works for four to five months before Auction House and CPF finalized the deal, Hartsook said. Auction House executives looked throughout Miami-Dade for industrial land to either rent or purchase.

"We had an extensive search all over Miami-Dade," he said. "When we really started crunching the numbers we saw how little industrial space is available for purchase. This particular site is strategically located and can pick up [business from dealers] from both Miami-Dade and Broward."

Ave is a mixed-use business park on about 178 acres bordering Opa-locka Executive Airport and Northwest 57th Avenue. CPF leases the land from the Miami-Dade Aviation Department.

Background: Hartsook is associate director at Miami commercial real estate brokerage Capital Commercial Group.