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Ballantyne's latest additions

Bissell boosts holdings with pair of eco-friendly Class-A office buildings

Charlotte Business Journal - by [Katy Finger](#) Staff writer

The Bissell Cos. has shown a remarkable ability to fill office space in its Ballantyne Corporate Park in almost any economic climate.

So it's no surprise Smoky Bissell's leasing team is optimistic even as it faces its biggest challenge. The company is putting the finishing touches on its newest — and biggest — speculative Ballantyne buildings.

The Boyle and Harris buildings, both 10 floors, add about 500,000 square feet of office space to the south Charlotte park, bringing the total to about 3.2 million square feet of Class-A space.

So far, Bissell hasn't signed any leases for the towers. It says it is working on several deals and also hopes to ink casual and upscale restaurants for the ground floor of Harris.

Lease rates in the new buildings range from about \$25 to \$38 per square foot.

"We've got a good list of prospects," says office leasing associate Charley Leavitt. "But the market is really competitive right now."

The office vacancy rate in the N.C. Highway 51 submarket, which includes Ballantyne, jumped to 21.7% in the fourth quarter from 11.5% in the third, according to CB Richard Ellis. That's due in large part to the completion of two other buildings at Ballantyne.

According to Andrew Jenkins, managing director of Karnes Research Co., the vacancy rate there is the highest since 1990. He says the softening real estate market all over the city will mean tenants have more choices. He expects Ballantyne will have to compete with uptown for the first time.

"It's a mixed market and a question of who is willing to move into that space," Jenkins says. "People aren't making those kind of decisions right now."

Boyle and Harris overlook the 14th hole of the Ballantyne Resort golf course. Between the two buildings is a small putting green for office workers. The buildings feature an average of 10-foot ceilings, about 1,800 parking spaces and panoramic views of Charlotte.

In the past, Bissell has found steady success filling up spec buildings with smaller tenants — many of those growing within Ballantyne itself. While the park is home to several large operations such as Liberty Mutual Insurance Corp., Bank of America Corp. and LendingTree, its typical tenant leases an average of 10,000 square feet.

It's unclear how that strategy will play out in the short term as the weak economy alters the growth plans of businesses of all sizes.

With the new buildings, Bissell has added some green sizzle to its marketing efforts. The new towers are expected to achieve gold certification from the U.S. Building Council's Leadership in Energy and Environmental Design system. That's the second-highest rating. Bissell expects it will take a year to be accredited.

Some energy-efficient practices in Boyle and Harris include the use of rooftop solar panels to heat water, recycled water for irrigation, 100% recycled steel, and nonemitting adhesives, sealants and paints. Bissell is also in the process of obtaining gold LEED certification for two other buildings recently completed in the 535-acre park. Hayes and Irby, each six stories and 150,000 square feet, were completed last year.

Also under construction in Ballantyne is an Aloft hotel. The 136-room hotel will be across Ballantyne Commons Parkway from Boyle and Harris and adjacent to the Ballantyne Resort and The Lodge at Ballantyne. When Aloft Hotel in Ballantyne opens in October, it will bring the total number of hotel rooms there to 600.

Aloft hotels include guest rooms with nine-foot ceilings and full-height windows as well as a 24-hour gourmet restaurant called re:fuel and a bar called w xyz. Room rates range from \$129 to \$179.

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