

33-year-long handshake between Sutton and Ullian built on trust and respect

By Ken Datzman

PALM BAY — Fred Sutton and Michael Ullian, both with separate companies, have honed a working relationship in the real-estate business that has spanned more than three decades in Brevard County.

And it's been an interesting stretch of time. Revolutionary is probably a better way to say it, based on population growth in Brevard, the number of businesses then and now, and other dynamics that shape a community.

They have weathered recessions and some sharp real-estate downturns through the years, but their commitment to bringing about real-estate deals together has never wavered.

Together, they have helped bring new businesses to the region and have played a role in economic development, working closely with other organizations. They've assisted area companies in upgrading to larger facilities, and much more.

Often times, business relationships break up when disagreements arise and egos clash. "It hasn't happened with us, and I don't ever see it happening," said Sutton.

"We have pretty much done everything on a handshake agreement all these years," added Ullian. "There is tremendous trust and tremendous respect for each other. We provide a valuable service to each other's company and we complement each other very well."

The hallmarks of a good business relationship include trust, loyalty, and communication. "And that's exactly how and why this relationship has thrived for more than three decades," said Ullian.

Longstanding real-estate developer and investor Sutton reached out to Ullian when he was first starting his career in commercial

real estate in the county. "I met Mike more than 30 years ago when he worked for Evans Butler Realty (in Melbourne)," said Sutton, the president of Sutton Properties in Palm Bay, whose real-estate portfolio contains about 2 million square feet of commercial buildings, apartments, and warehouses in the region.

The investments include Woodlake Commerce Park, Woodlake Office Park, Woodlake Village Apartments, Interchange Square Shopping Center, Renaissance Place, Revolution Technologies' building, and Medicomp's facility.

Sutton asked Ullian to lease some space for one of his properties back then, and that was the beginning of a relationship that carries on today.

Ullian was just stepping into the world of commercial real estate and looking to build a career, after a stint playing for the Houston Astros' Class A "rookie" league in Auburn, N.Y.

A 6-foot-6 lefthanded pitcher for Stetson University, where he was a star performer, Ullian was selected in the 10th round of the June 1984 Major League Baseball Amateur Draft. He played in the New York-Pennsylvania League and posted a 6-6 record in 1984 with the Auburn Astros.

While his dream fell short of making it to the big leagues, Ullian went on to build a successful brokerage business in commercial real estate. Sutton was one of the early mentors in his career.

"I started working with Fred in 1985. That's 33 years ago. Over the years, we have grown together. If it weren't for Sutton Properties, my company would not be experiencing a lot of the activity that's happening in the county right now, in terms of the commercial real-estate market," said Ullian. He is the president of The Ullian Realty Corp. in Melbourne,



BBN photo — Adrienne B. Roth

Businessmen Fred Sutton, right, and Mike Ullian started working together on commercial real-estate deals in the local market in 1985. Their relationship is as strong as ever. Sutton is president of Sutton Properties in Palm Bay and Ullian is president of The Ullian Realty Corp. in Melbourne. They recently helped the French company Alstom move into a 55,000-square-foot facility near the Orlando Melbourne International Airport. The building is owned by Sutton Properties. Alstom hired Ullian as its tenant representative. They are at Sutton Properties' office in Palm Bay.

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Fred Sutton and Michael Ullian

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which specializes in office, industrial, commercial, retail, and investment real-estate brokerage.

A lot has changed in the last 33 years in America. The average cost of a new home in 1985 was \$89,300. The average price of an existing home was \$75,500. The average cost for a new car was \$9,000. At the end of 1985, The Dow Jones Industrial Average closed at 1,546. Today, it trades around 25,000.

Land prices in Florida have skyrocketed, too, over the last three decades and the state's population has surged.

When Sutton started developing real estate in Palm Bay 44 years ago, in 1974, the city had some 7,700 residents. Today, there are more than 110,000 residents in the city limits of Palm Bay.

Back then, Sutton Properties purchased some land for development in Palm Bay for roughly \$5,000 an acre. His firm grew to become one of the largest family owned real-estate development firms in Brevard County.

Fred Sutton runs his business working alongside his son, Cort Sutton.

"Fred and Cort are unique in that they are not only developers and brokers," said Ullian, "but they also fully understand what it takes to get a deal done and go above and beyond to make it happen. It's been a real pleasure to be involved with them through the years. If you provide a good product at a fair price, the deal gets done. Everybody walks away happy."

Ullian added, "We have represented Sutton Properties and have been very successful in closing transactions, working across the board with everyone from solo-businessowners to major corporations. This includes everything from leasing space to actually acquiring a site, building a facility, and doing a lease-back. It's unusual to have the capabilities to do all these things in this marketplace, but with the two companies working together it can be accomplished."

A recent example of the two companies partnering to help a business expand into larger quarters is Alstom. The French company develops and markets a complete range of systems and equipment in the railway sector. "It's one of the most unique companies in the world," said Fred Sutton.

Alstom just moved into its new location on South Babcock Street in Melbourne, next to the Orlando Melbourne International Airport. The four-story, 55,000-square-foot building houses offices and Alstom's advanced software and solutions test laboratory. The laboratory supports engineering teams in Melbourne and Jacksonville, as well as in Grain Valley, Mo.

Present in the community for the last 25 years, more than 200 people work at Alstom's Melbourne location, supporting customers such as "Class 1 and short-line railroads," and commuter and public transit agencies in North America, as well as international freight and mining companies as far away as Tibet, Columbia, and Australia.

"In this particular case, they hired me to be their tenant representative," said Ullian about Alstom.

"So I went out in the market and looked at space that would fit their needs and meet their requirements. Then I met with Fred and said I have a tenant who I think might complement one of your buildings in Melbourne. And we

ended up doing the deal. It was a win-win deal for all parties involved in the transaction."

It was an important deal because Alstom says it is "committed" to recruiting and developing talent in the local area, and works with Florida universities — including Florida Tech, the University of Central Florida, the University of North Florida, and the University of Florida — to hire new graduates and offer internships to engineering students.

The facility that Alstom occupies in Melbourne is one of many buildings owned by Sutton Properties. Their buildings are faring well with high occupancy rates.

"We do have some flexible space available at Woodland Commerce Park," said Ullian. "There is a 12,700-square-foot space and a 12,500-square-foot space. The space can be used for office, manufacturing, or warehouse needs, or a combination thereof. Our lease rates are very competitive. We also have some space available at the full-service Innovation Centre."

A strengthening economy and job growth nearing historical levels have given Realtors confidence in future commercial real-estate market conditions. As more jobs are created, it increases the demand for office space, warehouse space, and other types of space.

Even after 90 straight months of job gains, the economy looks likely to expand over the next two years with job openings at their highest level in nearly 10 years.

On June 1, the U.S. Department of Labor released its employment report for May. Unemployment in America fell to its lowest level in 18 years, to 3.8 percent. In May, 223,000 jobs were created.

Since President Trump's election, more than 3.4 million jobs have been created. That job increase includes more than 1 million jobs since the president signed his tax cuts package into law five months ago.

"In my opinion, the local market is the most robust it has been since Dr. (Joseph) Boyd (CEO) decided to move Harris Corp.'s corporate headquarters from Cleveland, Ohio, to South Brevard County in the 1970s," said Fred Sutton.

"I say this because there is real employment growth in the county. It's pushing the expansion. It's exciting to see. Many area businesses are expanding and other companies are locating here."

He also said the tax cuts have helped his business and employees.

Harris Corp.'s roots in Brevard go back to 1967 when the company merged with Melbourne-based Radiation Inc., a maker of antenna, integrated circuit, and other technology used in the space program. In 1974, the company became known as Harris Corp. and moved its headquarters, then in Cleveland, to Melbourne.

Harris Corp. has been growing and so has the Melbourne campus of Northrop Grumman Corp. More than 5,000 people now work for Northrop Grumman in Melbourne, up from 1,000 employees a few years ago.

Ullian said he recently was on a flight into the region and sat next to a new Northrop Grumman recruit. He was 27 years old.

"I asked if he was an engineer and he said he worked in accounting. He said he really liked Brevard County and

the fact that he could buy a home, go to the beaches, and not be far from Orlando. The demographics are starting to change a bit in Brevard, which is a real plus. We need that to continue."

The Economic Development Commission of Florida's Space Coast has been working closely with a young professional group called "321 Millennials" to get their perspective on why they live and work on the Space Coast. Efforts have included surveys, interactive meetings, and on-camera interviews.

"The results of these efforts have been incorporated into the EDC's talent-attraction efforts — a critical component of our business recruitment and retention program of work," said the EDC's Lynda Weatherman, president and CEO.

"This generation is a significant part of our workforce and understanding their perspective will ensure the Space Coast continues to attract and retain top talent for our existing businesses."

The EDC research office analyzed the survey data and developed an "infographic" report highlighting the survey's findings. The findings include: 62 percent of Space Coast Millennials chose to live in Brevard over another location; 80 percent enjoy the quality of life the community offers; and the cost of living is one of the most important factors when choosing a place to live.

Millennials are now the largest generation in the workforce and they are driving the agendas of how companies operate. Millennials born in the 1980s are increasingly becoming the leaders of their organizations.

Brevard County has become increasingly attractive to businesses. Growth is creating that interest and it's happening countywide.

Ullian said this is the "first time I can recall that North Brevard, Central Brevard, and South Brevard are all running full-speed ahead. Just driving around the county you can see the construction and the expansion. Historically, South Brevard, which is one-third of the land mass in the county and two-thirds of the population, has been the hub of business. But that is changing now."

"There has been tremendous diversification of employers in Brevard compared to years ago," added Sutton. "And it is changing the landscape of Brevard. For example, the change that is taking place in North Brevard has been very positive and things are really on the upswing there. I credit a lot of that to Robin Fisher's leadership."

Fisher is a former Brevard County Commissioner who helped North Brevard devise a strategy to rebound economically after NASA closed the space-shuttle program seven years ago. He also played a role in getting the United States Specialty Sports Association to take over operations of the Space Coast Stadium and the adjoining baseball complex after the Washington Nationals moved their spring training camp to West Palm Beach. And that has been a big plus for the county.

"Brevard keeps going to a higher plateau. It's going to be really interesting to see where we are in five years. I know Fred's company and my company want to be part of that growth helping businesses with their commercial real-estate needs. We're looking forward to the future," said Ullian.