

# MIAMI TODAY

WEEK OF THURSDAY, SEPTEMBER 15, 2011

SERVING SOUTH FLORIDA'S MOST IMPORTANT AUDIENCE

Mindy McIlroy began her journey in real estate at Terranova Corp. 15 years ago as administrative assistant to its leader, Stephen Bittel.

Her hard work and drive revealed potential for much more and she was given the opportunity to learn the sales and leasing side, leading to her current role as executive vice president.

In this position, Ms. McIlroy focuses on marketing the company's services, retail leasing and developing new business.

Despite the economic challenges, the company's real estate practice continues to grow as it seeks to hire new associates.

"The immediate focus that we have is that we have to hire," Ms. McIlroy said. "We are hiring in every department within our company, which speaks to our optimism with what's happening with our industry."

Terranova acquired three retail buildings on Lincoln Road this year and handles the leasing of the CocoWalk retail complex in Coconut Grove.

Most recently, it was selected to lease the retail space at the parking garages of the new Florida Marlins ballpark.

"Our role there is to lease, lease, lease. We need to get that thing full," she said. "Our goal is to get some restaurants opened by game day, which is quickly approaching in April."

Ms. McIlroy discussed her responsibilities, market trends and what's ahead for Terranova with Yudislaidy Fernandez at the company's Miami Beach headquarters.

**Q: Tell us about your trajectory in real estate.**

## THE NEWSMAKER



Mindy McIlroy

Executive Vice President  
Terranova Corp.  
801 Arthur Godfrey Road, Suite 600  
Miami Beach 33140  
(305) 695-8700  
mmcilroy@terrakovacorp.com

Age: 42

Born: Syracuse, NY

Personal Philosophy: "Be true to your core values. You have the best rate of success if you align yourself with the company that has the same core values as you do in your personal life."

**A:** Before coming into the commercial real estate industry I was in hospitality sales. I worked for a company called Starwood Hotels and Resorts in Atlanta. I was transferred to a hotel in Deerfield Beach, doing hotel sales. I was here about six months. I realized that though I'm not afraid of working, and I'll work 12-, 14-, 16-hour days if necessary, it needs to be something that speaks to me.

I was working a lot of long hours and it was becoming a grind so I did the first irresponsible thing in my life – I quit a job without having a job. I thought, 'I'm in beautiful South Florida, I'm going to take some time off. I'm going to enjoy the beaches.' That lasted two weeks because my whole social circle worked.

I was at a loss with what I wanted to do. I was a bit burned out on sales, not sure what path I wanted to take. I was struggling with that, so I decided to go to work with a temporary agency. I went to a temp agency and said, 'I want to be an administrative assistant, but I think I would do well working for high-level executives.' They sent me on an interview at Terranova with Stephen Bittel.

After five interviews between the recruiter, the staffing agency, the human resources director, I got to Stephen. I said, 'If I'm going to be his executive assistant you really should just have me meet him, because if we don't get along it's not going to work out.' Needless to say, it worked out. That's how I started at Terranova.

I worked with Stephen for close to 18 months and decided that sales was what I wanted to do. I resigned and was going to go to work for the Ritz-Carlton in Manalapan, up in

# Mindy McIlroy heads ballpark garage retail leasing effort...

Palm Beach.

Then Beth Azor, who was the president of our company at the time, approached me and said, 'We don't want you to leave. What can we do to get you to stay?' I said, 'I enjoy working at Terranova, it's just I want to be in sales.' She said, 'Well, come to work for me. I'll teach you the sales business.'

I said, 'I don't know anything about real estate or commercial real estate.' As we all say, it's not rocket science. It's hard work and focus. Beth took me under her wings and taught me the leasing business.

To this day we have a rookie training program, where you don't have to have any real estate experience. You have to have a sales capacity and you're in the program for a year. I did that [and] had seven promotions to where I am today.

**Q: What does your role as executive vice president entail?**

**A:** I oversee marketing, retail leasing and new business development for the retail side of our company. We have about 2.5 million square feet of retail product that's either management or leasing contracts.

Terranova is a full-service commercial real estate company, so even though I work on the retail side, we do industrial office acquisitions, dispositions, due diligence – pretty much everything that needs to be done in the commercial real estate world.

**Q: Describe your typical work day.**

**A:** There's really no typical day, which is what I love about this business. It has so much variety. I arrive at the office early. I work with our agents. We have a team of seven leasing agents, but we're hiring, so we hope to grow that bench quickly. I'll find out what they're working on [and if] they need help with anything.

[I] contact clients. Prior to the recession, clients were a little bit more hands off. Now they're very involved and want to know what's going on with their assets often. I have a conference call scheduled most mornings with one client or another, just to give them a recap on what's happening with leasing.



Photo by Maxine Usdan

Mindy McIlroy started as a Terranova temporary administrative assistant, moved up via seven promotions to focus on marketing services, retail leasing and new business.

[I] meet tenants. Even though I have a plate full of things to do, I still canvass retailers. I cold call retailers and find new tenants to bring into our portfolio. After the Orlando convention, I'm heading up to New York so that I can look for new retail concepts to bring into South Florida.

**Q: What trends are you seeing in the retail market?**

**A:** There has been a big trend [toward] moving from suburban retail to urban retail. When I started in this business, most of the portfolios that we had under management or leasing contracts were suburban retail products. In the last three to four years, it's been transitioning to downtown core.

We started with street-level retail when we acquired eight buildings in Coral Gables on Miracle Mile. We recently purchased three buildings on Lincoln Road, which is another step in that direction.

We have several leasing assignments with Vizcayne, which is in downtown Miami [and] used to be Everglades on the Bay; CocoWalk; 4585 Ponce, which is a project that's under construction adjacent to Village of Merrick Park in Coral Gables. Then of course [we have] the Marlins stadium retail in the parking garages.

We've seen a surge of activity with retailers wanting to be in this urban core, and it's because people are not

wanting to commute as much as they used to. They want to have a better quality of life. They want to spend more time with their family. There's a trend toward having a walkable city. We've seen that with what downtown Miami has been doing with the streetscapes and the improvements they're making.

**Q Is the retail market improving?**

**A:** It's not slow for us at all.

I can speak to our portfolio, which is primarily Miami-Dade, Broward and Palm Beach. We have assets, but the bulk of our portfolio is in Miami-Dade. All counties were hit when the recession first approached, but Miami-Dade rebounded quickly, because of the density of the population and tourist traffic. Miami-Dade is back to what I would deem to be normal. The sales figures the tenants are reporting are similar to the sales they were reporting in 2005 and 2006.

Sales are the temperature gauge in a retail industry. That's how you track the success of what's going on in the market.

South Broward is back to where it was as well, but South Broward is an extension of Miami-Dade. The northern parts of Broward and Palm Beach are still suffering a bit. The assets we have in those areas have a higher vacancy rate, but I'm hoping that that's going to trend different going into



## ...by Terranova to get some restaurants going on opening day

2012, because we're still getting a lot of activity from retailers.

**Q: What retail concepts and brands are expanding?**

**A:** Fast fashion retailers – H&M, Forever 21, Topshop, UNIQLO – have trending styles at affordable prices. New York sets the tone for what the country is going to see. Miami is the secondary market [in which] retailers will want to open a second, third, fourth store.

The other thing is food.

We just opened Energy Kitchen. It's a fast, casual concept out of New York. They opened their first South Florida location at our property in Pinecrest called Suniland Shopping Center. We're leaving for our annual ICSC [International Council of Shopping Centers] Orlando conference, and the bulk of our meetings are with food industry retailers.

That seems to be the most active sector after a slump in the market. Once the flow of income starts to come back people start to eat out, and food retailers want to expand.

**Q: The pop-up store concept has been gaining popularity. What pros and cons come with setting them up?**

**A:** I don't see any con as a pop-up concept. This is a fad that will continue. It's good for both the tenant and the landlord.

For the tenant, it allows them to come into a market that they're not sure about for the long-term. They want to test. They want to see who the customer is. They want to see how their product sells.

For the landlord, it's a great opportunity to plug a hole for a short period of time. When you have a lot of vacancy in your shopping centers it hurts the traffic to other retailers that are open. Your center looks stale. When you have a lot of action, it's vibrant.

There are only pros, and we're big fans. We're doing some pop-up concept in our Lincoln retail product during Art Basel.

**Q: We have retail expansion headed to Miami, with Swire's shopping center coming to Brickell, Berkowitz's plans for Gables Station and Dacra's high-end retail complex**

**in the Design District. Can the county absorb this new retail product?**

**A:** Retail follows rooftops. Where people are living, retailers want to be.

Typically, you don't see a lot of residential communities in urban cores due to the vertical. There was an oversupply, but owners of those projects quickly rented those, even though it was meant to be a condo-for-sale project when it was initially built, to help with their cash flow needs. Now a lot of people are converging those rentals. They're selling them. Homeowners are going to be living there.

That's why there's such a movement for retailers to fill in. Development is happening in these downtown core areas because there's more people living there. We're going to continue to fill those condos.

All of them have the opportunity to be full and successful. I'm bullish on the Dacra projects that are in the Design District area. What Craig Robins is doing is incredible. The three buildings that we purchased [on Lincoln Road] were from Craig Robins, so the Louis Vuitton contingent that's moving [to the Design District] is an absolute win for all of us.

Midtown is exploding with the restaurant row. The group that does that has done a great job and lit that street up significantly.

Food changes the environment of an area. Downtown every project has a chance of success. Midtown focused on unique, interesting, new concept restaurants. I don't know what Swire is focusing on, but I'm sure they'll find their gate.

We are at the Marlins Stadium. There we're focused on entertainment retail, which is primarily restaurants and new-to-market concepts.

**Q: Tell us about the role Terranova is to play in handling the retail leasing at the Marlins ballpark's parking garages.**

**A:** We were hired to be the exclusive leasing agents for retail in the parking garages. We're not affiliated with the retail within the stadium itself. Another group is handling that. Our role there is to lease, lease, lease. We need to get that thing full. Our goal is

to get some restaurants opened by game day, which is quickly approaching in April.

We've been two weeks on the project. When we responded to the RFP and were awarded the project, my phone just lit up. I was shocked. A lot of it was from peers in the industry who were calling to congratulate us on having it, but the other half was from retailers who were interested in being there.

There was really no leasing firm in place and no communication happening. Now that they know that there's someone chosen, who is retained, who has a contract, it's been great.

It's been very high profile, much more than I had expected. If my phone ringing off the hook is an indication of how quickly we're going to be able to lease it out, we're in good shape to get there by game day.

**Q: What's your strategy to give retailers the consumers they need?**

**A:** You have to give the consumer a reason to drive to the stadium on days other than game days. Most retailers are not going to be able to sustain a business with only 81 games a year.

Our focus, for the two weeks we've been working on this, [has been] to come up with a list of retailers who do not have a huge presence in the South Florida market. We believe the people will come from Brickell, Coral Gables, downtown, the Upper East Side, Biscayne corridor.

We're giving a lot of thought to destination-type restaurants initially. Then we'll start feeding into soft goods retailers – art galleries or nonfood-type users. We have to get the restaurants settled first.

An 8,200-square-foot signature restaurant space and art project on an end cap of one of the parking garages that overlooks the stadium campus [is] earmarked for a great sports pub/sports grill.

We've had a great response from a lot of fast, casual restaurants. The fast casual and Key West art-type concepts are not allowed in parking garages because the Marlins group won't allow it. That is written in the guidelines. However, the Marlins have been

extremely cooperative. They are concerned about retail within the stadium. They want to make sure that their folks have a fair playing field to be able to earn revenue.

It's 53,000 square feet of retail space. I do not see that as a huge obstacle to overcome, the restrictions. It's all about communication and trying to find, for our project, different types of businesses than what they have found for the stadium.

***Q: Which retailers are looking to expand in South Florida?***

**A:** The hamburger sector – Five Guys Burgers and Fries, Shake Shack, BurgerFi. There are all sorts of the fast, casual hamburger concepts out there. The self-serve yogurt concepts – the Yogurtlands, the Tutti Fruttis – have been active lately.

There's also been a big trend of Spanish tapas restaurants. The one that comes to mind is 100 Montaditos in Midtown. They're doing great, and we're hopefully going to be able to have them in one of our projects soon.

***Q: What are Terranova's goals for the next three to five years?***

**A:** We want to continue to acquire core suburban assets and this urban street retail that we've been focusing on for the last couple of years. We're focused on those types of acquisitions and will continue to be for the next two to three years.

The immediate focus that we have is that we have to hire.

We are hiring in every department within our company, which speaks to our optimism with what's happening with our industry. I'm going to the ICSC conference to meet with students from different universities to get people for our rookie training program.

***Q: Tell us about your family and hobbies.***

**A:** I am the youngest of two. I have a brother who also lives in Miami. My parents followed me from Syracuse to Atlanta, from Atlanta to Miami, so my whole family is here.

I love to travel. I am interested in visiting other cities, visiting other cultures.

I have the perfect job. I make money and I get to shop all day. That's what I say to my leasing agents when I go canvassing.

When I travel, I love to not only see different areas and different sites – I love to speak to different retailers. I'm inspired by their entrepreneurial spirit.

I'm a closeted interior decorator. I live on the Upper East Side on the Biscayne corridor and I did a big renovation to my house, which included redoing kitchens and bathrooms and picking out tile. I did hire a decorator to work with me and I drove him absolutely crazy because I had very strong opinions about what I wanted to do. He had to keep reminding me, 'Mindy, I'm the interior decorator here.' I said, 'Yup, but it's my house and I'm writing the check.'

I recently purchased a small home in the Key Largo area and use that as my weekend getaway. That's the way I justify, but really I just needed another project to decorate because my house in Miami is done.

