

Amid the gloom, a new building's set to rise

Mention Craig Ustler's name these days and he'll be quickly noted as the only developer who is about to go vertical on a building in downtown Orlando.

It's quite a distinction given the tenor of the times.

Last week I caught up with Ustler, who was behind such high-profile projects as Thornton Park Central. He will be the first to tell you that he hasn't congratulated himself just yet.

But that day may not be too far off.

With his financing almost complete, Ustler said he expects construction to begin in 30 to 60 days on the six-story building named for anchor tenant **GAI Consultants Inc.**, a Pittsburgh-based engineering firm that has had offices in Orlando for more than 25 years.

"We're darn near about ready to break ground," he said.

In the meantime he's learning just how scrupulous the loan environment is in this post-Wall Street meltdown era.

"It takes an incredible amount of



COMMENTARY

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time to close on a construction loan," he said. "It used to take 60 days and now it's taking six months."

Banks are checking everything down to his personal holdings to make sure he's not over-extended and teetering on the edge that so many developers fell from when the credit markets seized up.

"Now they really drill down to do you own a house at the beach, what kind of cars do you own — it's a global look at your financial picture," Ustler said. "It's not as bad as getting audited by the IRS, but it's along those lines."

Also key to the deal is the health of

GAI, which has agreed to lease 65,000 square feet or about 62 percent of the building's total 105,000 square feet.

GAI is a growing company that acquired the Orlando office of Hartman Consulting & Design in 2007, expanding its water management and environmental engineering practices.

About 100 employees will work in the new building, said the firm's spokeswoman Brittney Burch. The firm's current projects include the streetscape for the new Orlando Magic arena.

Brasfield & Gorrie will be the general contractor on the GAI building's construction and **Baker Barrios** is the architect.

Ustler, president of **Ustler Development Inc.**, said today's depressed construction market makes it a good time to build.

"Because prices are down, we can now give them more bang for their buck," he said.

The entire project, including the land, is valued at \$35 million.

If he breaks ground as expected, the GAI building will be a bright spot in an otherwise tough year.

Ustler said the eateries he owns as a principal to **Urban Life Management Restaurant Group**, which includes downtown spots **Citrus**, **Hue**, **Cityfish** and **Kres Chophouse & Lounge**, are still profitable, though sales are down.

"Anybody who tells you the restaurant business is booming is just not telling you the truth," he said.

And all of his other real-estate projects are on hold, including the site next to the **Panera Bread** on **Lake Eola** for which 40 condominium units are planned.

"In the trough of a recession everything looks pretty gloomy and that's where we are," he said. "Prospects for the next year or two are still challenging. We will build more condos in downtown Orlando. It's just not going to be tomorrow."

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