

**Barker's Island**  
DEVELOPMENT CORPORATION  
218-348-7010  
jrculloy@rallboats.com

8 Building Sites  
from \$100,000 to \$220,000.

**Now Available**  
3 prime waterfront sites on Superior Bay and 6 sites with access to marine channel.

BIOC built the first home on Barker's Island in 1989. Max 27 homes take up the 510 million neighbor lot. BIOC is now developing the ONLY remaining home sites on the island.

BIOC, a partnership of Ron Johnson & Fred Shann. Builders: Anthony Laurus. Architect: Jack O'Neil, Designer.

**INDUSTRIAL/COMMERCIAL SPACE**  
**available**

- 7,000 sq-ft - Will Build to Suit - May Subdivide
- Located near Grand Rapids Industrial Park & Airport
- 16 foot Ceiling Height - Sprinklered
- 3-phase 120/208v Electrical
- 8x10 Overhead Door
- Office/Break Room - Locker Room
- Incentive Rates Based on Job Creation

**IEDC**  
helping create quality jobs

**Rennix Properties**  
218-326-9114 or 218-326-3730

**L & M FLEET SUPPLY**

**"QUALITY AT A DISCOUNT"**  
**SINCE 1959**

VISA    M.C.    Discover    American Express

**Seven Store Locations!**  
Grand Rapids - Hibbing - Mt. Iron/Virginia - Cloquet - Bemidji - Park Rapids - Detroit Lakes  
*Open 7 days a week!*

**Visit our NEW website!**  
**On Line Shopping**  
**Available**  
**www.landmsupply.com**  
*Check out our 14 Departments!*

- Clothing
- Toys
- Power Equipment
- Farming
- Plumbing
- Electrical
- Sporting Goods
- Lawn & Garden
- Housewares
- Automotive
- Paint
- Power Tools
- Hardware
- Pets

# AtWater reinvents real estate industry



Photo by Ron Brochu

From left, AtWater's Property Assistant Jens Torgrimson, Executive Vice President Brian Forcier, President Daniel Markham and Property Administrator Marva Beckman outside of their headquarters in the 425W building.

BY RON BROCHU

By connecting a group of existing real estate, maintenance and construction assets, AtWater Group has created an overarching new concept for the Northeastern Minnesota-Northwestern Wisconsin market.

From a single location in downtown Duluth, AtWater, a division of the RJS family of companies, works with other Reuben Johnson & Son (RJS) divisions as a "one-stop-shop" to facilitate building construction, property management and building maintenance services. But it offers an additional and much more complicated service. AtWater helps assemble individual investors into partnerships or larger "syndicates" that are capable of buying or building major income-producing properties beyond the scope of a single investor.

The process starts with helping clients develop a real estate investment strategy, said Brian Forcier, executive vice president.

"We take a qualified client, either a company or high-net-worth individual, and if they want exposure to commercial real estate, we'll visit with them much like a stock broker would," he said. "It could be they need a new site for their business, or we can help them invest in any asset class - hotels, retail developments, office space or industrial buildings."

Sometimes, investors don't want involvement with a partner or syndication group.

"Let's say we have a professional - often a doctor or attorney - who wants to own their own real estate and anchor their own multi-tenant retail strip center. We'll put the whole deal together, build it out for them and help them fill the other spaces," Forcier said.

But for more expensive developments, such as hotels or large apartment buildings, AtWater can work with up to 30 investors on a project. Anything larger constitutes a Real Estate Investment Trust, which it doesn't handle.

Stringent regulations govern syndications, and they're not for typical middle income individuals.

"It's for folks who can truly afford the risk and participate in the reward," Forcier said.

AtWater replaced RJS Real Estate

Group, which operated for more than a decade as a real estate holding company. Forcier, affiliated with Oneida Realty from 1997 until January, was recruited to rebrand RJS Real Estate Group as a commercial property services firm.

"There's not another firm in Duluth like AtWater," said Forcier, who holds the Certificate Commercial Investment Member (CCIM) designation. Several services provided by related RJS entities are assembled under the AtWater umbrella:

- As mentioned, AtWater provides real estate syndication services.

- Property management is another specialty available to investors who prefer a "hands off" style.

- Licensed in both Minnesota and Wisconsin, AtWater can broker property purchases, sales and leases.

- RJS Construction provides development consultation services.

- Another RJS division, Building

Logic, provides complete facility maintenance services, both for AtWater clients and other property owners. Dan Green is general manager.

"Building Logic was created because RJS didn't want to pull construction workers off bigger projects to address handyman-type tenant calls. We take those calls in the middle of the night and respond accordingly," Forcier said. "There was a niche out there for handyman services, and it has taken off."

Among AtWater's first challenges was to "reposition" the 425W building on Superior St. in Duluth. Better known as the former KDLH-TV building, Forcier refers to the 40,000-square-foot structure as "a non-performing asset."

"It's got some vacancy and needs to be filled with tenants," he said, expressing optimism about 425W and similar structures. "There's a lot of capital sitting on the sidelines - in money market accounts or reserves, and corporate profits are up. Some companies are looking at retooling now for their next phase of growth."



**Dan Green**

AtWater continues on next page

# Property Managers

(Updated 05/11)

Ranked by total square feet of leasable space managed in region. W/D=wouldn't disclose.

<b>1. Oneida Realty</b> , Duluth www.oneidarealty.com 218-722-0816 FAX 218-720-6879 oneidarealty@oneidarealty.com <b>Steven G. LaFlamme</b> , CEO	<b>2,187,000 sq. ft.</b> commercial 95% retail 5%	39/9	Alworth/Lonsdale Bldgs.; Depot; Dewitt-Seitz, Medical Arts Bldg.; Sellwood Bldg.
<b>2. First Properties</b> , Duluth www.firstpropertiesduluth.com 218-727-7765 FAX 218-727-7362 barb@firstpropertiesduluth.com <b>Barb Perrella</b> , property manager	<b>943,000 sq. ft.</b> hotel 75% retail 16% commercial 9%	6/5	Center Bldg.; Holiday Center; Holiday Inn Hotel/Suites; Missabe Bldg.; Plaza Shopping Center; Providence Bldg.
<b>3. A&amp;L Properties</b> , Duluth www.alproperties.com 218-727-9556 FAX 218-727-9559 alproperties@alproperties.com <b>Lee R. Anderson</b> , CEO <b>Rob Link</b> , president	<b>700,000 sq. ft.</b> commercial 61% medical 22% residential 12% industrial 5%	23/23	Bridgeman Russell; Duluth Technology Village; First Plan, Proctor; Lakewalk Center/North; Superior City Center; Wieland Block Condos.
<b>4. Melhus Management Co.</b> , Duluth www.melhus.org 218-720-3712 FAX 218-720-3860 info@melhus.org <b>Mark P. Melhus</b> , CEO	<b>690,000 sq. ft.</b> apartments 66% commercial 25% retail 9%	20/2	Arrowhead Place; East Central Entrance; Harbor Center; Matterhorn Prof. Bldg.; Mount Royal Center; Northland Medical Center and N.M.C.-South; Northshore Bank Place, Hermantown; Tower Ave Plaza; 400 apartments.
<b>5. AtWater Group</b> , Duluth www.atwatercommercial.com 218-727-8211 FAX 218-727-8564 bforcier@rjsscompanies.com <b>Brian D. Forcier</b> , EVP	<b>650,000 sq. ft.</b> commercial 100%	24/9	Charter Films, Superior; Enbridge Bldg., Superior; Energy Systems; Fraiser Shipyards, Superior; RJS Corporate Bldg., Superior; Winter Business Park; Waterfront Plaza Bldg; 2305 West Bldg.
<b>6. ShipRock Management, Inc.</b> , Duluth www.shiprockmanagement.com 218-740-3800 FAX 218-722-1436 info@shiprockmanagement.com <b>Andy Weyrauch</b> , CFO	<b>586,137 sq. ft.</b> residential 99% commercial 1%	194/18	Chester Terrace Apts.; Eustone Bldg.; Hollywood/Williams Bldg.; Ogden Apts.; Soleil Pines; Yorkleigh Apts.
<b>7. F.I. Salter Co., Inc.</b> , Duluth www.fisalter.com 877-855-3971 218-722-5556 FAX 218-720-6684 <b>Sanford Hoff</b> , president	<b>450,000 sq. ft.</b> commercial 65% retail 35%	18/1	Board of Trade Bldg.; Hermantown Square; Maple Square; Matterhorn Mall; New Garrick Bldg.; Village Square; Wells Fargo Center.
<b>8. Kleiman Realty</b> , Duluth www.kleimanrealty.com 218-722-9900 FAX 218-728-2503 kleimanrealty@msn.com <b>Joe Kleiman</b> , broker	<b>294,000 sq. ft.</b> commercial 100%	30/W/D	Carlson Orthodontics; Eco-lab; Daughtery Appliance; Edina Realty; Hermantown Goodwill; Lein Law office; Open Scan MRI; UPS store.
<b>9. Horngren Management</b> , Duluth www.horngrenmanagement.com 800-972-3510 218-727-1000 FAX 218-720-3285 horngren@cpinternet.com <b>Scott Horngren</b> , CEO / <b>Josh Waller</b> , president	<b>200,000 sq. ft.</b> commercial industrial residential	37/W/D	Airpark Square; Haines Road Center; Pokegama Plaza, Grand Rapids; apartment units.
<b>10. Mahan Rental Property</b> , Superior 715-394-4062 FAX 715-394-5538 <b>John Mahan</b> , owner	<b>100,000 sq. ft.</b> commercial 80% retail 20%	5/5	Board of Trade Bldg.; Financial Recovery; Millennium Bldg.
<b>11. Overman Company</b> , Duluth 218-722-1433 FAX 218-722-1436 <b>Dan King</b> , owner	<b>91,050 sq. ft.</b> commercial 65% retail 35%	13/14	Bakery Apts.; Garden Law office; Garrick Center; King Bldg.; Lakeview Apts.
<b>12. Consulting, Management &amp; Realty Associates, LLC</b> , Duluth www.cmrasells.com 715-727-0064 FAX 218-727-0054 <b>Beth Wentzlaff</b> , president	<b>68,753 sq. ft.</b> commercial retail apartment buildings	11/0	1307 Miller Trunk; Miller Plaza; Spinnaker Apts.
<b>13. Badger Building</b> , Superior 715-392-2054 FAX 715-392-2313 <b>Richard Nystrom</b> , owner	<b>52,000 sq. ft.</b> commercial 81% warehouse 19%	9/9	Badger Building. (59,500 sq.ft. space in Ashland, Kenosha, Mellon, New Lisbon, Wautoma, Wis.)

(1) Properties are in city where firm is based unless otherwise noted.

Source: Individual firms.

Real Estate lists continue on page 8B



Photo by Ron Brochu

Just four years ago, The 425W Building, which formerly housed KDLH-TV, was to become an 11-story downtown skyscraper; then the real estate market turned cold. Now, AtWater Group hopes to remodel the structure and fill roughly 40,000 square feet with tenants.

## continued from previous page

So if they can get into a lease scenario, it's a great time to be acquiring some leased space right now. They can get favorable terms.

"We're just getting started. Assets are depressed; they've gone through a lot of repricing. It's a great market now for a buyer. There are inflation issues probably coming down the road. Real estate is a great market to be in when there's inflation. Capital is easing up. It's really a good time to be buying or repositioning real estate," Forcier said.

This isn't the first rodeo for AtWater or its predecessor company.

"We're already involved with about a dozen projects locally at various stages. Some are pre-development, like Canal Park Brewery, while others developed and looking for tenants, like Waterfront Plaza and 425W," Forcier said.

The company also has identified and is developing several Superior sites having long term potential, said Dan Markham, AtWater president. They include the Grand Central Site (the former site of Central Middle School), Winter Business Park and the building formerly occupied by J. Beecroft Bookseller. The company also are investments in Eau Claire and Omaha.

"We have well over 800,000 square feet are either in the management or in the development pipeline," Forcier said.

Despite the nationwide real estate collapse, most of the established commercial brokers survived regionally.

"With our unique combination of investment services, asset management and complete facility services, I hope our niche turns out to be very successful for us," Forcier said.



**Consulting,  
Management  
& Realty  
Associates,  
I.L.C.**

1405 Miller Trunk  
Highway  
Suite 600  
Duluth, MN 55811  
(218) 727-0064

*When it comes to Real Estate...*  
*We are your "professional" professionals!*

- Commercial Real Estate Sales & Leasing
- Vacant Land Sales & Development
- Residential Home Sales & Buyer's Representation
- Property Management

Visit us at: [www.cmrasells.com](http://www.cmrasells.com)

## FOR SALE!

### 332 E. Central Entrance



- 24,000 Daily Traffic Count
- 2,255 Square Feet
- .56 Acres with Ample Parking

### 4183 Haines Road



- Over 8.5 Commercial Acre Site
- Great Visibility from Hwy 53
- Only \$13.85 Per Square Foot

### 4189 Haines Road

### One East First Street



- Great Downtown Location
- Ample Parking
- 37,026 Square Foot Site Included

For these properties and more  
visit [www.fisalter.com](http://www.fisalter.com).



**Natalie Hoff**  
nhoff@fisalter.com  
210 West Michigan Street, Suite 300  
Office: (218) 722-5556  
Cell: (218) 591-2223