

Title co. buys its own building

Independence Title becomes landlord in process

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Independence Title Co., Texas' largest title company, is moving its statewide headquarters into a larger space and expanding into Houston.

The company, which employs about 185 people here — 67 at its headquarters — and had revenue of more than \$33 million in 2011, has outgrown its 17,500-square-foot main office in North Austin at the Arboretum.

It bought a 45,000-square-foot office building at 2500-2 Shepherd Mountain Cove in Northwest Austin, which will become its permanent home starting in 2013.

The building is currently 75 percent occupied, and when the existing tenants choose not to renew their lease, Independence Title expects to swallow up the space. In the meantime, Independence Title will reap the benefits

of being a landlord.

"This represented a good long-term strategy for us, in terms of our real estate needs," said Independence Title CEO Jay Southworth, who hopes to grow the company to the point where it will take over the entire building.

The company currently has 32 offices stretching from Austin to San Antonio and employs more than 250 people.

He said it was a great buy for the company, in terms of price, and because it will generate substantial rental income. Southworth declined to specify the purchase price but a brochure marketing the building listed the asking price at just under \$5 million.

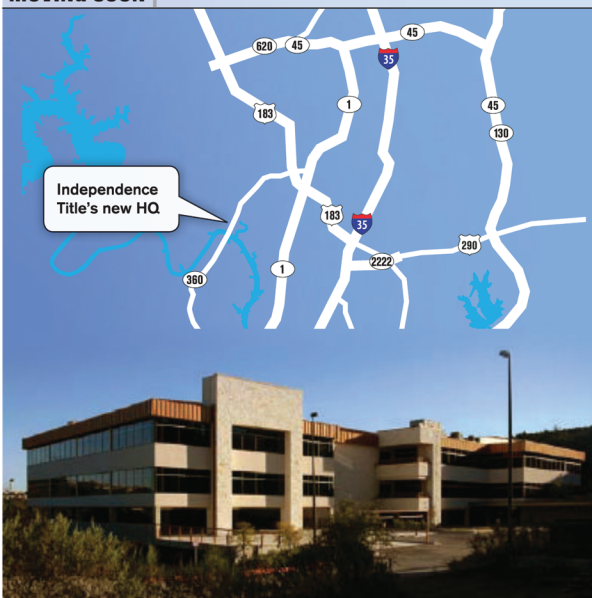
Independence Title partnered with Aquila Commercial LLC, an



Southworth

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MOVING SOON



Independence Title's new building is about 75 percent full, and as tenants leave, Independence plans to fill in the gaps with its own people.

American Bank to settle on Congress Ave.

A perch to pounce on business customers

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American Bank, which operates two Austin branches, plans to open a third on Congress Avenue in May.

The Corpus Christi-based commercial bank is scheduled to open in a space previously occupied by a law firm. The branch, which will eventually employ seven workers, is the first of an undisclosed number of other downtown branches American Bank plans to open, Administrative Officer Trey McCampbell said.

American Bank already operates branches in Westlake and Lakeway. The expansion is being done in response to a demand from the bank's typical customers, which are small and mid-size businesses, law firms, accounting firms and energy companies, McCampbell said.

Having a Congress Avenue location is an important part of American Bank's strategy to connect with business customers, Austin Region President Robert Greenwood said.

"It was our No. 1 priority," he said. "We really feel like to meet the large customer base we need to be downtown."

American Bank, which was established as American National Bank in 1970, operates 13 branches. The bank is No. 37 in Austin with 0.33 percent market share. In September 2011, it reported assets of more than \$1 billion, and deposits of \$958,000, according to the Federal Deposit Insurance Corp.

The news of American Bank's planned expansion comes weeks after Dripping Springs-based Pioneer Bank SSB disclosed its plans to begin a move into Austin this quarter with plans for five more branches in the coming years.

The local expansions come amid a period of consolidation in the banking industry — four of the eight Austin-based banks were sold or under sales agreement last



Greenwood

Chiropractors want to crack Austin market

Two major franchises eager to open shops

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Two fast-growing chiropractor franchises want to adjust their way into the Austin market.

HealthSource Chiropractic and Progressive Rehab, an Ohio-based franchise previously listed in *Entrepreneur Magazine* as No. 1 on its "Top New Franchises List," has plans to open 20 chiropractic and wellness clinics in the Austin area in the next 12 to 18 months, said Ryan Atwood, regional developer for the franchise.

Atwood is helping Dr. Eric Pancaro secure HealthSource's first site in Cedar Park. Founded by Dr. Chris Tomshack, HealthSource has grown to more than 300 units nationally in five years and plans to double in the next five years.

Meanwhile, Arizona-based The Joint has plans to open more than 12 locations in the Austin area, regional developers Anne and David Glover said. Under an agreement with The Joint, the Houston-based Glovers' franchises

territories include 58 clinics in Texas' four major markets. The couple has nearly 30 franchise agreements, mostly for the Dallas and Houston region.

The Glovers now are concentrating their efforts in Austin, whose active and fit population they believe make a good fit for The Joint.

Similar to other health care providers, chiropractors face decreased rates from insurance

companies and other payers and increasing business expenses. In addition to HealthSource and The Joint, other franchises, including ChiroOne Wellness Centers and the Disc Institute, seem to be attracting chiropractors who are looking for business support and the opportunity to quickly replicate. Depending on the brand, franchises start at as low as \$29,000 for an initial licensing fee.

Distinct models

The Joint, which has 146 clinics open or in development in 16 states, has grown rapidly since CEO John Leonesio has taken the reins. Leonesio is founder and former CEO of Massage Envy, a business he took from concept to a \$300 million company in six years.

Leonesio reached out to the Glovers because of the success they had operating Massage Envy franchises. In turn, the Glovers have a lot of faith in Leonesio and his ability to hone business models.

"When John called early last year with the opportunity, we jumped on it. He's just a master at simplifying service delivery," David Glover said.

Leonesio said what makes The Joint different is its cash-only model, meaning it does not take insurance, and membership structure; Members pay a monthly membership fee of \$49 for four treatments each month, and no appointments are necessary. Each treatment is designed to cost less than a typical insurance co-pay.



NICK SIMONITE | ABJ

Dr. Larry Maddalena with patient Elizabeth Montoya at The Joint near MoPac Expressway and State Highway 71.

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SEE BANK, P25



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WELLS FARGO

BACK: Dozens of chiropractor offices to open in the area during next 18 months

FROM PAGE 3

"In the chiropractic industry, insurance companies are really making it difficult. They are cutting reimbursement and the number of visits. This is really for the chiropractor who is tired of asking three [payers] for their money," David Glover said. "Instead of fighting insurance companies, they can focus on what they are trained to do."

The Joint is already having success in the Austin market. There are two franchises operating in Austin, not associated with the Glovers. The Joint's franchise at 4970 W. Highway 290 is the top-performing clinic in the chain, Leonasio said.

Tyce Hergert, a Southlake-based spokesman for the Texas Chiropractic Association, agrees that chiropractors have as many business challenges as other health care providers, and adds that the cash-only business model is not new to the chiropractic industry.

"There are a lot of chiropractors that own independent businesses, and more and more that are franchisors," Hergert said. He advises those looking at such franchises to reach out to the Texas Board of Chiropractor Examiners.

The Joint is marketing the franchise to chiropractors who want to own their own practices and to experienced businesspeople. The minimum investment for The Joint is \$80,000, which includes a franchise fee and setting up a roughly 1,500-square-foot office.

Atwood is looking for chiropractors who want to launch a new busi-

'In the chiropractic industry, insurance companies are really making it difficult.'

David Glover
Regional developer
The Joint

ness or convert existing practices into HealthSource clinics, which provide chiropractic services, nutrition counseling, massage therapy and progressive rehab.

Atwood said he attributes HealthSource's success to the patient experience and the business model.

"We have thought of every detail when it comes to running a business," Atwood said. "Chiropractors love practicing, but there's a lot of things that come along with running a business, including billing coding compliance. We are training team members and are providing the script for internal operations and marketing."

Atwood, whose background is in financial services, said his responsibility is to support new franchise owners in Austin and San Antonio.

"We not only want to grow the number of clinics, but we also want to help support them," Atwood said.

TITLE: Co. to expand in Houston soon

FROM PAGE 3

Austin-based commercial real estate firm, on the deal. The building's seller was represented by brokers Matt Levin and Patrick Ley with Equitable Commercial Realty.

"Our initial intent was to bid on the property ourselves," said Victor Young, an Aquila investment advisory services representative. "We believed in the long-term viability of the building."

Independence Title's deal is not unique. Several local businesses have gone from tenant to owner recently.

"There's an increased sense of optimism being felt by a number of businesses, in terms of their economic futures, and owning real estate can be a stabilizing force for their bottom line," Young said.

If companies have the cash it's relatively easy to buy space now because there aren't many bidders in some cases. The recovery is indeed in full swing but capital and investors are still moving slower than usual.

Additionally, Independence Title is expanding into the Houston market as part of its strategic growth plan.

The company, which handles transactions throughout Texas, has been closing deals in Houston since it was founded in 2005, Southworth said. Recently, however, its business there has been increasing.

The company has started looking at different office opportunities in Houston through existing relationships.

Dallas is on the radar for Independence Title Co. also, but the company takes a cautious approach when entering new markets, Southworth said.

BANK: American to add branches here

FROM PAGE 3

year — and at a time when many customers are trading big banks for smaller ones.

In December, Georgetown-based I Bank Texas agreed to be bought for an undisclosed amount by McKinney-based Independent Bank Group Inc. I Bank Texas, which operates branches in Lakeway and Georgetown, plans to complete the deal by this month.

In September, Houston-based Prosperity Bancshares Inc. agreed to buy for \$11.1 million Austin-based Texas Bankers Inc., which operates Bank of Texas. The deal is scheduled to close this quarter. Also last year, Fort Worth-based Carlisle Bancshares Inc. acquired Treaty Oak Bank and Community State Bank.

Nationally, community banking is consolidating. About 7,200 are operating today versus 8,324 in January 2008, according to the Independent Community Bankers of America. The low demand for loans during the recession combined with surging regulatory costs have spurred consolidation, said Paul Merski, ICBA executive vice president and chief economist.

After launching in 1970, American National Bank reorganized and changed its name in 1985 to American National Bank - South. Four years later, it acquired American National Bank in Corpus Christi. In 2006, it acquired First National Bank of Goliad, according to the FDIC.

The locations of future American Bank branches in Austin will be determined by market demand, McCampbell said, adding: "We're looking where there's a sphere of small businesses and professionals."

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NOTICE TO CREDITORS

Notice is hereby given that original Letters Testamentary for the Estate of John Rodger Williams, Deceased, were issued on February 14, 2012, under Docket No. C-1-PB-12-000146, pending in the Probate Court No. 1 of Travis County, Texas, to Diana Joseph Williams.

Claims may be presented, addressed as follows: Diana Joseph Williams, Independent Executor; Estate of John Rodger Williams, Deceased; c/o Mr. Philip C. Joseph; 524 North Lamar Boulevard, Suite 201; Austin, Texas 78703. All persons having claims against this estate, which is currently being administered, are required

to present them within the time and in the manner prescribed by law. Dated February 15, 2012. Law Office of Philip C. Joseph. By: Philip C. Joseph, Attorney for Diana Joseph Williams, Independent Executor for the Estate of John Rodger Williams, Deceased.

CITATION BY PUBLICATION

THE STATE OF TEXAS TO ALL PERSONS INTERESTED IN THE ESTATE OF BRENT JOHN GUILLOT Deceased, No. C-1-PB-10-000642 in Probate Court Number One of Travis County, Texas. MELISSA NORRIS GUILLOT alleged heir(s) at law in the above numbered and entitled estate, filed on **JANUARY 13, 2012**, a Counter-Application to Determine Heirship in the said estate and request(s) that said Court determine who are the heirs and only

heirs of the said BRENT JOHN GUILLOT, Deceased, and their respective shares and interests in such estate. Said application will be heard and acted on by said Court at 10:00 o'clock a.m. on the first Monday next after the expiration of ten days from date of publication of this citation, at the County Courthouse in Travis County, Texas. All persons interested in said estate are hereby cited to appear before said Honorable Court at said above mentioned time and place by filing a written answer contesting such application should they desire to do so. If this citation is not served within 90 days after date of its issuance, it shall be returned unserved. GIVEN UNDER MY HAND AND THE SEAL OF SAID COURT at office in Travis County, Texas, on **FEBRUARY 08, 2012**. Dana DeBeauvoir; County Clerk, Travis County, Texas; P.O. Box 149325 Austin, Texas 78714-9325. By

Deputy: D. MENDEZ.

NOTICE TO ALL PERSONS HAVING CLAIMS AGAINST THE ESTATE OF GEORGIE V. HEDERHORST, AKA GEORGIE FRANCES HEDERHORST

Notice is hereby given that original Letters Testamentary for the Estate of Georgie V. Hederhorst, aka Georgie Frances Hederhorst, were issued on the 23rd day of February 2012, in Cause No. C-1-PB-12-000178, pending in the Probate Court Number One of Travis County, Texas, to: Jenefer H. Davies and George Hederhorst. The residence of Jenefer H. Davies is in Travis County, Texas. The residence of George Hederhorst is in Waller County, Texas. The mailing address is: Estate of Georgie V. Hederhorst, aka Georgie Frances Hederhorst; c/o SAUNDERS, NORVAL,

NICHOLS & ATKINS, L.L.P.; Attn: Brooke Hardie; 2630 Exposition Blvd., Suite 203; Austin, Texas 78703. All persons having claims against this Estate, which is currently being administered, are required to present them within the time and in the manner prescribed by law. Dated this 23rd day of February, 2012. SAUNDERS, NORVAL, NICHOLS & ATKINS, L.L.P.; 2630 Exposition Blvd., Suite 203; Austin, Texas 78703. Tel. (512)472-7111, FAX. (512)472-7790. BY: Brooke Hardie, State Bar No. 24012783. C. Stephen Saunders, State Bar No. 17677500. Sara H. Atkins, State Bar No. 00793999. ATTORNEYS FOR THE ESTATE.