

# Smith Tower



Following the failure of an attempted residential condo conversion which led to subsequent ownership by a distressed debt fund without an operator mindset, Smith Tower was suffering from sustained low occupancy with rental rates well below market.

Additionally, the asset's historic "Chinese Room" within the 35th-floor observation deck, which offers panoramic views of Seattle's skyline, was incredibly expensive to operate and never turned a meaningful profit.

Built in 1914, the 42-story Smith Tower is situated in the heart of Pioneer Square

REPOSITIONING



Acting on our vision to elevate the tenant experience at Smith Tower has significantly increased its occupancy, rents, and NOI.

Unico's repositioning strategy for Smith Tower hinged on more thoughtfully leveraging the building's location, historical value and architectural character to appeal to creative and tech tenants.

We introduced modern amenities to the historical setting by transforming the 22nd floor into a tenant roof deck and lounge and investing in common areas via the fitness room and on-demand workout studio; showers and lockers; bike garage and repair room. Capitalizing on the building's age, we provided tenants robust TI packages to build out custom spaces that would be difficult to replicate in non-historic buildings.

To drive the revenue of the tourist attraction, we rebranded the observation deck and curated a visitor experience inspired by the building's prohibition-era roots, complete with a period-inspired general store and historic tour package for visitors.

Our ability to recognize and then expertly execute on the value-add opportunity at Smith Tower has yielded lucrative results for the asset.

Just 60% occupied at closing, Smith Tower is now 96% leased. In 24 months, we were able to move the rental rate from \$27.95 to \$44 per square foot. The new visitor experience generated more than \$2 million in annualized revenue in its first 12 months.