

Earlington Business Center



The two-building 125,000 square foot Earlington Business Center was a 30% leased asset with no investor interest amidst the frenzied 2007 market due to its high vacancy, challenges with existing tenants, and potential partial governmental condemnation for freeway widening. Programming and obtaining consensus of 13 public departments required careful consideration, as did coordinating the phased relocation from an urban office to a new facility.

The building's redevelopment necessitated high security systems, a separate viewing area, and a replacement for the existing elevator. Finally, the project terms included a \$50,000/day fee in the event of delays.

Earlington Business Center
is a 125k sf asset burdened
with multiple red flags and
a condemnation risk

INTEGRATED PLATFORM



Leveraging our local knowledge, we eliminated financial risk and converted a condemnation risk into a benefit that translated into a successful redevelopment

Unico identified a redevelopment path that turned Earlington's red flags into financial benefits. Leveraging our local knowledge, Unico led King County to occupy the larger 95,000 square foot building as a built-to-suit redevelopment. Unico eliminated financial risk in the project by signing a deal with the County prior to the acquisition, and then planned and delivered a \$9 million development on deadline. Unico converted the condemnation risk into a benefit by exchanging cash for land with excess parking. Unico's in-house leasing team evaluated the 30,000 square foot building as an asset with flexible tenant suite configurations, ample parking, and a prime location.

After Unico redeveloped the larger building for the County on time and on budget, the County exercised its right to acquire the asset for long-term occupancy. Post acquisition, Unico relocated the Department of Corrections from the 30,000 square foot building to re-introduce it to the leasing market after cosmetic renovations. The redevelopment efforts for the smaller building translated into excellent financial results: Unico was able to generate sufficient proceeds from loan financing, the County's purchase, and the State's condemnation deal to provide ownership with both next cash distributions and an ongoing zero-basis position.