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Real Estate Buzz: Greenbridge sees big things in Georgetown

By NAT LEVY
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It all started with a piece of pizza.

Fareed Kanani wanted to buy property in Seattle for more than four years. Kanani, a principal at Beverly Hills, California-based Greenbridge Investment Partners, looked at many of the hottest neighborhoods in the city like Pioneer Square and Capitol Hill. But those neighborhoods felt complete, and he wanted to be somewhere where he could get in on the ground floor.

One day he ate at Via Tribunali, a pizza place in Georgetown. Then Kanani took a walk around the neighborhood. And he was in love.

Georgetown is a quick trip on Airport Way to downtown and is close to Interstate 5, Seattle Tacoma International Airport and the Port of Seattle. The neighborhood is full of great restaurants. Kanani also liked that Georgetown has been somewhat overlooked by developers, compared to other places in Seattle.

“We are pioneering folks, and we don't mind being on the top of growth before a massive level of growth hits an area,” Kanani said.



Courtesy JPC Architects [\[enlarge\]](#)

Greenbridge Investment Partners bought the Seattle Design Center in Georgetown for \$25 million last year. It plans to renovate the complex and turn the larger structure into a tech/creative office

In December, Greenbridge paid about \$25 million for the Seattle Design Center, a two-building complex at [5701 Sixth Ave. S.](#) in Georgetown, with about 440,000 combined square feet of space. The complex has 70 interior showrooms and 15 designer offices.

The two-story, 157,336-square-foot Atrium Building was constructed in 1973. It is home to more than 20 regional and national designer showrooms and a large event space.

The Plaza Building is five stories with 280,563 square feet and was built in 1983.

Kanani said he has been looking at the property since the beginning of 2014. He said he thinks Greenbridge may have missed much of the latest tech boom, which he says began around 2011, but he saw value in the buildings, and the Seattle market continues to surge.

Greenbridge is putting together plans to renovate the buildings. A few designers have space in the Plaza Building, and the first thing Greenbridge wants to do is move them to the Atrium Building. That would free up the Plaza Building to be renovated into a 250,000-square-foot creative/tech office space.

Once those tenants move to the Atrium Building it will be about 90 percent occupied.

Kanani said both buildings have been renovated recently and have “great bones.” A previous renovation of the Atrium Building focused on exposing the wood and redoing the flooring.

The bulk of the work will be on the Plaza Building. This summer, crews will renovate the interior common areas and lobby. The next phase will focus mostly on the exterior, and the final phase will be tenant improvements. This should all happen over the next 12 to 18 months.

Greenbridge also wants to add new landscaping and bring more light into both buildings.

JPC Architects is designing the renovations. Greenbridge has not selected a general contractor. That should happen in the second quarter of the year. **Stuart Williams, Joe Gowan and Nate White** of Jones Lang LaSalle are handling leasing of the Plaza Building.

Greenbridge is still a fairly new company. Kanani and **Sean Hashem** founded Greenbridge together in 2011. Their relationship goes all the way back to 2006, when they were on opposite sides of a deal. They liked each other's style, so they decided to stay in touch. Over the next five years, their paths crossed occasionally and they "shared war stories and successes and failures," Kanani said. Hashem had a knack for developing in overlooked areas, and Kanani worked with large institutional investors and funds.

They decided to come together and form Greenbridge. Kanani says it is still a small company, but Greenbridge has in-house property managers, accountants, asset managers and construction managers. They want to focus on projects with potential to be best-in-class in areas that could see growth in the future, a category Kanani puts Georgetown in.

"We are not buying to be a big company, we are buying so we can be a good company, and we are buying so we can have longevity and create value for stakeholders," Kanani said.

Colliers: Several big office buildings for sale

A few big office buildings have sold around the region recently, and several more remain on the market.

A quarterly report from Colliers International names eight big office buildings in Seattle and Bellevue that are for sale.

- Brookfield Office Properties is selling Metropolitan East and West, two buildings at 1730 Minor Ave. and 1100 Olive Way with a combined 729,766 square feet of space. Brookfield bought the buildings in 2012 for \$210 million, and the company is asking \$273 million, or \$395 per square foot for the two buildings.
- The Seattle Technology & Trade Center, a 339,799-square-foot building at 2601 Elliott Ave. that is home to Zulily, has an asking price of \$177.2 million, or \$521 per square foot.
- Walton Street Capital is listing three Bellevue buildings for sale: One Bellevue Center, Symetra Financial Center and Trulia Center.
- Ivanhoe Cambridge is selling its Summit portfolio, with two office buildings and plans for a third building.

Two other office complexes on Colliers' list sold recently. An entity related to the AFL-CIO Building Investment Trust bought Blanchard Plaza, a 15-story, 255,818-square-foot office building at 2201 Sixth Ave. that is leased to Amazon.com. **Stuart Williams, Lori Hill, Michel Seifer** and **David Otis** of Jones Lang LaSalle brokered that sale. According to the Colliers

report, the seller, Shorenstein Properties, was asking \$125 million, or \$490 per square foot. The building sold for \$120.7 million, or \$472 per square foot.

Talon Private Capital in January bought Sammamish Park Place, a 20-acre office complex in Issaquah that was also listed for sale in Colliers' report. The seller, Vulcan Real Estate got its asking price of \$128.25 million. **Jason Flynn** of Eastdil Secured led the team that brokered the transaction.

Got some news for the Buzz? You can reach Nat at nat.levy@djc.com.

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