



OPPORTUNITY/CHALLENGE

Owner purchased 425 Eye Street, a 387,187 SF Class “B” office building, in April 1998 from Heitman Properties. At the time of purchase, the building was fully leased by General Services Administration (GSA), Immigration and Naturalization Services (INS) in a lease that was due to expire in March 2001. Transwestern represented both owner and Heitman Properties in the sale. After purchase, the owner’s strategy was to extend the lease for as long as possible and to sell the building as quickly as possible.

SOLUTION

The Transwestern team extended the General Services Administration lease for five years. The owner invested \$4.5 million in renovations and tenant improvements, including a new common area, lobby, canopy and exterior improvements. As planned, Transwestern sold the building on behalf of the owner.

VALUE ADDED BY TRANSWESTERN

Transwestern’s Investment Services Group (ISG) completed the sale of the building in May 2000. Another Transwestern team secured a multimillion-dollar loan and negotiated the purchase of 425 Eye Street on behalf of Circle Office Associates.