

Sustainable Owner Attracts Two Green Tenants

By Natalie Dolce

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PORTLAND, OR -Unico Properties LLC, a real estate investment and operating company and its investment partner Cigna Realty Investors, has attracted two new tenants to the Commonwealth Building in downtown Portland. The 215,000-square-foot 15-story office tower, located at 421 SW 6th Ave., will now serve as the new home for Northwest Energy Efficiency Alliance and Green Building Services.

NEEA signed a long-term, full floor lease for approximately 20,000 square feet and GBS signed a long-term lease for approximately 10,000 square feet. With the expected move-in date of September 2010, both companies are moving to a larger space to accommodate their continued growth, according to a prepared statement

Brian Pearce, general manager for Unico Properties' Portland portfolio, tells GlobeSt.com that each lease was "for a minimum of seven years," however he could not provide specific lease terms at this time. "We are pleased to have earned these commitments from NEEA and GBS. It's inspiring and exciting to see businesses in our market experiencing sustained growth, especially in this economy."

He continues that "It's an honor for us to attract top-tier tenants like NEEA and GBS with whom we share a strong commitment to sustainability. We're thrilled to be able to provide a beautiful and historic space for them while ensuring our green management practices touch every aspect of our building operations."

Both NEEA and GBS required green lease

provisions, which contractually bind both the tenant and landlord to choose green products and practices. Green leases are relatively new in the Portland market, according to a prepared statement, and they include practices such as using green cleaning products and low- or no-VOC paints, recycling and composting, and following strict sustainability LEED Commercial Interiors guidelines for tenant improvement projects. Unico was an early-adopter in offering and providing green leases. "A green lease is a vehicle for a landlord and a tenant to operate together to manage the building in a sustainable way," Pearce adds. "Although Unico does many of these things voluntarily, we want our tenants to know that sustainability is not an option for us—we are fully committed to it."

The Commonwealth Building is approximately 75% leased. Pearce tells GlobeSt.com that when Unico purchased the building, it was 70% vacant, "so the company has taken it from 30% leased to 75% leased in a little over two years in a down market." He adds that there continues to be very strong interest in the building, and the remaining 25% vacancy is in "multiple spaces and sizes throughout the building." Unico and Cigna have invested \$9 million to renovate the building, which is slated for an Energy Star label and LEED certification in 2010.

"Knowing that Unico was committed to green and sustainable practices that matched our own values was a critical factor in our decision," says Susan Hermet, director of corporate planning and business operations for NEEA. "It was important to find a location where we could be absolutely certain the building



Commonwealth Building

Photo courtesy of Red Studio

owner would be a continued partner in furthering our goals of maximizing energy efficiency in our region."

NEEA was represented by Colliers International and GBS was represented by Cushman & Wakefield of Oregon. Unico was represented by Pacific Real Estate Partners. In addition to NEEA and GBS, two other tenants focused on sustainability and environmental issues recently leased space at the Commonwealth Building: the National Fish and Wildlife Foundation and IMAGINIT Technologies, a RAND Worldwide Co. Element Power, a global renewable energy company, which chose Portland as its North American headquarters, is a current tenant at the Commonwealth Building.

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