

# PREMIER

A publication of **KBS** | 2024 ISSUE

magazine™

## TENANT PROFILE

Fredrikson & Byron and New

**o ANN  
RAINHART**

are Making Moves  
in **Minneapolis**

## EXECUTIVE INTERVIEW

**Forward Thinking  
& Fortright**

## SUSTAINABILITY

KBS Recognized for Sustainability  
in GRESB Assessment



Follow us!



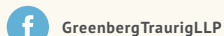
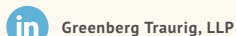
# GT MEANS GO-TO

GT's Global Real Estate Practice is a cornerstone of the firm and recognized leader in the industry. Property developers, lenders, investment managers, private equity funds, REITs, operators, joint ventures, sovereign wealth funds, international developers, and private owners look to us for diversified and broad legal services.

**"Law Firm of the Year," Real Estate, "Best Law Firms,"**  
U.S. News – Best Lawyers®, 2024

GREENBERG TRAURIG, LLP | 2650 ATTORNEYS | 47 LOCATIONS WORLDWIDE\* | 700+ REAL ESTATE ATTORNEYS

**Bruce Fischer** | Co-Chair, West Coast Real Estate Practice  
Co-Managing Shareholder, Orange County  
18565 JAMBOREE ROAD | SUITE 500 | IRVINE, CA 92612 | 949.732.6500



The hiring of a lawyer is an important decision and should not be based solely upon advertisements. Before you decide, ask us to send you free written information about our qualifications and our experience. Prior results do not guarantee a similar outcome. Greenberg Traurig is a service mark and trade name of Greenberg Traurig, LLP and Greenberg Traurig, P.A. ©2023 Greenberg Traurig, LLP. Attorneys at Law. All rights reserved. \*These numbers are subject to fluctuation. 39339

## WORLDWIDE LOCATIONS

United States, Europe  
and the Middle East,  
Asia, Latin America

# Enriching the Tenant Experience

We live in a time when thoughtful application of technology, resources and leadership can be used to address many of the world's biggest challenges. In terms of sustainability, the commercial real estate (CRE) industry is poised to make a significant impact, which includes addressing — even adapting to — the consequences of climate change in ways both subtle and immediately apparent.

“Sustainability and amenities don't have to be mutually exclusive.”

At KBS, the ultimate return on our efforts is when the experience of our tenants is enriched. Sustainability and amenities don't have to be mutually exclusive. We believe they can go hand in hand.

That being said, I welcome you to the 2024 edition of KBS Premier magazine, an annual publication dedicated to bringing a range of commercial real estate topics and company updates to our tenants, team members, industry colleagues and investors.

Included in this year's issue is a look at the numerous ways KBS is implementing the latest technological advancements throughout our portfolio to reduce waste and pollution, create efficiencies, expand office amenities, decrease greenhouse gases and carbon emissions and support the safety and well-being of our tenants through healthful work environments. From increasing the number of EV charging stations to the introduction of eco-friendly smart systems and sensors, our portfolio-wide efforts have made — and continue to make — advances that have helped place KBS among the world's largest real estate companies in ESG achievement in the 2023 GRESB Real Estate Assessment.

Within these pages, you'll take a tour of Ridgewood Corporate Square, our seven-office business park just outside the central business district (CBD) of Bellevue, Washington. Ridgewood proves how enhancements and unique amenities can help an office building succeed in a competitive CRE marketplace.

In our tenant profile, we talk candidly with Ann Rainhart, COO of Minnesota-based law firm Fredrikson & Byron. Headquartered at KBS' 60 South Sixth office tower in the heart of downtown Minneapolis, Fredrikson is home to more than 375 attorneys who rely on their strategically located Midwest office to help businesses achieve their goals regionally, nationally and globally.

Home to four KBS Class A buildings, Salt Lake City is a dynamic business and cultural hub steeped in history and surrounded by natural wonders. In our market profile of the Utah capital, you'll get an up-close look at our Salt Lake office properties and understand why this CBD is becoming a hotbed of startup innovation.

You'll also have the opportunity to meet Jeff Waldvogel, KBS chief financial officer. Jeff is a highly regarded financial and accounting veteran whose commercial real estate career spans 20 years. We're sure you'll find our interview with Jeff to be educational as he shares his unique perspective on the current market and our industry's future.

I hope you enjoy this year's Premier magazine. In many ways, this issue exemplifies our company's dedication to enriching the tenant experience at our properties and supporting the communities in which we do business.

God bless America,



*Marc*

**Marc DeLuca**

Chief Executive Officer and  
Regional President, Eastern U.S.  
KBS

EXECUTIVE INTERVIEW

# Forward Thinking & Forthright

with **Jeff Waldvogel**

8

Photo Credit | John Glover Photography | johngloverphotography

14 **INSIGHTS**  
New Technologies Innovating  
Tenant Amenities

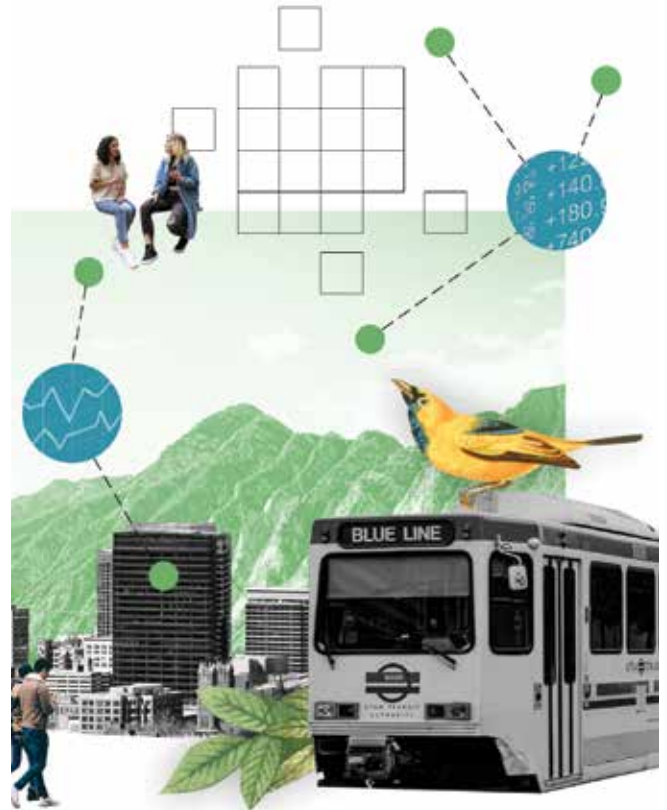
18 **SUSTAINABILITY**  
KBS Recognized for  
Sustainability in GRESB  
Assessment

22 **INSIGHTS**  
Not All Office is Created Equal



26 **TENANT PROFILE**  
Fredrikson & Byron and  
COO Ann Rainhart  
are Making Moves

32 **PROPERTY PROFILE**  
Ridgewood Corporate  
Square: A Hidden Gem  
Near the Emerald City



36 **MARKET PROFILE**  
Salt Lake City

42 **SERVICE CHAMPION**  
Award Winners

46 **BEST PROPERTY MANAGEMENT TEAM**  
Award Winner

Advertising Index

Greenberg Taurig	Inside Front Cover
DLA Piper	7
Ryan	11
Tower Street	13
McGriff	21
Cushman & Wakefield	25
Smart Agency	31
Zions Bank	35
Stream	41
Mayer Brown	Inside Back Cover
Transwestern	Back Cover

Production Team

Charles J. Schreiber Jr.	President and Chairman
Marc DeLuca	CEO and Regional President, Eastern U.S.
Ryan Butala	VP of Communication & Brand Strategy
Ginny Walker	Director of Public Relations
James Lundberg	Creative Services Manager
Louise Perry	Production Coordinator
Bill Rowland	Editorial Coordinator
Susan Belknapp	Contributing Writer
Joe Gose	Contributing Writer
Dara Holland	Contributing Writer
Cindy Peterson	Contributing Writer
Smart Agency	Contributing Writer/Social Media
500 Designs	Website/Illustration Design
Kyro Digital	Video Production

Editorial Advisory Board

James Chiboucas	Vice Chairman and Chief Legal Officer
Giovanni Cordoves	Regional President, Western U.S.
Robert Durand	Executive Vice President, Financing

# Advertise with Us.



**National Coverage. ROI-Focused.**  
premiermagazine.com

Visit

# PREMIER

magazine™

## Online!



premiermagazine.com

# The language of real estate.

Our relationships with our clients are built on communication and collaboration. We want to see you succeed, which means being a knowledgeable legal and business adviser.

In today's busy, sophisticated real estate marketplace, it's important to make the most of every transaction. One law firm offers decades of specific experience in every type of real estate asset, along with the assurance that you are working with a premier global real estate practice.

We want to be part of your team.

*Ranked Top 10 Best Law Firms for Real Estate Law, Vault 2023.*

# Forward Thinking & Fortright



A Conversation with KBS Chief Financial Officer

## Jeff Waldvogel

Having enjoyed an impressive career that spans more than two decades — with the last 13 years at KBS — Jeff Waldvogel, the firm's chief financial officer, has a strong background in the financial arena. His seasoned perspective helps real estate investors position themselves for favorable outcomes regardless of the economic climate.

Photo Credit | John Glover Photography | [www.johngloverphotography.com](http://www.johngloverphotography.com)

We spoke with Jeff candidly about his career and the future of commercial real estate, including factors that influence the sector's performance.

**Jeff, you've been in the financial sector for more than 20 years. What are the biggest changes you've seen during that time?**

I graduated from college in 2002, which was a challenging time for those entering the field in the aftermath of the Enron scandal. Many of my friends had accepted offers from Arthur Andersen, which folded because of its involvement in the scandal, and they suddenly didn't have jobs. I was fortunate to have accepted a job at Ernst & Young on the audit side.

Soon after, the government passed the Sarbanes-Oxley Act, and there was a huge onus put on companies across the board surrounding the controls and processes they had in place. The financial world became increasingly regulated, and we saw clients spending a substantial amount of time evaluating and implementing stronger controls. Some of the smaller private firms buttoned up their processes to address risk as well.

Today, one of the biggest concerns and focus areas for CFOs and board members are the issues surrounding cybersecurity. The SEC is focused on this and has implemented new guidance in terms of evaluation and disclosure when a cyber breach occurs.

**You were with Ernst & Young for eight years prior to joining KBS. What did you take from that as you moved into commercial real estate, and how are you applying it at KBS?**

Working on the audit side allows you to get inside companies, observe how they're run, then take away the best attributes from each. When I came to KBS in 2010, I had the foundation, experience and connections to be successful in my new role outside of public accounting. The CFO at the time was one of my earlier clients, and I was able to bring my knowledge from various real estate clients while working with Ernst & Young and apply them at KBS. From my start with the company shortly after the Great Financial Crisis, this background helped in critically assessing key risk areas in our business and ensuring we had the right controls in place.

Our business is very month-end, quarter-end driven, and what I always try to do is step out and understand the bigger picture from a company- and industry-wide perspective. Alongside my team, my role is more effective and enjoyable when I consider where KBS is striving to go, what that future looks like, and how we can develop strategic plans.

**How does this knowledge help KBS stakeholders?**

During the Great Recession, we learned how to proactively evaluate our assets through a financial lens, a practice that helps today's stakeholders when values are in flux. In more challenging economic situations like we're facing now, communicating the right information with shareholders is imperative regardless of whether the news is positive or negative.

“ Our professionals share their brain trust and have a forward-thinking and forthright approach.”

At KBS, we have an extremely tenured team with several people having been with us for 20 years or more. Our professionals share their brain trust and have a forward-thinking and forthright approach. After three decades as a firm, we have great systems in place to handle almost anything that arises, and we're constantly learning with the goal of optimizing our shareholders' investments.

**Let's talk a little more about that. What accounting practices does KBS incorporate to protect its partners and shareholders?**

We have an accounting team comprised of many people who previously worked at public accounting firms, which is a solid training ground. They have skillsets that are hard to develop or find elsewhere. Several have been with us for over 10 years and know both accounting and KBS' business inside and out.

Each year, our internal controls are tested and evaluated, which helps mitigate risk for our stakeholders.

Continued on **NEXT PAGE** ►

◀ Continued from **PREVIOUS PAGE**

**Can we switch gears a bit and talk about your mentors? Who has influenced you the most in your career, and how?**

When I first started at KBS, I had a great mentor here who was the CFO at the time. His values aligned with mine, and he continues to be among the people I most admire. Chuck Schreiber and Marc DeLuca here have also been excellent mentors.

Chuck is one of the reasons people have stayed at KBS for so long. He's an honest man who promotes a trustworthy environment. Chuck's experience, direction and forthright nature make people want to learn from him. And I have a close relationship with Marc, whom I work with every single day. Marc is always striving to make the best decisions for our partners and shareholders, especially in the current difficult real estate market environment.

I also admire the late businessman and author Stephen Covey. His message focuses on being an efficient manager and caring about people — qualities which are what matter most. Work is still just work; employees have lives outside of their jobs, and you want to be able to relate to them on a personal level. People should feel appreciated for what they do every day.

**Let's discuss CRE as a whole. From the pandemic to inflation and interest rate hikes, the industry has recently faced a lot of adversity. In your estimation, how has CRE weathered these challenges?**

The business environment has certainly been challenged with high interest rates, substantial loan maturities and a lack of liquidity from the banks. From KBS' perspective, it's a matter of making sure banks are comfortable with our plans for our assets, especially in markets where they'd like to shrink their exposure to minimize risk.

**“KBS has endured many real estate and economic cycles, and we've been through similar things like this before.”**

While there's currently plenty of uncertainty and stress in the commercial real estate debt markets, KBS has long-standing, trusted relationships with lenders on whom it relies. It goes back to your trusted relationships — KBS has endured many real estate and economic cycles, and we've been through similar things like this before.

**With your deep expertise and wealth of knowledge, how do you view commercial real estate financials today, and where do you see it heading over the next few years?**

ESG will have a significant impact on the financial sector. Stakeholders are choosing to invest with companies whose standards, strategies and ethics are aligned with their own.

There's increasing demand for sustainability and additional reporting on how our footprint affects the environment. We're getting that information to our shareholders and partners, and we've defined ESG goals that can be audited.



Continued on **PAGE 12** ▶



## National Reach with Local Expertise

As the largest property tax services and software firm in North America, we maintain the largest national network with the deepest local market expertise. Our clients benefit from expertise in jurisdictions coast to coast where we have the knowledge, experience, and skill, along with trusted relationships with tax assessors, to ensure our clients only pay the tax they owe.

Our property tax data and software products are the most innovative in the field and provide unparalleled accuracy and efficiency in property tax management. Learn more about our full suite of tax services and technology solutions at [ryan.com](https://ryan.com).



“The right amenities at each of our assets are critical.”

The right amenities at each of our assets are critical. Identifying these requires listening to tenants. Whether it's a pickleball court, fitness center or bike storage space, the importance of matching amenities to tenants' needs in each market and each building cannot be overemphasized.

For example, at Accenture Tower in Chicago, we recently implemented a comprehensive capital improvement campaign and were able to push occupancy percentage from the low 70s to well into the 90s over the last 24 months. Moves like this are giving tenants the incentive to go back to the office.

**Lastly, let's discuss your views on technology. How have technological advances impacted the financial arena, and what do you anticipate moving forward?**

From the financial and accounting side, tech has helped improve efficiencies. There were more frequent times in the past at KBS where teams would stay late to meet deadlines as our processes were much more manual.

Tech has alleviated that by streamlining processes like applications that interface with our accounting systems, which helps us more easily model our forecasts and complete required disclosures for SEC filings. Because of effective, accurate technology, our reports allow our teams and shareholders to focus on looking ahead so they can make better decisions for the future.

KBS' strategies are designed to optimize the performance of all assets with the goal of maximizing returns to investors. My team and I are committed to transparency and integrity in all of our investment decisions. Through ongoing tenant surveys, compliance programs and property audits, we've ensured a consistent KBS experience for tenants across our portfolios as well as certifying that our property managers are held to the highest standards of performance. 

◀ Continued from **PAGE 9**

These considerations raise the bar for everybody. At KBS, we're looking more at adjustments we can make at the property level. We aim to achieve the certifications we want while making improvements that make sense and yield the proper benefits. In fact, we recently obtained GRESB certification across our REIT III assets, and we anticipate that process to be ongoing. Each year, GRESB assesses the ESG performance of assets worldwide, providing clarity and insights to financial markets on complex sustainability topics.

Of course, the elephant in the room is commercial office in a work-from-home era. What does that look like as we move forward? Time and again we've seen that high-quality office buildings in good locations and submarkets have done well.

Outside of certain gateway markets, leasing activity has increased as employees have continued to return to the office. More and more, companies are asking people to come back as they recognize the benefits of teams being together, which makes it harder for companies to downsize their footprints. Businesses want to be in Class A buildings, and we believe demand for such assets will continue.

# KBS

Proudly Introduces



# TOWER STREET

INSURANCE & RISK  
MANAGEMENT

## A NAME YOU CAN TRUST.

In 1686, Edward Lloyd launched the birth of maritime insurance at his coffeehouse on Tower Street in London. Today, Tower Street Insurance pays homage to the risk management business as we strive to transform businesses' understanding of modern risk management to protect their interests. Expect top-tier service and comprehensive coverage as we reshape the narrative of insurance excellence.

[towerstreetinsurance.com](http://towerstreetinsurance.com) | 214-214-RISK

# New Technologies Innovating Tenant Amenities

By Joe Gose



Few things are impacting the commercial real estate (CRE) industry as much as the influx of new technological advances. At seemingly warp speed, tech is revealing new horizons of opportunity in the development, construction and management of CRE.

“Most of our capital expenditures emphasize new technologies and practices that either enhance the tenant experience, reduce the use of energy and water, or help minimize waste. We often find that the measures accomplish a combination of those goals,” said David Jenkins, senior vice president for capital project management at KBS. “From the installation of sensors that can immediately detect costly water leaks to the possible deployment of security robots, we at KBS are continually seeking out building innovations that enhance our already amenity-rich properties.”

## Electric Vehicle Charging Expansion

Tesla has played a major role in creating one of the most expansive charging networks in the nation. It’s a network that will help support some 577,000 EVs sold in the first half of 2023 alone — a year-over-year increase of 47% according to Cox Automotive.

Now that Tesla is opening up its network to more automakers, such as Ford and GM, it’s emerging as the universal connector for all electric vehicle charging.

EV chargers aren’t new to KBS. The company began installing them at its properties more than a decade ago, with the most recent installation of 12 EV charging stations at Bank of America Tower, a 300,000-square-foot mixed-use property featuring 10 levels of office space above seven levels of structured parking and active first-floor restaurant space, as well as 42 charging stations at Park Central Apartments, a 286-unit multifamily development with 34,226 square feet of ground-floor retail space. Both best-in-class properties are situated in prime locations within Raleigh, North Carolina.

The rollout was such a success that the company is considering plans to continue the well-received enterprise nationwide.

“The installation of EV charging stations at these assets aligns with KBS’ commitment toward lowering our carbon footprint each year,” said Allen Aldridge, asset manager for each property and senior vice president, acquisitions/co-director of asset management for KBS. “Bank of America Tower, located in a prominent North Hills site, is a LEED Gold-certified, ENERGY STAR-rated building that has achieved the UL Verified Healthy Building Mark for Indoor Air. This property and Park Central Apartments are located close to transportation, shopping, dining and entertainment options. Designed with resource conservation in mind, both buildings are ideally suited to be among the first KBS properties to participate in this forward-thinking amenity.”

## Electric Shuttle Extends Atlanta Tenants' Access to Shopping and Entertainment

Located in the heart of Atlantic Station, KBS' 201 17th Street building was already within walking distance of nearby restaurants, retailers, a fitness center and entertainment venues. But with the recent introduction of KBS' new all-electric shuttle, tenants can now get a free ride from the property to more local amenities.

Christened the "Electric Shuttle Flyer," it's the first of its kind in the area. Available from 11 a.m. to 7 p.m., the shuttle is particularly handy for lunch and dinner excursions, and shuttle service can be scheduled as early as 24 hours in advance through the building's app.

“Ours is the first office building in Atlanta to offer a free shuttle service to its tenants.”

“Ours is the first office building in Atlanta to offer a free shuttle service to its tenants,” said Bryanna (Hollis) Roberson, assistant property manager of Cushman & Wakefield. “Our tenants are constantly on the move, and the Electric Shuttle Flyer has become an immediate crowd-pleaser that's easy to access and environmentally friendly.”

## Exploring Robotic Security Solutions

TV shows like “The Jetsons” and films like “A.I. Artificial Intelligence,” “WALL-E” and “Star Wars” have given audiences an imaginative glimpse at the possibilities of what an AI-driven mechanism might someday actually become. While in real life we haven't yet seen the likes of Haley Joel Osment's David, let alone the Jetsons' robot housekeeper, Rosie, technology is marching exponentially closer to making it a reality.

Today robots have taken on a wide range of tasks serving humankind, including maintenance, food deliveries and even dog walking. With an eye on new technologies, KBS has been exploring the use of security robots to patrol and improve safety measures at its buildings and assets.

“Because the safety, security and well-being of those who occupy and visit our properties are of the utmost importance at KBS, we're constantly researching ways to enhance measures already in place,” said Jenkins, “like the high-definition surveillance cameras we've installed for a greater level of scope and clarity — not to mention the possibilities unfolding in the field of robotics.”



Knightscope, an advanced public safety technology company, was among the providers KBS recently considered. Based in Silicon Valley, Knightscope builds autonomous robots that provide security, gather data and deliver actionable intelligence.

Knightscope's K5 robot gathers information while “on patrol,” then passes along live footage via its slew of built-in cameras and sensors.

Home improvement retailer Lowe's has launched multiple pilot programs involving the Knightscope robot, which isn't armed but is equipped with features like thermal anomaly detection and ramp accessibility to boost surveillance within its area of operation.

Continued on **NEXT PAGE** ►



◀ Continued from **PREVIOUS PAGE**

### **A Breath of “Smart” Fresh Air**

KBS has implemented several technological measures within qualifying office buildings to help ensure cleaner air.

First, it has upgraded air filters to MERV 13 (minimum efficiency reporting value) rating, which blocks 98% of pollutants and captures viruses, bacteria, pollen, fine dust and more. For perspective, most office heating, ventilation and air conditioning (HVAC) systems have a rating of only MERV 8.

Ultraviolet Devices, Inc. (UVDI)-recommended filtration for HVAC service has also been employed in many office amenity spaces, such as lobbies, fitness and conference centers and coffee bars. According to the CDC, ultraviolet germicidal irradiation (UVGI) is one of the most effective technologies to minimize the spread of harmful airborne microorganisms.

“We’re able to capture a large filtration of air, which can eliminate viruses, such as COVID-19.”

“UVDI is our preferred application because it’s suited for larger HVAC units. We’re able to capture a large filtration of air, which can eliminate viruses, such as COVID-19,” said Jenkins. “It takes the air and recycles it through a filter in the room but also runs it across a UV light, which basically removes all kinds of viruses, molds and carcinogens.”

KBS is also installing sensors that help HVAC systems maintain KBS’ buildings at an indoor humidity level between 30 and 70% — an optimal range according to guidelines established by the American Society of Heating, Refrigerating and Air-Conditioning Engineers.

### **Helping Buildings Come to Their Senses**

Getting advance warning of a problem makes a world of difference when the stakes can prove dangerous, damaging and costly. This makes technologically advanced sensors indispensable.

Sensors that can identify pressure drops across ventilation systems are a fitting example. Pressure fluctuations can be a sign of dirty air filters and compromised indoor air quality. By detecting these signs in real time, sensors in KBS buildings are able to initiate immediate maintenance to resolve the issue.

Detecting water leaks is another way KBS is putting smart sensors to the test. A sensor placed in areas housing various building systems can send text alerts to building engineers and security personnel in the event of a leak — and even shut off the water when a leak is detected.

“Water savings has been of great importance to us lately,” said Jenkins. “By collecting and measuring system performance and status with IoT-enabled sensor technology, we can detect leaks as well as manage the risks of water damage. In fact, we upgraded to these IoT-enabled sensors in one of our Atlanta buildings, and we’re eager to see the results.”

### Making Connections

On the engagement and communication front, KBS has added cellphone boosters to buildings to bolster connectivity — particularly in elevators, stairwells and other areas susceptible to dropped signals.

“We’re really focused on creating more of a community.”

“We’re really focused on creating more of a community in the office,” Jenkins said. “Helping people stay connected via their smartphones is just a small but important piece of that puzzle.”

In addition, KBS is designing a new communications system that notifies tenants about building maintenance and other administrative matters; the information is then displayed on monitors placed throughout each property.

Also, wireless reservations systems for conference room bookings can match user requirements with room resource capabilities, including group size and technology sets.

Moreover, apps for property management and tenant relations are being further developed to include electronic work order systems that track trends, frequency and impact of repetitive tickets, therefore helping to prioritize issues based on operational, financial or occupant experience criteria.

### Satisfaction Via Amenities and Technology

While it took a pandemic to convince most office workers that a highly advanced air scrubbing system was something they would arguably desire every bit as much as a convenient place to get a quick café mocha, technological advances are providing tools to make their overall building experience safer, cleaner, efficient and more enjoyable.

“CRE managers need to stay a step ahead of tenant needs.”

It only follows that CRE managers need to stay a step ahead of tenant needs, demands and trends — whether it be the addition of EV charging stations or the newest and most innovative coffee shops for their buildings. For example, Chicago export Fairgrounds Coffee & Tea, a coffee shop known for its dazzling array of craft-roasted coffee beans, opened in 2022 at KBS’ Highland Park Place. Not your average coffee shop, the Fairgrounds strives to capture a sense of wonder, excitement and discovery, making it one of the ultimate Instagram-worthy cafés.



KBS is working tirelessly to ensure that the technology of tomorrow is something tenants will get to experience — and sometimes rarely notice — today. **P**



**Joe Gose**  
Contributing Writer

[in linkedin.com/in/joegose](https://www.linkedin.com/in/joegose)



# KBS Recognized for Sustainability in GRESB Assessment

By Susan Belknapp

KBS has consistently worked over the years to prove that going green is not only possible — it's just good business.

Energy Star, LEED certification and the UL Verified Healthy Building Program have played an integral role in our company portfolios. These various certifications have been among the many ways KBS has demonstrated a steadfast, continuing commitment to ESG transparency and improved performance.

A designation that's not as well known in the U.S. is "GRESB." Its mission is to "collect, validate, score, and independently benchmark ESG data to provide business intelligence, engagement tools, and regulatory reporting solutions for investors, asset managers, and the wider industry." GRESB scores CRE and infrastructure companies based on how well they comply with industry best practices for ESG sustainability.

“This independent organization provides actionable, transparent benchmarks for tracking and reporting the ESG of CRE and infrastructure.”

This is KBS' first year participating in the GRESB assessment. With plans to participate annually, the company is demonstrating its continuing commitment to ESG transparency and improved performance according to Marc DeLuca, CEO and Eastern regional president of KBS.

“KBS views sustainability among its top values as a real estate owner and operator. The ranking from GRESB validates our initiatives over the past several years,” says DeLuca. “The firm is honored to be recognized among some of the world's largest real estate companies.”

In 2023, KBS received a Green Star designation — a recognition for sustainability reserved solely for Real Estate Assessment participants. Unlike the GRESB Rating, which is a relative one, the Green Star accolade is based on absolute performance.

The reality is that building construction and operations are responsible for 37% of global carbon emissions and 34% of energy demand according to the United Nations Environment Programme. What's more, they're a significant contributor to pollution, resource depletion and a loss of biodiversity. Therefore, it's become important for CRE companies to try to alleviate stress on the global environment.

Pursuing independent, third-party auditors and audits, such as GRESB, may be helpful.



Each year, GRESB assesses the ESG performance of participating assets worldwide, providing clarity and insights to financial markets on complex sustainability topics. There are three components to the ESG assessment: Management, Performance and Development. Management looks at strategy, leadership, policies, risk management and stakeholder engagement. Performance evaluates ESG benchmarks from asset-level data. Development focuses on the design, construction and renovation of buildings as well as how ESG is integrated into operational processes.

GRESB standards are reaching deep saturation globally. Real Asset Advisor reported that in 2023, its assessments “grew to include 2,084 real estate portfolios, 172 infrastructure funds and 687 assets, collectively representing \$8.8 trillion in gross asset value (GAV).”

Organizations submitting to GRESB provide asset-level data regarding ESG indicators. GRESB returns detailed business intelligence of the organizations' performance as compared to their peers. It also provides suggested actions for improving sustainability performance and ways to better communicate that status with stakeholders.

Continued on **NEXT PAGE** ►



To meet an investor's request for ESG data, it may be in the best interest for CRE and infrastructure companies to understand GRESB scorings, rankings and assessments and get the process started as quickly as possible. It requires a lot of time and resources to participate.

“Our main focus is on reducing energy consumption and waste with the goal of shrinking our footprint in those areas by 5% by 2025.”

“The GRESB assessment is a big undertaking to complete, but it shows KBS’ strong commitment to responsible corporate leadership and sustainability to its stakeholders,” says Apaulo Malloy, ESG manager for KBS. “To navigate the process successfully, you need buy-in from all departments within your company. Then company data is gathered and organized, identifying what’s relevant to the assessment, including energy consumption, greenhouse gas emissions, water usage and certifications. Finally, an online GRESB assessment questionnaire is completed.”

While KBS completed both the Management and Performance portions of the GRESB assessment, Malloy admits that the company’s “main focus is on reducing energy consumption and waste with the goal of shrinking our footprint in those areas 5% by 2025.”

“Reviewing the benchmarks for this year, it’s evident that the industry’s dedication to ESG principles is stronger than ever as showcased by the continued increase in participation and broader data coverage,” says Sebastien Roussotte, CEO of GRESB. “We applaud investors and managers in the real assets sector for their resolute pursuit of sustainability.” **P**



**Susan Belknapp**  
Contributing Writer


[in linkedin.com/in/susanbelknapp](https://www.linkedin.com/in/susanbelknapp)

◀ Continued from **PREVIOUS PAGE**

“Completing a GRESB assessment is an involved process.”

According to GRESB, 98% of investors use ESG data in their investment process. Investors and global stakeholders have begun to place a premium on strong ESG performance.

According to the results of a nine-year study conducted by Kroll, a risk and financial advisory firm, ESG leaders have higher investor returns than their lagging counterparts. This makes reliable ESG data even more imperative so that everyone in the industry can get a comprehensive appraisal of an organization’s current and future financial risks and opportunities.



Going the extra  
mile is just the  
beginning.

Your risk management and insurance needs are beyond ordinary. Is your broker keeping up? McGriff specialists listen, learn and work tirelessly to deliver risk, insurance, and employee benefit solutions tailored to your unique needs.

---

Start the journey at [McGriff.com](https://McGriff.com) or contact:

Jonathan Nigro  
McGriff Real Estate and Hospitality Practice  
914-426-1490  
[Jonathan.Nigro@McGriff.com](mailto:Jonathan.Nigro@McGriff.com)



Insurance • Risk Management • Employee Benefits

---

# Not All Office is Created Equal



By **Marc DeLuca**

*Previously published on Forbes.com*

**There's been a lot of buzz about the future of office buildings — from their role in business to residential conversion. But even though the term “office” has been broadly used to categorize workplaces, not all office space is created equal.**

It's true that the office sector is experiencing a post-pandemic inflection point. Yet, despite this disruptor, I see office properties repopulating as businesses recognize the value of a central place to work. These values include mental health benefits, mentorship opportunities and being recognized in the marketplace.

As pandemic fears fade, I am seeing a clear front-runner in office real estate recovery: first-class (referred to in the industry as Class A) space.

In fact, experts are seeing a “flight to quality” among companies that use offices and some predict newer Class A office buildings as one of the asset types that will see the highest amount of leasing activity in 2024.

With roughly 80% of office leases being signed in buildings that are Class A, I am witnessing companies increasingly seeking fresher, modernized office space to house their teams.

In my view, Class A, along with well-amenitized and upgraded Class B-plus office buildings (older properties that were recently renovated with quality amenities but commanding a lower rental rate), offer companies much more than “plain vanilla” workplaces — a phrase that is often used to describe no-frills office space. In fact, I believe that they provide what today's firms need to succeed in a competitive business environment.

## Embrace Amenities To Attract And Retain Top Talent

For years, firms have been competing for the best workers and using office space to recruit and retain teams. In the wake of the “great resignation,” this need for providing work environments with desirable amenities has been amplified.

“I am seeing that companies want office space that caters to their employee base’s needs and desires.”

Consequently, I am seeing that companies want office space that caters to their employee base’s needs and desires. This means beautifully designed buildings with well-appointed workspaces offering all the bells and whistles workers have come to expect when returning to their workplace are in high demand.

Look for well-designed, modern buildings with amenities that spark collaboration and creativity, such as a great indoor or outdoor tenant lounge and conference space and Wi-Fi-enabled outdoor spaces. It is features like these that I see drawing companies to my office’s top properties.

For example, one of our properties, Accenture Tower, was already an iconic asset, but after renovations and the implementation of new amenities, its occupancy increased from 80% pre-pandemic to nearly 100%, ultimately providing tenants with everything from transportation and food and fitness to an indoor/ outdoor tenant lounge where they can relax or celebrate with colleagues.

“Today’s companies need more than just four walls to stay ahead of the competition.”

## From Next-Level Amenities To Sustainability Certifications

Today’s companies need more than just four walls to stay ahead of the competition. These businesses also expect their landlord to go above and beyond, offering the “extras” that ensure their success, which is much more likely to be found at Class A properties.

Some of the next-level offerings that office building owners are providing tenants include concierge service, excellent internet connectivity, state-of-the-art technology for conferencing, on-site car detailing, on-site EV chargers and gourmet food and drink options. These services and conveniences help companies and their teams stay focused, productive and on track to reach their business objectives.

In addition, with ESG (environmental, social and governance) factors becoming increasingly prominent, tenants are especially interested in buildings that operate with health and sustainability in mind. To that end, properties offering wellness amenities like cutting-edge fitness centers, touchless elevators and healthier indoor air are more important in the post-pandemic era than ever before, for they help keep companies and their employees healthy and industrious.



Continued on **NEXT PAGE** ►



◀ Continued from **PREVIOUS PAGE**

Along with health and wellness, many owners and operators of premier office buildings seek out environmental and technological certifications and verifications such as LEED, Energy Star and WiredScore to make sure tenants feel supported.

“The flight to quality mentioned earlier has a ripple effect.”

### Transforming Neighborhoods

The flight to quality mentioned earlier has a ripple effect. Best-in-class office buildings can truly transform neighborhoods and increase their appeal for today's companies, encouraging other businesses to invest in the area and improving entire communities.

Certain upscale amenities, such as on-site retail and great lunch spots, can also make an office building succeed in areas that may be viewed as risky. I have seen that even in cities that are troubled with crime, well-located properties with top amenities on site can attract office tenants and change the neighborhood.

In-building shopping and dining provides tenants with a seamless experience during working hours, giving companies an additional reason to choose Class A buildings in some of the most compelling markets in the country.

### Conclusion

There is a bifurcation in office real estate between first-class buildings and those of lesser quality — like the difference between a butter knife and a Swiss Army knife; both can cut, but only one gives you the tools to handle any situation and flourish. This difference is helping draw in companies that are focused on providing their teams with exceptional workspaces in great locations within key markets.

“The life sciences sector is buttressed by more fundamental, long-term shifts than most industries.”

Premier office buildings can help firms attract and retain top talent while giving them a leading edge in a competitive business environment. As office building occupancy continues to climb, I see Class A buildings leading the way toward a sustainable recovery that can benefit companies, their employees and the communities they operate in. **P**



**Marc DeLuca**

Chief Executive Officer and  
Regional President, Eastern U.S.  
KBS

[in linkedin.com/in/marc-deluca-0a743446](https://www.linkedin.com/in/marc-deluca-0a743446)

# IMPACT

**WE** MAKE A DIFFERENCE

Fueled by ambition and an unrelenting focus on excellence, our global platform leverages the very best services, capabilities, research and insights, and expert leadership across major markets to make an impact for our people, clients and communities.

#### Services

- Agency Leasing
- Asset Services
- Sustainability Services
- Tenant Engagement
- Capital Markets
- Facility Services
- Global Occupier Services
- Project & Development Services
- Tenant Representation
- Valuation & Advisory

Cushman & Wakefield is proud to partner with KBS to deliver best-in-class real estate solutions in communities throughout the United States.



**CUSHMAN &  
WAKEFIELD**

[cushmanwakefield.com](http://cushmanwakefield.com)

Fredrikson & Byron and New

# ANN RAINHART

are Making Moves  
in Minneapolis

*Fredrikson & Byron has a strong reputation for delivering superior solutions that help clients minimize risks and maximize business results for more than 75 years.*



If you're wondering how a Midwest law firm distinguishes itself from the pack, just ask Ann Rainhart, recently appointed chief operating officer of Fredrikson & Byron, P.A. The Minneapolis-based regional law firm is located "where law and business meet," says Rainhart, noting that it serves clients across the U.S. and internationally.

Fredrikson has been serving clients since 1948, consistently providing trusted counsel and reliable solutions in areas ranging from corporate transactions, litigation, real estate, employment and intellectual property to estate planning, government relations, energy, life sciences and healthcare and beyond.

The firm's reputation among attorneys is enviable, with the legal industry's top talent choosing Fredrikson time and again.

Rainhart emphasizes that, aligned with Fredrikson's commitment to talent retention and development, the firm intentionally seeks out workspaces that foster a thriving, dynamic and supportive culture while enabling team members to provide clients with optimal service.

The company also recently announced the election of 33-year Fredrikson veteran lawyer Melodie Rose as the first woman in its 75-year history to become president, a nod to the firm's commitment to diversity and leadership development.

In June 2023, the firm moved its headquarters to a 158,000-square-foot space at 60 South Sixth, a KBS office building located on Nicollet Mall in downtown Minneapolis. Rainhart says the relocation supplies a strategic advantage in a highly competitive field.

We sat down with Rainhart and James (Jamie) Snelson, shareholder and executive committee member, to discuss Fredrikson's history and values, its recent re-branding, and how 60 South Sixth is the ideal location for the firm to continue its trajectory as a leader in the industry.

**Fredrikson & Byron's strengths are clearly being articulated to the business community and to law professionals. Ann, can you describe for us the moment when you knew that the firm was the right place for you?**

I first became aware of Fredrikson's reputation about a decade ago when I was in a different role at another law firm. We were struggling to recruit junior talent at that firm. The feedback I received from that talent, and I heard it over and over again, was "I'm going to Fredrikson & Byron."

As I've continued to work in the Twin Cities legal environment, the name Fredrikson & Byron has shown up everywhere. For as long as I can remember, I've only heard positive things about this firm.

What I always look for in a business is the balance between the needs and wants of the entire team and those of each individual team member in their careers. Fredrikson has been able to get the Venn diagram correct on what is needed firm-wide and how to celebrate individuals throughout their journeys. This is not easy to accomplish.

**Jamie, we know you have been part of this firm for a large portion of your career. What aspects of Fredrikson & Byron are you most proud of today?**

I've been with Fredrikson since the late 1990s, and one of the many attributes I appreciate about this firm is that we're not afraid to embrace new things. It's something we have always done. You can connect that concept to all the offices we occupy, including our new headquarters here in Minneapolis.

We've thought hard about what to preserve as we evolve and how we best work together, in terms of both our client service and our internal interactions. We understand the importance of maintaining a competitive advantage to attract and retain clients and top talent, as well as the hard work to keep that advantage.

**Your company recently re-branded. Can you speak to the overall realignment strategy of this re-branding and how you accomplished it?**

**Rainhart:** Since I hadn't yet joined the firm for the re-branding, I had the perspective of watching the launch emerge in the marketplace. I tend to be a visual person, and my first thought was that they were really owning who they are. The brand is meant to symbolize strength and entrepreneurship. There's a uniqueness in how the design has played out, but there's also a cleanness — the interplay between a law firm's necessary predictability and the ability to think outside the box. There is a nuance among our different locations, balanced with consistency, which can be difficult to achieve.

“Everyone has embraced our new brand and understands that it truly signifies our firm.”

**Snelson:** So much of the re-branding emerged from what we've absorbed collectively over the 75 years Fredrikson & Byron has been in business. This culminated fortuitously in our experience with the pandemic, when we learned the critical importance of getting back in front of our clients again. We have a robust client feedback process, and as we thought about our brand and how we are perceived by our clients, we realized it made sense to re-brand as we made the move to the office at 60 South Sixth. Everyone, clients and personnel alike, has embraced our new brand and understands that it truly signifies our firm.

**Ann, you spoke of the relationship between the whole company and each individual team member, which demonstrates that culture is obviously an important focus for Fredrikson & Byron. Can you give us an example of what makes the culture there unique?**

I have a passion for helping lawyers and other professionals develop fulfilling careers. I believe we learn by observing others who are further along in their careers while doing substantive work together in a real environment. We advance the most in our careers when we have that type of mentorship.

Continued on **NEXT PAGE** ►



◀ Continued from **PREVIOUS PAGE**

students, and this past summer we were in the office with them most workdays, which they really appreciated. They enjoyed the workspace and the opportunities of working in an in-person environment. According to the data coming out now, law students are interested in working in person at least some of the time, so I'm pleased that this has been part of our culture.

**For your new headquarters, you decided to stay in Downtown Minneapolis and chose 60 South Sixth. What clinched this decision for you?**

**Snelson:** We have always been in downtown Minneapolis, and we wanted to stay. Our attorneys frequently litigate in court downtown, and this is also a transportation hub close to parking, dining, entertainment, sports venues, and the opportunity to experience different types of arts. Downtown is currently experiencing a renaissance — Ann has been involved in this with the Downtown Council.

60 South Sixth is the perfect location for us. From a practical standpoint, it was difficult to find over 100,000 square feet that we need in many downtown buildings. The landlord and this particular location on Nicollet Mall — a dynamic area — made it a great decision. And the amazing amenities at this property make it really feel like home to us.

“Downtown is currently experiencing a renaissance — Ann has been involved in this with the Downtown Council.”

**Rainhart:** My experience with KBS is that they're just as excited about our space and as eager to get to “yes” as we are, and I appreciate that orientation toward yes. They've provided us with several opportunities to use the new brand in building signage, which is something we didn't experience in our previous Minneapolis office.

Sometimes when you walk into an office building, there's a disconnect between the lobby and the office space. Here they're aligned — there's a flow in form and function from the parking to the building entrance through the lobby and into the office space that's very positive for us, our team and our clients.

There's a welcoming feeling here in that clients and visitors can easily find their way into our space, but it's also secure. That is not an easy balance to get right.

**We know that Fredrikson & Byron is committed to a more sustainable future. What are some of the sustainability features you've incorporated into your new space?**

**Rainhart:** Our hospitality center and cafés feature gourmet coffee machines and water filters, and they offer flavored waters on tap. These amenities cut down on the use of paper coffee cups and plastic water bottles, help the team build connections and save money. And all our glasses and cups are Fredrikson branded — another great opportunity to reinforce our brand with employees and visitors.

We've also carried our PaperLite initiative into the new space. This transition to primarily digital files began before the pandemic and was accelerated as a result. Since 2021, we've significantly reduced the need for paper as well as our physical storage footprint. We shredded over 40 tons of paper, destroying over 60,000 physical files that were either obsolete or scanned and sent over 151,000 files to off-site storage.

Continued on **NEXT PAGE** ►

**60 South Sixth**  
Minneapolis, MN



Photo Credit | Gaiffer Photography | www.gaifferphotography.com

◀ Continued from **PREVIOUS PAGE**

**Lastly, Fredrikson & Byron clearly has a strong commitment to overall well-being. What can you tell us about the firm’s focus on this commitment and how it translated to the design of your space at 60 South Sixth?**

**Snelson:** We began the planning for our new office space prior to the pandemic, but we always recognized that we must effectively utilize the space to leverage hybrid work, boost collaboration and enhance our workforce’s well-being. The acceleration of in-office work has increased — primarily because of the great collaboration spaces we designed, but also because we’ve brought more natural light into the office.

There are many design elements that facilitate hybrid work and improve well-being, including our investment in technology, the ability to work in the variety of interesting spaces outside a particular office, the installation of sit-to-stand desks and the great exercise facility in the building.

“ We also made sure our spaces are welcoming.”


**Rainhart:** We also made sure our spaces are welcoming. The lobby has a high-end living room feel to it where employees can find spaces to sit down, have a cup of coffee, work on their computers, collaborate, or find a moment of solitude.

We’ve also been considerate of new parent’s needs — that stage in family life when you’re taking care of a young baby and maintaining a career. It was important for us to be flexible about what people need from both a space and a philosophy perspective. Here we’ve created an inclusive environment where everyone can be as comfortable as possible — regardless of their lifecycle. It’s a very human-centric approach.

This approach also translates to the significant amount of glass in our new space, which creates a bright, open feeling and is aligned with our firm’s core value of transparency.

**Snelson:** We've only been in the new space for a short time, but it's been unusually well received by our team, our community partners and our clients. It lends itself to the type of experience and amenities we wanted to provide for our people, including areas for heads-down work and great spaces for gathering as well as internal and client meetings. It has all worked out really well for us.

Fredrikson & Byron's successful transition into 60 South Sixth exemplifies the need to offer employees access to redefined office layouts and superior amenities as they return to in-person work.

The design of Fredrikson's new space celebrates and supports social spaces that help to build community and allow real-time collaboration in an award-winning building. 



P R • C O N T E N T • M A R K E T I N G

## Reputation is Everything

The Smart Agency, Inc. is the leading professional communications firm for commercial real estate and finance companies in the United States.

WHAT DO WE DO?  
We build and protect reputations

Who tells your story?

[www.thesmartagency.com](http://www.thesmartagency.com)

# Ridgewood Corporate Square: A Hidden Gem Near the Emerald City

By Cindy Peterson



Less than a half mile from downtown Bellevue, WA, lies Ridgewood Corporate Square, a sprawling seven-building park-like office campus nestled amid 14 acres of lush greenery and meandering walkways. Ridgewood Corporate Square offers convenient access to nearby Seattle, the “Emerald City,” but the story of this KBS property is much more than meets the eye.

## Creating Opportunities During Downturns in the Economy

Nearly 15 years ago, the Great Recession hampered the growth of many sectors and industries, including commercial real estate (CRE). The industry saw transaction volume plunge by as much as 39% from mid-2007 peak levels. During that time, KBS maintained its acquisition vision and secured the 245,312-square-foot Ridgewood Corporate Square office park in December 2009.

## Maintaining the Status Quo

For nearly a decade, KBS owned and operated Ridgewood Corporate Square, making small, relatively minimal changes as needed. Tenant occupancy was steady, between 80 and 90%. The property itself was a relatively unremarkable, homogeneous office park that reflected every year of its two-and-a-half-decade life. While its location near the crossroads of Interstates 405 and 90 was favorable, Ridgewood’s overall accessibility lacked direct access.

## Raising the Stakes with Amenities

Prior to the pandemic, when several substantial leases were about to expire KBS decided to take a unique approach to renovating Ridgewood Corporate Square that would not only elevate the property from others in the area but would become the gold standard for tenant amenities in the city of Bellevue.

During the design process, KBS decided to go further than industry standards and designated more than 12,000 square feet of space for a brand-new state-of-the-art tenant amenity center that was anything but standard.

“The goal was to create a stimulating environment that not only fostered collaboration and socialization, but promoted a solid work-life balance.”

KBS didn't stop there. The plans also included a sleek tenant lounge, collaborative work areas, brand-new conference room, a first-rate 24/7 fitness center featuring Peloton bikes and shower-equipped locker rooms with towel service, secure bike storage, a yoga room and an on-site management office with concierge service. The campus would also be home to several open-air outdoor meeting spaces — and the parking lots were going to be fitted with electric vehicle charging stations. The goal was to create a stimulating environment that not only fostered collaboration and socialization, but promoted a solid work-life balance.

### The Pandemic Shuts Down the Country

With the design in place KBS began construction in 2018. In that time the company was able to make multiple upgrades to the building and common areas, but when COVID-19 shut down the country, work on the amenity center stopped. KBS has a long history of making strategic decisions during uncertain economic times, so while Ridgewood Corporate Square experienced some project delays due to supply shortages, renovation construction continued.

### The Market Takes Notice

In early 2021, Ridgewood Corporate Square finished the multimillion-dollar renovation and opened the amenity center to tenants. Even while its transformation was taking place, Ridgewood was turning heads in the local market. It was clearly a change for the better — exceeding the expectations of tenants and earning attention from other landlords in the area.

“We started getting mileage before the amenity center was even completed,” said Scott Davis, executive vice president with CBRE and Ridgewood Corporate Square leasing manager. “Nobody in the market had this and we began to get regularly visited by other building operators and tenants for benchmarking tours.”

In addition to the first-of-its-kind amenity center, tenants now have an onsite food option: Poppinjay's Café. While Ridgewood is surrounded by a variety of alternatives for dining, shopping and entertainment, having an onsite option was one of the keys to the property's success.



Continued on **NEXT PAGE** ►



◀ Continued from **PREVIOUS PAGE**

Throughout the years, the city has completed many road improvements that have greatly enhanced the property's access to the Bellevue central business district. In 2023, work began on a light rail station that will sit directly across from Ridgewood Corporate Square, making it even easier for tenants to access the greater Seattle area.

Ridgewood offers a unique tenant experience that combines excellent property management, quality facilities and creative amenities that promoted a sense of community, safety and flexibility. KBS' strategic flight-to-quality approach to renovating Ridgewood Corporate Square during an uncertain economic time can largely be attributed to the ongoing success of the property.

"Ridgewood Corporate Square continues to stand out in the area because we've raised the bar for amenities; by doing so, we've been able to keep the building consistently 100% leased," says Brent Carroll, asset manager of Ridgewood Corporate Square and KBS' senior vice president of acquisitions, dispositions and co-director of asset management. "The property has become a hidden gem that's truly different from the rest of the market." **P**



**Cindy Peterson**  
Contributing Writer

[in linkedin.com/in/cindy-peterson-44373510](https://www.linkedin.com/in/cindy-peterson-44373510)

FOR A BANK  
COMMITTED TO THE  
COMMUNITY YOU LOVE,  
Zions Bank is for you.

ZIONS BANK | 150 *Years*

A division of Zions Bancorporation, N.A. Member FDIC

# Salt Lake City: Different by Nature, a Natural for Business

By **Dara Holland**



When one thinks of Salt Lake City, what likely springs to mind is its spectacular mountain views, world-class ski resorts or namesake Great Salt Lake.

What may not occur to you is the city's booming tech industry and evolving startup culture. But Utah's capital is one of the fastest-growing cities in the nation fueled by a business-friendly environment, robust job market, well-educated workforce and entrepreneurial spirit.

In his May 2023 Forbes Post, KBS CEO Marc DeLuca described the greater Salt Lake City area as one of the country's most unique business districts, a "suburban/urban node" that bridges the gap between central business district (CBD) and suburb — offering walkable, less population-dense environments than traditional primary urban markets, such as New York, Chicago and San Francisco. He says these markets "appeal to younger workers magnetized by the energy and vibrance of urban environments as well as to maturing millennial workers interested in raising their children in less dense areas."

## **The Crossroads of Livability and Commerce**

Founded in 1847, Salt Lake City has long shed its reputation as a pioneer settlement and mining

town. Today, the moniker "Crossroads of the West" reflects Salt Lake's emergence as a world-class tourist destination, highly livable community and hub for international business, which has transformed the city into a diverse mix of cultures, religions and ethnicities. The city is home to more than 201,000 people with approximately 1.2 million residents occupying the larger metropolitan area.

There's plenty to entertain, enlighten and experience in Salt Lake City, including countless outdoor sporting activities, the annual Sundance Film Festival, Utah Museum of Fine Arts, NBA professional basketball and a crème de la crème culinary scene. And getting around to them all has been made exponentially more convenient with the region's recently added 150 miles of light and commuter rail — a transit system that also links Salt Lake International Airport to downtown Salt Lake, the greater valley and local ski resorts.

Salt Lake's economy is on the upswing with the healthcare, education, finance and tech industries taking center stage. The escalating need for legal services has also ignited an increase in law firms expanding or setting up shop in Salt Lake.

According to Bankrate, Salt Lake is the sixth-best U.S. city to start a career based on analysis of the 50 largest metro areas in the U.S. and considering such factors as local job market, potential for long-term career building, affordability and everyday life.

Located between Salt Lake City and Provo, the Silicon Slopes region is flourishing due to its well-planned internet infrastructure and the growth of major tech companies, like SanDisk, IM Flash Technologies, Adobe Systems, Cisco, Qualtrics and many others.

Benefiting from what Forbes calls Utah's "tech ecosystem," Salt Lake is served by a large, interconnected network of people who have close personal and professional relationships from working and collaborating together, willing to help someone out in order to create a stronger ecosystem.

Evaluating the 50 highest- and lowest-cost North American markets in which to operate a tech company, CBRE ranked Salt Lake City as the 15th most affordable. The study shows that a business can potentially save \$16 million to \$33 million in combined wage and real estate expenditures by steering clear of higher profile areas, such as Seattle, San Francisco Bay and New York Metro, in favor of Salt Lake City.

For years now, KBS has experienced a bullish leasing market in Salt Lake City. Tim Helgeson, senior vice president for KBS and asset manager Salt Lake City, notes that "leasing strength of the assets in our Utah portfolio reflects the innovative and entrepreneurial spirit that defines Salt Lake City. It's why Utah has been one of the leading occupancy markets for KBS."

In addition to a new multifamily project in development, KBS has several well-positioned properties in the area, including Salt Lake Hardware Building, 222 South Main Street, Second + State and Millrock Park. All are benefiting from the market's consistent growth.

### **Salt Lake Hardware Building**

Described as "one of the coolest buildings in the KBS portfolio," Salt Lake Hardware Building has experienced consistently high demand from office tenants seeking a creative workspace. The five-story, 210,938-square-foot building has gone through an exterior redesign featuring an unmistakable exposed brick and timber design. Originally built in 1909, the Class A office property has also been infused with significant interior amenities that include a new fitness center and a business/conference lounge.

Continued on **NEXT PAGE** ►

### **Salt Lake Hardware Building**

Salt Lake City, UT



◀ Continued from **PREVIOUS PAGE**

“The Hardware Building is a very differentiated product that not only resonates with tech outfits but with many cutting-edge financial firms,” said Helgeson.

Location is a prime, highly attractive feature of the Hardware Building, which is a short walk from the Delta Center and home of the Utah Jazz, the Delta Arena. It’s also close to The Gateway, a mixed-use development billed as Salt Lake City’s downtown hot spot for dining, entertainment, urban living and creative office space.



### **Salt Lake Hardware Village II Luxury Apartments on the Horizon**

In mid-2016, KBS began ground-up construction on the highly amenitized 453-unit Salt Lake Hardware Village Apartments, a mix of penthouse, loft, studio, one-bedroom and two-bedroom apartments, townhomes and brownstone row houses — all strategically situated next to the Salt Lake Hardware Building.

Just four years after its groundbreaking, the immensely popular, fully leased Hardware Village Apartments was sold by KBS, which immediately turned its attention to additional opportunities in the growing Hardware District that could match its tremendous success.

As a result, KBS is now in the development phase to build a complementary multifamily building right next door to the first phase Hardware Village I. The new eight-story project, Hardware Village II, will cover 2.4 acres and feature commercial space as well as provide more than 330 residential units that rest atop a four-story parking structure and include amenities such as an inner courtyard, fitness and yoga center, dog run and spa, sky lounge and convenient ground-floor retail space.

“When we see an opportunity like this one that will add to such a vibrant market, we do everything in our power to make it happen.”

“While KBS focuses mostly on office,” says Helgeson, “when we see an opportunity like this one that will add to such a vibrant market, we do everything in our power to make it happen.”

Blending into the already distinguished character, design and architecture of the local community, Hardware Village II apartments will further evolve the elevated experience of Salt Lake City’s downtown and the Hardware District.

### **222 South Main Street**

Known as one of downtown’s most exclusive office developments, 222 South Main Street is a newer Class A building with 433,346 square feet of leasable space. It has experienced a higher level of return-to-work compared to other buildings in the area.

“Historically, leasing activity in downtown Salt Lake has been mostly from businesses that primarily deal in finance and insurance,” notes Helgeson, “but for a time now, we’ve seen several major law firms relocate to the city.” Among them are Kirkland and Ellis, Greenberg Traurig, and Mayer Brown, which is just one of the latest firms to join the market.

Following an expansion by Greenberg Traurig and adding a new state-of-the-art fitness center, 222 South Main Street is 100% leased. "To have a building fully leased in this environment is pretty unique when you look at other downtown metros," said Helgeson. "It was a challenge before the pandemic, but in this environment, it's just outstanding and why we really like the Salt Lake market."

### Second + State

Located in the heart of Salt Lake's Central Business District, the 13-story Class A office building Second + State serves as the ideal home for Mayor Erin Mendenhall's campaign headquarters. Having served Salt Lake City since 2020, she runs on a platform of "We're moving forward together."

Second + State offers stunning panoramic views of the mountains, city and valley, and it has helped KBS effectively reposition the property, which has undergone recent enhancements that include a new conference center, tenant lounge and an expanded fitness center designed with outdoor-loving locals in mind.

Explains Helgeson, "When building a fitness center in Salt Lake City, we wanted to incorporate the outdoor lifestyle for which the community is famously known. Since so many people bike to work, we included a lot of bicycle storage and a workstation where they can make repairs to their rides."

### Millrock Park

Southeast from Salt Lake is Millrock Park, KBS' beautiful four-building office park in Cottonwood Heights. Situated at the base of the Wasatch Mountains, it offers unobstructed 360-degree views from every building and underground parking. This unique 22-acre property site features 37% green space and won the Building Owners and Managers Association (BOMA) International Utah Kilowatt Cup and Highest Performing Building awards in 2017.

Millrock is home to a diverse group of tenants that include Magnum Development. The advanced clean energy company was purchased by Chevron in September 2023. As a result of the acquisition, Magnum is expanding its space by an additional 8,000 square feet, effectively doubling its size within the building.



# From Crisis to Hope:

## Addressing Homelessness in Salt Lake City

Homelessness has become a pervasive issue in downtown metros across the country. The Department of Housing and Urban Development (HUD) has reported that more than half a million people in America experienced homelessness in 2022.

The two cities with the largest homeless populations, Los Angeles and New York City, have each identified approximately 60,000 individuals as homeless. However, homelessness has become a major problem in metro cities, including Seattle, Phoenix, Denver and Austin, where homeless encampments are cropping up more and more.

While Salt Lake City, Utah, hasn't solved homelessness, it's been lauded for making significant gains in addressing the issue — an approach that may inspire leaders in other U.S. cities.

In 2020, Salt Lake tore down its largest homeless shelter, which was negatively impacting the surrounding area as a focal point for drugs and crime. In order to provide more focus on housing, drug treatment, mental health and other services, the shelter was replaced by three new, gender-specific homeless resource centers: two 200-bed centers in Salt Lake City and one 300-bed center in South Salt Lake.

Continued on **NEXT PAGE ►**



◀ Continued from **PREVIOUS PAGE**

In marking the occasion, Governor Spencer Cox commented, “People look to Utah as the place where we work together to find solutions addressing today’s biggest challenges. This announcement demonstrates that our state has fostered a landscape where clean energy innovation is possible.”

## Conclusion

Salt Lake City’s tourism slogan is “Different by nature,” a phrase that’s well suited given the endless array of natural wonders surrounding it. Coupled with a highly livable community and an equally bright business outlook, Salt Lake and its denizens can count on KBS to be there for whatever the future has in store.

“Salt Lake City has done a good job over the last two or three years rebuilding the system to better serve the homeless, address addiction, provide job retraining and help get women and children out of difficult domestic situations and give them resources,” says Tim Helgeson, senior vice president for KBS and asset manager for its Salt Lake City properties.

“Salt Lake City’s success has been its approach to addressing the root causes of homelessness.”

One of the keys to Salt Lake City’s success has been its approach to addressing the root causes of homelessness. Rather than simply providing temporary shelter or services, the city has focused on seeking long-term solutions to rebuild people’s lives. This includes providing access to healthcare and counseling, affordable housing and job training programs that will potentially lead to employment and self-sufficiency.

Another crucial factor in the city’s success has been its emphasis on collaboration between government agencies, nonprofits and the private sector. By working together, these groups have pooled their resources and expertise to create effective solutions that get people off the streets and into stable housing. Utah’s “Housing First” initiative provides permanent housing to the homeless and has reduced chronic homelessness by 91% since its launch in 2015.

Overall, Salt Lake City’s success in addressing homelessness is a testament to the power of collaboration, innovation and a commitment to helping those in need. While the homeless issue still exists, Salt Lake City’s approach offers hope for those who are struggling to find stable housing and rebuild their lives. **P**



**Dara Holland**  
Contributing Writer

[in linkedin.com/in/daraholland](https://www.linkedin.com/in/daraholland)



MAKING WAVES

# Delivering Extraordinary Experiences

Stream Realty Partners is dedicated to providing exceptional value to our clients. Our high-end hospitality inspired office property management service, X2, is a leading example of how we're delivering extraordinary value and results.



POWERED BY STREAM

## Strategy & Roadmap

Our strategy is to hire, train, empower, and reward our people and vendors to deliver the highest level of customer service in the industry. X2 is the gold standard for office buildings that transforms your asset from being one-of-many to being one-of-a-kind.

## The X2 Result

X2 delivers value through elevated customer service experiences that permeate every interaction with tenants. It places the customer at the heart of an asset—maximizing value, appeal, and retention in a market that commands the best.



*Changing the landscape of commercial real estate™*

# Service Champion Award Winners



Customer service is the hallmark of KBS’ management philosophy. Each year, KBS selects building personnel who have gone above the call of duty to serve.



**JoJo Anaya**  
*Chief Engineer*

**Legacy Town Center I, II & III**  
Plano, TX

- JoJo has developed strong relationships with tenants and vendors, and tenants trust him to solve any problems that may arise. He is the ultimate team player, and his expertise is invaluable — he works tirelessly supporting ongoing capital and tenant improvement projects, constantly walking projects and communicating with vendors to ensure there are no issues.
- In emergency situations, JoJo takes control and makes things happen — for example, we had a plumbing leak in a mechanical room, and JoJo’s immediate response was critical due to the amount of water draining from the pipe. JoJo wrapped plastic around the pipe to help direct the water into a large trash can until the water could be shut off, which prevented damage from occurring.
- JoJo never turns down an opportunity to train, help or mentor a team member. He takes pride in and ownership of his job.



**Amber Barfield**  
*Real Estate Manager*

**Sterling Plaza**  
Dallas, TX

- Amber exhibits fabulous customer service, and tenants and vendors always commend Amber for her service and positive attitude. She has a sincere interest in developing relationships with tenants and goes above and beyond to ensure their needs are met. Amber has taken on a new role overseeing the monthly property accounting reports and has done an excellent job turning reports in early and working closely with accounting to ensure questions and edits are addressed in a timely fashion.



**Samantha Capps**

*Property Manager*

**515 Congress**

Austin, TX

- Sam is ideally qualified for this award due to her unmatched dedication to the performance of 515 Congress in support of the tenants and KBS. She shows excellent judgment in resolving issues and challenges her team to find ways to improve the building. She is great at fully understanding a problem and its cause, and provides multiple solutions before determining which is best.
- In the last Kingsley Survey, "Property Management" was the highest percentage selection for "Reasons for Likely Renewal" by tenants. We're very proud of that, and Sam deserves recognition for creating an environment at 515 Congress whereby tenants prefer to stay and renew rather than move to a newer location.



**Tripp Fraley**

*Assistant Manager*

**Park Central Apartments**

Raleigh, NC

- Tripp helps oversee the day-to-day operations at Park Central and does a fantastic job of building relationships with residents, which keeps retention high. He is kind and inviting, thoughtful and inclusive and always goes the extra mile. More often than not, he knows exactly how to help. And in the few instances where he may not, he will always find the answer and get back to you.
- One example of Tripp's dedication to everyone he serves was when a new tenant, who was moving in from another country, was not able to be on hand when his furniture arrived. Tripp stepped in and supervised the placement of the furniture in his absence knowing the tenant would want the place to feel like home when he did arrive.
- Additionally, Tripp has been working with his team to develop an all-encompassing reference packet to put on the resident portal so new and existing tenants have easy access to any questions and information.



**Carla Hyatt**

*Senior Property Manager*

**3001 & 3003 Washington Blvd / Dulles Station East**

Arlington, VA / Herndon, VA

- Carla is an exceptional team leader. She has worked on KBS assets since joining Transwestern in 2020, and her team members love working for her. She is always willing to teach and pass along her wealth of knowledge while pushing each team member to learn and grow in his or her career.
- Carla enjoys engaging with tenants and is passionate about tenant events. She is very creative and comes up with new ways to engage tenants throughout the year to help employees feel part of the building community.

Continued on **NEXT PAGE** ►

◀ Continued from **PREVIOUS PAGE**



### **Denise Swanson**

*Tenant Associate*

**City View**  
San Antonio, TX

- Denise exemplifies and embodies a positive attitude and is the first to help those around her. Tenants, vendors and team members can always count on Denise to help with wherever there is a need, big or small. One current tenant shared, "Denise is such a joy and pleasure to work with."
- With her attention to detail and determination to improve tenants' experience, Denise is an invaluable asset to our team and a delight to those who work with her. Her passion for providing excellent service and a first-class experience at City View is evident by her demeanor and work ethic. Since joining, Denise helped transition tenants to a new digital directory platform, coordinate monthly tenant engagement events and transition the new security and janitorial teams to serving the building.



### **LaChrisha Thomas**

*Senior Real Estate Accountant*

**Preston Commons**  
Dallas, TX

- LaChrisha joined the Preston Commons team in 2021 and is an exceptional asset to the team. She is tremendously detail-oriented, organized and knowledgeable, which are necessities for her role.
- LaChrisha is calm and collected as critical deadlines approach and offers meticulous and thorough explanations and recommendations while educating the entire team. She is generous with her time and never expects praise or recognition. She is the first in the office each morning and offers a cheerful greeting to the rest of the team as they come in. Her dedication to her work is unparalleled.



**Louis Vega Jr.**  
*Chief Engineer*

**Fountainhead Tower**  
San Antonio, TX

- Louis is committed to delivering excellent service for Fountainhead Tower. Whether addressing tenants' needs, ensuring building operations are running smoothly or working with construction management on projects, he addresses tenant needs in a prompt manner and is beloved by the Fountainhead Tower community. Louis simply brings a smile to all those around him.
- In alignment with Louis' service-first mindset, he provided significant support at KBS' City View building during the absence of another engineering team member. Louis' dedication and support to those around him show in his ability to adapt quickly to ever-changing circumstances, address items needing attention and resolve them in an efficient and effective manner.



**Richard Ware**  
*Security Supervisor*

**515 Congress**  
Austin, TX

- Richard consistently goes above and beyond the scope of his work, earning appreciation from both the 515 team, tenants and visitors alike. He is committed to ensuring a safe and welcoming environment for all. Tenants regularly express their admiration for Richard in the annual Kingsley Report. His leadership within the team is marked by integrity, professionalism and passion for his job.
- His small yet thoughtful gestures, such as greeting tenants every morning and assisting with elevator access, make everyone feel truly special. Moreover, Richard's impact extends beyond tenant feedback. Other property management employees frequently commend the exceptional performance of the security team at 515, attributing this success to Richard's exceptional leadership.

Continued on **NEXT PAGE** ►





2024

# Best Property Management Team

## Park Place Village

### Exceptional customer service sets our properties apart.

CBRE's success in managing Park Place Village, a mix-use retail and office property in Leawood, Kansas, can be attributed to several key factors. First and foremost, their dedication to delivering exceptional customer service has set them apart. They prioritize clear and timely communication with their tenants and have, as a result, developed exceptional relationships with each of them.

Additionally, their expertise in property maintenance and input in leasing decisions has played a large role in Park Place's success. Ultimately, it is their unwavering commitment to excellence that has made them an excellent partner in building a solid foundation at the property.

#### PICTURED FROM LEFT TO RIGHT

*Derek Britain, Steve Davidson, Scott Keller, Barry Gregson, Cheryl Parker, Mary Tinkler, Dustin Dailing*

MAYER | BROWN

# NAVIGATING CHANGE

Few industries are as influenced  
by fluctuating economic conditions  
as the real estate sector.

For expert navigation, the market  
turns to organizations such  
as KBS, which has been shaping  
the commercial real estate  
industry for more than 30 years.

We're proud to partner with KBS.

Americas | Asia | EMEA

[mayerbrown.com](https://mayerbrown.com)

"Mayer Brown" and the Mayer Brown logo are the trademarks of Mayer Brown. © 2023 Mayer Brown. All rights reserved.  
Attorney Advertising. Prior results do not guarantee a similar outcome.

We're property managers  
**& environmental stewards.**

We're leasing agents  
**& community builders.**

We're a real estate company  
**& fierce client advocates.**

Get more with  
Transwestern.



PROUD PARTNER OF KBS  
THROUGHOUT THE USA