

MOST EFFECTIVE REPOSITIONING/ REDEVELOPMENT PLAN

FIRST PLACE

Project: 475 Fifth Ave., New York City

Owners/Investors: TIAA-CREF and Norges Bank Investment Management

Project Type: Office building

Construction Manager: Turner Construction

Architect: Swanke Hayden Connell Architects

Broker, Project and Property Manager: JLL

Repositioning Commenced/Completed: May 2012/November 2014

Property Size: 275,738 rentable square feet / **Original Construction:** 1926

Project Cost: \$54.1 million / **Rent Range:** \$70 to \$100 per square foot

The Story: Across the street from the landmark New York Public Library, 475 Fifth Ave. once attracted fashion apparel tenants but fell into disrepair. Redevelopment efforts failed, and TIAA-CREF purchased it out of foreclosure in 2011, with Norges Bank investing in 2013. They replaced the worn-out steam station and perimeter radiation system with a Fisonic heat transfer system and moved the lobby to the side street to maximize Fifth Avenue retail frontage, requiring relocation of a steel beam and load transfer to the second floor. Other efforts included façade restoration, extensive upgrades and system replacements. Now 67 percent leased, the property has applied for LEED Silver and Energy Star certifications.

Judges Praised: A great property, location and redevelopment. Achieved LEED Silver and 40 percent energy savings.

Submitted by: TIAA-CREF



SECOND PLACE

Project: The Shoppes at Knollwood, St. Louis Park, Minn.

Owner/Investor:

Rouse Properties

Project Type: Retail

Architect: KA Inc.

Landscaping: LHB Inc.

Repositioning Commenced/

Completed: January 2014/

February 2015

Date of Original Construction: 1955

Project Cost: \$32 million

Property Size: 457,000 square feet

The Story: The property was constructed as an open-air shopping center, but was enclosed in 1980. Despite a prime location, multiple renovations and a partial de-malling 10 years ago, it



was underperforming. Based on strong interest from junior boxes, small-shop retail and restaurants, Rouse demolished the enclosed mall, built new exterior-facing junior boxes and small shops, plus a new outparcel near Highway 7,

and upgraded the property. That attracted such tenants as Nordstrom Rack, Ulta Beauty, Dress Barn, Noodles & Co., Smashburger and Panera Bread. Rouse sold the property to Heitman L.L.C. for \$106.7 million, generating \$54.7 million in proceeds.

Judges Praised: Rouse was able to turn the property around and its efforts were validated when Heitman purchased it.

Submitted by: Rouse Properties