

## Case Study: Samis Foundation

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### Assignment

The Smith Tower is a historic building in the Pioneer Square district of downtown Seattle consisting of 42 stories and 242,000 square feet. The property was functionally obsolete, extremely tired and run down and considered a Class C office building. In 1997 the Samis Foundation purchased the building for \$35.00/sf and proceeded to work with a team of top professionals to redevelop, reposition, restore, establish relevancy, change the building reputation, and release the property.

### Challenges

There were no limits to challenges with this property. The building was designed in a horseshoe shape and continuous circulation on a floor was impossible. The historic non-automated elevators were protected, and the building had no air conditioning. The building was built in 1914 and that created its own set of unique problems and challenges.

### Strategy

The Strategy was to create additional floor area on each floor to allow for circulation to attract full-floor users. Automate the elevators within the allowable parameters within the several history preservation boards (elevator operators are still required). Install a vertical air conditioning system (to preserve the beautiful open ceilings) while allowing operable windows. It was also important to preserve and enhance the beautiful architecture and character of the building. All of this work was performed while the building was 50% occupied, offering a unique property management opportunity.



The other key element to success was to lease to a large anchor tenant that would establish a new benchmark for the impending Class A stature of the building. This Class A tenant would have a positive impact on the building's reputation, thereby attracting more Class A tenants willing to pay above market rates to have their offices in such a unique building.

### Results

Sisters of Providence Medical Center leased 60,000 square feet for its new corporate headquarters early in the renovation process that created the new benchmark needed to command Class A leasing rates. Other tenants soon followed and the building was 100% leased within nine (9) months after the renovation was completed. The property was ultimately sold in the mid 2000s for a substantial return to the Samis Foundation.