



SAINT PAUL  
OFFICE

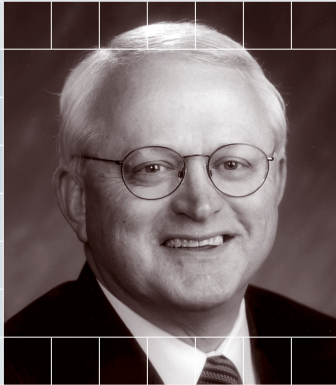
Market

# Report

OCTOBER 2003

GREATER SAINT PAUL

Building  
Owners &  
Managers  
Association



THIS STUDY IS AN IMPORTANT  
CONTRIBUTION TO THE REAL  
ESTATE AND BUSINESS COMMUNITIES  
OF SAINT PAUL AND THE TWIN CITIES

Dear Members of the Greater Saint Paul Building Owners and Managers Association,

This is our ninth annual Saint Paul Office Market Report. As the cover of this year's report suggests, we will be discussing the ups and downs of the Saint Paul office market in depth.

Today we can look forward to Saint Paul's future with enthusiasm. The countless construction and renovation projects underway in our city, including Mayor Kelly's exciting Housing 5000 initiative, make this one of the most growth-oriented times in Saint Paul history.

Since 1995, we have published this report to provide the most timely and accurate information and market analysis. This report uses the same analyses, boundaries, classifications, and categories of competitive, owner-occupied, and government buildings as our past reports.

Thank you to BOMA's Leasing and Marketing Committee, co-chaired by Pat Wolf and Wayne Kuykendall, who oversaw the preparation of this year's report. We also want to thank all of the building owners, managers, and leasing agents who contributed information, as well as the Capital City Partnership for its contribution to the report.

This report is a benefit of BOMA membership that we are happy to provide. We believe this study is an important contribution to the real estate and business communities of Saint Paul and the Twin Cities.

Sincerely,

A handwritten signature in dark ink, appearing to read "George C. Fremder". The signature is fluid and cursive.

George C. Fremder, Chair



## Executive Summary

### DOWNTOWN'S MIX OF OLD AND NEW

Saint Paul has a beautiful downtown, with the Mississippi River flowing through it, parks dotting the landscape, and a mix of old and new architecture. With the constant buzz of downtown construction and preservation work, this mix seems to become more impressive by the day.

This may sound like a discussion about downtown architecture and aesthetics, but it truly affects the office environment covered in the 2003 Saint Paul Office Market Report. Buildings such as the U.S. Bancorp Complex have just come onto the scene. Older buildings, such as the Ramsey County Adult Detention Center, the Lowry Professional Building and Minnesota Public Radio, are or will be getting new looks and improved spaces to better meet their needs. Housing has also become a major component of the downtown, such as those at former office and retail locations, including the Rossmor Building, the Produce Exchange Building, the James J. Hill Building, and the Straus Knitting Company Building, being converted into condominiums, and the new homes going up at the Upper Landing.

All of these changes affect Saint Paul's competitive and non-competitive office space, and this report discusses many more plans and trends that will shape the future of downtown. Saint Paul's vacancy rate mirrors vacancy rates throughout the country, but the many projects occurring here give us every reason to look ahead with optimism. More and more, downtown Saint Paul is becoming a place that people want to live in, work in, and watch grow.

### NEW OFFICE SPACE

Several new office complexes along the outer borders of downtown Saint Paul not only illustrate that downtown is still growing and improving, but that owner-occupied buildings and government buildings are an important reality in this market.

The owner-occupied U.S. Bancorp Complex has recently become fully occupied with 2,400 bank employees, most of whom moved out of other downtown Saint Paul locations. The undeveloped land surrounding the site will likely be developed into a mix of housing, office, and retail space, and outdoor projects that will increase the vitality of the area.

The Ramsey County Law Enforcement Center and new state office buildings, which are being built at the northern edges of downtown, are examples of how government buildings can change downtown St. Paul. In some cases, these new structures create opportunities to move people out of older and less efficient government buildings and to stimulate further downtown redevelopment. For instance, the Saint Paul Police Department will soon move into the Griffin Building, which is just next door to the Ramsey County Law Enforcement Center. Vacating the police department's old facility will open up a major tract of land for redevelopment.

## CHANGES IN OFFICE SPACE

Slightly more of downtown Saint Paul's office space was occupied in 2003 than in 2002. This is a significant occurrence, considering overall vacancy rates are at 10.9%, which is slightly higher than in 2002. The overall vacancy in 2002 was 1,790,278 square feet compared to 1,826,069 square feet in 2003. The competitive space vacancy rate is 19.4%.

The major additions to the market were the U.S. Bancorp Complex, with 350,000 square feet, and the Ramsey County Adult Detention Center, with 32,000 square feet. Many U.S. Bancorp employees moved out of competitive office space in Saint Paul to the state-of-the-art new facility. These buildings are part of the owner-occupied and government sectors of the market and are signs of a healthy, growing downtown.

Other exciting trends are also at work changing the landscape of Saint Paul office space, and we should watch these factors closely. Several buildings that were formerly included in this study, such as the Lowertown Business Center and the Produce Exchange Building, have been removed from the inventory because they have been repositioned into housing. The significant conversion of office space into housing will likely continue in the coming years because of the high demand for housing, which takes underutilized buildings off the office market while adding vitality to the downtown.

## HOUSING

No discussion of Saint Paul today is complete without mentioning the downtown housing boom. Although office space is still the predominant use of downtown land, new residential construction and conversions of distinctive older buildings into housing are bringing new residents to the area.

Residential conversion projects that are underway or that have just been completed amount to more than 430,428 square feet of converted office space in downtown Saint Paul. Pending conversion projects could add more than 308,000 square feet to that amount. Assuming the pending projects move forward, these conversion projects will result in 7.9%, or 738,428 square feet, of competitive office space being removed from the total universe of downtown office space.

The Rossmor Building, where conversion to more than 100 condo units is underway, the Straus Knitting Company building, where nearly 50 loft-style apartments are being created, and the Great Northern Lofts where 53 luxury condominiums are under construction are examples of Saint Paul landmarks being turned into housing with a small amount of commercial space. New construction includes the 590-unit Upper Landing above the Mississippi Riverbank, and Wacouta Commons, a multi-phase project that includes several buildings featuring condominiums, apartments and lofts.

## THE DOWNTOWN MIX

Exciting changes in Saint Paul are evident throughout downtown. With brand new office complexes, magnificent transformations of office space into housing, and opportunities that could help fill some of our now-vacant offices, there are signs of downtown growth, diversity and potential despite the vacancy issues we report for 2003.

This overview has provided a framework for this year's office market study. The remainder of this report features an in-depth analysis of the Saint Paul Central Business District market.

## Highlights of this Office Market Survey

- The Saint Paul Central Business District has 16,806,489 total square feet of competitive, government, and owner-occupied office space. This is an increase of 1%, or 67,924 square feet, over 2002.
- The biggest factors behind the increase in office space are the addition of 350,000 square feet at the U.S. Bancorp Complex and 32,000 square feet at the Ramsey County Adult Detention Center. This increase in total space is offset by the conversion of office space into housing.
- Total absorption for all classifications of office space in 2003 was 32,133 square feet. Absorption for competitive office space was <386,303>, government space was 32,002, and owner-occupied was 386,434. In the past eight years, the Saint Paul Central Business District has absorbed a net total of 1,511,832 square feet, which is an average annual absorption of 188,980 square feet.
- The competitive office space in the Saint Paul Central Business District is 9.39 million square feet. Of that amount, 26.5% is class A space, 59.3% is class B, and 14.2% is class C.
- From 1995 to 2003:
  - Class A space has increased from 5 buildings and 1.47 million square feet to 7 buildings and 2.49 million square feet.
  - Class B space has increased from 32 buildings and 4.93 million square feet to 34 buildings and 5.57 million square feet.
  - Class C space has decreased from 24 buildings and 2.16 million square feet to 18 buildings and 1.33 million square feet.



- Overall vacancy is 10.9% for the total universe of office space in the Saint Paul Central Business District. This is slightly higher than the 2002 vacancy rate of 10.7%.

This report identifies selected space available for sublease. Six spaces and more than 115,000 square feet are available for sublease, which is a decline from eight spaces and 151,890 square feet last year.
- For competitive office space, the class A vacancy rate increased from 15.6% to 16.8%. Class B vacancy increased from 16.4% in 2002 to 19.9% in 2003. Class C vacancy decreased from 29.9% last year to 22.4% this year.
- Quoted median gross rental rates for class A and class B competitive office space decreased from 2002, while class C rates increased. The median gross rental rate for class A space is \$21.45 per square foot (down 5.03% from 2002), \$17.36 (down 4.44% from 2002) for class B space, and \$15.25 (up 8.2% from 2002) for class C space.

# Methodology

BOMA's inaugural report in 1995 was the first market survey of downtown Saint Paul to accurately and completely portray Saint Paul's office market dynamics. Since then, the owners, managers and leasing agents have contributed the information that is the basis of this report.

This report reflects the market data as of August 1, 2003. All space available for sublease is treated as leased space.

This survey differs from others in several significant aspects:

## BOUNDARIES

This report covers the central business district (CBD) of downtown Saint Paul and includes a slightly larger geographical area than other surveys, accurately reflecting the trade area or scope of activity within our market. The following boundaries were used for this survey: University Avenue, to Lafayette Road, to Kellogg Boulevard, to John Ireland Boulevard, to Constitution Avenue. The boundaries for this year's survey are the same as those used since the first survey in 1995. Several buildings fall outside of these boundaries but were included due to their proximity to the defined area, their competitive presence, and their relationship with the CBD for essential services. They are 525, 555 and 590 Park Street; One West Water Street; River Park Plaza; the Drake Building; and U.S. Bancorp Complex.

## NON-COMPETITIVE BUILDINGS

Most market surveys cover only competitive buildings, which are generally defined as investor-owned properties that lease to one or more tenants. For many markets, especially those that are suburban in nature, most office leasing activity occurs within this office category.

The office market in downtown Saint Paul is fundamentally different, however, and non-competitive buildings should be included in office market surveys because owner-occupied and government buildings play a significant role in the market. For instance, U.S. Bancorp has constructed a new downtown office complex. Many of the employees who have moved into the new building moved out of competitive space leased by U.S. Bancorp. Without including the new, corporately owned building in the market information, it would appear as if a large vacancy was created and the employment had simply left downtown. Thus owner-occupied and government buildings are included in the report to prevent underreporting the market and not properly reflecting its underlying economic dynamics.

## CLASSIFICATION

The BOMA Leasing and Marketing Committee developed exhaustive criteria in 1995 for classifying competitive office buildings into A, B, and C categories. These criteria were applied to competitive buildings in the Saint Paul Central Business District and were used for this survey. The classification criteria developed in 1995 by the committee were used again this year, making year to year comparisons possible.

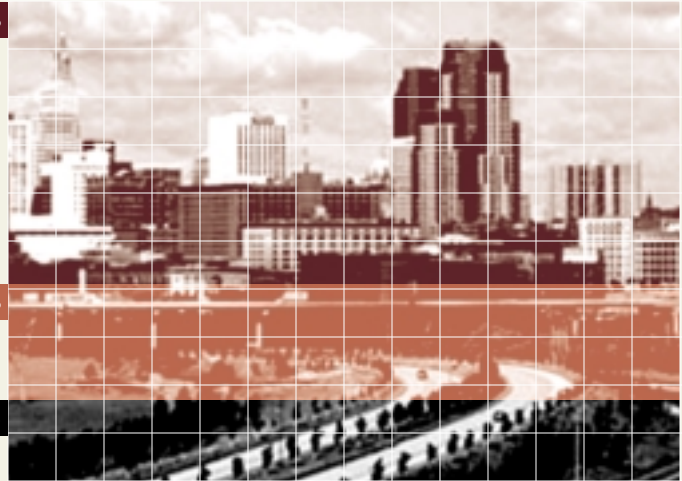
## MEASUREMENT

One final methodological factor that will affect future comparisons is worthy of mention. BOMA International completed a revised method of floor measurement in 1996 after years of careful study. Many office buildings have changed their method of measurement to the BOMA 1996 standards. Generally, these changes increase the total area of the buildings, magnifying the occupancy and vacancy statistics.

(9,390,953 FT<sup>2</sup>) COMPETITIVE 56%

(4,257,762 FT<sup>2</sup>) GOVERNMENT 25%

(3,157,774 FT<sup>2</sup>) OWNER-OCCUPIED 19%



TOTAL UNIVERSE (16,806,489 FT<sup>2</sup>)

## Total Universe

The total universe of office space in the downtown Saint Paul Central Business District, as defined in this report, is 16,806,489 square feet in 2003.

This is an increase of 67,924 square feet, or 1%, over last year's report and an increase of more than 2,000,000 square feet, or 14.1%, over the total universe in 1995, when BOMA compiled its first report. Two new buildings have come on-line and three other buildings have converted office space into housing, which has removed significant space from the office space inventory.

SPECIFIC CHANGES IN THE TOTAL UNIVERSE FROM 2002 TO 2003 INCLUDE:

### ADDITIONS

- U.S. Bancorp Complex, 60 Livingston Avenue, added 350,000 new square feet to the downtown office inventory.
- Ramsey County Adult Detention Center, 14 West Kellogg Boulevard, added 32,000 new square feet to the inventory of downtown office space.

### REMOVALS AND REDUCTIONS

- Lowertown Business Center, 245 East 6th Street, has been removed from the office space roster because the building is being converted into housing. This removes 210,000 square feet of office space from the total universe.
- Produce Exchange Building, 523 Jackson Street, has decreased its available office space to below 20,000 square feet (the minimum required to be included in this report) in a conversion of most of its space into housing.
- Mears Park Plaza, 401 Sibley Street, has decreased its available office space to below 20,000 square feet (the minimum required to be included in this report) in a conversion of some of its space into housing.
- Metro Square Building, 121 East 7th Place, reported a decrease of 45,000 in rentable office square footage.



OVERALL VACANCY/OCCUPANCY

10.9% VACANCY (1,826,069 FT<sup>2</sup>)

89.1% OCCUPANCY (14,980,420 FT<sup>2</sup>)

## Overall Vacancy/Occupancy

Vacancy for the total universe of office space in the Saint Paul Central Business District is 10.9%, or 1,826,069 square feet. This includes competitive office space, government space, and owner-occupied space. This vacancy rate is .2% higher than the overall vacancy reported last year (10.7%, or 1,790,278 square feet).

The 2003 report indicates that 35,971 more square feet are vacant this year than in 2002. The following buildings represent the most significant changes:

- U.S. Bank Trust Center, 180 East 5th Street. U.S. Bank has vacated 51,410 square feet in its move across the river, and its remaining space will be vacated by the end of the year. Unipac also vacated 39,150 square feet in the building, and MetLife downsized by more than 51,000 square feet and is trying to sublease the space. The available space currently stands at 181,788 square feet, and the vacancy could increase to 306,777 square feet by December 1, 2003.

- First National Bank Building, 332 Minnesota Street. Conseco Finance Corporation vacated 110,000 square feet, and Oppenheimer Wolff and Donnelly vacated more than 20,400 square feet. First Farmers & Merchants National Bank leased 1,000 square feet.
- Labor Professional Center, 411 Main Street. The Minnesota Association of Professional Employees will vacate 10,000 square feet.
- Wells Fargo Place, 30 East 7th Street. Winthrop & Weinstine PA vacated 29,000 square feet, while Fiduciary Counselling, Inc. will occupy 29,000 square feet. Arch Insurance Group has leased 14,000 square feet.
- U.S. Bancorp Complex, 60 Livingston Avenue, added 350,000 new square feet to the downtown office inventory.
- North Central Life Tower, 445 Minnesota Street. The Minnesota Attorney General's office renewed its lease of more than 90,000 square feet and leased an additional 30,000 square feet.
- Landmark Towers, 345 St. Peter Street. Conseco Finance leased additional square feet, and TCF National Bank leased 8,500 square feet.
- Hamm Building, 25 West 6th Street. Cavalry Investments has leased 15,000 square feet. Thompson, Koe & Cousins and Heacox, Hartman, Mattaini, Koshmri, Cosgriff & Johnson PA law firms have also moved into the building, and the Saint Paul Chamber Orchestra expanded into the entire third floor.
- Allen Building, 287 East 6th Street. MedLearn leased 19,000 square feet.



# Competitive Office Space Analysis

The Saint Paul Central Business District has approximately 9.39 million square feet of competitive office space, which is 55.8% of the total universe. We have further categorized the competitive space as class A, B or C. (Please see "Classification Criteria," for a description of the factors that determine how office space is categorized.)

The competitive office space in the Saint Paul Central Business District consists of 26.5% class A space, 59.3% class B space, and 14.2% class C space. The percentages for class A and class B space are higher than in 2002, while the amount of class C space has declined. The current reduction in class C space is a trend that will result in a better use of underutilized space and add vitality to downtown Saint Paul.

Significant changes in the percentages of the class A, B and C categories have occurred since 1995:

- Class A office space has increased from 5 buildings and 1.47 million square feet in 1995 to 7 buildings and 2.49 million square feet today. This is an increase from 17% to nearly 27% of the total competitive space in the Saint Paul Central Business District.
- Class B space has increased from 32 buildings and 4.93 million square feet to 34 buildings and 5.57 million square feet. The percentage of class B space has increased slightly to 59.3% from 1995 to 2003.
- Class C space has decreased from 24 buildings and 2.16 million square feet to 18 buildings and 1.33 million square feet. The percentage of class C space has declined accordingly from 25% in 1995 to 14.2% this year.

# Competitive Vacancy/Occupancy

Vacancy is lowest (16.8%) in class A space and highest (22.4%) in class C space. Class B space vacancy is 19.9%. The overall vacancy rate for competitive office space in the Saint Paul Central Business District is 19.4%.

The amount of leased space that is available for sublease is 115,097 square feet. The amount of shadow space, which is vacant office space where the owners/managers are not currently pursuing a sublease, is approximately 150,000-200,000 square feet.

26.5%

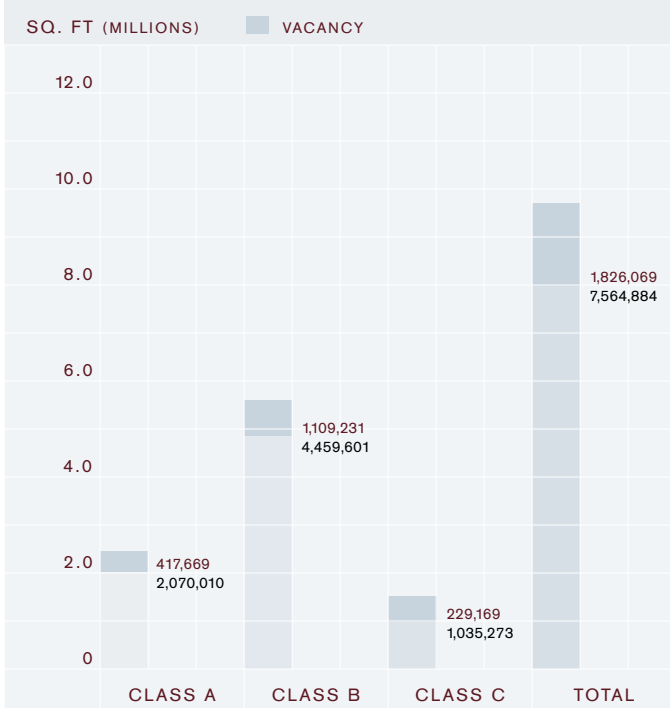
59.3%

14.2%



## COMPETITIVE OFFICE SPACE ANALYSIS

26.5%	CLASS A (2,487,679 FT <sup>2</sup> )
59.3%	CLASS B (5,568,832 FT <sup>2</sup> )
14.2%	CLASS C (1,334,442 FT <sup>2</sup> )



## COMPETITIVE VACANCY/OCCUPANCY

## Competitive Vacancy Trends

Overall vacancy in competitive space increased to 1.83 million square feet, or 19.4%, in 2003. This vacancy is slightly higher than last year's rate of 18.4% (1.79 million square feet) and the 1995 rate of 16.8% (1.44 million square feet). (Note: office space available for sublease is not included in available square footage.)

The class A vacancy rate increased from 15.6% in 2002 to 16.8% in 2003. The total available space increased from 387,813 square feet last year to 417,669 square feet this year. In 1995, class A vacancy was 16.8% and 248,000 square feet.

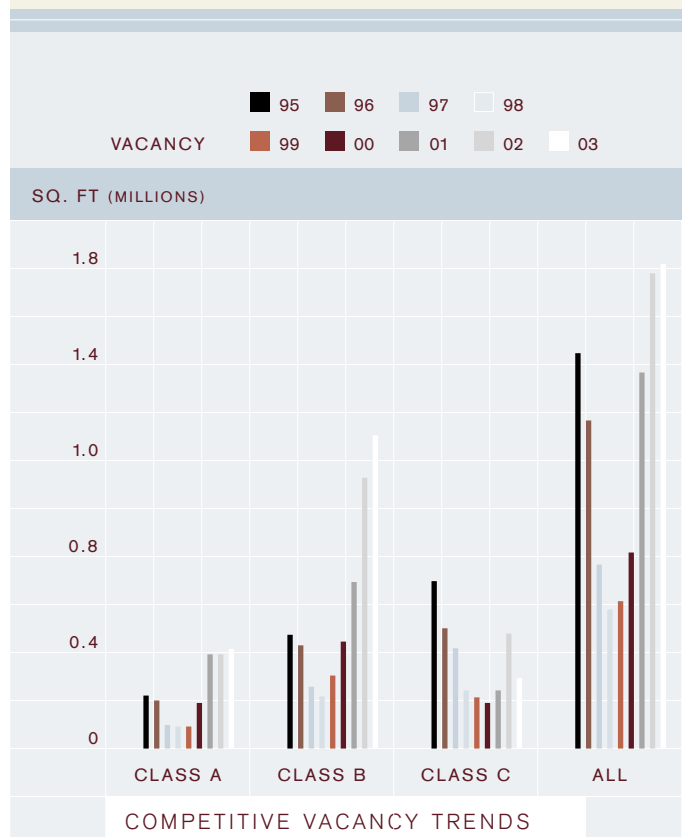
Class B vacancy increased from 16.4% last year to 19.4% in 2003. Class B vacancy was 10.0% and 493,000 square feet in 1995.

Class C vacancy decreased from 29.9% in 2002 to 22.4% in 2003. The vacancy rate in 1995 was 32.3%, with 700,000 square feet vacant, compared to this year's 22.4%, or 299,169 square feet vacant. Class C space has declined from 2.2 million square feet in 1995 to 1.33 million square feet in 2003.

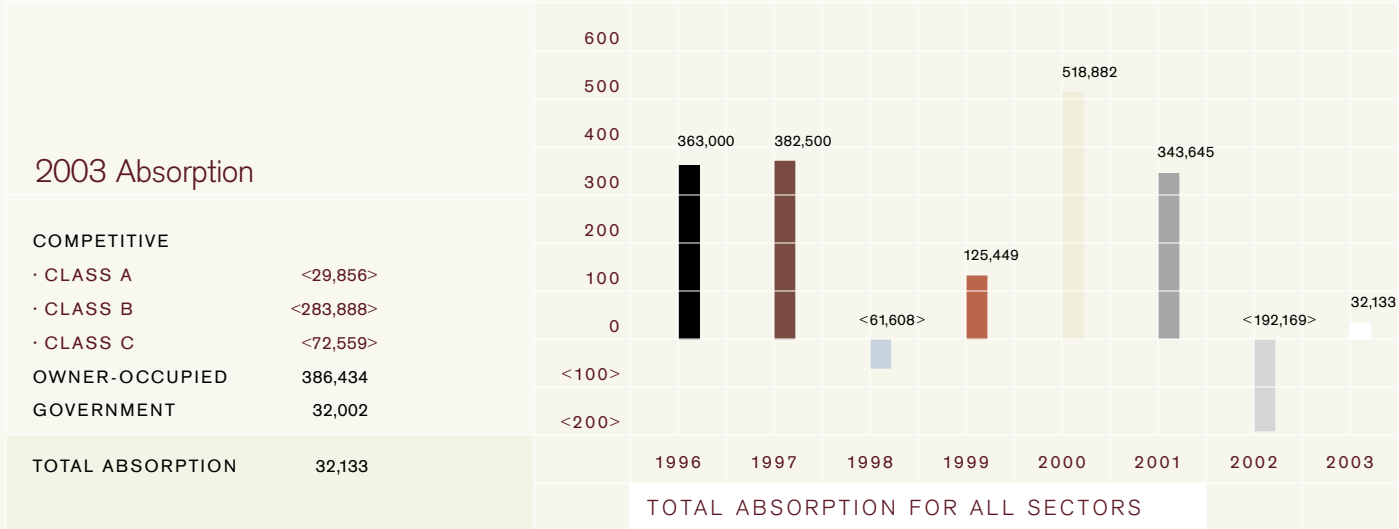
Sublease space totals 115,097 square feet. This compares to 151,390 square feet available for sublease reported last year, a decline of 36,293 square feet.

Some of the space available for sublease is presently occupied. However, if all of the sublease space were added to the competitive vacancy space, there would be a 1.3% increase in this year's competitive vacancy rate, from 19.4% to 20.7%.

OVERALL VACANCY IN COMPETITIVE SPACE INCREASED TO 1.83 MILLION SQUARE FEET, OR 19.4%, IN 2003. THIS VACANCY IS SLIGHTLY HIGHER THAN LAST YEAR'S RATE OF 18.4%



SQ. FT (THOUSANDS)



# Absorption

Absorption is a measurement of the increase or decrease in occupied office space that occurs during a given period of time. This graph compares the absorption of office space that has occurred over the past year to the absorption of office space during the seven prior years.

Absorption for 2003 in the total universe is 32,133 square feet. This means that 32,133 more square feet were occupied in 2003 than in 2002. If absorption is tracked for competitive office space alone, downtown Saint Paul had a negative absorption of <386,303> square feet.

## COMPETITIVE

- Class A office space had a negative net absorption of <29,856> square feet this year. Last year's absorption was also negative at <2,976> square feet.
- Class B office space had a negative net absorption of <283,888> square feet. Significant decreases in occupancy of class B buildings, including First National Bank Building <126,992>, U.S. Bank Trust Center <86,732>, 5th Street Center <17,000>, 375 Jackson <12,718>, and the Metro Square Building <12,393>, explain the negative absorption. In 2002, class B space had a negative absorption of <217,503> square feet.

- Class C office space also had a negative net absorption of <72,559> square feet. In 2002, class C space had a negative absorption of <119,594> square feet.

## OWNER-OCCUPIED

Owner-occupied space contributed a large amount of positive absorption to the market, with a total of 386,434 square feet. The majority of this positive absorption is the result of the U.S. Bancorp Complex adding 350,000 square feet to the market.

## GOVERNMENT

Government space contributed 32,002 square feet to the positive absorption, due to the addition of the Ramsey County Adult Detention Center.

The Saint Paul Central Business District has absorbed a net total of 1,511,832 square feet over the past eight years. This represents an annual average absorption of approximately 188,979 square feet.

\$40.00

\$30.00

\$20.00

\$10.00

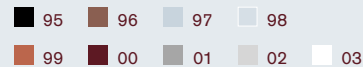
0

CLASS A

CLASS B

CLASS C

MARKET RENTAL RATES



## Market Rental Rates

The quoted gross rental rate for office space is the sum of the net rental rate and operating expenses, including property taxes. The information on net rental rate and operating expenses was obtained directly from the building owners, managers, and leasing agents surveyed for this study, and it represents the list or asking rental rates for each building. The rental rates are intended to reflect the average asking rate for the property. A number of factors influence the actual rental rate in a lease transaction, including location in the building, improvements, parking, term, credit, services, and more.

This section's analysis compares the median gross rental rates of office space in each competitive classification with office space in other classifications and with prior years. The median gross rental rate indicates not the average rate, but the exact middle, with half of the rates above it and half below it.

- Class A: The median gross rental rate decreased by \$1.08 from 2002 to 2003, from a median of \$22.53 per square foot to a median of \$21.45 per square foot. The 2003 median net rental rate is \$11.00. The median gross rental rate has increased by \$6.16 per square foot since 1995, when it was \$15.29.
- Class B: The median gross rental rate decreased by \$0.77 from 2002 to 2003, from \$18.13 per square foot to \$17.36 per square foot. The median gross rental rate has increased \$3.11 since 1995, when it was \$14.25 per square foot.
- Class C: The median gross rental rate increased by \$1.25, from \$14.00 per square foot in 2002 to \$15.25 per square foot in 2003. The 2003 median net rental rate is \$7.50. The median gross rental rate has increased \$5.25 since 1995, when it was \$10.00 per square foot.

For buildings that provided a range for their rental rates, we used the middle of the range provided for the median analysis.

## Significant Market Activity

- U.S. Bancorp Complex, 60 Livingston Avenue. The new \$79-million, 350,000-square-foot office building/parking ramp complex is now fully occupied with 2,400 bank employees. Future plans for the undeveloped land surround the U.S. Bancorp site include a large mixed-use development of up to 1,000 housing units, offices, neighborhood amenities, and businesses.
- State Office Buildings. Three new buildings are being constructed in an effort to consolidate state offices. One is a \$101 million office and parking ramp for the Minnesota Department of Human Services, located just west of the Saint Paul Public Safety Building. The other two buildings – a \$60 million laboratory and a \$93 million office building – will serve the departments of agriculture and public health. They are located just across I-94 and are set to open in 2006. The impact on the multi-tenant market could mean a 3% increase in our vacancy rate.
- North Central Life Tower, 445 Minnesota Street. The Minnesota Attorney General's office renewed its lease for more than 90,000 square feet for 10 years and leased an additional 30,000 square feet by consolidating its offices out of 525 Park Street.
- First National Bank Building, 332 Minnesota Street. Conseco Finance Corporation has vacated 110,000 square feet. Oppenheimer Wolff and Donnelly vacated 20,400 square feet.
- Ramsey County Law Enforcement Center, Lafayette Road and Grove Street. Ramsey County will open a new jail, courtrooms and administrative offices on the northeast edge of downtown in late 2003. The county is seeking buyers for its current home at the Adult Detention Center, 14 West Kellogg Boulevard, which includes 32,000-square-feet of office space. Also late this year, the Saint Paul Police Department will move into the Griffin Building, which is just next door to the Ramsey County Law Enforcement Center and connected by skyway. The city's police department is currently located in the Saint Paul Public Safety Building at 11th and Minnesota Streets. Moving out of the Public Safety Building will open up a major tract of land along I-94/35E for redevelopment.
- Minnesota Public Radio, 45 East Seventh Street. MPR is finalizing plans to expand its current studios and offices, which occupy 50,000 square feet. The public radio network is raising \$41 million for the project, which will involve vacating a block of 9th Street and razing the building at 480 Cedar Street. The demolition and construction are set to begin in 2004, and the project is scheduled for completion by January 2006.
- Saint Paul Public Housing Agency, bounded by 10th, 11th, Wabasha and St. Peter Streets. A new \$15-million office building and parking ramp is scheduled for completion in early 2004 to house the Saint Paul Public Housing Agency. The agency's current location at 480 Cedar Street has been purchased by Minnesota Public Radio to accommodate its expansion plans.

- U.S. Bank Trust Center, 180 East 5th Street. Total vacancy is currently at 181,788 square feet, and it is expected to be approximately 306,777 square feet by December 1, 2003. U.S. Bank has vacated 51,410 square feet in the building in its move across the river, and its remaining space will be vacated by the end of the year. Unipac also vacated about 39,150 square feet in the building, and MetLife downsized by more than 51,000 square feet and is trying to sublease the space.
- Wells Fargo Place (formerly the Minnesota World Trade Center), 30 East 7th Street. Winthrop & Weinstine PA vacated 29,000 square feet, while Fiduciary Counselling, Inc. leased 29,000 square feet. Arch Insurance Group also leased 14,000 square feet.
- Hamm Building, 25 West 6th Street. Cavalry Investments has leased 15,000 square feet in the building. This move more than doubled the Hawthorne Group, Inc., New York-based company's presence in Saint Paul. Other moves into the building include Thompson, Koe & Cousins and Heacox & Hartman law firms, as well as the Saint Paul Chamber Orchestra's future expansion into the entire third floor.
- U.S. Bancorp Piper Jaffray Plaza, 444 Cedar Street. Felhaber, Larson, Fenlon and Vogt PA signed a 13-year lease for 12,000 square feet, which is effective December 1.
- Landmark Towers, 345 St. Peter Street. Conseco Finance has leased additional square feet in this building after leaving First National Bank Building in a consolidation effort. TCF National Bank expanded its presence in the building by leasing an additional 8,500 square feet.
- Lowry Professional Building, 350 Saint Peter Street. Real estate veteran Dick Zehring, who bought the 93-year-old building out of foreclosure, plans to redevelop the top nine floors into 80-90 condominiums. The first three floors will remain approximately 84,000 square feet of office and retail space. Remaining tenants, including The Q and Pazzaluna restaurants and the Saint Paul Office of License, Inspections and Environmental Protection. The deal for the building included the Lowry Parking Ramp. The exact plans and a timetable are yet to be firmed up.
- Allen Building, 287 East 6th Street. MedLearn has leased 19,000 square feet.
- Labor Professional Center, 411 Main Street. The Minnesota Association of Professional Employees will vacate 10,000 square feet.



# Noteworthy

## OFFICE SPACE

- Northwestern Building, 275 East 4th Street. PAK Properties has an agreement that will close this fall to buy the 72,500-square-foot Northwestern Building from Schafer Richardson, Inc. of Minneapolis. This building is currently used for office space.
- Union Depot. Minneapolis apartment building owner Steve Frenz purchased this National Historic Register landmark in March at what is considered a bargain price of \$2.85 million. Frenz plans to improve the property and fill vacant office spaces. Ramsey County continues to eye the more than 80-year-old Union Depot as a mass transit hub for commuter rail and other potential transportation purposes.
- Bureau of Criminal Apprehension, 1430 Maryland Avenue East. The Bureau of Criminal Apprehension will move into its new facility in the fall of 2003 and vacate the state-owned building it now occupies at 1246 University Avenue. The BCA conducts laboratory analysis of evidence for criminal investigations, manages an automated fingerprint system, and maintains a statewide criminal history database.
- Northern Furniture Building, 470 Minnesota Street. Developers are considering options for the adaptive reuse of this five-story, 67,000-square-foot, turn-of-the-century building.
- Woolworth Site, 7th and Minnesota Streets. This site is being considered for a new office building containing 200,000-400,000 square feet of office space.
- Labor Professional Center, 411 Main Street. The public areas of this building, which is home to the Saint Paul Trades and Labor Assembly and some other local unions, have been renovated. With the Ice Palace to be located just across the street this winter, the Labor Professional Center will house vendors for the related festivities.
- Galtier Plaza, 175 East 5th Street. The name of the office portion of this complex has been changed to Atrium at Galtier Plaza.

## HOUSING

- Produce Exchange Building, 523 Jackson Street. PAK Properties was the sole investor and redeveloper of this three-story building, which was built in 1915 as a site for produce to be bought and sold. The building includes 38 condominiums, 36 of which are sold, as well as retail space on the street level, which houses businesses including a talent agency and a sandwich shop.
- Rossmor Building, 500 North Robert Street. Just across the street from the Produce Exchange Building, PAK Properties has purchased and is redeveloping the seven-story Rossmor Building. After being an unofficial home to artists for decades, plans now call for turning the 162,000-square-foot building into 109 loft-style condominiums, which have all been pre-sold, as well as commercial space. The well-known Keys Café & Bakery will remain in the building, and artists had the first opportunity to purchase condominium units.
- Great Northern Lofts, 281 East Kellogg Boulevard. The seven-story, 121,000-square-foot building, which was once the Great Northern Railroad's office headquarters, is being converted into luxury condominiums. Many of the 53 units have already been sold, and some may be ready for occupancy yet this fall. Two vacant buildings across the street have been razed, which has created space for a multi-level parking lot being built for the condominium residents and other parkers.
- Wacouta Commons, bounded by Jackson and East Seventh Streets and Interstate 94. Phase I of the Wacouta Commons project, known as Essex on the Park, opened with 38 brownstone condominium units in 2002. The adjacent Sibley Park Apartments, with 114 units, are also open. Phase II of the project, known as Dakota on the Park, has 37 condo units. The Sibley Court Apartments adjacent to Dakota on the Park has 122 units. Phase III involves converting the six-story WorkForce Building at 9th and Sibley Streets into the 9th Street Lofts, with 49 condominium units. The 9th Street Lofts are scheduled to be ready for occupancy in the fall of 2004. Future plans also include a parking lot.

- Upper Landing. Construction is underway on the Upper Landing, the \$170-million urban village to be located between Xcel Energy Center and the Mississippi River. Known as one of the most ambitious housing developments in Saint Paul history, the 21-acre site is being developed by Dallas-based Centex Homes in conjunction with several other builders. Centex has kicked off the project by constructing five buildings containing 30 townhouses, which should all be completed within a year. In three years, there should be a total of 590 housing units, 90 of them apartments reserved for affordable housing and the rest market-rate condominiums and rental units. Upper Landing will also include commercial space and park land.
- Pointe of Saint Paul, 78 East 10th Street. The 33-story apartment complex is being converted into condominiums. Many of the 290 units have already sold and more will be coming up for sale in the next year.
- Straus Apartments, 350 Sibley Street. After sitting vacant since 1989, the Straus Knitting Company building is being renovated into a 49-unit loft-style apartment complex, with 7,000 square feet of retail space on the ground floor. The renovation is scheduled for completion in 2004.
- Lowertown Business Center, 245 East 6th Street. Developer Henry Zaidan is converting this 216,000-square-foot space into housing. The building includes a parking ramp.
- Mears Park Plaza, 401 Sibley Street. The first and second floor office space is being converted into residential space, which will increase the number of apartment units from 250 to 280.
- O'Connor Building, 266 East 7th Street. Developer George Sherman is considering converting this 20,000-square-foot building into residential units.
- West Side Housing, Robert Street/Wabasha Street/Fillmore Avenue area. George Sherman is working on a deal to build condominiums and townhouses – and perhaps other types of housing – at the West Side end of Wabasha Street Bridge. West Side Flats, a proposed project by developer Jerry Trooien, will likely include up to 700 housing units along with a mixed-use development of offices, retail stores, and neighborhood amenities.
- America House, 352 Wacouta Street. The Wilder Foundation is renovating the America House to add 13 units to the existing 57-unit apartment building, which is intended for low-income and disabled individuals.
- Armstrong-Quinlan House, Eagle Parkway. Saint Paul sold the historic twin Victorian house to the Historic Irvine Park Association for \$1. The group has two years to complete interior renovation into three condominiums. A carriage house will also be built to provide additional housing and parking.
- Lyon's Court, North Quadrant. Developer George Sherman, the Lyngblomsten Home, and First Baptist Church of St. Paul are partnering on this planned senior housing project, to be located between the church and the 9th Street Lofts. Construction could be completed in three years.
- Housing 5000. The city is in the second year of a four-year initiative to add 5,000 new housing units across Saint Paul to help meet the growing demand for residential development in the city. The city, which surpassed its first year goals, is working on the project with public and private partners locally, regionally, statewide, and nationally.

#### OTHER

- Saint Paul Farmers' Market, bound by Broadway, Fourth, Fifth, and Wall Streets. Expansion of the Farmers' Market has begun. The project recently received a \$600,000 grant from the city and has raised \$1.7 million from other sources. A second phase of the project will add a year-round market on the ground floor of a new five-story building, which will also include 41 condominium units. The housing project, which recently received a \$950,000 grant from the Metropolitan Council, is called Market Lofts. Pending the land sale where the new building will be located, the project is set for completion by the fall of 2004.
- St. Joseph's Hospital, 69 West Exchange Street. HealthEast is working on a five-year expansion of the 150-year-old St. Joseph's Hospital that could total \$80-\$100 million.
- Downtown Post Office, 180 East Kellogg Boulevard. The U.S. Postal Service has been looking to relocate its Saint Paul post office headquarters, and many local officials would like to use the existing site and Union Depot next door for redevelopment purposes. Even after a decision is made, the move could take several years.
- 417 Wabasha. This site has been a surface parking lot since Wabasha Court was demolished in 2002. A 12-story building with hotel, office and retail space has been proposed.



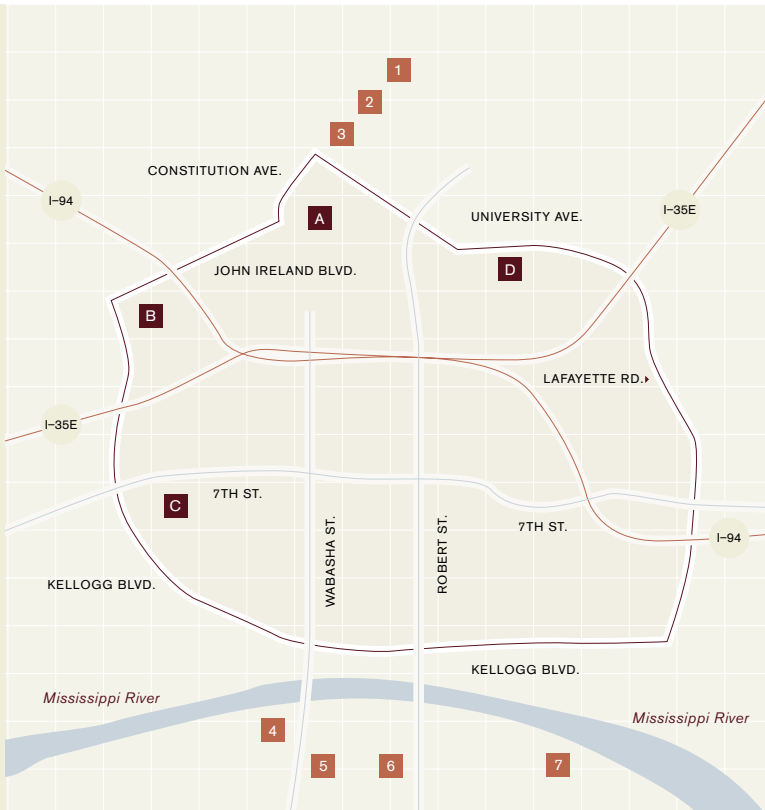
# Noteworthy

## OTHER (CONTINUED)

- Roy Wilkins Auditorium. The RiverCentre Authority received \$2.3 million in the state's 2003 bonding bill for preservation work at the old auditorium, which was named for civil rights pioneer Roy Wilkins.
- West Seventh Street Parking Ramp, Chestnut Street and Smith Avenue. This \$10-million, 490-stall parking ramp is now open. It is generally reserved for workers and patients of the Children's Hospital/United Hospital complex, but it is also used for RiverCentre/Xcel Energy Center event parking.
- Block 19 Ramp, Seventh and Jackson Streets. The city is scheduled to open this \$18.5-million, seven-level parking ramp in 2004. The 1,020-space ramp will reserve 700 spaces for state employees.
- The Headhouse, Upper Landing. The deadline to find an economically feasible reuse for this 1931 grain elevator is in 2004. Officials say they are talking with two potential redevelopers. If a reuse is not found for this remnant of the Mississippi River's commercial history, it will likely be torn down.
- Charter Schools. There are now three charter schools in downtown. The Minnesota Business Academy (505 North Wabasha Street) is in its third year and has about 500 students in three high school programs. The Minnesota Academy of Technology (Sibley Square), a high school sponsored by Saint Paul Technical College, has about 100 students. The Urban Academy Charter School (133 East 7th Street), sponsored by Hamline University, has approximately 150 students in kindergarten through grade three.
- Saint Paul Central Library, 90 West Fourth Street. The 1917 Italian Renaissance Revival building reopened in October 2002 after a two-year, nearly \$16-million restoration/modernization.
- Minnesota Children's Museum, 10 West 7th Street. The new Rooftop ArtPark has opened atop the Minnesota Children's Museum. The 3,500-square-foot permanent gallery emphasizes nature and invites creative expression from young visitors. It features a sand area, a climbing structure, a stream, a glass-walled classroom, and a half-dome to support grapevines and create a stage-like area for performances.
- Science Museum of Minnesota, 120 West Kellogg Boulevard. The National Park Service opened a full-service information center in the Science Museum's lobby. The information center promotes the 72-mile-long Mississippi National River and Recreation Area, which runs through the metro area, and provides information on all 388 national park facilities.
- Environmental Park. The Science Museum of Minnesota is creating a \$2.5-million, 1.2-acre park between Shepard Road and the Science Museum facilities. This park will feature a mini-golf course with an environmental theme and a \$700,000 education center that produces its own emission-free energy.
- Biomass Cogeneration Plant. A \$55-million heating plant, located next to District Energy facilities along the Mississippi River, came online in April 2003. The plant burns scrap wood, making heat for District Energy and electricity for Xcel Energy.
- Overlook Displays. The Science Museum of Minnesota, National Parks Service, and District Energy partnered to produce two new displays that overlook the Mississippi River between the museum and District Energy. One display talks about the co-generation plant; the other explains the flood plain ecology that is typified by the cottonwood trees at Harriet Island Regional Park.
- Water Tower, 10th and Sibley Streets. District Energy expanded its downtown cooling system with a \$10-million, 90-foot-high water tower that holds about 4 million gallons of water.
- A Taste of Minnesota. After 20 years on the State Capitol grounds, the popular food and entertainment festival moved to Harriet Island in 2003. The festival included an art show for the first time ever, which was held downtown in Kellogg Park.
- Linus Blankets Saint Paul. This past summer, nearly 100 Linus statues were placed around the city to celebrate the life and classic cartoon characters of Saint Paul native Charles Schulz. As in the previous three summers, when Snoopy, Charlie Brown, and Lucy were displayed around the city, these statues were a major visitor attraction.
- Landmark Plaza. Located between Landmark Center and Lawson Commons, this new half-acre city park opened in May. Its featured attraction is bronze "Peanuts" characters from Charles Schulz's cartoon creations. Prior to redevelopment, the site held a bank and parking lot.

- Raspberry Island. Work was completed last year on the Schubert Club's \$2-million bandstand on the downstream end of Raspberry Island. Now some local officials want to turn the 4-acre island into a venue for music events at the bandstand or at a new amphitheater to be developed by Minnesota Sports and Entertainment, the Minnesota Wild's parent company. They hope to accommodate audiences up to 5,000 people. In a separate development on the island, the Minnesota Boat Club is spending about \$1 million to upgrade its boathouse.
- Vento Nature Sanctuary. The 35-acre Bruce Vento Nature Sanctuary, named for the late congressman, became a city park last year. Full development of the area, located on downtown's eastern edge, may take five years and cost \$11 million. The city has requested an additional \$400,000 from the federal government to clean up two specific sites in the sanctuary. The city is also working on a \$2-million project to build trails linking the sanctuary with downtown, Mounds Park, and the Bruce Vento Trail by using the 4th Street corridor.
- Upper Landing Park, Eagle Parkway. The city will develop Upper Landing Park on the Mississippi River next year. The site is currently being used as a staging area for Shepard Road construction work.
- Shepard Road. This key downtown artery, which typically carries about 18,000 vehicles a day, closed last year for reconstruction of a half-mile section under the Wabasha Street Bridge. Scheduled to re-open in November, the \$6.5-million project includes the addition of paths and observation decks.
- Boating. Three Mississippi River excursion boats - the Mississippi Queen, the Delta Queen, and the American Queen - made 10 stops in Saint Paul from August through October. Two floating cafes are out of business on Harriet Island's docks, but The Covington Inn, a floating bed and breakfast, remains in operation and the Saint Paul Yacht Club has expansion plans.
- Conceal and Carry. The 2003 Minnesota Legislature passed a conceal and carry law that allows for the lawful carry and possession of guns. The law states that a private establishment may prevent people from bringing guns onto its premises (except in parking areas/facilities). To prevent people from bringing in guns, an establishment must make a "reasonable request," which consists of prominent signage posted at every entrance and personal notification to each visitor.
- Major Upcoming Events. 2004 will be an exciting year for Saint Paul, with the annual Saint Paul Winter Carnival featuring a 60-foot-high walk-through ice palace, the NHL All Star Game coming to Xcel Energy Center in February, and the Grand Excursion steamboat expedition floating up the Mississippi River next summer. The ice palace will be at Cleveland Circle, the former site of the Armstrong-Quinlan House across from Xcel Energy Center. The Grand Excursion will include a series of summer events, and the flotilla of boats will arrive in Saint Paul on July 3.
- City Property Taxes. For the 11th consecutive year, Saint Paul will not increase property taxes in 2004. The property tax levy for the year has been capped at \$64 million.
- Saint Paul Downtown Development Strategy. In March, the City Council adopted a 64-page strategy to guide downtown growth. City staff, downtown residents, and organizations worked together for two years to create the plan. It calls for making Saint Paul a 21st century city where ideas, technology, and creative talent can interact; making downtown a desirable place to live, work, and visit; ensuring that land use is diverse and balanced; better connecting the various parts of downtown and making it pedestrian-oriented; and building on downtown's existing strengths.
- Architectural Awards. The Saint Paul Heritage Preservation Commission and the Saint Paul Chapter of the American Institute of Architects recognized the following downtown projects this year: the Cathedral of Saint Paul for its exterior restoration and the Drake Marble Building for adaptive reuse of the structure.
- Fortune 500 Headquarters. Eighteen Minnesota companies made this year's Fortune 500 list. The top 10 Minnesota listings included Target at number 25, UnitedHealth Group at 63, SuperValu Foods at 81, Best Buy at 91, 3M at 110, U.S. Bancorp at 123, Xcel Energy at 180, Northwest Airlines at 193, The St. Paul Companies at 207, and General Mills at 235.

# Saint Paul Business District Boundaries



## SITE KEY

- Site A = Minnesota State Capitol Building
- Site B = Minnesota History Center
- Site C = Saint Paul RiverCentre
- Site D = Regions Hospital
  
- Site 1 = 590 Park Street
- Site 2 = 555 Park Street
- Site 3 = 525 Park Street
- Site 4 = 1 West Water Street
- Site 5 = Drake Building
- Site 6 = US Bank Operations Center
- Site 7 = River Park Plaza  
Minnesota Dept. of Revenue

## Classification Criteria

The office space market report prepared by Saint Paul BOMA references building classifications A, B, and C. A classification of A, B, or C does not necessarily denote the desirability of the individual building, as office tenants make facilities decisions based on considerations important to their businesses. While such classification of office buildings is common throughout the country and throughout the various submarkets in the Twin Cities, the criteria upon which the classifications are based are not typically defined. Correcting this shortcoming, Saint Paul BOMA has based its building classifications upon the criteria listed below. These criteria are applied subjectively with consensus by the building owners to determine classification. The building classification criteria are:

### LOCATION

- Skyway connection
- Within one block of skyway access
- Further than one block from skyway access

### BUILDING AGE

- Less than 12 years
- Major restoration/renovation, less than 12 years
- 12 years or older, but less than 30 years
- Major restoration/renovation, 12 years or older, but less than 30 years
- Older than 30 years

### BUILDING SIZE/HEIGHT

- Less than 4 stories
- Taller than 4 stories, but less than 11 stories
- Taller than 11 stories, but less than 25 stories
- Taller than 25 stories

# Classification Criteria (CONTINUED)

## CAPITAL IMPROVEMENTS WITHIN THE LAST FIVE YEARS (EXCLUDING TENANT IMPROVEMENTS)

- Less than \$10/GSF
- Greater than \$10/GSF, but less than \$20
- Greater than \$20/GSF, but less than \$25
- Greater than \$25/GSF, but less than \$30
- Greater than \$30/GSF, but less than \$35
- Greater than \$35/GSF

## FENESTRATION (WINDOWS AS PERCENT OF BUILDING EXTERIOR WALL SURFACE)

- Less than 30%
- Greater than 30%, but less than 50%
- Greater than 50%, but less than 65%
- Greater than 65%

## RESTROOMS

- Overall building ratio of less than one men's and one women's restroom per floor
- No less than one men's and one women's restroom per floor
- No less than one men's and one women's restroom per floor meeting ADA criteria for handicap access

## ELEVATORS

- Designated freight elevator that serves all office floors and responds only to freight elevator call button, not the general passenger elevator call button
- Passenger elevators operated with solid state drive
- Passenger elevator "wait interval" averaging 30 seconds or less
- Passenger elevator "wait interval" averaging 31 seconds to 40 seconds
- Passenger elevator "wait interval" greater than 40 seconds
- Passenger elevator maintenance contract that provides for no less than annual inspections and certification as to operating safety; standard preventive maintenance; and priority emergency response (30 minutes or less)
- All passenger elevators with either telephone or emergency intercom facilitating 2-way voice communication, which is in addition to such other emergency alarm capabilities and monitoring

## BUILDING MANAGEMENT SERVICES

- Full-time on-site building manager (CPM or RPA designation)
- Part-time on-site building manager (CPM or RPA designation)
- Owner on-site

## GENERAL BUILDING MAINTENANCE AND REPAIR

- Part-time on-site repair staff
- Full-time on-site repair staff
- Cost per square foot of operating expenses

## CLEANING SERVICES

- Daily Monday-Friday
- On-site on-call workday cleaner
- In-house cleaning staff
- Contract cleaning staff

## HVAC

- Central air
- Heat pump or variable air volume system
- District Energy (heating and/or cooling)
- Make-up air as a percent of outside air introduced to the system

## ASSESSED VALUATION

- Less than \$20/GSF
- Greater than \$20/GSF, but less than \$40
- Greater than \$40/GSF

## EXTERIOR FINISH (CURB APPEAL)/LOBBY ENTRANCE

- Formal lobby at street level entrance
- General level of aesthetics at entrance
- Presence of building

## SECURITY AND LIFE SAFETY

- Tenant spaces and common areas equipped with sprinkler system
- Elevator card access control system
- On-site security personnel
- Security escort service available
- Video monitoring/recording of strategic location in the building
- Free of hazardous materials, including construction materials (such as asbestos, PCBs) and/or such waste as may be generated or stored in the building

# Central Business District Office Building Roster

CLASS A								
NAME	ADDRESS	TOTAL S.F.	AVAIL. S.F.	NET RATE	OP. & TAXES	COMPANY	CONTACT	PHONE
400 BUILDING	400 N. ROBERT STREET	375,500	45,000	\$5.00	\$8.50	MCGOUGH PROPERTIES	ANN STAHLEY	651-248-6946
LANDMARK TOWERS	345 ST. PETER STREET	210,547	6,566	\$11.00	\$10.48	UNITED PROPERTIES	TOM STELLA	651-734-2383
LAWSON COMMONS	380 ST. PETER STREET	429,891	0	\$20.00	\$11.29	FRAUENSHUH COMPANIES	WAYNE KUYKENDALL	651-291-3562
WELLS FARGO PLACE	30 E. 7TH STREET	634,895	265,401	\$13.50	\$9.67	ZELLER REALTY	MIKE WILHELM	612-317-2924
NORTH CENTRAL LIFE TOWER	445 MINNESOTA STREET	248,140	54,460	\$8-12.00	\$10.00	WELSH COMPANIES	ERIC RAPP	651-665-1149
U.S. BANCORP PIPER JAFFRAY PLAZA	444 CEDAR STREET	227,717	39,699	\$9-11.00	\$10.68	UNITED PROPERTIES	ERIC KING	651-734-2385
US BANK CENTER	101 E. 5TH STREET	360,989	6,543	\$10-12.00	\$10.45	THE HEARN COMPANY	LISA ROTHER	651-222-2048
		2,487,679	417,669					
			16.79%					

CLASS B								
NAME	ADDRESS	TOTAL S.F.	AVAIL. S.F.	NET RATE	OP. & TAXES	COMPANY	CONTACT	PHONE
375 JACKSON	375 JACKSON STREET	211,722	87,632	\$8-10.00	\$9.23	FRAUENSHUH COMPANIES	SHERRY HASTINGS	651-291-3576
443 LAFAYETTE ROAD	443 LAFAYETTE ROAD	84,398	0	\$9.00	\$8.00	MERITEX ENTERPRISES	FRED KOEHLER	651-228-4505
444 LAFAYETTE ROAD	444 LAFAYETTE ROAD	239,494	0	\$9.00	\$8.00	MERITEX ENTERPRISES	FRED KOEHLER	651-228-4505
500 LAFAYETTE ROAD	500 LAFAYETTE ROAD	132,041	0	\$9.00	\$8.00	MERITEX ENTERPRISES	FRED KOEHLER	651-228-4505
520 LAFAYETTE ROAD	520 LAFAYETTE ROAD	150,374	0	\$9.00	\$8.00	MERITEX ENTERPRISES	FRED KOEHLER	651-228-4505
555 PARK OFFICE BUILDING	555 PARK STREET	50,215	13,468	\$8-9.00	\$9.44	KRAUS ANDERSON	GARY RYAN	952-948-9406
5TH STREET CENTER	55 E. 5TH STREET	200,626	66,887	\$7.50-8.00	\$9.68	COLLIERS TOWLE	MARTIN WOLFE	651-221-0999
ATRIUM AT GALTIER PLAZA	175 E. 5TH STREET	202,000	65,112	\$5-10.00	\$9.27	WELSH COMPANIES	ERIC RAPP	651-665-1149
BREMER BANK BUILDING	50 E. 5TH STREET	34,875	9,989	\$6-8.00	\$10.30	WELSH COMPANIES	ERIC RAPP	651-665-1149
BROOKS BUILDING	366 JACKSON STREET	20,000	4,000	GROSS \$19.50		BROOKS GROUP	JAUNAE BROOKS	651-225-4840
CAPITOL OFFICE BUILDING	525 PARK STREET	75,309	0	\$9-11.00	\$9.13	UNITED PROPERTIES	TOM STELLA	651-734-2383
CAPITOL PROFESSIONAL OFFICE BUILDING	590 PARK STREET	35,850	13,523	\$8-9.00	\$8.79	KRAUS ANDERSON	GARY RYAN	952-948-9406
COMMUNITY SERVICES BUILDING	166 E. 4TH STREET	52,800	2,800	\$8.50-10.00	\$5.25	GREATER TWIN CITIES UNITED WAY	DAVID FIELDING	651-767-3351
DEGREE OF HONOR BUILDING	325 CEDAR STREET	81,500	1,900	\$6.00	\$8.17	DEGREE OF HONOR BUILDING LLC	JIM CROCKARELL	651-486-3905
DRAKE BUILDING	60 PLATO BLVD. EAST	83,147	17,606	\$13.00	\$7.63	WELLINGTON MANAGEMENT	PETER J. DUFOUR	651-999-5503
ECOLAB UNIVERSITY CENTER	386 N. WABASHA STREET	150,012	0	\$12.00	\$10.44	WELSH COMPANIES	DICK ZEHRING	651-665-5393
FIRST NATIONAL BANK BUILDING	332 MINNESOTA STREET	662,845	204,496	\$3-6.00	\$10.08	MINNESOTA STREET ASSOCIATES	GUY LABARRE	651-225-3665
GALLERY PROFESSIONAL BUILDING	17 WEST EXCHANGE STREET	105,895	35,265	\$13-15.00	\$12.47	COLLIERS TOWLE TURLEY MARTIN TUCKER	JULIE LUX	612-347-9318
GILBERT BUILDING	413 WACOUTA STREET	31,629	9,495	\$8.50	\$7.50	JOHN MANNILLO & ASSOCIATES	JOHN MANNILLO	651-292-8306
GOLDEN RULE BUILDING	85 E. 7TH PLACE	289,378	10,000	\$10.00	\$7.61	COMMERCIAL REAL ESTATE SERVICES	PAT WOLF	651-290-8890
HAMM BUILDING	408 ST. PETER STREET	184,886	58,730	\$6-8.00	\$10.50	THE MARKHAM COMPANY OF SAINT PAUL	KRISTEL HANSEN	651-222-2812
KELLOGG SQUARE	111 E. KELLOGG BLVD.	45,293	20,000	\$8.00	\$9.00	JAMES MILLER INVESTMENT REALTY CO.	JIM MILLER	651-222-2561
LIBERTY SQUARE	133 E. 7TH STREET	50,000	12,500	\$4-8.00	\$6.50	FLAGSHIP USA	BILL WELLER	612-750-8877
MEARS PARK CENTRE	230 E. 5TH STREET	117,566	0	\$12.00	\$7.00	WELSH COMPANIES	CRAIG LEIN	651-665-5395
METRO SQUARE BUILDING	121 E. 7TH PLACE	335,123	40,393	\$10.95	\$8.05	COLLIERS TOWLE	MARTIN WOLFE	651-221-0999
O'CONNOR BUILDING*	266 E. 7TH STREET	20,000	20,000	\$11.00	\$7.00	BROOKS GROUP	DAVE BROOKS	651-298-0753
ONE WEST WATER STREET*	1 W. WATER STREET	28,647	1,500	\$9.00	\$8.00	JAMES MILLER INVESTMENT REALTY CO.	JIM MILLER	651-222-2561
PARK SQUARE COURT	400 E. SIBLEY STREET	132,091	37,679	\$9.17	\$7.83	COLLIERS TOWLE	MARTIN WOLFE	651-221-0999
PIONEER-ENDICOTT BUILDINGS	336 N. ROBERT STREET	288,000	16,000	\$8.00	\$8.00	FRAUENSHUH COMPANIES	BRIAN FIELD	651-312-3213
PUBLIC SAFETY-TOWN SQUARE	445 MINNESOTA STREET	224,000	12,255	\$5-30.00	\$11.50	WELSH COMPANIES	ERIC RAPP	651-665-1149
RIVER PARK PLAZA	10 RIVER PARK PLAZA	328,100	135,000	\$12-16.00	\$9.95	JLT GROUP	JOE MEYER	651-641-1111
SAINT PAUL BUILDING	6 W. 5TH STREET	38,812	8,905	\$10-11.00	\$8.00	COMMONWEALTH PROPERTIES	DEBBIE BURGWARD	651-224-5845
SIBLEY SQUARE	190 E. 5TH STREET	206,390	48,162	\$10.74	\$6.26	COLLIERS TOWLE	MARTIN WOLFE	651-221-0999
U.S. BANK TRUST CENTER	180 E. 5TH STREET	675,814	155,934	\$8-10.00	\$7.69	FRAUENSHUH COMPANIES	WAYNE KUYKENDALL	651-291-3562
		5,568,832	1,109,231					
			19.92%					

\*2002 DATA HAS BEEN USED, WHEN 2003 DATA WAS NOT AVAILABLE

# Central Business District Office Building Roster (CONTINUED)

CLASS C								
NAME	ADDRESS	TOTAL S.F.	AVAIL. S.F.	NET RATE	OP. & TAXES	COMPANY	CONTACT	PHONE
ALLEN BUILDING	287 E. 6TH STREET	112,000	41,000	\$6.00	\$3.50	DACOTAH PROPERTIES	CHARLES ERICKSON	651-224-2907
COMMERCE BUILDING	8 E. 4TH STREET	100,000	0	\$10.00	\$7.00	RUTZICK & ASSOCIATES	JIM RUTZICK	651-292-8777
EMPIRE BUILDING	360 N. ROBERT STREET	55,000	18,500	GROSS \$12-15.00		POWER MANAGEMENT	NICKY SCARRELLA	651-298-9977
EXCHANGE BUILDING	26 E. EXCHANGE STREET	65,000	6,000	GROSS \$12-15.00		COMMONWEALTH PROPERTIES	DEBBIE BURGWALD	651-224-5845
GRACE BUILDING	421 N. WABASHA STREET	40,500	6,000	\$3.00	\$5.00	VICTORY CAPITAL CORPORATION	RANDY GELLER	651-222-8971
HOMESTYLES BUILDING	213 E. 4TH STREET	30,864	2,500	\$8-\$12.00	\$8.00	WELSH COMPANIES	JERRY GILMAN	952-897-7812
JAX BUILDING*	253 E. 4TH STREET	60,000	54,000	\$1.75	\$3.25	JAMES MILLER INVESTMENT REALTY CO.	JIM MILLER	651-222-2561
LABOR PROFESSIONAL CENTER	411 MAIN STREET	28,000	0	\$9.00	\$11.00	BAUMEISTER & ASSOCIATES	ART BAUMEISTER	651-292-9493
LANDMARK CENTER	75 W. 5TH STREET	48,012	1,000	\$7.00	\$10.00	MINNESOTA LANDMARKS	AMY MINO	651-292-3285
LOWRY PROFESSIONAL BUILDING	350 ST. PETER STREET	223,428	27,641	\$10-12.00	\$7.59	WELSH COMPANIES	ERIC RAPP	651-665-1149
MARKET HOUSE	289 E. 5TH STREET	37,730	10,000	GROSS \$10-14.00		COMMONWEALTH PROPERTIES	DEBBIE BURGWALD	651-224-5845
MINNESOTA BUILDING	46 E. 4TH STREET	101,000	12,300	GROSS \$11-14.00		COMMONWEALTH PROPERTIES	DEBBIE BURGWALD	651-224-5845
NORTHWESTERN BUILDING	275 E. 4TH STREET	72,500	10,300	\$5-7.00	\$5.00	PAK PROPERTIES	ROBERTA SCHULTZ	612-965-2929
RAILROADER PRINTER BUILDING	235 E. 6TH STREET	36,000	1,700	GROSS \$16-20.00		WELSH COMPANIES	ERIC RAPP	651-655-1149
RENAISSANCE BOX	210 E. 10TH STREET	62,500	12,000	\$12.00	\$2.50	RENAISSANCE BOX	MARTIN LEBELL	651-222-4490
ROSSMOR BUILDING	500 N. ROBERT STREET	162,000	50,000	\$5-7.00	\$5.00	PAK PROPERTIES	ROBERTA SCHULTZ	612-965-2929
UNION DEPOT	214 E. 4TH STREET	69,908	41,728	\$7.50	\$8.50	NORTHCO	TOM IMMEN	952-820-1600
UNIVERSITY CLUB DOWNTOWN	340 CEDAR STREET	30,000	4,500	GROSS \$15-20.00		COMMONWEALTH PROPERTIES	DEBBIE BURGWALD	651-224-5845
		1,334,442	299,169					
			22.42%					

\*2002 DATA HAS BEEN USED, WHEN 2003 DATA WAS NOT AVAILABLE

SUBLEASE			
NAME	ADDRESS	CLASS	TOTAL S.F.
LAWSON COMMONS	380 ST. PETER STREET	A	20,000
NORTH CENTRAL LIFE TOWER	445 MINNESOTA STREET	A	11,997
U.S. BANCORP PIPER JAFFRAY	444 CEDAR STREET	A	1,600
GOLDEN RULE BUILDING	85 E. 7TH PLACE	B	15,000
SAINT PAUL BUILDING	6 W. 5TH STREET	B	16,500
U.S. BANK TRUST CENTER	180 E. 5TH STREET	B	50,000
			115,097

# Central Business District Office Building Roster (CONTINUED)

OWNER OCCUPIED					
NAME	ADDRESS	TOTAL S.F.	COMPANY	CONTACT	PHONE
255 EAST KELLOGG BUILDING	255 E. KELLOGG BLVD.	26,000	GOFF & HOWARD	PAULA HOWARD	651-292-8062
317 ON RICE PARK	317 WASHINGTON STREET	24,000	MINNESOTA WILD	TIM WOLFGRAM	651-312-3414
401 BUILDING	401 N. ROBERT STREET	571,500	MINNESOTA LIFE	ANN STAHLEY	651-665-4450
480 CEDAR	480 CEDAR STREET	67,798	MINNESOTA PUBLIC RADIO	TIM STROMGREN	651-290-1509
CHICAGO GREATWESTERN FREIGHT CONDOS	381 E. KELLOGG BLVD.	50,160	WAI CONTINUUM	DAVID WOLTERSTORFF	651-227-0644
DIAMOND PRODUCTS COMPANY BUILDING	310 E. 5TH STREET	35,000	DIAMOND PRODUCTS COMPANY	CRAIG BECKON	651-292-4260
ECOLAB CORPORATE CENTER	370 N. WABASHA STREET	218,387	ECOLAB, INC.	DAVID BERGSTROM	651-293-2307
ECOLAB GLOBAL COMMUNICATIONS CENTER	360 N. WABASHA STREET	69,929	ECOLAB, INC.	DAVID BERGSTROM	651-293-2307
JEMNE BUILDING	305 ST. PETER STREET	25,000	WOLD ARCHITECTS AND ENGINEERS	CALVIN SPRAIN	651-227-7773
LEAGUE OF MINNESOTA CITIES BUILDING	145 W. UNIVERSITY AVENUE	56,000	LEAGUE OF MINNESOTA CITIES	NANCY TINDALL	651-215-4014
MARKET STREET TOWERS	70 W. 4TH STREET	339,000	QWEST	DEBBIE REESE	651-221-4962
MINNESOTA PUBLIC RADIO BUILDING	45 E. 7TH STREET	50,000	MINNESOTA PUBLIC RADIO	TIM STROMGREN	651-290-1509
SAINT PAUL PIONEER PRESS BUILDING	345 CEDAR STREET	150,000	SAINT PAUL PIONEER PRESS	TERRY HOLMAN	651-228-5090
SCIENCE MUSEUM OF MINNESOTA	120 W. KELLOGG BLVD.	40,000	SCIENCE MUSEUM OF MINNESOTA	TOM CARLSON	651-221-4774
THE ST. PAUL COMPANIES	385 WASHINGTON STREET	1,000,000	THE ST. PAUL COMPANIES	JIM SCANNELL	651-310-3393
TWIN CITIES PUBLIC TELEVISION BUILDING	172 E. 4TH STREET	85,000	TWIN CITIES PUBLIC TELEVISION	LINDA MCCORMICK	651-229-1341
US BANK WEST SIDE FLATS OPERATION CENTER	60 LIVINGSTON AVENUE	350,000	US BANK	DAVE GRANDPRE	651-244-1307
		3,157,774			

GOVERNMENT					
NAME	ADDRESS	TOTAL S.F.	ENTITY	CONTACT	PHONE
ADMINISTRATION, MINNESOTA DEPARTMENT OF	50 SHERBURNE AVENUE	71,411	STATE OF MINNESOTA	BEV KROISS	651-296-1896
BUREAU OF CRIMINAL APPREHENSION	1246 UNIVERSITY AVENUE	69,298	STATE OF MINNESOTA	BEV KROISS	651-296-1896
CAPITOL BUILDING	75 CONSTITUTION AVENUE	313,509	STATE OF MINNESOTA	BEV KROISS	651-296-1896
CENTENNIAL BUILDING	658 CEDAR STREET	282,515	STATE OF MINNESOTA	BEV KROISS	651-296-1896
CITY HALL ANNEX	25 W. 4TH STREET	114,000	CITY OF SAINT PAUL	DAVE NELSON	651-266-8860
CITY HALL/COURTHOUSE	15 W. KELLOGG BLVD.	240,000	RAMSEY COUNTY	JOLLY MANGINE	651-266-2261
CITY OF ST. PAUL HRA BUILDING	494 SIBLEY AVENUE	65,000	CITY OF SAINT PAUL	READUS FLETCHER	651-266-6552
DON JUNEMANN BUILDING	555 CEDAR STREET	27,000	RAMSEY COUNTY	JOLLY MANGINE	651-266-2261
ECONOMIC SECURITY BUILDING	390 N. ROBERT STREET	120,000	STATE OF MINNESOTA	KEVIN HUBBARD	651-296-3601
EUGENE MCCARTHY POST OFFICE	180 E. KELLOGG BLVD.	460,000	U.S. GOVERNMENT	JOHN ZIEBA	651-293-3144
FORD BUILDING	117 UNIVERSITY AVENUE	51,613	REAL ESTATE MANAGEMENT	BEV KROISS	651-296-1896
HAROLD E. STASSEN BUILDING	600 N. ROBERT STREET	394,827	STATE OF MINNESOTA	BEV KROISS	651-296-1896
JUDICIAL CENTER, MINNESOTA	25 CONSTITUTION AVENUE	227,446	STATE OF MINNESOTA	BEV KROISS	651-296-1896
JUVENILE FAMILY JUSTICE CENTER	25 W. 7TH STREET	59,000	RAMSEY COUNTY	JOLLY MANGINE	651-266-2261
PUBLIC SAFETY ANNEX	100 E. 10TH STREET	53,162	CITY OF SAINT PAUL	DAVE NELSON	651-266-8860
PUBLIC SAFETY BUILDING	100 E. 11TH STREET	60,720	CITY OF SAINT PAUL	DAVE NELSON	651-266-8860
RAMSEY COUNTY ADULT DETENTION CENTER	14 W. KELLOGG BLVD.	32,000	RAMSEY COUNTY	JOLLY MANGINE	651-266-2261
RAMSEY COUNTY GOVERNMENT CENTER - EAST	160 . KELLOGG BLVD.	237,518	RAMSEY COUNTY	JOLLY MANGINE	651-266-2261
RAMSEY COUNTY GOVERNMENT CENTER - WEST	50 W. KELLOGG BLVD.	400,000	RAMSEY COUNTY	JOLLY MANGINE	651-266-2261
STATE OFFICE BUILDING	100 CONSTITUTION AVENUE	247,828	STATE OF MINNESOTA	BEV KROISS	651-296-1896
TRANSPORTATION, MINNESOTA DEPARTMENT OF	395 JOHN IRELAND BLVD.	313,159	STATE OF MINNESOTA	BEV KROISS	651-296-1896
VETERANS SERVICE BUILDING	20 W. 12TH STREET	78,507	STATE OF MINNESOTA	BEV KROISS	651-296-1896
WARREN E. BURGER FEDERAL COURTS BUILDING	316 N. ROBERT STREET	339,249	U.S. GOVERNMENT	SHIRLEY MCGEE	651-290-4127
		4,257,762			



THE LEASING AND MARKETING COMMITTEE OF THE GREATER  
SAINT PAUL BUILDING OWNERS AND MANAGERS ASSOCIATION:

WAYNE KUYKENDALL, CO-CHAIR, FRAUENSHUH COMPANIES  
PAT WOLF, CO-CHAIR, COMMERCIAL REAL ESTATE SERVICES  
MIKE CONROY, SMED INTERNATIONAL  
ROB KOST, UNITED PROPERTIES  
GUY LABARRE, MINNESOTA STREET ASSOCIATES  
MIKE MARINOVICH, CB RICHARD ELLIS  
NILS SNYDER, WELSH COMPANIES  
MIKE WILHELM, ZELLER REALTY  
DICK ZEHRING, WELSH COMPANIES

Financial contribution provided by Capital City Partnership.  
Copyright 2003, Greater Saint Paul Building Owners and  
Managers Association. All rights reserved. No part of this  
report may be reproduced without written permission from  
the Greater Saint Paul Building Owners and Managers  
Association. Figures contained in this report may be published  
by the media with attribution to the Greater Saint Paul Building  
Owners and Managers Association.





GREATER SAINT PAUL  
BUILDING OWNERS AND  
MANAGERS ASSOCIATION

W-2950 First National Bank Building  
332 Minnesota Street  
Saint Paul, Minnesota 55101

[www.bomastpaul.org](http://www.bomastpaul.org)  
TEL 651 291-8888  
FAX 651 291-1031