

A publication of **KBS**

2017 ISSUE

PREMIER OFFICE

magazine™

Feature Story

High tech tenants



**BROKERS PICK FAVORITE
U.S. GOLF COURSES**

Survey Results on page 42

INSIDE:

FOCUS ON TECHNOLOGY | WIRED! | MEGA-CITIES | ENTREPRENEUR: CHUCK COHN
BUILDING A BETTER CRE ECOSYSTEM | FEATURE PROPERTY: FINANCIAL CENTER AT THE GARDENS



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LETTER FROM THE CEO

We are pleased to present our fifth issue of Premier Office Magazine. The feedback we have received from real estate professionals across the United States has been positive.

In this issue our focus is on technology.

In many respects, technology is changing the way commercial real estate is acquired, managed, operated and sold. At the forefront of this change is VTS, a leasing and asset management software platform that has created fundamental change in how transactions are processed. KBS along with many of the largest owners and brokerages are welcoming this new technology. KBS chats with VTS CEO and former real estate broker, Nick Romito about how VTS is transforming our industry.

Our focus on technology also includes a feature on the new WiredScore certification standard. KBS was one of the early adopters of this standard with many of the properties in our national portfolio earning the WiredScore Gold and Silver designations. Wired-certified properties send a signal to tenants — especially those in the tech sector — that our buildings are places where they can maximize their business operations.

Both Peter Bren and I are passionate about the entrepreneurial spirit in the United States. In each issue of our magazine we seek to profile an aspiring entrepreneur from our roster of more than 3,000 tenants. This year we selected Chuck Cohn whose start-up company, Varsity Tutors was kick-started with a \$1,000 loan from his parents and has grown to become one of the most successful new educational enterprises in America. Chuck headquarters his operations at our 101 South Hanley office building in St. Louis.

Another article we were proud to write concerns our partnership with the Orange County Community Foundation and the OC Veterans Initiative. Transitioning out of the military continues to be a challenge for many veterans, especially those who served multiple tours of duty. The OC Veterans Initiative has brought together some of the top real estate and business leaders here in Southern California to identify and help to support specific charities that are doing the best for these returning veterans and their families. We are very excited about the future of this initiative.

There are additional stories and interviews in this issue of our magazine. I also want to thank all of our valued relationship partners who have supported us in this effort. I want to wish everyone a healthy and successful 2017.

God bless America



Charles J. Schreiber Jr.

Chief Executive Officer
KBS





Advertisers Index

Greenberg Traurig	Inside Front Cover
Ramboll Environ	5
Ryan	7
Wells Fargo	15
Mayer Brown	21
DLA Piper	23
Marx Okubo	25
CoStar Group	29
U.S. Bank	31
Taylor Digital	35
Prosek	47
500 West Madison	Inside Back Cover
Bank of America Merrill Lynch	Back Cover

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This Issue

COVER PHOTO
CARILLON
Charlotte, NC

8 **KBS**
News Notes

10 **COMMUNITY**
KBS Supports OC Veterans Initiative

12 **SPACE PLANNING**
Innovative Workspaces Engage Employees

14 **REAL ESTATE IQ**
Building a Sense of Community

16 **DEALS**
Recent KBS Acquisitions

18 **ENTREPRENEUR**
Varsity Tutors' Chuck Cohen

22 **FOCUS ON TECHNOLOGY**
WIRED!

26 **FOCUS ON TECHNOLOGY**
High Tech Tenants

32 **FOCUS ON TECHNOLOGY**
Building a Better CRE Ecosystem

34 **TRENDS**
The Megacity Opportunity

36 **TENANTS**
KBS Power Tenants

38 **SERVICE**
2017 Service Champion Awards

40 **FEATURE PROPERTY**
Financial Center at the Gardens

42 **OUTSIDE THE OFFICE**
CRE's Favorite Golf Courses

48 **FINANCE**
Interview with Rex Rudy, U.S. Bank

49 **CASE STUDY**
The Anatomy of a Spec Suite Program

50 **RESOURCE**
The KBS Asset Management Team

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News Notes

KBS CLAIMS THREE TOBYS

The local-level Outstanding Building of the Year (TOBY) Awards for 2015 were announced in 2016, and three KBS properties — 201 Spear Street, RBC Plaza and 171 17th Street — received awards. KBS was pleased to announce that RBC Plaza in Minneapolis and 201 Spear Street in San Francisco went on to win the regional TOBY Awards and advanced to the Building Owners and Managers Association (BOMA) International competition.

Established by BOMA International, the distinguished TOBY Awards were developed in 1985 to honor and recognize quality in office building operations and reward excellence in office building management. During the competitions, all facets of a building's operations are thoroughly evaluated. Buildings are judged on everything from community involvement and site management to environmental and "green" policies and procedures.

REGIONAL WINNER



201 Spear - San Francisco

REGIONAL WINNER



RBC Plaza - Minneapolis

LOCAL WINNER



171 17th Street - Atlanta



Clubhouse at the Kohler Straits Course. Image courtesy Kohler Co.

KBS HOSTS BROKER EVENT IN KOHLER

In July 2016, KBS hosted over 28 real estate professionals at the beautiful American Club Resort in Kohler, Wisconsin.



KBS' Gio Cordoves with Pete Kostroski, Mike Salmen and Chris Rohrer (left to right) enjoying a round at the scenic Blackwolf Run course in Kohler, Wisconsin.

The American Club is a world-class destination, preserving the history of yesteryear and includes four award-winning championship golf courses at Whistling Straits® and Blackwolf Run®, proud host of the 2004, 2010 and 2015 PGA Championships; the 2007 U.S. Senior Open; the 2020 Ryder Cup Matches; the Andersen Consulting World Golf Championships in 1995, 1996 and 1997; and the U.S. Women's Open in 1998 and 2012. It's also home to nine distinctive restaurants, boutique shops and Kohler Waters Spa — one of only 47 spas in the world to claim Forbes Five Star distinction.

CHARLES RIVER RENEWS 83,177 SF AT MT. AUBURN

KBS was pleased to announce the signing of an 83,177-square-foot lease with Charles River Analytics at 625 Mount Auburn Street in Cambridge, Massachusetts. Charles River Analytics is a tenant at the property renewing and expanding its existing lease. The company develops custom intelligent systems for government and commercial customers.



625 Mount Auburn Street comprises 136,585 RSF and is located in the West Cambridge submarket 1.25 miles west of Harvard Square. It has direct bus access to all the amenities in Harvard Square, including the MBTA commuter rail line.

On-site amenities include a fitness facility, shared conference room, café, and covered parking. The amenities in the surrounding area include several dining, shopping and entertainment options.



▶ BofA TOWER COMPLETED

Considered one of the strongest markets in the U.S., Raleigh, North Carolina, is the location of Bank of America Tower, which was developed in a partnership between KBS and Kane Realty. Soaring 18 stories with 300,000 RSF, floor-to-ceiling glass and typical floor plates up to 28,647 RSF, the property is one of the tallest buildings in Midtown Raleigh.

BofA Tower features one of North Carolina's two Capital Grilles, covered parking on-site (floors 2-7) plus free parking across the entirety of the project. The property is targeting a minimum of LEED Silver accreditation and also features six high-speed elevators with direct office access, an interior loading dock with storage and an abundance of housing and retail within the North Hills 24/7 mixed-use development.



▶ WHAT TENANTS WANT

In conjunction with Kingsley and Associates, KBS recently completed an independent survey of its tenants. One of the questions asked was to rank amenities that were important to their tenancy. Here are the top 10 amenities in order of importance:

1. Common building conference center
2. On-site restaurant/deli
3. Fitness center
4. Multiple Internet providers
5. Overnight mail drop
6. Smartphone work order requests
7. Electric car charging stations
8. Free building Wi-Fi in common areas
9. Bike racks/storage lockers/showers
10. Recycling program

These findings reflect a larger office trend that mimics employee behavior and work preferences. Employees spend more time at the office, so it makes sense that conference centers, fitness centers and on-site food establishments rank high on tenants' lists. It's all about convenience and flexibility.

▶ KBS DEVELOPMENTS

KBS is pleased to announce four joint-venture developments presently underway in key markets displaying an appetite for new construction.

Midtown Plaza is a 330,000-square-foot office tower in the North Hills submarket of Raleigh, North Carolina. The development was 83.5 percent pre-leased before the start of construction, which is expected to be complete in July of 2017. KBS is partnering with Kane Realty on the development. Anchoring the 12-story tower is Allscripts (NASDAQ: MDRX), a leader in health care information technology. The North Hills mixed-use development includes multifamily housing and lodging as well as high-end entertainment and retail offerings.

KBS and Kane are also developing Park Central, a 286-unit apartment building with 36,000 square feet of retail amenities located in the North Hills submarket of Raleigh. Completion is scheduled for May of 2017.

Salt Lake City, Utah, has been a big market on KBS' radar with recent acquisitions such as 222 Main and Millrock Park. Companies have been attracted to this market due to the high quality of life and talented labor pool. KBS is currently developing Hardware Village, a 471-unit apartment building



Rendering



Rendering



Depicted from top to bottom, Midtown Plaza, Park Central Apartments, Hardware Village and The Macy's Building are four KBS developments currently underway within high-demand submarkets.

on the site of the KBS-owned Salt Lake City Hardware Building, a unique brick and timber building that has attracted a number of creative firms. Completion of Hardware Village is scheduled for the fourth quarter of 2018.

KBS was also pleased to announce its partnership with Sterling Bay for the redevelopment of floors one through five of the historic Meier & Frank Building in downtown Portland. The space was formerly occupied by Macy's. KBS and Sterling will reposition the space as mixed-use office and retail. The popular Nines Hotel occupies the building's upper floors and features a rooftop restaurant with skyline views.

"With our real estate track record and our successful fundraising efforts, KBS has been an ideal partner for some of the nation's premier real estate developers," commented KBS CEO Chuck Schreiber. "Markets like Raleigh, Portland and Salt Lake City have provided opportunities within mixed-use developments that are often leased up before construction is complete. Companies are attracted to these areas as they provide great working environments for today's workforce."



KBS Supports OC Veterans Initiative

COMMUNITY

Taking Action That Matters to Veterans — and Gives Back to the OC Community as Well



KBS was honored to help sponsor the first OC Real Estate Luncheon, which featured keynote speaker former Chairman of the Joint Chiefs of Staff, Admiral Mike Mullen. The event raised \$580,000 that will be directed to specific Orange County charities that are helping veterans in the areas of health, education and employment.

It's Monday, and you're in a world where high standards are the norm. Everyone is valued, respected and appreciated. You're well trained, with skills that are exactly what's needed to achieve the goals of your tight-knit group. In fact, your training protects your life and that of your comrades. You're literally on the battlefield, and adrenaline is your daily fuel.

Then Wednesday comes. And suddenly, everything's changed. You have no job, no band of brothers, no one to lead . . . and no one to follow. In fact, you may feel like you have no bearings at all.

Welcome to life as a new military veteran. In the words of one former soldier quoted in a groundbreaking study by USC's Center for Innovation and Research on Veterans and Military

Families, "I was in combat one day and two days later I was in San Francisco. ... Dropped my rifle off, my sea-bag ... and I had to find my way home."

Transitioning out of the military is a tough gig for many.

While this example may not be true of all veterans, transitioning out of the military is a tough gig for many. And in Orange County, which is home to over 130,000 veterans, that gig is often even tougher. Because Orange County has no active military installation, it can be especially difficult to plug in to veteran services — the very services that can make all the

difference in whether a veteran succeeds or falters at home.

Thankfully, the Orange County Community Foundation (OCCF) is on the task. With three years of experience helping veterans and guided by the findings of the USC study it commissioned, OCCF is excited to be spearheading real change through its Orange County Veterans Initiative. And KBS, an organization committed to serving those who've sacrificed for America's freedoms, is proud to be a part of it.

Says OCCF President Shelley Hoss, "People and businesses in Orange County have always had a heart for veterans, but they haven't always known how to help." In 2011, OCCF launched its Orange County Veterans Initiative to

assist returning servicemen and women reintegrate into civilian life by fueling “innovative approaches to solving critical gaps in services for local veterans and their families.” Through the initiative, in 2015, OCCF awarded \$500,000 to seven “gap-filling” Orange County nonprofits: 211 Orange County, Child Guidance Center, Easter Seals Southern California, Medtech & Biotech Veterans Programs, Goodwill Industries of Orange County, Irvine Valley College Foundation and Volunteers of America Greater Los Angeles. Thanks to a new annual event organized in partnership with KBS and other top real estate companies and financial institutions, OCCF will be doing even more to positively impact Orange County veterans.

A major boost arrived in April 2016 when KBS and other leaders in the real estate industry came together at the inaugural OC Real Estate Luncheon.

The initiative has expanded since gaining clarity and fresh insights from USC’s “The State of the American Veteran: The Orange County Veterans Study.” An in-depth assessment of over 1,200 veterans and spouses, the 2015 study provided first-ever comprehensive information about veterans living in Orange County. Importantly, it confirmed these men and

women, particularly younger (post-911) veterans, are often unprepared to return to civilian life. It also concluded there was no single veteran support agency capable of taking a holistic approach to solving the problem. As Hoss puts it, “The big nut is veterans having access to the understanding of and the delivery of services. It takes a lot of effort to actually plug in to services. That’s why the initiative is so important.”

A major boost arrived in April 2016 when KBS and other leaders in the real estate industry came together at the inaugural OC Real Estate Luncheon. Keynote speaker and former Chairman of the Joint Chiefs of Staff Admiral Mike Mullen spoke about the challenges veterans face after their military careers end, including dealing with a culture at home that seems to say, “Thank you very much for your service; have a nice life.” By providing funding and expertise to unite efforts of already effective organizations, OCCF and its partners are helping create an environment where nonprofits can meet together, build trust with veterans and problem solve.

As a founding sponsor of the annual luncheon, KBS was proud to appoint Vice President of Human Resources and former Marine David Zamudio to serve on the selection committee. Composed of OCCF representatives, local business leaders and former military members, the committee will carefully select nonprofits with proven track records in three critical areas of need identified by the study: health, education and especially employment. Perhaps most significantly, says Zamudio, he and other committee members will collaborate with grant recipients to ensure the work they do evolves, extending the



initiative’s reach and improving results. Says Zamudio, “This initiative provides leadership, and we’re blazing a trail for others to get involved so it can grow stronger and faster. Beyond ensuring dollars go to the right organizations, we’re working alongside them, sharing our expertise and providing oversight so they can fine-tune and expand their efforts. Everyone here has the same goal — to make sure veterans can really benefit from the services that are available.”

Another goal is to change the narrative surrounding veterans who, thanks to films like “American Sniper,” are often portrayed as sympathetic yet damaged goods — people who may even pose a hiring risk. As Hoss and Zamudio are quick to point out, nothing could be further from the truth. Says Zamudio, “You’ll typically be rewarded when hiring a vet. Veterans are problem solvers and leaders who just need help translating those skills to civilian life.” Together with KBS and its other business and community partners, OCCF is determined to go far beyond saying “Thanks for your service” to actually showing veterans appreciation. By turbocharging the Orange County Veterans Initiative, the annual O.C. Real Estate Luncheon is forging a path so local veterans can not only find their way home, but thrive as civilians.

by Dara Holland

FCM





Located at 550 East Swedesford Road in the Wayne suburb of Philadelphia, Pennsylvania CrossPoint is home to the Corporate Interiors' WorkLife Studio, a collaborative space that helps professionals with advanced workspace development.



Innovative Workspaces Engage Employees

CrossPoint, a 272,360-square-foot KBS-owned office property near Philadelphia, features an innovative WorkLife Studio where architects, designers and space-planning decision makers can discover and create inspirational workspaces.

Workers are rejecting the old way of working and are seeking spaces that inspire. The uniform approach to what a workspace “should” be limits potential inspiration, creativity and social connection with others. Organizations are coming together to create spaces that enrich the physical, cognitive and emotional well-being of their employees.

To help decision-makers realize these opportunities, Corporate Interiors, a KBS tenant at the CrossPoint office building near Philadelphia, has created a variety of work settings in what they call the WorkLife Studio.

The WorkLife Studio provides designers and space planners the opportunity to actually see built-out spaces that support deep-focused solo work, collaboration,



meetings and socialization, thus supporting a healthy work/life balance for all associates. It is a workshop designed to create more advanced workspaces that successfully integrates all that Corporate Interiors brings to the marketplace, including commercial office furniture, architectural wall systems, custom millwork and cabinetry, flooring solutions and audiovisual integration.

“The WorkLife Studio is a place to collaborate and create more advanced workspaces that effectively support current workplace trends,” commented Janice Leone, principal of Corporate Interiors. “These trends include optimizing real estate, providing a balance of collaborative and private work settings, supporting an organization’s brand, culture and well-being and successfully engaging the four generations in the workplace today.”

A workplace “ecosystem” of spaces helps supports employee engagement

People at work need to focus, collaborate, rejuvenate, socialize and learn throughout their day. A workplace “ecosystem” of spaces supports employee engagement and well-being by providing individuals and groups with a range of options within the workplace that takes into consideration posture, presence and privacy. There should be a variety of interconnected zones and settings that are destinations where people have choices and control over where and how they work.

When an office footprint has a balance between open and private areas, it provides the employee with a range of different spaces to support a diversity of work in the course of a day. Open work areas encourage collaboration and create a sense of unity within organizations, while private areas create effective team spaces and spaces for concentration. When organizations understand this connection between workplace environment and well-being, they will get the most out of their real estate and employee investment.



The Evolution of Effective Workspaces



Rethink how your workspace can work for you. Workspaces should enrich the physical, cognitive and emotional well-being of all associates. Corporate Interiors invites its guests to re-imagine how their workspace could support their needs and enforce their brand.



Through a process of exploration, Corporate Interiors showcases a wide variety of applications within the WorkLife Studio in order to expose their guests to the largest array of cutting-edge workspace solutions available today.



Through an iterative process with clients and their architectural and design partners, the Corporate Interiors project team develops customized solutions that support a company’s workplace needs.



The culmination of this process results in the development of a unique workspace built to meet the needs of the client and provide associates a platform for success.

Building a Sense of Community

In its heyday, work was just that...work. You head to the office, do your job and leave. Except for the customary nod to fellow elevator passengers, you had limited interaction with other tenants.

There's a growing trend for property managers to adopt a social strategy as many of today's companies want an office building "community" that adds value and positively impacts their businesses and their employees' physical and emotional well-being. It's human nature to want to be part of something bigger — evident by the more than 2.5 billion active global social media users — and the workplace is no exception.

From the tenant's perspective, it opens up the door for new synergies between businesses.

Building a sense of community is not just about amenities — it's about creating an environment where companies can work together, play together and establish a relationship with each other. From an owner's perspective, a shared community spirit helps strengthen the bond between the management and ownership teams, which in turn impacts leasing and retention. It also helps a property stand out from competitors and garner interest from potential tenants. From the tenant's perspective, it opens up the door for new synergies between businesses. And from an employer's perspective, the fun factor helps keep employees happy, engaged, and ultimately more motivated to perform well at work.



Nothing brought tenants together more than the "Puppy Hugging Booth" at KBS' 500 West Madison in Chicago.



KBS hosted a game of "Family Feud" in the renovated lounge of 500 West Madison where tenants formed "families" and played against each other. It was a big success, not to mention a great networking opportunity for tenants to build community.

How do you create value through a community experience?

KBS' 500 West Madison property, an iconic 40-story, 1.46 million-square-foot tower located in Chicago's West Loop, has spearheaded a very successful initiative that has fostered a collaborative, community-like environment. Almost every week, the property management team coordinates different social programming events, including watching the PGA Masters alongside a putt-putt tournament, crafting ornaments and cards for Lurie Children's Hospital patients, National Nacho Day, Monopoly Tournaments, trivia, and bringing puppies on-site — one of the most popular events. Each event attracts 200 to 500 participants, including C-suite executives. The events are geared to appeal to all age groups and tend to last all day to ensure maximum participation at everyone's leisure. The 500 West Madison management team has received a tremendous amount of positive feedback from tenants, and the events have even generated some buzz in the local market from peer properties.

Creating a sense of a community on the property all comes down to value. Think about going to your favorite restaurant or salon where you are known by your first name. It feels great to be part of a community where the connection is personal, which makes you a loyal customer. That sense of camaraderie is added value. It's an innovative idea that only requires enthusiasm and creativity, and it's one that has lasting results for the property owners, management teams, tenants and their employees. **FCM**

BRETT MERZ

is a senior vice president and asset manager for KBS overseeing a portfolio of approximately 3.5 million square feet in the central U.S. He is also directly responsible for managing KBS' largest single office building, 500 West Madison in Chicago.

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Recent KBS Acquisitions



353 Sacramento San Francisco, CA



353 Sacramento is a 23-story, Class A office tower located in the heart of San Francisco’s Financial District. The building’s design provides the ideal elements for collaborative, open floor plans, which are highly sought after by San Francisco’s technology tenants. The property also features bay and city views, numerous nearby amenities and is a short walk to a Bay Area Rapid Transit (BART) station.

On-site amenities at the property include a conference center, full-service banking branch and deli. The property is also located directly adjacent to Embarcadero Center, which features more than 100 restaurants, retailers and lifestyle amenities.

Size 273,856 SF (office), 10,895 SF (retail)
 Class A
 Stories 23
 Market Financial District

Commonwealth Portland, OR



Designed by renowned architect Pietro Belluschi and completed in 1948, Commonwealth is recognized as one of the first glass box, mid-century design towers ever built. Since its creative repositioning beginning in 2008, the building has become one of the dominant locations for Portland’s technology, advertising, media and information tenants.

Commonwealth offers a best-in-class tenant experience, including a rooftop deck, conference room, tenant lounge, bicycle storage, fitness center and locker rooms. The property is among the oldest buildings in Portland to be awarded LEED-EB Gold by the U.S. Green Building Council.

Size 216,099 SF
 Class A
 Year Completed 1948 (repositioned in 2008)
 Market Portland CBD



▼ **Stonebridge Plaza I & II**
Austin, TX



Stonebridge Plaza I & II represent two nine-story, Class A office buildings in northwest Austin, Texas, with an irreplaceable location fronting MoPac Expressway and adjacent to an abundance of retail, hospitality and entertainment offerings, including the nearby Domain and Arboretum at Great Hills.

Stonebridge is exceptionally well located at the intersections of Hwy 183, Hwy 360 and the MoPac Expressway offering unobstructed views of downtown Austin and freeway visibility. Efficient in access and design, Stonebridge has historically maintained high levels of occupancy.

Size	386,101 SF
Class	A
Stories	9 (each)
Market	Northwest

▼ **Carillon**
Charlotte, NC



Carillon is a 24-story, trophy-quality office tower in Charlotte, North Carolina. The LEED Gold-certified building features museum-quality interiors and artwork, 9-foot floor-to-ceiling windows providing maximum natural light and a two-story lobby featuring Italian Verona marble floors. Carillon also offers a conference center, fitness center, child care, on-site car wash and casual dining options. Parking is provided in a 10-level parking garage.

Carillon is located in the Charlotte CBD one block from Trade and Tryon streets, Charlotte's "Main and Main." The building is situated in a thriving 24/7, mixed-use environment that includes the new BB&T Ballpark and a 5.4-acre park.

Size	476,308 SF
Class	A
Stories	24
Market	Charlotte CBD

VARSITY TUTORS' CHUCK COHN



Chuck Cohn is one of the brightest young entrepreneurs in the U.S. today and a KBS tenant at 101 South Hanley in St. Louis. Premier Office Magazine editor Phil Diment chats with him about how he took a challenge he had in high school and turned it into a highly successful startup.

Premier Office Magazine: Where did you grow up? And what were you like as a kid?

Chuck Cohn: I was born and raised in St. Louis, and I attended Washington University in St. Louis as well. Ever since my youth I have been interested in being an entrepreneur. When I was in kindergarten, I had classmates help me launch a haunted house in my parents' home for Halloween. When I was in middle school, I was investing in the stock market. I always knew eventually I would be running my own business.

POM: How did you first come up with the idea for Varsity Tutors?

CC: I began to develop Varsity Tutors during an entrepreneurship course at Washington University in St. Louis, but the inspiration for the company came from my high school experiences. As an honors student, I struggled to find a tutor who could fully support me in my AP classes and on my standardized tests. Few tutoring companies were offering truly personalized instruction, and I wanted to change that. The whole thing really started in my dorm room at college.

POM: What were some of the key "next steps" that you took?

CC: The key is starting small to prove your idea can be successful. For me, it

was recruiting two incredibly intelligent students at Wash U as the first tutors. They focused on instruction, while I handled all operations, marketing and technology that enabled them to thrive as tutors. What we do now is essentially the same at its core, only on a much larger scale.

POM: Did you have to get financing to start the company?

CC: When I started the company in 2007, the only financing I had was a \$1,000 loan from my parents. That, more than anything, forced me to ensure that I was building an efficient and effective business model.

POM: What services does Varsity Tutors offer today?

CC: Varsity Tutors is a platform for one-on-one tutoring in more than 500 subjects. This includes in-person, online and mobile tutoring. This year, we also launched instant tutoring where students can immediately be placed into a session to work through any subject or concept in short time increments. To date, over 50,000 clients have accessed 1 million hours of live instruction.

Additionally, through our free online learning tools, mobile applications and books, Varsity Tutors has created an ecosystem of more than 200,000 free practice questions, answers and explanation sets across more than 200 subjects and standardized tests.

POM: Do you just cater to collegiate or aspiring collegiate students?

CC: Tutors on the platform work with college-age students frequently, but also tutor children as young as 4 or 5; students in elementary, middle and high school; and working professionals. Anyone from parents of elementary students that need assistance with Common Core standards to lifelong learners that want to develop a professional skill can connect with a tutor on our platform. Whatever the client's age and needs, we help them find the perfect instructor.

POM: Where do you find your tutors?

CC: Through our thoughtful and detailed vetting process, we're able to identify tutors that are both academically qualified and have a proven track record of effective teaching. Applicants go through a rigorous vetting process, which



“When I started the company in 2007, the only financing I had was a \$1,000 loan from my parents.”

or a passion project that they pursue in their free time.

POM: How many locations do you have?

CC: Presently, in-person tutoring is available in 80 metro areas. Online tutoring is available anywhere with an Internet connection. We currently have two offices, one here in St. Louis and another in Seattle.

POM: Any success stories that come to your mind?

CC: One recent example is a family that had used the Varsity Tutors platform for all three of their children throughout high school. Their youngest, Lizzy, was not comfortable with her ACT prep and was disappointed when she received a 27 on a practice test. After selecting and working with a highly qualified tutor for several months, Lizzy's confidence grew and

includes a video interview, a background check, academic verification and diagnostic tests.

POM: How many employees do you have today?

CC: We have over 300 employees.

POM: What's it like being a tutor?

CC: In my experience, most tutors find it to be highly rewarding. Tutors can determine how often and when they meet students, and they can choose the age groups and subjects that they prefer. College students and professionals alike, including certified teachers, tutor through the Varsity Tutors platform, and they can shape their experience to be an intensive opportunity to use their current and future professional skills

Continued on **PAGE 20** ▶



CHUCK COHN

◀ Continued from **PAGE 19**

she was able to achieve a perfect 36 on the ACT, a score that only 0.08 percent of test takers attain.

POM: How fast has your company grown?

CC: Our company has averaged 100 percent growth for each of the past nine years. As we expand our products and scope of subjects/skills that we offer, we expect to maintain or even eclipse this growth.

POM: What is innovative about your space at 101 South Hanley?

CC: We have a lot of open seating — offices are interior so open desks can be close to light and windows. Everyone has sit/stand desks and ergonomic chairs, and there are many remote spaces to work in throughout the office. Additionally, we have private phone rooms and six conference rooms. We also have a game room with shuffleboard, Wii, foosball and a putting green. We also provide our employees with a large kitchen with a variety of snacks and drinks.

POM: Is your space for operations? Or do you do tutoring there?

CC: We are an Internet business. We use our office space for a portion of our operations. Tutoring does not occur in the office. All of the in-person tutoring sessions take place in a location of the client's choosing, and tutors can hold online sessions from their homes. The tutors or clients don't come to our corporate office.



“With the help of KBS, we were able to get settled in a few days’ time and lost little in the way of productivity.”

POM: How do you like the space?

CC: We couldn't imagine not being here. It energizes the team to come in every day to a space we all love. The space has facilitated collaboration, informal chats and fun activities. Most of all, it's a space all of us are proud to call home. We moved in May of 2016. With the help of KBS, we were able to get settled in a few days' time and lost little in the way of productivity throughout the move.

101 South Hanley is clean and well-managed. Everyone we come across from security to building management is friendly and helpful. The location is convenient for many across the city

with easy access to the highways, public transportation and endless lunch and happy hour options within walking distance.

POM: What are your team's favorite amenities at 101 South Hanley?

CC: The on-site training/conference facility has been invaluable as we experience rapid growth and have a new training class almost every week. Some members of our team have already taken advantage of the new fitness center and use the equipment both before and after work.

POM: What advice would you offer to would-be entrepreneurs?

CC: Testing a business idea carries relatively little risk. I built my business on nights and weekends for several years before I went full time. Don't think about step 20 in fulfilling your business idea from the start, but think about the first few steps and how you can achieve them to understand if your idea has traction. Step one might involve running a Google AdWords campaign to see if people click and show interest in your concept, even if you've only set up one simple webpage. Once you prove there is a market, you can then continue to invest more time and capital in the business.

POM: Chuck, thank you for your time. We are honored to have an entrepreneurial firm like yours at 101 South Hanley. We wish you the best success in the years to come. You are changing a lot of lives for the better.

FCM

PREMIER OFFICE MAGAZINE





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WIRED!

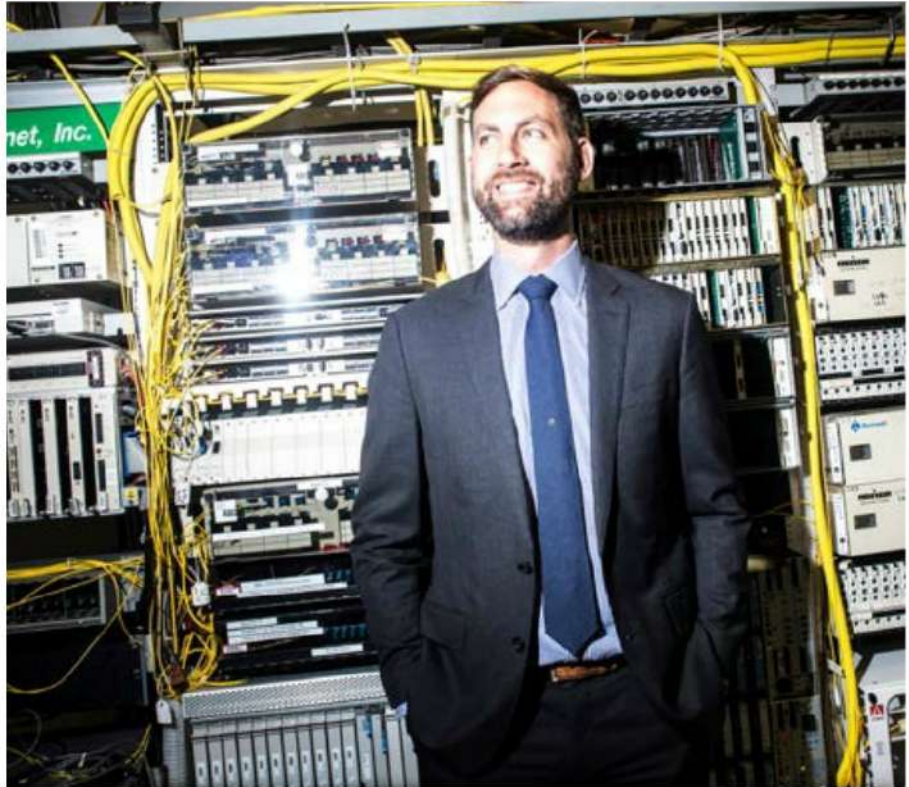
FOCUS ON TECHNOLOGY

KBS One of the First Commercial Real Estate Firms to Earn WiredScore Certifications Nationwide

With high-tech companies requiring more and more from their office spaces, KBS is emerging as a leader in providing the cutting-edge Internet infrastructure that tenants need. Nineteen KBS buildings have achieved Wired Certification, the new international standard for top-notch connectivity in office buildings — thereby setting a high precedent for office space providers to strive for. Though these spaces range in size, location and occupants, they are all among the best Internet-connected buildings in the country.

“Earning achievements like Wired Certification sends a signal to prospective tenants that our buildings are places where they can do their best work.”

“Implementing innovation in our buildings is crucial to our leadership in the commercial real estate sector,” said Shannon Hill, senior vice president with KBS. “Creating cutting-edge workspaces and earning achievements like Wired Certification sends a signal to prospective tenants that our buildings are places where they can do their best work.”



Arie Barendrecht, CEO of WiredScore in a server room. Older buildings often attract tech and advertising companies with big IT needs. Making sure these buildings are capable of meeting those needs is a big focus of the WiredScore program.

WiredScore certifies office buildings at four different levels — Platinum, Gold, Silver and Certified — based on building connectivity, infrastructure and readiness. The 19 KBS certified buildings include 11 Silver and 8 Gold — making them some of the most elite and innovative buildings internationally.

First launched in partnership with Mayor Bloomberg and the city of New York in 2013, WiredScore has since grown both nationally and internationally to certify over 650 office buildings across more than 50 cities. Some of the most iconic include the Empire State Building in New York

City, the Willis Tower in Chicago and The Shard building in London.

“With the digitization and mobile optimization of work across sectors, the demand for fast and reliable Internet in office buildings is stronger than ever,” said Arie Barendrecht, CEO and co-founder of WiredScore. “The leading companies across all sectors put technology at or near the top of their lists of criteria when choosing office space, and so firms like KBS that prioritize cutting-edge infrastructure will continue to lead the sector for years to come.”

Continued on **PAGE 24** ▶

LEADERSHIP IN REAL ESTATE

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WIRED!

◀ Continued from **PAGE 22**

WiredScore evaluates buildings based on a wide array of rigorous IT standards and qualifications. The number of ISPs, the capacity and location of telecom equipment and the building infrastructure are among the many factors that go into determining certification. A building's ability to handle any possible Internet outages due to weather, fire or construction also plays an important role in its evaluation. Wired Certified buildings will have multiple points of entry for Internet connections in order to guarantee connectivity for tenants at all times and in all circumstances.

“Office building infrastructure needs to be designed to evolve with companies as technology advances.”

One often overlooked area in which KBS has excelled is in ensuring that office spaces can grow with the businesses they house. “Office building infrastructure needs to be designed to evolve with companies as technology advances and their Internet needs change,” said Hill. “Having multiple ISPs and allowing tenants to choose which is best for them help guarantee this, as different providers have different tech capabilities.” For brokers, the ability to provide current and prospective tenants with the most tech-forward spaces is crucial to matching companies with spaces that will meet their long-term needs.

“We’re seeing a technological arms race in commercial real estate right

Continued on **NEXT PAGE** ▶

Wired Certified KBS Properties*

CROSSPOINT AT VALLEY FORGE
Wayne, PA



100 CAMPUS DRIVE
Florham Park, NJ



1000 CONTINENTAL DRIVE
King of Prussia, PA



WILLOW OAKS II
Fairfax, VA



3811 TURTLE CREEK BOULEVARD
Dallas, TX



3003 WASHINGTON BLVD
Arlington, VA



PROVIDENCE TOWERS
Dallas, TX



ONE WASHINGTONIAN CENTER
Gaithersburg, MD



DULLES STATION EAST I
Washington, DC



PRESTON COMMONS
Dallas, TX



LEGACY TOWN CENTER I-IV
Plano, TX



STERLING PLAZA
Dallas, TX



TYSONS DULLES PLAZA I - III
McLean, VA



TOWER 909
Irving, TX



*Does not include full list of Wired Certified KBS Properties.

WIRED!

◀ Continued from **PREVIOUS PAGE**

now in which buildings are constantly one-upping each other with the latest technology and amenities in order to get an edge on the competition,” Barendrecht said. “This is a virtuous cycle for the tenant, but at the same time it creates a lot of noise and makes it hard for brokers to convey the advantages of a building to prospective tenants. The goal of WiredScore is to present objective ratings that make this easy so the best-in-class technology in KBS buildings can be easily recognized.”

“While we are proud of our achievements in commercial real estate technology, we’re equally determined to stay ahead of the curve,” said KBS Eastern Regional President Marc DeLuca. “Our 19 Wired Certifications are just the beginning, and we hope to continue this streak of successes in future properties.”



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f t in i

High Tech Tenants

FOCUS ON TECHNOLOGY



The technology and digital sphere is a hyper-connected game in which we are all active players. How many times today did you use your smartphone or tablet to send a message, browse the web or simply take a picture? Did you fire up your desktop computer to access different programs to do your work? How about using a digital service for online shopping? Even your vehicle uses different programs for a smoother ride. Technology surrounds us, and in a 24-hour period you are interacting with hundreds of different touchpoints.

The continuous flow of emerging technology is progressing at a rapid speed

The continuous flow of emerging technology is progressing at a rapid speed and is radically transforming businesses. Trends point to greater cooperative interaction between users as hardware and software providers continue to develop new and disruptive products that improve the flow of business with better service, more innovative products, lower prices, greater flexibility and improved efficiencies. In fact, according to PwC's *Strategy&*, 45 percent of technology company CEOs said their company had entered a new industry within the last

three years, with an additional 23 percent who considered doing so. The future of technology and its influence is phenomenal.

KBS is well-versed in technology and many of its buildings are equipped with the latest advancements to meet the demands of today's high-tech players, including the following:

- Sophisticated network to accommodate data exchange
- Full Wi-Fi coverage
- Flexible and open workspaces
- Video conferencing capabilities
- Smartboards
- Telecommuting capabilities
- Central data repository
- High-end amenities
- Data security

Multi-functional software, mobile communications, emails, conference calls, web-based education, digital files and electronic research have spurred a movement toward modern office designs. KBS has maintained a competitive advantage to capitalize on the growing tech industry by seeking to tailor each space to the functionality of each tenant to ensure the best operating and most innovative environment. This strategy has helped capture the attention of high-tech powerhouses including Rocket Software, PointClickCare and Zoom Video who are prominent tenants within the KBS portfolio.



In today's highly competitive technology sector, support is critical, says Andy Youniss, president and CEO of Rocket Software.

Rocket Software

Towers at Emeryville, Emeryville, CA
Lincoln Court, Campbell, CA
Leased space: 15,486 square feet
www.rocketsoftware.com

companies with their most challenging business problems, and helps them run their critical infrastructure, business processes, and data, as well as extend those assets to take advantage of cloud, mobile, analytics and other future innovations.



Rocket Software's story dates back to 1990 in a spare bedroom near Boston where one of the founders started writing assembler code.

Nearly every enterprise relies on some kind of software to keep their business running and functioning. Rocket Software is a leading global developer of software products that help corporations, government agencies and other organizations reach their technology and business goals. It has formed powerful partnerships with companies like IBM, EMC, Fujitsu, HP Enterprise Services and Hitachi Data Systems.

Much of Rocket Software's growth has come from acquiring other tech companies whose products and services complement its strategy while keeping existing employees intact. In 2011 it acquired the Emeryville, Calif.-based Aldon, which brought the software developer to the KBS building. Now known as Rocket Aldon, the business unit provides application lifecycle management (ALM) for the business of IT.

"At Rocket, support isn't just a function — it's a profession," states the company's CEO, Andy Youniss. "When problems arise, our committed support professionals have the experience and product knowledge needed to diagnose and resolve most issues within hours."

"The KBS-owned Towers at Emeryville office just couldn't be better," said Vice President, Dan Magid. "It really has served as our flag in the ground in the Bay Area. It is a phenomenal office with a lot of shared work space and private office space, which reinforces collaboration."

Rocket Software's story dates back to 1990 in a spare bedroom near Boston where one of the founders started writing assembler code. By 2016, the company's portfolio has grown to more than 100 products that supports thousands of

Towers at Emeryville is a three-building, Class A office park located across the bay from downtown San Francisco. The trophy-quality property encompasses 815,018 square feet of office space and a rich amenity package that includes an on-site cafe and bakery, a full-service bank, dry cleaners, car wash, state-of-the-art fitness center with locker rooms and conference rooms.

Continued on **PAGE 28** ▶

TECH TENANTS

◀ Continued from **PAGE 27**

Zoom Video Communications

The Almaden, San Jose, CA

Leased space: 17,000 square feet

www.zoom.us

Video conferencing is one the most popular and efficient methods of connecting and doing business today—and is a staple in nearly every office. At the forefront of this communication wave is Zoom, a tenant within KBS' Almaden building in San Jose.

Zoom started in 2011 when Eric S. Yuan, a web conferencing industry leader who was the heart and soul of the WebEx product from 1997 to 2011, recruited an all-star engineering team to build the next generation of online video conferencing. Today, Zoom unifies cloud video conferencing, simple online meetings, group messaging and a software-defined conference room solution into one easy-to-use platform. It offers the best video, audio, and wireless screen-sharing experience across Windows, Mac, Linux, iOS, Android, Blackberry, Zoom Rooms and H.323/SIP room systems.

Boasting an employee base of more than 350 — and expanding — Zoom's growth in recent years has been exponential and can be attributed to its ease of use, video quality and strong customer base. It has great adoption with tech companies, education institutions, healthcare and finance. KBS' The Almaden building has afforded the company an



Feature rich and yet easy to use, the Zoom mobile and desktop apps bring the whole experience together with high video quality and built in group chat.

environment that fosters creativity, and innovation. The combination of open floor plans, small meeting spaces for brainstorming allow for a lot of sharing of ideas and collaboration.

Our office space is very important to the success of our business.

“Our office space is very important to the success of our business. We need to have open collaboration across all departments allowing all parties to have a say in our product and how to make it better,” says Zoom President, David Berman. “The right space helps to create the culture of the company. The combination of open space, along with Zoom Rooms in our huddle and conference rooms allows us to innovate quickly and deliver happiness to our customers.”

The Almaden is a prestigious Class A office tower in downtown San Jose. Current tenant amenities include a fitness center and locker rooms and a five-level parking garage. The property is located in proximity to the pedestrian friendly San Pedro Square, which offers tenants a diverse collection of dining, shopping and entertainment nearby.

Continued on **PAGE 30** ▶

ZOOM AT A GLANCE



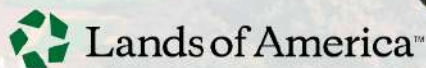
Founded in
2011



350
Zoom Video employees



900
combined years of experience
Zoom engineers have working
on real-time collaboration
software



Connecting Information and Communities



Brothers Mike and Dave Wessinger co-founded PointClickCare in 2000. The company is a leading cloud-based software for the senior care continuum. PointClickCare was recently named to the first-ever Forbes 2016 World's Best 100 Cloud Companies List.

TECH TENANTS

◀ Continued from **PAGE 28**

PointClickCare

Northland Center, Bloomington, MN
Leased space: 15,486 square feet
www.pointclickcare.com

The Baby Boomer population is rapidly entering retirement age, and it's projected that the number of seniors in the United States will swell by 53 percent over the next 15 years. By comparison, the senior population in Canada is expected to grow by 62 percent over the same time period. Couple that with modern day medical, scientific and technological advances and innovations that are increasing life expectancy rates, and the demand for senior care is heating up.

To keep up with this changing demographic, PointClickCare was created in 2000 to serve as the system of record for senior care providers. It's the leading cloud-based software for the senior care continuum, offering a portfolio of cloud-based software and services designed from the ground up to help providers manage the complex requirements of senior care.

Today, more than 13,000 skilled nursing facilities, senior living communities and home health agencies serving approximately 925,000 residents per day, use PointClickCare — making it the North American healthcare IT market leader for the senior care continuum. But what makes PointClickCare unique is its technology.

"We believe the PointClickCare platform is the system of record for senior care facilities that helps our customers improve quality of care and demonstrate better patient outcomes, enhance financial performance, facilitate interoperability among healthcare providers and movement throughout the continuum of care and simplify regulatory compliance," says PointClickCare co-founder and CEO, Mike Wessinger.

POINT-CLICK-CARE AT A GLANCE



PointClickCare's sophisticated software requires equally sophisticated office space that can accommodate a highly creative and innovative team.

"We strive to maintain a modern, comfortable, flexible workspace for our employees," said Wessinger. "We recognize that everyone works in different ways, which is why our key focus is to provide a diverse space that allows our employees to move from area to area as needed."

KBS' Northland Center property fell on the PointClickCare radar due to its technology capabilities and offerings, and its rich amenity package. The company specifically looked for a space that would offer employees in Minnesota similar amenities as their corporate head office, and were thrilled that Northland Centre included a fitness center, in-house café and conference facilities that play a big role in helping the teams remain connected.

Northland Center is a well-located, highly amenitized Class A office asset offering tenants a full-service cafeteria with catering services, training and conference facilities, a full-service fitness center, heated VIP parking and a sundry shop with dry cleaning.

RCM

by *Cindy Peterson*

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Building a Better CRE Ecosystem

VTS technology is changing the game for owners and brokers seeking to better manage transaction and market information.

Four years ago, Nick Romito and Ryan Masiello noticed a need for a platform to help owners and brokers streamline their workflows and lease space faster. They formed VTS and in 2012 launched the industry's first leasing and asset-management focused platform. Since then, with the help of co-founder and CTO Karl Baum, the VTS platform has become a comprehensive ecosystem where owners and brokers can manage deal activity, identify trends and quantify portfolio performance all from one dashboard. Premier Office Magazine Editor Phil Diment had an opportunity to interview VTS CEO Nick Romito about this groundbreaking technology.

Premier Office Magazine: How did VTS get started?

Nick Romito: VTS started when my co-founder, Ryan Masiello, and I, who were both working as commercial real estate brokers, saw an industry defined by tedious, manual processes that acted like a vacuum on resources and produced outdated reports based on static data. Ryan and I shared a vision to fundamentally change the way landlords, brokers, tenant representatives and asset managers work by streamlining reporting, access to data and accelerating deal velocity with technology. As a result, we created VTS as a data platform that incorporates leasing pipelines, stacking plans, team collaboration, market data like TIMs and comps, and reporting. Over time, we added additional products to the platform, including Tenant Relationship Management, business intelligence tools like Premium Custom Reporting and Premium Portfolio Analytics and



VTS CEO Nick Romito speaks with KBS about how VTS is impacting the commercial real estate industry. KBS has been one of the early adopters of VTS as a way to collaborate with leasing agents on servicing nearly 3,000 KBS tenants nationwide.

VTS Retail. Today, eight of the top 10 commercial real estate management firms in the world manage their portfolios on VTS.

POM: How are you changing the game for tenant reps?

Romito: For tenant reps, building lasting relationships and closing deals are the name of the game. In developing VTS Tenant Rep, we worked closely with tenant reps from the world's top brokerage firms. VTS Tenant Rep centralizes everything tenant reps need for their end-to-end research, prospecting and deal execution workflows into one, easy-to-use platform. It enables them to stay on top of their tasks, build better relationships with clients and close more deals faster. It becomes the one place where they can collaborate with their teams at the deal level.

POM: If I am a new tenant rep facing the challenge of breaking into a well-entrenched market, how would VTS give me an edge?

Romito: VTS Tenant Rep helps you organize the flood of day-to-day tasks you need to tackle, enabling you to focus on the activities and prospects that are most important right now, giving you that much-needed edge. It also allows you to collaborate with your team on tasks in real time. There's no better way to stay organized if you're someone new to the business.

POM: How about the agency broker side of VTS?

Romito: One of the most important components of VTS is our ecosystem — the connections between the different players in commercial real

estate. It's this network that allows all parties involved in a transaction to work together more efficiently. The agency broker is a huge part of that ecosystem — VTS is the only platform they need to track day-to-day leasing activity, market spaces, manage deals, create reports for clients and collaborate with their teams. With our smartphone app, they can do this on the go from wherever they are.

POM: How does an agency firm get all of their critical property data onto VTS?

Romito: It's pretty simple. We have an internal team dedicated to getting them onboarded as quickly as possible. We give the firm an Excel template to fill out where they can input everything from marketing flyers and photos to any datasets about their spaces and clients. We even upload past activity reports so that all their current leasing information is live inside the platform ready to go. We do all the heavy lifting and get them set up.

POM: Once this data is available, how can the brokers within that agency benefit from it?

Romito: With VTS, all the information agency brokers need to do their jobs is on a single screen. Typically, brokers manage important information in numerous formats, like Excel spreadsheets or their email inboxes. This is inefficient and time-consuming, and makes it difficult to collaborate on tasks, capture information in real time and then act quickly to close deals. With VTS, brokers can access all of their most important information in one place, either via mobile or desktop. Having such real-time access can be the difference between setting tenants up with exactly the space they need or missing out on a perfect deal.

POM: Can you speak to the collaboration aspect of VTS?

Romito: Within VTS, brokers can share updates like a new deal term with clients and team members. This limits the amount of revised contracts and backlog of paperwork. Brokers can also create custom reports for their clients

so they get exactly the information they want.

POM: How important was mobile device compatibility when building this product?

Romito: In commercial real estate, you make your living on the go, making relationships and signing deals, not sitting at a desk. VTS' iPhone and iPad apps are made for these scenarios when you need to answer questions about your portfolio or connect to teams in real time. This 24/7 access to critical data could be the difference between signing a deal and having to close a meeting with open-ended questions.

POM: Can you speak to the issue of empirical data versus "gut instinct" and how VTS can provide reliable data for decision making?

It's this network that allows all parties involved in a transaction to work together more efficiently.

Romito: Traditionally, landlords and brokers have based their recommendations and decisions on what their experience and instinct are telling them, largely because the real-time data was just not available — it took weeks, if not months, to aggregate. With VTS, users can leverage empirical data to support their actions, ultimately making smarter decisions more quickly.

A real-world example — one of the biggest names in real estate, Blackstone. Upon acquiring Chicago's iconic Willis Tower, Jonathan Gray, Blackstone's Global Head of Real Estate, and his team used VTS to track tenant demand and rental rates, among other data, in real-time. Seeing strong demand and net effective rental rates rising on a real time basis, the team realized the strength of the market and quickly moved to purchase nearby River North Point for \$378 million.

POM: What does the reporting aspect of VTS look like?

Romito: Most brokers are used to the time-intensive effort it takes to prepare reports for clients. With VTS, you can export custom Excel or PDF reports containing real-time data with the click of a button. While we've really taken the market from "paper" to a platform, the need for reporting definitely isn't going anywhere, so we'll continue to invest in that part of the product.

POM: How much of the U.S. brokerage market is using VTS today?

Romito: Our broker adoption is massive, and we have thousands that log in every day to manage their book of business. More than 3 billion square feet of real estate are managed on the platform, including more than 17,600 buildings and 13,000 real estate investors and brokers. Our customers include Blackstone, CBRE, Hines, TIAA CREF, Boston Properties, JLL, CBRE, Cushman & Wakefield and more.

POM: What accolades have you received, and have you had good funding partners?

Romito: VTS was just ranked 34 on Fortune's Best Medium Workplaces list. We have seven offices, including our headquarters in New York City and London. We're the most well-funded company in commercial real estate technology with \$84 million in capital. In May 2016, we raised commercial real estate technology's largest round ever with a \$55 million Series C led by New York-based venture capital and private equity firm Insight Venture Partners.

POM: Nick, thank you for your time and for creating a remarkable solution for our industry.

Romito: My pleasure. We will continue to work with our customers to bring new products to the market that create the most value, and continue with our global expansion. Lots of exciting things coming down the pipe!

FCM

The Megacity Opportunity

I had the opportunity to listen to TED speaker and global strategist Parag Khanna deliver a fascinating presentation on how megacities (bustling cities with populations exceeding 10 million) are transforming the world.

Humans are hardwired to connect and share experiences and knowledge. As major metropolitan cities grow more connected through transportation, technology, supply chains, energy and communications networks, megacities are redrawing the physical geography — city, state and even country borders — to functional geography, or what Khanna calls “connectography.” This means that countries can actually be suburbs of some cities simply because of the sheer magnitude of this connectivity.

Connectivity is the organizing principle of urbanization that will see a very large number of people moving to megacities to share in the knowledge wealth.

From a socioeconomic standpoint, this could help sustainability efforts, inequality and even mitigate geopolitical conflicts because information and resources of how to do things better and smarter are shared. But how are businesses and their strategic planning impacted?

Connectivity is the organizing principle of urbanization that will see a very large number of people moving to megacities to share in the knowledge wealth. In fact, it has been estimated that by 2020, two-thirds of the world’s population will live

in cities. This goes against the trend of people moving to the suburbs and companies setting up shop in secondary markets where the cost of doing business is less.

As technology continues its upward trajectory and people become more engaged, megacities will only get bigger, and rapidly expanding cities like Chicago and Houston will eventually join the ranks. Khanna suggests that by 2030, there could be as many as 50 megacities across the globe. I suspect more job seekers and businesses will turn their attention to megacities — estimated at \$2 trillion in GDP each — and set roots in those markets. That doesn’t mean that everyone will live in downtown locations. It means that people will choose to live in a megacity that encompasses a region with increased connections, increased population and increased infrastructure.

As companies map out their strategic plans for 2017, don’t be surprised to see more businesses move away from secondary markets and into a megacity — or an up-and-coming megacity — because that is where the opportunities lie. And as Khanna states, connectivity is opportunity. He says it is the most important asset class of the 21st century, and I would have to agree. There is more opportunity for trade of goods and intel, more investment potential, greater profit sharing potential and overall more stability.

FCM

KEN ROBERTSON

is a regional president for KBS responsible for 33 office and industrial properties in the central U.S. totaling 11 million square feet.

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www.linkedin.com/in/kennethrobertsson





We make you powerful... online and in business.

At Taylor Digital, we are experts in all things digital.
We move the needle. We help you make a difference.



PROACTIVE LEADERSHIP

We think of solutions before you ask.
We believe that nothing is impossible.
We are results driven and work to grow your brand.



EXPERTS

Custom Web Applications
Content Marketing
Search Strategy
Social Media Campaigns



RESPONSIVE

Client Centric Solutions
Open Communication
We listen. We respond.
We design with your future in mind.

Taylor Digital is honored to be the KBS Digital Team.

KBS *Power* Tenants!



Wealth Management

rbcwealthmanagement.com

ABOUT:

For more than a century, RBC Wealth Management has provided trusted advice and wealth management solutions to individuals, families and institutions. As a global organization, RBC brings diverse expertise to the sophisticated financial needs of clients around the world.



KBS PROPERTIES

500 WEST MADISON
Chicago, IL

CAPTRUST TOWER
Raleigh, NC

FINANCIAL CENTER
Palm Beach Gardens, FL

RBC PLAZA
Minneapolis, MN

THE ALMADEN
San Jose, CA



TENANT COMMENT
“RBC is committed to physical wellness and appreciates KBS’ addition of the fitness center at the RBC Plaza in Minneapolis.”

FAVORITE AMENITIES:

- ☞ Concierge Service
- 🍴 Food Catering
- 🍽️ Food Court
- 📶 Fiber Optics
- 🛡️ Security Guards
- 🏋️ Fitness Center



costar.com

ABOUT:

CoStar Group, Inc. (NASDAQ:CSGP) provides essential tools and marketplaces for the commercial real estate industry, allowing customers to make informed decisions and better investments. CoStar also operates the industry’s leading marketing websites, Apartments.com and LoopNet.com. CoStar Group, Inc. is on a trajectory to be a \$1 billion business in 2018 and remains committed to innovating on behalf of its audiences.



KBS PROPERTIES

101 S. HANLEY
St. Louis, MO

PARK AVENUE,
Florham Park, NJ

RBC PLAZA
Minneapolis, MN

TEN ALMADEN
San Jose, CA



TENANT COMMENT
“KBS puts a lot of thought and research into the locations for the properties they buy. We have had a great experience working with KBS and their on-site teams at each of these locations.”

FAVORITE AMENITIES:

- 🏢 Conference Center
- 🚏 Public Transportation
- 🍽️ On-Site Restaurant
- 🛋️ Tenant Lounge
- 🏋️ Fitness Center
- 📱 Smartphone App

KBS is honored to spotlight key tenants who are occupying space in multiple KBS properties and using KBS services and on-site amenities. KBS wishes to thank these tenants for allowing us to earn their trust and provide them with the best possible space to help their businesses succeed.



newyorklife.com

ABOUT:

New York Life Insurance Company, a Fortune 100 company founded in 1845, is one of the largest life insurers in the world. New York Life's family of companies offers life insurance, retirement income, investments and long-term care insurance.



500 West Madison



KBS PROPERTIES

500 W. MADISON
Chicago, IL

LEGACY TOWN CENTER
Plano, TX

MAITLAND PROMENADE II
Maitland, FL



TENANT COMMENT
 “Thank you for your outstanding service and prompt response for all our business needs. Your locations provide easy access for our agents and clients. Your on-site management team handles our requests professionally and goes out of the way to help whenever possible.”

FAVORITE AMENITIES:

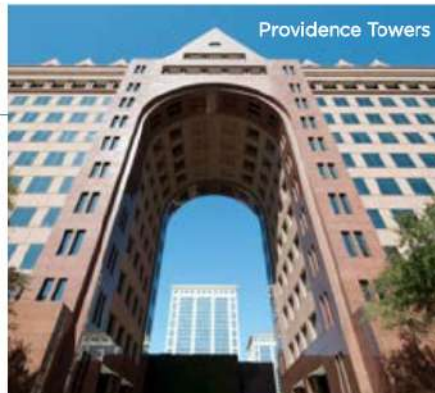
- 🚪 Tenant Lounge
- ☕ Coffee Shop
- 🔑 Key Card Access
- 🏋️ On-Site Gym
- 🚗 Transit at Building
- 🍽️ On-Site Restaurant
- 🏠 Lodging Nearby
- 📶 High-Speed Internet



CLAconnect.com

ABOUT:

CLA is a professional services firm delivering integrated wealth advisory, outsourcing and public accounting capabilities to help clients succeed professionally and personally. This allows CLA to serve clients more completely and offer our people diverse career opportunities.



Providence Towers



KBS PROPERTIES

PROVIDENCE TOWERS,
Dallas, TX

CARILLON,
Charlotte, NC



TENANT COMMENT
 “When we moved into Providence Towers in Dallas, the KBS team managed the selection of our general contractor, ran construction meetings, coordinated the change order process and supported the move in a timely and efficient manner. In short, KBS took ownership of the process as if it had been their own space.”

FAVORITE AMENITIES:

- 👮 Concierge Service
- ☕ Coffee Shop
- 🛣️ Freeway Access
- 🚗 Car Wash / Detail On-Site
- 🏋️ Fitness Classes
- 👤 Lobby Ambassadors
- 🚗 Tenant Lounge
- 📶 High-Speed Internet

Service Champion Awards



Customer service is the hallmark of KBS' management philosophy. Each year, KBS selects building personnel who exemplify the following standards of excellence:

- Goes above and beyond the call of duty to serve the needs of building occupants
- Maintains the highest possible standard of professionalism in carrying out his or her duties
- Exhibits consideration and respect toward fellow employees and initiates and promotes cooperation
- Exhibits a positive attitude toward all business endeavors and associates



TIM DOYLE *Chief Engineer*

RBC Plaza, Minneapolis, MN

- As a result of Tim's nearly 20-year history at RBC Plaza, he has vast knowledge of its inner workings. Tim expertly and proactively monitors the conditions of the building daily keeping tenants' comfort as a high priority. Minnesota's weather can change dramatically in one day, so an engineer's focus is necessary. If you see Tim, you will not see him for long, as he always knows what he has to attend to next and speedily moves from one task to another.
- Tim's knowledge of the building's mechanical and electrical systems provided valuable assistance during the design, planning and execution phases of KBS' renovation and repositioning of RBC Plaza.



KEN HALES *Facility Manager*

Millrock Park, Salt Lake City, UT

- Ken demonstrates and promotes, the KBS standards of service excellence each day as he makes sure that each tenant's facility needs are met. Ken takes a great deal of pride in his work and feels a sense of ownership in Millrock Park to ensure that we continue to lead our market in service and value. He also has the ability to make each tenant feel like he or she is the most important tenant in the Park.
- Ken was recently deployed to Kuwait as a member of the Air Force Reserve last January and returned home on July 13. Even on deployment he would still remotely check on the status of the automation control systems for the buildings.



ROZINA MOIDEAN *Assistant Property Manager*

Ten Almaden, San Jose, CA

- Rozina's work ethic is not only beyond comparison, she is also highly respected within our on-site management team at Ten Almaden. She consistently does what it takes to get the job done.
- Rozina has shown initiative and is eager to expand her knowledge in the industry, not just in KBS practices and procedures, but in pursuing her own professional and personal growth.
- Our No. 1 goal at Ten Almaden is to provide the highest standard of customer service to our tenants. Rozina exemplifies this by always going above and beyond, which results in building tenant relationships based on trust and the expectation that she will accomplish whatever job she tackles.



IIRVAN HOUSE *Security Supervisor*

1800 West Loop South, Houston, TX

- Iirvan has been working security for 19 years, 12 of which have been at 1800 West Loop South.
- Iirvan is always smiling — he knows every tenant and greets them by name daily.
- Iirvan goes out of his way to make the tenants happy. He has started a program where he will personally call or text a tenant when the U.S. Postal Service has been delivered to the tenant mail boxes.



PHIL KOTH *Chief Engineer*

500 West Madison, Chicago, IL

- Phil is an extraordinary example of a team member who embraces KBS' standard for excellence. Phil came to the building in 1987. He leads a team of 11 engineers who contribute over 25,000 hours during the year maintaining 1.5 million square feet of office and retail space and overseeing a \$2 million repair and maintenance budget.
- Phil is meticulous with this work, and his management and project tracking skills are nearly unparalleled. He always carries himself with a calm demeanor, even in the trickiest and most critical situations. Phil is known for his tact, professionalism and easygoing attitude around the building and in the CBD market. He contributes greatly to the experience that we want for our tenants, vendors and team members.



MARTHA BLACK *Building Manager*

The Almaden, San Jose, CA

- Martha has been dedicated to this property for over 34 years; her commitment to the buildings and their occupants is evident in the quality of her daily interactions with tenants and vendors. Martha is a warm, welcoming presence to each person who visits the on-site management office, and she ensures their daily needs are met and their expectations exceeded. Providing excellent customer service is Martha's greatest skill.
- Martha builds a relationship with each tenant; many tenants have been at the property for over 15 years and have credited their long tenancy to Martha's superior management of the property. In The Almaden's 2016 Kingsley survey results, Martha's name was continuously mentioned by tenants as they praised the management at The Almaden.



ANDRE TOWNSEND *Security Officer*

Sterling Plaza, Dallas, TX

- Andre drives the Sterling Plaza shuttle from 11 a.m. until 2 p.m. every day. His sunny personality has made him a favorite of tenants.
- Andre takes pride in the shuttle and serving tenants. The first thing he does after the tenants board the shuttle is to make sure they all have their seat belts on. He also makes sure the tenants know how to contact him to pick them up after lunch or shopping.
- Rain or shine, hot or cold, Andre is happy to serve Sterling Plaza tenants in any way. When not on the shuttle, you can find him in the first-floor lobby directing visitors, greeting tenants and making Sterling an inviting workplace.



TRAVIS FRUIT *Security Supervisor*

Highland Park Place, Dallas, TX

- Before entering the private security industry, Travis enlisted in the Marines Corps and served his country as an infantry soldier in Afghanistan. Travis greets each and every tenant who walks into the building with a smile and personable greeting, knowing every tenant on a first-name basis and always reaching out with a helping hand.
- Travis goes above and beyond his security duties, going that extra mile for the tenants and their guests, even on one occasion ordering an Uber for an out-of-town guest who was visiting HPP and had no way to get back to his or her hotel. That is just one of the many examples of Travis' level of service and compassion that he provides to tenants.



EFREN MONTES *Building Engineer*

1800 West Loop South, Houston, TX

- Efren is a hard worker, always willing to go the extra mile for tenants and his co-workers.
- Efren is always willing to learn more and take on new responsibilities, and he comes out shining like a star.
- Efren is dedicated to providing the best customer service to tenants and visitors, resulting in numerous kudos from everyone.

Financial Center at the Gardens

FEATURE PROPERTY



Building Up Excellence

Financial Center at the Gardens is a magnificent office building in the heart of Palm Beach Gardens, Florida, an area marked by a diverse workforce, excellent lifestyle and flourishing business community. Originally constructed in 1997 with a unique pedestal design, granite exterior and soaring atrium — complemented by stylish landscaping and sparkling lakes — Financial Center at the Gardens is unlike any other in the market. And now under KBS’ ownership, it is unmatched.

KBS picked up the 188,772-square-foot, 10-story building in April 2015. At over 95 percent occupied, Financial Center’s stellar reputation has garnered the attention of heavyweight, high-net-worth tenants who combined represent trillions of dollars in assets. Nearly 50 percent of the building is leased to investment-grade tenants such as Morgan Stanley, JP Morgan, JP Morgan Chase, UBS and Lighthouse Investment Partners — which made this property a big win for KBS.

When KBS first acquired the property, it was presented with the opportunity to do something unique and different — something that would elevate the already high-class building to a caliber of its own. But how? How do you improve upon excellence? Through a round of golf and some wine, of course.

Florida is a golf mecca touting more than 1,200 golf courses. The renowned PGA National Resort, home to five of the top Florida golf courses and host of the PGA Honda Classic each spring, is only minutes away from Financial Center. Building upon the golf lifestyle, KBS and its property management team penciled designs that would transform 2,000 square feet of unleased ground space into a stylish tenant lounge boasting a five-hole putting green and an ultra-cool wine lounge.

“We needed to get creative to better maximize unused space and provide greater value to our tenants,” said Allen Aldridge, senior vice president of acquisitions and asset manager at KBS. “Golf is a big part of the Florida lifestyle, and many of our tenants are active players. This putting green provides our tenants with the perfect balance of mixing business with pleasure.”

The custom mini course was designed to make each hole fun yet challenging for players. Featuring high-end turf and interesting design, the putting green delivers an ideal year-round playing surface. An adjacent high-end wine lounge complements the social ambiance, and it features tables and chairs as well as designated tenant wine lockers. Combined, the tenant lounge has become an important meeting space for tenants conducting team-building exercises, networking events, meeting breaks, project motivations, company celebrations — or simply to blow off some steam.



KBS invested a considerable amount of capital to help make Financial Center one of the best buildings in Palm Beach Gardens. These improvements included renovating the lobbies, adding a wine bar tenant lounge, adding an indoor putting green and improving the entryway experience from the parking garage. These improvements have been well received by tenants at the property.

“The best building in Palm Beach Gardens just got even better. The new tenant lounge and multimillion-dollar renovations are top of the line and really create a collaborative and inviting work environment,” said Krista Downey, attorney at Thomas N. Silverman, P.A., a Financial Center tenant.

We have put a lot of planning into designing and transforming Financial Center for the modern office tenant

The putting green and lounge additions were part of a multifaceted property enhancement program, which also included creating a new entryway experience and renovating lobbies and common areas to provide a high-end corporate environment and finishes. Additionally, Financial Center boasts a 100 percent covered parking structure with EMV car charging stations and 24/7 manned security.

Much of Financial Center’s success and reputation can be attributed to the value it brings to tenants. In addition to the high-end amenities, its proximity to entertainment, quality talent and a diversified economy provides businesses the perfect platform on which to excel. In addition, Palm Beach County is one of Florida’s wealthiest counties boasting a very favorable housing market and strong demographic profile.

Financial Center was a Class A property in a Class A market with Class A tenants when KBS acquired it. A leader in property management, KBS saw greater potential, and with a little creativity, has boosted Financial Center as a best-in-class office building.

“We have put a lot of planning into designing and transforming Financial Center for the modern office tenant and employee,” said Aldridge. “Tenants are relocating from the coastline to well-connected and highly amenitized hubs, and Financial Center is well positioned to reap the benefits.” **FCM**

By Cindy Peterson



Commercial Real Estate's Favorite Golf Courses

Aside from celebrating a big closing, if there's one activity that unites real estate professionals, it's probably golf. Many relationships have been forged and knowledge shared while playing the back nine of a great course.

KBS recently surveyed over 500 commercial real estate professionals asking what his or her favorite golf course was. Brokers who completed the short survey had their names entered in a drawing to win a \$500 gift certificate to a local pro shop of their choosing. KBS also gave away two YETI coolers with golf goodies inside to the two runners-up in the drawing. Congratulations to Holly Duran of Holly Duran Real Estate Partners in Chicago, who was our grand prize winner. Also congratulations to Marcia Lockman with CBRE in Minneapolis and Joe Brady with Savills Studley in San Jose, who won the two YETI coolers.

The courses listed represent the top vote-getters from the survey. Consider playing some of these courses — you won't be disappointed!



Image courtesy Kohler Co.

Kohler, Wisconsin, provided a great venue for KBS to host a number of brokers at the beautiful American Club Resort on the shores of Lake Michigan. The American Club is a world-class destination that preserves the history of yesteryear and includes four award-winning championship golf courses at Whistling Straits® and Blackwolf Run®, proud host of the 2004, 2010 and 2015 PGA Championships.



Image courtesy Bart Keagy

PEBBLE BEACH

Pebble Beach, CA

Here's what brokers said:

pebblebeach.com

- Iconic course with much history.
- Should definitely be on every golfer's bucket list.
- The combination of history, views and golf course is unmatched.
- I enjoy listening to the seals as you walk up 18.
- The course layout is spectacular and challenging but fair.
- The ocean holes are among the most spectacular in the world.



Image courtesy Kohler Co.

WHISTLING STRAITS

Kohler, WI

Here's what brokers said:

americanclubresort.com

- Beautiful terrain located on the edge of Lake Michigan.
- This course is 100 percent pure golf — no carts and under four hours from Chicago.
- Old World links design, world-class clubhouse, and the caddie service is the best I have seen.
- The course is a beautiful links-style course and is in great condition. It has beautiful views of Lake Michigan.
- The course is challenging but fair, and the scenery is amazing.

AUGUSTA NATIONAL

Augusta, GA

Here's what brokers said:

augusta.com

- It's history!
- It's beautiful. It's historical. It's challenging.
- Beauty, serenity, history.
- Augusta National combines the best overall design, playing conditions and historical significance of any course in America. There really is no comparison.



SPYGLASS HILL

Pebble Beach, CA

Here's what brokers said:

pebblebeach.com

- Great setting, scenery, course layout and climate.
- Love the topography, sea, trees, weather and wildlife.
- Inspired by the classic novel "Treasure Island," the course features two distinctly different kinds of terrain: sandy seaside dunes and majestic pines.



Image courtesy Evan Schiller

ERIN HILLS

Erin, WI

Here's what brokers said:

erinhills.com

- A course created by nature and revealed by architects.
- Challenging course with an Irish links feel.
- A quiet and intimate destination.
- Rolling prairie-style landscape with a nice blend of short and long holes.



PASATIEMPO

Santa Cruz, CA

Here's what brokers said:

pasatiempo.com

- It is a beautiful course with some unique holes.
- Tough and challenging.
- Designed by world-renowned golf architect Alister MacKenzie.
- I like this course because you have to think about each and every shot.



Image courtesy Rob Babrock

TOWN & COUNTRY CLUB

Saint Paul, MN

Here's what brokers said:

tcc-club.com

- Close location.
- It's an attractive course. Great place for taking clients.
- Conveniently located just 10 minutes from both downtown Saint Paul and Minneapolis.
- In 1893, the first round of golf ever played in Minnesota was at Town & Country Club.



Commercial Real Estate's Favorite Golf Courses (cont'd.)



BLACKWOLF RUN

Kohler, WI

Here's what brokers said:

americanclubresort.com

- The scenery cannot be beat. Just takes me to a different world when I play there.
- Natural beauty winding through meadows and across ravines, the two championship courses at Blackwolf Run, The River course and The Meadow Valleys course, are challenging yet fair for both professionals and amateurs alike.



PACIFIC DUNES

Bandon, OR

Here's what brokers said:

bandondunesgolf.com

- Pure golf, and it's beautiful.
- Pacific Dunes doesn't feel like it was built as much as it was discovered.
- The course emerges from shore pines to spectacular 60-foot sand dunes.



BANDON DUNES

Bandon, OR

Here's what brokers said:

bandondunesgolf.com

- Perched on a bluff above the Pacific Ocean, Bandon Dunes unfolds along pristine native dunes where expansive ocean views are revealed on nearly every hole.
- The course is completely natural and routed through an environment of indigenous vegetation.
- This is a thinker's course.



THE CLUB AT PORTO CIMA

Sunrise Beach, MO

Here's what brokers said:

portocima.com

- This first-class golf course is situated along the Lake of the Ozarks. Every hole has stunning views. My favorite time of year to play the course is in the spring when the dogwoods are blooming.
- It's a wonderful experience for all levels of players.
- Designed by Jack Nicklaus.



THE HOME COURSE

DuPont, WA

Here's what brokers said:

thehomecourse.com

- An excellent course with a great price point.
- The Home Course is a championship-quality golf course at affordable public rates.
- The Home Course has been the site of numerous national championships, including the 2010 U.S. Amateur (companion course to Chambers Bay) and the 2014 U.S. Women's Amateur Public Links.

Congratulations to the Winners of Our Golf Survey



GRAND PRIZE:
\$500 Gift Certificate to Lost Dunes

WINNER:
Holly Duran, Holly Duran Real Estate Partners
Chicago



CONSOLATION PRIZE:
YETI cooler filled with golf goodies

WINNER:
Marcia Lockman, CBRE
Minneapolis



CONSOLATION PRIZE:
YETI cooler filled with golf goodies

WINNER:
Joe Brady, Savills Studley
San Jose

Thank you to all the real estate professionals who contributed to this survey and to our DC office for the YETI coolers.

TORREY PINES

La Jolla, CA

Here's what brokers said:

torreypinesgolfcourse.com

- Sits on the coastal cliffs overlooking the Pacific Ocean and is recognized as the premier municipal golf course owned and operated by a city.
- It is named after the Torrey Pine, a rare tree that grows in the wild only along this local stretch of the coastline in San Diego County and on Santa Rosa Island.
- The stage of the 2008 U.S. Open Championships when injured Tiger Woods defeated Rocco Mediate during a sudden death playoff after 90 holes of golf.



YELLOWSTONE CLUB

Big Sky, MT

Here's what brokers said:

yellowstoneclub.com

- Beautiful mountain course surrounded by incredible scenery. The first tee sits at an elevation of 8,000 feet.
- This mountain golf course creates a breathtaking backdrop for a round or two with friends and family.
- High-altitude terrain transformed into a stunning mountain golf course experience.



LOST DUNES

Bridgman, MI

Here's what brokers said:

lostdunes.com

- Natural Midwestern look and feel with warm, talented and accommodating staff.
- Lost Dunes presents a challenge that varies with the weather and even the time of day.
- Golf Digest ranked it as one of the best courses in the state.



Commercial Real Estate's Favorite Golf Courses (cont'd.)



LAJITAS GOLF RESORT

Lajitas, TX

Here's what brokers said:

lajitasgolfresort.com

- It has beautiful scenery, a great resort and a fun course.
- The golf course combines the historical features of the land with the stunning setting of Big Bend National Park. Several breathtaking mountain holes set against spectacular mountain vistas make this course a true work of art.
- The course itself is named Black Jack's Crossing after U.S. Army General John "Black Jack" Pershing, who pursued Pancho Villa across the Rio Grande.



LOCH LLOYD COUNTRY CLUB

Kansas City, MO

Here's what brokers said:

lochlloyd.com

- Beautiful layout and setting, and a hometown course of choice. Always a relaxed clubhouse.
- The course is a Tom Watson Signature Design and has earned its reputation as one of Tom Watson's greatest achievements.
- Challenges and amazes golfers of all skill levels.



LAHONTAN GOLF CLUB

Truckee, CA

Here's what brokers said:

lahontangolf.com

- High Sierra golf course among majestic pines with each hole sheltered and invisible from the other holes.
- A Tom Weiskopf-designed course that combines great attention to detail and beautiful natural surroundings.



BOUNTIFUL RIDGE

Bountiful, UT

Here's what brokers said:

bountifulridgegolf.com

- Well-groomed fairways and greens.
- There are often deer present, which adds to the ambiance.
- Mountain setting and terrific views.



OLD WAVERLY GOLF CLUB

West Point, MS

Here's what brokers said:

oldwaverly.com

- The course is very challenging but fair, fun and enjoyable.
- The practice facility is second to none, and the staff at Old Waverly is over-the-top friendly.
- The food and accommodations are incredibly good, and everything is accented with a touch of Southern charm.



LOCATION IS EVERYTHING

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An Interview with U.S. Bank's Rex Rudy

FINANCE

In a world of frequent volatility, U.S. Bank prides itself on a strong capital structure and risk management philosophy.

Premier Office Magazine: Tell us a little about U.S. Bank and your role within the Bank.

Rex Rudy: U.S. Bank is the fifth-largest commercial bank in the United States and is headquartered in Minneapolis. The Bank was founded in 1863 and has over \$450 billion in assets. I head the Commercial Real Estate line of business for U.S. Bank. The group is comprised of 380+ real estate professionals spread across 29 offices throughout the United States from San Diego to Boston and Atlanta to Seattle.

POM: What are some of the strengths that set U.S. Bank apart?

Rudy: We have a strong capital structure and risk management philosophy. These two strengths combine to position U.S. Bank to be the highest-rated bank in the world, with industry leading ROA, ROE and efficiency ratios. Given the volatility in the world today, it pays to have a partner that you are certain will be there when you need them. Some of the other unique strengths are our strong operating culture and ethical business practices. U.S. Bank has been recognized as one of 2016 World's Most Ethical Companies by Ethisphere.

POM: How has U.S. Bank been a key player in the commercial real estate industry?

Rudy: From an on-balance sheet perspective, U.S. Bank is one of the largest providers of capital to the commercial real estate industry. U.S. Bank has also been a leader within the commercial real estate marketplace in terms of loan syndications, bond underwriting, private placements,

derivatives, foreign exchange, deposit services, treasury management and corporate payment systems. In each of these businesses, U.S. Bank has industry-leading capabilities to deliver the best execution to our client base. In addition to the business side, many U.S. Bank team members participate in industry leading organizations, including Risk Management Association, Urban Land Institute, NAREIT, ICSC and NAIOP.



POM: What types of commercial real estate clients does U.S. Bank serve?

Rudy: U.S. Bank serves many types of commercial real estate clients, including local and regional developers, owners and operators, public companies (REITs and homebuilders) and institutional clients. In terms of property types, we finance office, industrial, apartments, retail, self-storage, manufactured housing and lodging properties.

POM: When deciding to work with a commercial property owner, what are some of the key criteria you look at? Is

it more than just the property or portfolio to be financed?

Rudy: U.S. Bank is a relationship lender, meaning that we are looking for clients that have a demonstrated set of qualities where we can develop a robust, long-term relationship. Integrity is paramount. We look for owners, investors and operators that have demonstrated an expertise in development, management of real estate, and have been successful at navigating various economic environments.

POM: What major U.S. markets are you involved in with respect to commercial real estate financings, and where do you anticipate areas of growth for your business?

Rudy: We finance projects all over the United States, following our clients where they are active. I would expect our growth to be influenced by overall economic conditions in the near term. We recognize the changing environment driven by technology, demographics and the differing way people want to interact with real estate today. As the environment changes, we will seek to stay a step ahead when possible through consistent dialog and support for our key clients.

Rex Rudy is an industry veteran who presently serves as Division Head of U.S. Bank Commercial Real Estate, overseeing a \$40 billion loan portfolio and 380 professionals across the Bank's 29 lending offices nationwide. Mr. Rudy has more than 20 years of experience in the industry and has managed teams in Real Estate Investment Trust (REIT) finance as well as Real Estate Syndications.

FCM

1. SPEC SUITE DESIGN GUIDELINES

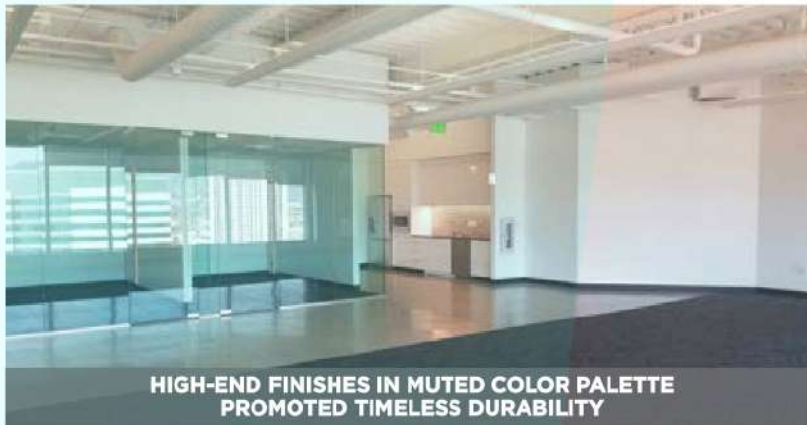


- Vacant suites in **target SF demand segments** prioritized.
- Layout designed to maximize **line of sight to exterior**, enhancing **natural light** within suite.
- **Open plan** concepts were favored while maintaining flexibility for as-needed supplemental build-out.
- Kitchenettes leverage furniture solutions to **increase usable area** and unique tenant requirements.
- **Mix of exposed and drop ceilings** appealed to the widest audience of prospects.

2. SPEC SUITE CONSTRUCTION

SCHEDULE

PROJECT TIMELINE - APPROX. 16-24 WEEKS



FINISH SCHEME



3. LEASING NEGOTIATIONS & EXECUTION

SUITE
1150

7,799 RSF

NovaBay[®]
PHARMA

Tenant sought construction of five additional offices; when lease was executed.



SUITE
470

4,298 RSF

nne pharmaplan[®]



KBS Asset Management & Acquisitions Team



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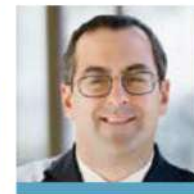
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500
WEST
MADISON

High image branding
available

A city within a city

Tired of facing the uncertain elements of mother nature? Come join the prestigious tenant roster at Chicago's 500 West Madison, and enjoy the luxuries of a city within a city.

With best in class amenities, an iconic location, sitting directly on top of Ogilvie Transportation Center and large highly efficient floorplates, 500 West Madison is sure to be the right move for your business.

AMENITIES:

- 21 restaurants
- 14,000 square foot private health club
- 6,500-square-foot conference center
- New Lounge @ 500 for tenants
- Bicycle storage with its own locker room
- Concierge service and 24/7 security



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A black fountain pen with a silver nib stands vertically in the foreground. The background is a city skyline at night, with various skyscrapers illuminated in blue, green, and orange. The sky is a deep twilight blue.

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