



CASE STUDY:

**Class B
98,100 sf Bldg.
on Montgomery
Street**

San Francisco, CA

Value Enhancement
- Asset Management
and Advisory Services
for 98,100 s.f. Class B
building in the CBD.
Upon acquisition of
the property in 2006
– UREE embarked on
a major re-evaluation
of the asset to include
infrastructure, tenant
roll and operating
expenses in a strategic
effort to improve
property valuation

- Acquisition Analysis
- Project Proforma for rent, operations
- Vendor Re-evaluation
- Operating Expense Analysis and cost reduction



The Client.

UREE was engaged by a high net worth purchaser of this 98,100 s.f Class B building situated in the central business district. This property was part of a mixed use portfolio purchased by the investor seeking to expand their San Francisco real estate holdings. The portfolio consisted of this property, an adjacent free standing fully leased property, a parking lot, and the rights to develop up to 285,000 square foot utilizing untapped TDRs .

The Challenge.

As savvy real estate investors know, the way to improve the value of a property is to keep rents high and operating costs low – generating an increasing net income. Before the purchase, the property had been in another owners’ portfolio for many years. At the time UREE became involved in advising and managing this property, existing rents were under market, and the operating expenses of the building needed some refreshed attention.

The Solution.

UREE began reviewing, evaluating and replacing many of the existing vendors who had not been challenged in some time on their pricing or performance. UREE renegotiated contracts and re-defined scope of services and operating practices to meet the current needs of the tenant base. A total review of operations, infrastructure and annual operating budget was completed.

The Results.

UREE was able to reduce the annual budget associated with the building operating expense by 11%. Two ways to win: the long-term value of the properties may be realized through increased rents over time or by development of the properties to its highest and best potential as office rents for new structures justify.