



2008 Office
Transaction of
the Year



NORTHWEST EVALUATION ASSOCIATION

Submittal For
Transaction of the Year Award

**Strategic Long-Term Lease
For
The Largest Relocation On Record
From The Suburbs to Downtown Portland**

On Behalf Of
The Corporate Service Brokerage Team
Of
Gordon King, SIOR, Michael Holzgang and Brad Christiansen



121 Everett Building

THE CLIENT

NORTHWEST EVALUATION ASSOCIATION

- Northwest Evaluation Association (NWEA) is a national non-profit educational services organization.
- NWEA currently works with more than 3,400 partners (districts, schools, charter schools, programs such as Teach For America) worldwide. Forty-two of NWEA's partners are located in Oregon.
- NWEA's flagship assessment project, Measures of Academic Progress (MAP), allows teachers to adapt classroom instruction to each student's individual learning needs, and helps to prepare schools for federal-and-state mandated tests throughout the school year.
- Schools, districts and other educational programs partner with NWEA to create child-centric methods of teaching and learning.

INTRODUCTORY NOTES

The relational anchor in this transaction was, and continues to be, the long-term business relationship between Northwest Evaluation Association's CEO Matt Chapman and Mike Holzgang, which began over 20 years ago, in 1986, when Mike Holzgang assisted CFI Pro Services in leasing approximately 4,000 square feet in the Old Town area at One Pacific Square, which is literally across the street from this transaction's ultimate place of relocation, the 121 Everett Building. Mike later assisted Matt Chapman with real estate needs associated with the growth of this business, its relocation and, after its sale, with a subsequent 79,000 square foot lease renewal on behalf of Harland Financial at 400 SW Sixth Avenue in 2002.

Gordon King's and Mike Holzgang's real estate "connectivity" to the 121 Everett Building dates back to a consulting assignment and site evaluation for the Port of Portland completed January 1997. At that time, Mike and Gordon were asked by the Port's real estate manager, Bill Bach, to catalog perspective central city opportunities for redevelopment, as well as vacant land and/or build-to-suit sites within the central city. This consulting assignment provided an informational foundation of 33 prospective central city land alternatives from which the Port of Portland issued a public request for proposals – a process which eventually resulted in the Port of Portland relocating to the ZGF-designed 121 NW Everett Building in 1999.

It is worth noting that prior to the "full bloom" of the green building movement, the Port of Portland Headquarters Building was designed by ZGF Architects to re-use old growth Douglas Fir timbers originally used in the construction of circa 1920s Port of Portland terminals. The salvaged timbers were re-sawn for decorative interior uses, such as for the distinctive paneling used in the public areas including the main lobby, public meeting spaces, elevator lobbies, and its seventh floor reception area and conference rooms.

“THE FACTS”

Tenant: NORTHWEST EVALUATION ASSOCIATION
an Oregon non-profit organization

Landlord: Washington Real Estate Holdings, LLC
dba WHREH, Portland, LLC
(a Seattle-based institutional real estate investor)

New Business Home: 121 Everett Building
(soon-to-be former Port of Portland Headquarters Building)



Address: 121 NW Everett Street
Portland, Oregon

Building Type: Class A, 106,758 square foot office building
with a two-story parking garage (2nd and 3rd levels)

New Premises: 103,739 rentable square feet
(the entire former Port of Portland structure,
except two, first floor retail-oriented tenancies
totaling 3,029 rentable square feet)

Former Business

Home: 108,448 rentable square feet at
Kruse Woods Five
5885 SW Meadows Road
Lake Oswego, Oregon

Commencement

Date: May 1, 2011,
following the Port of Portland's exiting of the building
for its new headquarters at the Portland International Airport

**Primary
Rationales
for Moving:**

To increase NWEA's overall connectivity to the entire metro area,
and enhance its future ability to recruit workers from the greater
Portland metropolitan area

**Projected Number
Of Employees**

At Occupancy: Four Hundred (400)

Brokerage and Management Representation:

For Tenant: Colliers International
Gordon King, SIOR, Mike Holzgang, and Brad Christiansen

In Concert With: Jeff Strickler, CFO and Mary Raskin, Operations Manager
Northwest Evaluation Association
503.624.1951

For Landlord: Grubb & Ellis
Dave Squire, SIOR, and Tom Remley

In Concert With: Brent Lower, Senior Vice President
Washington Real Estate Holdings, LLC
206.613.5300

Legal Representation:

For Tenant: Scott Farleigh
Farleigh Wada Witt - Portland

For Landlord: John Fandel
Foster Pepper Tooze, LLP - Seattle

Interior Planning: Paul Gibbons, Principal of WGS Design

Case Study

By

Gordon King, SIOR, Mike Holzgang and Brad Christiansen

For

NORTHWEST EVALUATION ASSOCIATION

Overview

The “news release” summary of this transaction is as follows:

Northwest Evaluation Association (NWEA), a national non-profit education service organization will be moving from its current headquarters in Lake Oswego to the Port of Portland Building at 121 NW Everett Street in downtown Portland. The lease will commence on May 1, 2011. The Port will be moving to its new headquarters at the Portland International Airport....

“We are very excited about our future headquarters,” said NWEA’s CEO Matt Chapman. “This move will allow us to increase our overall connectivity to the city of Portland and recruit employees from the entire metropolitan area....” NWEA’s upcoming relocation to the former Port of Portland Building “clearly ranks as the largest relocation ever of an office tenant from the suburbs to the central city,” commented Gordon King and Mike Holzgang of Colliers International, the commercial real estate firm that advised NWEA on the move.

In addition, it is worth noting that the last major relocation from the suburbs to the central city was Integra Telecom, formerly of Hillsboro, which leased 64,433 square feet at the 1201 and 877 Buildings in the Lloyd District in 2003 – a transaction also represented by the King/Holzgang/Christiansen corporate services team.

Introduction

The transaction presented in this submittal began with a series of conversations in the fall of 2006 with the Northwest Evaluation Association’s team of Matt Chapman, Chief Executive Officer, Jeff Strickler, Chief Financial Officer, and Mary Raskin, Operations Manager. The executive team had just “taken the reins” of this national non-profit educational services organization and, although NWEA’s original space size had been planned for a 350 to 400 employee count to address reorganization and cost control issues, the executive team had consolidated staff to 210 individuals.

Challenges

- Immediately sublease a portion of the Kruse Woods Five space to reduce overhead, given staffing reductions. Yet, our team began marketing the second floor for sublease as the mortgage-based financial crises was beginning to present excess sublease space within the Kruse Way Corridor. Vacancy rates in the Lake Oswego Class A market had moved from 6% in the third quarter 2005 to 12% in the first quarter of 2007.
- From a longer-term perspective, Northwest Evaluation Association sought to review future spatial needs to develop an image more appropriately suited to a national non-profit rather than the “corporate-regional-office” image presented by the Kruse Woods location and office configuration.
- Use any new or renovated office space to assist with the executive team’s goal of creating an inter-office cultural change that would encourage a more interactive communication between associates by moving away from a heavily-officed environment toward a mix of soft furnishings and conference-oriented offices, i.e., toward a team-friendly environment.
- If possible, secure a location – be it existing or build-to-suit – that would allow NWEA to increase its overall connectivity to the city of Portland, and recruit employees from the entire metropolitan area.
- If a downtown location was eventually selected, the goal was to provide this major non-profit with “suburban-like” rental rates for its headquarters.
- As an extension of a philosophy of social responsibility, NWEA sought to pursue a LEED certification pursuant to current Green Building Council Leadership Energy and Environmental Design standards.
- If a downtown location was to be secured, provide both light rail access and immediately accessible, ample parking.
- Secure placement at a project or building with amenities suitable for NWEA’s use, such as showers, lockers, bicycle storage, and conference centers.
- If possible, provide prominent building signage to reinforce and assist in increasing its identity within the greater metropolitan marketplace.
- If necessary, complete a lease agreement for occupancy of a new headquarters location two and one-half years in advance of completion of tenant improvements for the relocation space.
- From a reporting and a decision-making perspective, the executive team of Matt Chapman, CEO, and Jeff Strickler, CFO, had very limited time to devote to what was certain to be an extensive process.
- From a procedural standpoint, the NWEA operations team was, at times, a highly committee-oriented and consensus-based decision making structure that required active interface with two dozen mid-range managers.

Services

- Colliers corporate services brokerage team sublet a portion of the eighth floor to a downsizing lumber corporation – Greenwood Products, a North Pacific company, in December 2007.
- Recognizing that the Port Commissioners had approved a new headquarters building at Portland International Airport, and that Washington Real Estate Holdings had reached an agreement to purchase the Port of Portland headquarters in the Fall of 2007, and that the Port of Portland Building could be a viable option for a 2011 relocation, a formal request to lease was forwarded on behalf of NWEA to Washington Real Estate Holdings (“Washington Holdings”) early in the process – in December 2007.
- Several face-to-face introductory meetings were held with the principals from Washington Holdings and NWEA in January 2008. Following these face-to-face meetings, preliminary space planning through the services of WGS Design, began in earnest at the 121 Everett Building.
- The discussions with Washington Holdings regarding the 121 Everett Building “kick-started” an internal relocation versus renewal discussion at NWEA in March 2008.
- It was announced to all NWEA employees that NWEA would be in the process of interviewing developers and soliciting proposals of the greater metropolitan area in order to control the selection of its future “business home.” The initial goal was to solicit proposals from various ownership groups in order to have a determination as to the relative value of a select group of projects by the end of the calendar year.
- Seventeen months after our initial meetings with NWEA, in April 2008, the projected staff growth for the 2008 to 2011 timeframe was increased to 34% over the current staff level, with a possible maximum projected growth of over 52% by 2011. Depending on the various spatial configurations developed by WGS Design, the 121 Everett Building could accommodate the 228 to 381 projected staff under either the base growth or aggressive growth scenario.
- In April, we met with the executive team to review all potential build-to-suit and redevelopment sites.

Potential office development sites reviewed included: Centennial Mills, Riverfront Development sites, Union Station, Block R, East Pearl Building, Block 26, the Goldsmith Blocks, the Custom House, the Block adjacent to Casey Condominiums, Stark Street Half Block, Block 216, Oak Street Half Block, Taylor Street Quarter Block, Goodman/Governor site, Morrison Bridgehead, St. Mary’s Block, Fourth Avenue Half Block, the Blanchard renovation, the Memorial Coliseum site, Kalberer’s site, Lloyd District build-to-suit, Burnside Bridgehead through Opus Northwest, Couch Street Half Block, Town Storage, Eastside ODOT sites, the OMSI site, and South Waterfront.

Buildings under construction or capable of renovation reviewed included: One Waterfront Place, Machine Works, the Port of Portland Building, Grand Central build-to-suit, Washington High School renovation, 100 Multnomah Office Tower, First & Main,

KOIN Center, 100 Columbia, Park Avenue West, Galleria renovation, Commonwealth renovation, and Lincoln Building renovation. We also discussed the distinct potentiality of space “freeing up” within the US Bancorp Tower and/or Robert Duncan Plaza.

- In May, all spatial programming and employee growth projections were re-reviewed in conjunction with newly designed and open plan spatial layouts in order to secure a program approval for RFP submittal. In addition, the opportunities and challenges associated with a build-to-suit versus re-allocation were discussed including project size, geographics, timing, development and economic process, and the negotiation and selection process.
- Following a month of re-exploring development sites and discussing the timing and process associated with build-to-suit properties with the executive team, a comprehensive, twenty-five page request for proposal was developed and presented to the BMP Development (Schlesinger Companies) for the 100 Multnomah project, Foresight Development for the Grand Central build-to-suit, Bill Naito Properties for the Galleria, Unico Properties for the Commonwealth Building, as well as a restated request for proposal to Washington Holdings for the 121 Everett Building.
- In July, all proposals to lease were prepared and carefully reconciled using 41 data points ranging from the average effective annual full service rate for five and ten year lease terms to the effectiveness of the anticipated property management company, in preparation for the August executive meeting.
- At the August executive meeting, the relocation list was narrowed to Grand Central, the Galleria, 100 Multnomah and Port of Portland. At this juncture in the process, request for proposals were also issued to Shorenstein Properties for a renewal at Kruse Woods Five, a relocation to the soon-to-be-completed Kruse Woods Three project, and a relocation to the central city at First & Main for May of 2010.
- A new (second) comprehensive market survey was prepared of all available and appropriate office buildings under construction, existing and proposed, in the entire Portland metropolitan area (excluding Vancouver) that met Northwest Evaluation Association’s minimum and maximum spatial projections for a minimum of 80,000 square feet, expanding to 100,000 square feet.
- This market survey was deliberately prepared from a board of directors perspective and effectively provided a status report on twenty-two central city and suburban projects, focusing on their development status, adjusted to estimate actual rental rates to adjust for the high cost of tenant improvement construction, as well as population and demographic information for each site. As reported by RLB/Rider Levett Bucknall, tenant improvement construction costs had increased by 50% during the previous five years, and these increased costs were placing upward pressure on quoted rental rates.
- This market survey provided a context from which to proceed to selection of finalists. The finalists selected by the executive committee for face-to-face owner/developer interviews were five potential transactions with three owners: 100 Multnomah with Schlesinger Companies; renewal at Kruse Woods Five; a relocation at Kruse Woods Three; a relocation to First & Main with Shorenstein Properties; or the 121 Everett Building with Washington Holdings.

- A comparison and reconciliation of these five final proposals using the previously developed 42 data point spreadsheet was completed, all tenant improvement disparities were reconciled, and variances in rent structures between the full service and net proposals were completed prior to the owner/developer interviews in August. All proposals were reconciled both as to economic and non-economic factors.
- The owner/developer interviews served as the beginning of final lease negotiations. A formal issue outline was developed for the owner/developer interviews that focused on a clearer understanding of each proposal and further reconciliation of the different approaches taken by each developer. The topics revolved around the structuring of appropriately sized and expanded premises, the provision of tenant improvements versus a tenant improvement allowance, structuring of parking costs and availability, as well as the rental rate structure.
- Particular focus was given to each group's management philosophy, major investors, and factors that could provide a path of expansion for NWEA. In the end, the executive committee was in search of a new business home with owners on a project that best met their carefully considered spatial, economic and initial contractual conditions.
- Following the owner/developer interviews, Paul Gibbons of WGS Design began plan refinements to the interior plans for the 121 Everett Building and provided complete program-driven space planning for the Kruse Woods Five Building. The concept at NWEA's existing business home, Kruse Woods Five, was that two floors would be vacated (one occupied by Lime Financial, and one occupied by NWEA) and both floors would be completely rebuilt, and then NWEA would be relocated to these recently rebuilt floors. This staged restacking of the building would allow NWEA to move into four floors of newly renovated space in only two moves.
- Following the interviews, NWEA mid-level executives walked through the entire 121 Everett Building and spent time evaluating and ranking all non-economic factors. Space planning conversations among mid-level executive groups revolved around the themes of:
 - (1) Collaboration, the proper mix of impromptu meeting areas, communal areas, living room style locations and other spaces that increase creativity;
 - (2) Shared resources of computer labs, training space, copy centers, guest/temporary work spaces;
 - (3) Proximity to transit systems, accessibility to parking, accessibility to bicycle storage, ease of access;
 - (4) "Look and feel" such as use of natural light, hosting areas, the ability to avoid pretentiousness while providing friendly and warm space;
 - (5) Facility adequacy, including adequacy of internal stairways, HVAC, as well as expansion capability for growth.
- Following the owner/developer interviews, NWEA's preference was beginning to "tilt" toward the 121 Everett Building, with a renewal at Kruse Woods Five as a "back-up" transaction. From the day a decision was made to limit the selection to a renewal or the 121 Everett Building, the team lived by a pre-set project timeline that extended from August until issuance and signature of a letter of intent in October. The timeline action plan included a "trap-line" meeting with all managers to ensure that all issues were being addressed, a tour of the Port of Portland Building with all department managers, receipt

- and bidding of schematics for both projects by Lease Crutcher Lewis, presentation of a final and best offer to lease, review of final tenant improvement bids, issuance of final and best offers to lease, summary and review of all financial and non-economic terms and conditions of the final and best offers to lease, selection of a finalist, followed by the issuance of a clarifying counter offer, and negotiation of a letter of intent.
- Nearly all of the NWEA mid-level managers revisited the 121 Everett Building and created a recommended priority list of non-economic factors in September. The top 11 factors that were ranked were perceived degree of change, proximity to current staff, amenities (restaurants, hotels, etc.), quality of work environment, timing of move, access to transit, rush hour traffic, cultural change related to office layout, parking availability, safety/security and day care. This second tour and ranking session lasted more than 4 hours. The mid-level managers' facilities discussions gave a total rating (lower score = more favorable rating) of 95 to the Everett Building and 111 to the Kruse Woods Five Building.
 - Demolition and schematic plans for Kruse Woods Five were completed and submitted for bid to Lease Crutcher Lewis for Kruse Woods Five on September 10. On September 16, Matt Chapman and Jeff Strickler met with the board of directors for NWEA to provide an update and receive authorization to proceed with finalization of a lease transaction at either location.
 - On September 18, using an outline of financial assumptions, Gordon and Mike created, for comparison, a master lease with NWEA versus a multi-tenant re-lease of the 121 Everett Building and Kruse Woods Buildings. With the assistance of Jeff Grose at PGP Valuation, specialized ARGUS cash flows were developed. These cash flow models compared the final and best offers versus the projected lease-up schedule for both buildings using a range of assumptions. These cash flows were shared with each owner as a prelude to the final and best offer to lease.
 - The ARGUS cash flows focused each owner's thinking on the relative value of one master lease with NWEA versus a market standard lease-up. Depending on the parameters used, the gross monetary difference between a standard lease-up and the then proposed master lease with NWEA ranged from \$4,470,000 to \$5,895,000.
 - The decision-making process included the involvement of all mid-level managers and executives from NWEA, space planning from WGS Design, and strategic contractual and economic input from Colliers and its sister corporation PGP Valuation. The process could only be described as a "textbook" tenant representation assignment inclusive both as to people and ideas – a process that brought a seamless multi-disciplinary approach to the relocation versus renewal decision.

- Going into the “final and best” offer to lease with the 121 Everett Building in September, the following observations were made:
 - Although the 121 Everett Building had a more favorable economic score, it was noted that the spread of noneconomic factors still tilted toward the Port, yet not decisively;
 - Both facilities met the minimum (and probably maximum) organizational needs;
 - Change could be managed at either facility.

- The internal NWEA discussion then focused upon economic and contractual (as opposed to spatial and noneconomic) factors. Final and best offers to lease were presented.

- The Port of Portland has “two windows” of time in which it will vacate the 121 Everett Building. Accordingly, during the letter of intent process, there were extended discussions regarding the time and concession-oriented concepts of early occupancy, delivery of tenant improvements, as well as rent versus lease commencement dates.

- Letter of intent and subsequent negotiations were actively pursued to ensure that the base lease document reflected a carefully tailored, modified net lease that provided for properly documented expansion options, options to renew, delineation between lease and rent commencement dates, early occupancy, changes in commencement dates, “caps” upon property management expenses, a “turnkey” tenant improvement allowance, active involvement of the Landlord in the construction bidding and management process, negotiated janitorial specifications, and limitations on operating expenses.

- The month of September was focused upon negotiation of the letter of intent. Gordon King worked closely with Scott Farleigh, attorney for NWEA, of Farleigh Wada Witt, in both the due diligence and negotiating process. Following completion of a twenty-page letter of intent, due diligence issues pursued during final lease negotiations included:
 - (1) Review of a revised Phase I Environmental assessment;
 - (2) Review of the pertinent portions of existing retail leases at the 121 Everett Building;
 - (3) Definition of access rights to and from for the first floor freight elevator and parking floors;
 - (4) Review of the most current versions of the financial statements;
 - (5) Completion of HVAC consultant reports to confirm the heating, ventilation and air conditioning capacity met the tenant required specifications;
 - (6) Calculation of the holdover costs at Kruse Woods Five;
 - (7) Negotiation of a “cap” on construction management costs;
 - (8) Review and editing of the legal description; and
 - (9) Negotiation for and issuance of exhibits for a new Landlord-provided first floor common corridor and related first right of refusal.

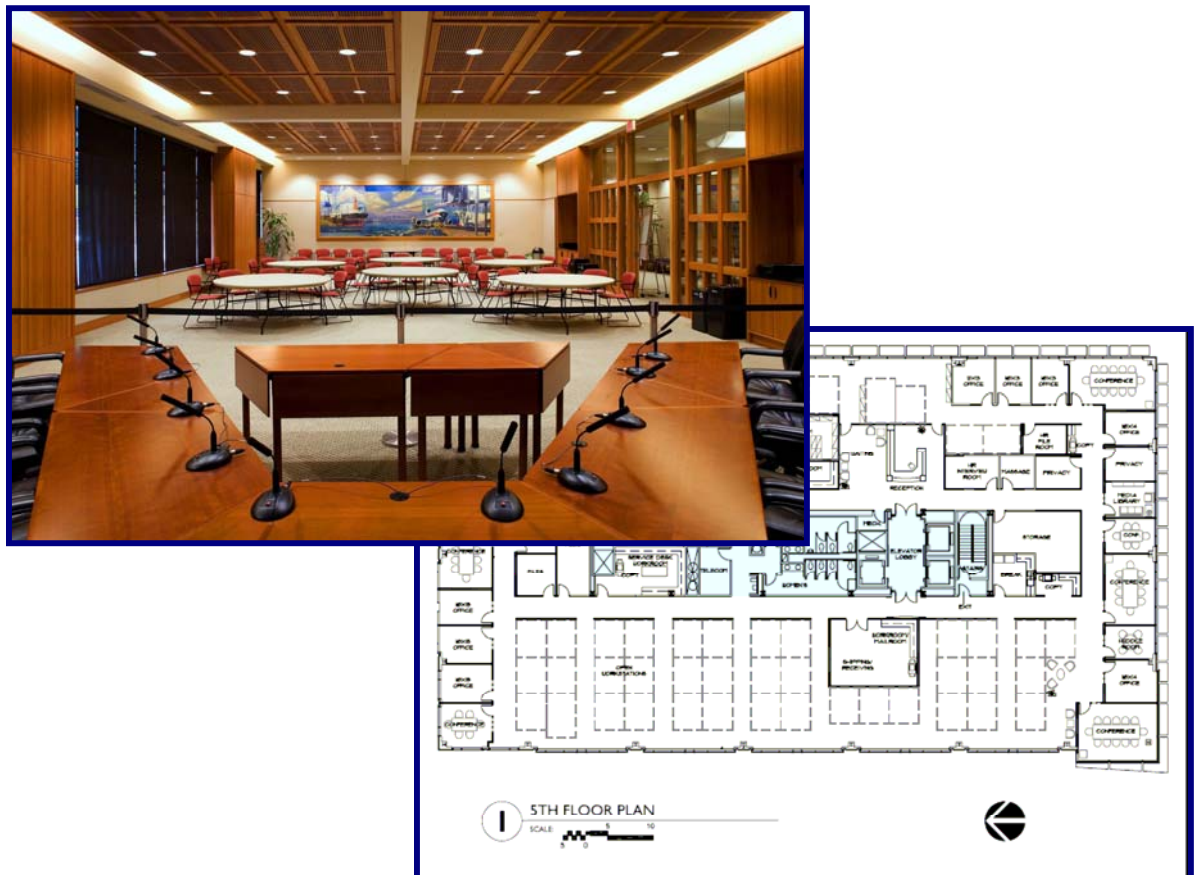
Results

- Northwest Evaluation Association completed, what is by far the largest ever lease for relocation to downtown from the suburbs over two and one-half years prior to its intended date of occupancy to the headquarters building built for, and presently occupied by, the Port of Portland.
- The goal of attaining a headquarters with an institutional image more appropriate to its standing as a national non-profit educational services organization was clearly accomplished. Northwest Evaluation Association successfully re-aligned their culture through a planned adaptive reuse of a second generation (but only ten year old) building which is more spatially efficient, and less visually pretentious, than its present headquarters location.
- The full economic parameters of this transaction cannot be fully disclosed; however, the executive team's desire to obtain "suburban-like" rental rates was clearly accomplished.



- The location of the 121 Everett Building allows NWEA to increase its overall connectivity to the city of Portland and more easily recruit knowledge workers from the entire metropolitan area.
- Prominent building signage was secured to reinforce NWEA's image and to assist in increasing its presence within the marketplace.
- NWEA secured "curbside" access to light rail mass transit, as well as the ability to lease up to two parking stalls per 1,000 square feet of space (at pre-negotiated rental rates) within the project parking structure.
- From initial employee surveys, it appears that employee morale will be enhanced by shorter commute times for the relatively large percentage of NWEA's employees who reside within the city of Portland.

- Interior designs have been completed which when constructed will assist with an inter-office cultural change from space that “reads like a traditional law firm” to an office culture that will encourage more interactive communication between associates through a mix of soft furnishings, conference-oriented offices, i.e., toward a team-friendly environment.
- Landlord will pursue a LEED-EB certification for the building, while NWEA will simultaneously pursue a LEED-CI certification for the premises, pursuant to current Green Building Council Leadership and Energy and Environmental Design Standards.
- Senior executive time was efficiently used by continuously tracking the team’s efforts against a written schedule and by using pre-approved agendas at meetings scheduled up to two and one-half months in advance, staggered two to six weeks apart. On a day-to-day basis, Mary Raskin, Operations Manager, served as NWEA’s “point person”.
- The involvement of varying levels of mid-managers, as well as traditional involvement of an executive team, matched with space planning from WGS Design and valuation services from PGP Valuation, allowed the Colliers’ corporate services team to use a seamless multi-disciplinary approach to orchestrate what can only be described as a “textbook” (albeit large) tenant representation assignment.



Inking a mammoth lease



Cathy Cheney | Portland Business Journal

Nonprofit NWEA found a **new home** in Old Town's Port of Portland building. Meet the guys who put the deal together.

Mike Holzgang, left, and Gordon King of Colliers International represented Northwest Evaluation Associates in its search for a larger office.

Men behind the NWEA deal structure a 107,000-square-foot lease

BY WENDY CULVERWELL
BUSINESS JOURNAL STAFF WRITER

The recent decision by a nonprofit educational testing company to move from Lake Oswego to the Port of Portland Building in Northwest Portland marked a milestone.

Northwest Evaluation Associates' lease of the 107,000-square-foot structure, and its promise of moving some 300 jobs to the site, may represent the largest relocation ever of a suburban business to Portland's central business district. It also is one of the largest office transactions in recent Portland history.

NWEA plans to move its employees to the building, located at 121 N.W. Everett St. in Old Town, in 2011 after the current tenant, the Port of Portland, moves to new offices at Portland International Airport. The move will put NWEA

Players in NWEA's deal

As part of our **Who's Who in Commercial Real Estate**, the Portland Business Journal recognizes the local professionals who made NWEA's big office lease happen.

Tenant representatives:

Mike Holzgang and Gordon King.

Landlord representatives:

Tom Remley and David Squire.

Tenant lawyer:

Scott Farleigh.

Elsewhere, the section profiles other commercial real estate pros who are making their mark in the field.

in better contact with the business community, said Matt Chapman, president and CEO.

Chapman said the downtown location will help with staff recruiting and business connections with other nonprofits and software firms. Its Old Town neighbors will include the University of Oregon, Mercy Corps and an array of software development firms.

Putting the deal together required the services of several commercial real estate professionals. Brokers Gordon King and Mike Holzgang of Colliers International led NWEA's search for a new headquarters, scouring Lake Oswego's Kruse Way area as well as downtown Portland.

Real estate lawyer Scott Farleigh of Farleigh Wada Witt attended to the legal details of the lease. Brokers Tom Remley and David Squire of Grubb & Ellis handled negotiations on behalf of the owner of the Port of Portland building, Seattle's Washington Real Estate Holdings LLC.

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NWEA considered many sites

Colliers International brokers Gordon King and Mike Holzgang talk about their representation of Northwest Evaluation Associates.

What was your role in the NWEA lease? We worked as NWEA's commercial real estate representative. We collaborated with the executive team at NWEA to secure a location that would allow NWEA to increase its overall connectivity to the city of Portland and recruit employees from the entire metropolitan area.

We spearheaded all comprehensive market surveys, requests for proposals, financial analysis, building inspections and negotiating strategy. We thoroughly reviewed 32 build-to-suit and 14 existing projects.

The final face-to-face negotiations involved a possible renewal at Kruse Woods V, and potential relocations to Kruse Woods III, the 100 Multnomah building, downtown's First & Main and the final choice — the Port of Portland Building.

Final negotiations were kicked off with face-to-face developer interviews with the NWEA executive team and continued with "final and best" requests for proposals, and a letter of intent negotiated through our offices.

NWEA's executive team encouraged involvement of mid-level managers. This input, as well as traditional involvement of the executive team, matched with space planning from WGS Design and valuation services from PGP Valuation, allowed us to use a seamless, multi-disciplinary approach to orchestrate a textbook tenant representation assignment.

How does the size of this deal compare to others you've done? NWEA completed what, by far, is the largest — 106,760 square feet — re-

location from the suburbs to downtown on record, more than 30 months prior to its intended date of occupancy. NWEA's goal of attaining a headquarters with an institutional image more appropriate to its standing as a national nonprofit educational services organization was clearly accomplished.

The location of the 121 Everett Building allows NWEA curbside access to light rail mass transit, as well as parking stalls within the project parking structure at a ratio of two stalls per 1,000 square feet of space leased. It is worth noting that NWEA will pursue a LEED-CI certification for the premises, while the landlord, Washington Holdings, will simultaneously pursue a LEED-EB certification for the building.

At what point did you think "Yes! This deal is going to happen"? NWEA executives met informally with the structure's new landlord soon after that entity, Washington Holdings, placed the building under contract to purchase in December of 2007. Initial conversations led us to believe that this structure, and its new ownership team, might well meet NWEA's needs. But, we had many miles to travel before we thought that a deal was going to happen.

At what point did you think, "Oh no, this deal is going to fall apart"? Between the time that a letter of intent to lease was signed and completion of final lease negotiations, the continued bad economic news, matched with numerous calls from long-term clients cancelling all calendar year 2009 requirements, led us to believe that the probability of this transaction closing was rapidly diminishing. However, NWEA CEO Matt Chapman and CFO Jeff Strickler took a long-term strategic view of NWEA's business needs that resulted in completion of the lease.

BASICS

Name: Mike Holzgang.

Title: Senior vice president, corporate services.

Company: Colliers International — Portland.

Who's Who NWEA

AWAY FROM THE OFFICE:

What you do to relax: I like to go on long waterfront bike rides in the central city with my daughters. We often go to the beach, and although it is just 90 minutes away, I feel like

I'm a world away. I enjoy fishing, golfing, snow skiing, reading (mostly nonfiction), and most importantly, spending time with family. It helps to turn the Blackberry off.

A charitable or political cause you actively support: In the past nine years I had the opportunity to serve on the board of Medical Teams Inter-

national, with a mission of sharing the love of Christ with those affected by disaster, conflict and poverty. By sharing our time, talent and treasure, we are often the ones blessed far more than those we are serving.

Along with our local church and other charities, including Young Life, Good Samaritan Ministries and Providence Health & Services, we also enjoy supporting The Salvation Army. Like Medical Teams International, The Salvation Army was recognized in 2007 as one of 10 gold-star charitable organizations in the United States, primarily due to the responsible stewardship of resources entrusted to these organizations.



Holzgang

A bit of personal trivia: I had my sights set on becoming a physician like my father, but lost passion after organic chemistry in my junior year. I determined that I did not want to be in school the rest of my life, and was tired of being poor.

BASICS

Name: Gordon King.

Title: Senior vice president, corporate services.

Company: Colliers International — Portland.

Who's Who NWEA

AWAY FROM THE OFFICE:

What you do to relax: Escape with my wife to the beach, visit our four children in various cities from Portland and Seattle to

Baltimore, read political or religious philosophy (I need the perspective) or play folk guitar.



King

A charitable or political cause you actively support: All four of our children attended West Hills Christian School. I served on its board for 14 years (seven years as chairman), and currently serve as an active member of the West Hills Christian School Foundation. We are also involved in our local church, and support several outreach organizations, including Portland Rescue Mission.

A bit of personal trivia: On occasion, I have been known to play a "mean" blues harmonica.