



## **Cray Research / Wam!Net Campus** 481,000 sf on 90 acres *Eagan, MN*

**Challenge** Sell or lease a functionally obsolete corporate campus in a difficult commercial real estate market. The Tenant (Wam!Net) was bankrupt and the Landlord (J.P. Morgan Chase) in default with the Lender (GE Finance). Convince the Owner and Lender that physical building challenges and market conditions necessitated below market pricing.

**Strategy** Market the product as an opportunity for large companies to secure space at a bottom dollar price, ensuring room to grow.

**Results** Within 12 months after listing the property, three prospects emerged for the property (USPS, Brown College and Ecolab). Ecolab signed a purchase agreement for \$17.5 million that required Lender and Owner approval. Ecolab began to study the campus, hired architects & engineers to determine a solution to remodel the campus. The \$20 million remodel solution resulted in Ecolab transforming the campus from a 1.25 R/U factor to 1.15 R/U factor. Total cost to Ecolab was \$37.5 million for 481,000 square feet (\$78.00 psf) of new space for the R & D department.