

JLL arranges \$468.70M construction loan for trophy Class A office development in downtown Bellevue, WA

The 609,000-SF office tower “The Artise” is fully pre-leased to a global e-commerce leader

SEATTLE, Sept. 16th, 2021 – [JLL](#) announced today that its Capital Markets group arranged a \$468.70 million construction loan for The Artise, a 25-story trophy office tower development totaling approximately 609,000 square feet in downtown Bellevue, Washington.

JLL worked on behalf of the borrower, a joint venture led by Schnitzer West and The Baupost Group, to secure the loan from accounts managed by KKR.

Anticipated for delivery in the fourth quarter of 2023, The Artise will offer 25 stories of Class-A office space that is 100% pre-leased to a global e-commerce leader. The state-of-the-art project will also include 4,783 square feet of retail space and parking for 1,158 vehicles. Global architecture firm, NBBJ, has designed the building with the most recent HVAC/energy code compliancy, and the development is pursuing LEED Gold shell and core infrastructure.

The Artise is located at 788 106th Ave NE in the heart of downtown Bellevue on Seattle’s Eastside. Boasting a WalkScore® of 91, the property is just one block north of the “Grand Connection”, Bellevue’s main pedestrian corridor and the site of the future East Link Light Rail Extension. Additionally, The Artise is two blocks from Bellevue Transit Center and three blocks from the Interstate 405 on-ramp, providing premier access throughout the Seattle metro.

“Schnitzer West has been investing in Bellevue’s growth and development for more than two decades,” said Jordan Suther, Senior Investment Manager at Schnitzer West. “We value our longstanding relationship with JLL and its support in our continued commitment to the region and are very excited to kick off this relationship with KKR. The Artise will cultivate Bellevue’s position as a critical business hub in the Puget Sound area and deliver in-demand Class-A office space with features that allow the modern workforce to thrive.”

JLL’s Capital Markets team representing the borrower was led by Mike Tepedino, Geoff Goldstein, Tom Wilson and Marshall Sharp.

According to [JLL’s Second Quarter Office Outlook](#), Seattle continues to exhibit strong office market fundamentals with leasing activity up 15.8% year-over-year. This is largely driven by tech companies, which are projected to employ an additional 75,000 people in the Puget Sound area over the next couple of years. Leasing in Bellevue remains strong with a 96% pre-leased development pipeline and only three other spaces over 100,000 square feet are available in the area.

JLL’s Capital Markets group is a full-service global provider of capital solutions for real estate investors and occupiers. The firm’s in-depth local market and global investor knowledge delivers the best-in-class solutions for clients — whether investment advisory, debt placement, equity placement or a recapitalization. The firm has more than 3,700 Capital Markets specialists worldwide with offices in nearly 50 countries.

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About Schnitzer West, LLC

Schnitzer West, LLC is one of the West Coast's fastest growing real estate investment, development and property management companies. Founded in 1997 by managing investment partner Dan Ivanoff of Seattle and Schnitzer Investment Corp (now MMGL Hold Co LLC.), the company has built a successful track record in the commercial and multi-family housing markets through product innovation, disciplined management and investment expertise. Known for its commitment to "Outperform the Expected," Schnitzer West has earned recognition for creating innovative workplaces and living spaces, for delivering superior-to-market returns, and for its value-creation approach to property management.

To date, it has developed or repositioned more than 10.7 million square feet of Class-A office and suburban office, flex, industrial and bio-tech space, mixed-use, and luxury multi-family residential condominiums in Seattle, Portland and Denver. Currently, its Asset Operations group actively manages 3.1 million square feet of office and industrial property for a variety of clients. Building on its success in the Northwest, Schnitzer West owns additional properties in Denver and is exploring new market opportunities across the Western United States. Learn more at www.schnitzerwest.com.

About The Baupost Group, LLC

The Baupost Group is a Boston-based investment manager with a long-term, value-oriented approach. Since 1982, the firm has been thoughtfully stewarding and compounding capital on behalf of families, foundations and endowments, as well as employees who collectively are the firm's largest client. Baupost manages roughly \$30 billion with a broad and flexible charter, investing in a wide range of asset classes, including significant holdings in publicly traded debt and equity securities, private debt, real estate, and private equity.

About JLL

JLL (NYSE: JLL) is a leading professional services firm that specializes in real estate and investment management. JLL shapes the future of real estate for a better world by using the most advanced technology to create rewarding opportunities, amazing spaces and sustainable real estate solutions for our clients, our people and our communities. JLL is a Fortune 500 company with annual revenue of \$16.6 billion, operations in over 80 countries and a global workforce of more than 91,000 as of March 31, 2021. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated. For further information, visit jll.com.

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