

Westgate to renovate 1408 Locust for Flynn Wright

■ Ten months of collaboration was invested in a deal to redevelop the building

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Westgate Partnership LLC kicked off its redevelopment of the Kruidenier Cadillac Automobile Co. Building last week after signing a new tenant and securing funds to tackle the multimillion-dollar project.

Advertising agency Flynn Wright is slated to occupy about 14,000 square feet of the 91-year-old building, following a nearly 10-month long negotiation process that included owners, brokers, bankers, architects and other stakeholders.

As the 10-year lease on its office at 501 S.W. Seventh St. in Hubbell Realty Co.'s Riverpoint West development nears expiration, Flynn Wright has finalized the terms of a new agreement that its CEO said will boost the agency's profile when it moves to 1408 Locust St. in Western Gateway Park.

Westgate Partnership, an investment group owned by Democratic Iowa Sen. Jack Hatch and Republican businessman Bruce Rastetter, plans to spend approximately \$1.85 million on exterior improvements and an additional \$650,000 to construct an interior shell across the street from the John & Mary Papajohn Sculpture Park.

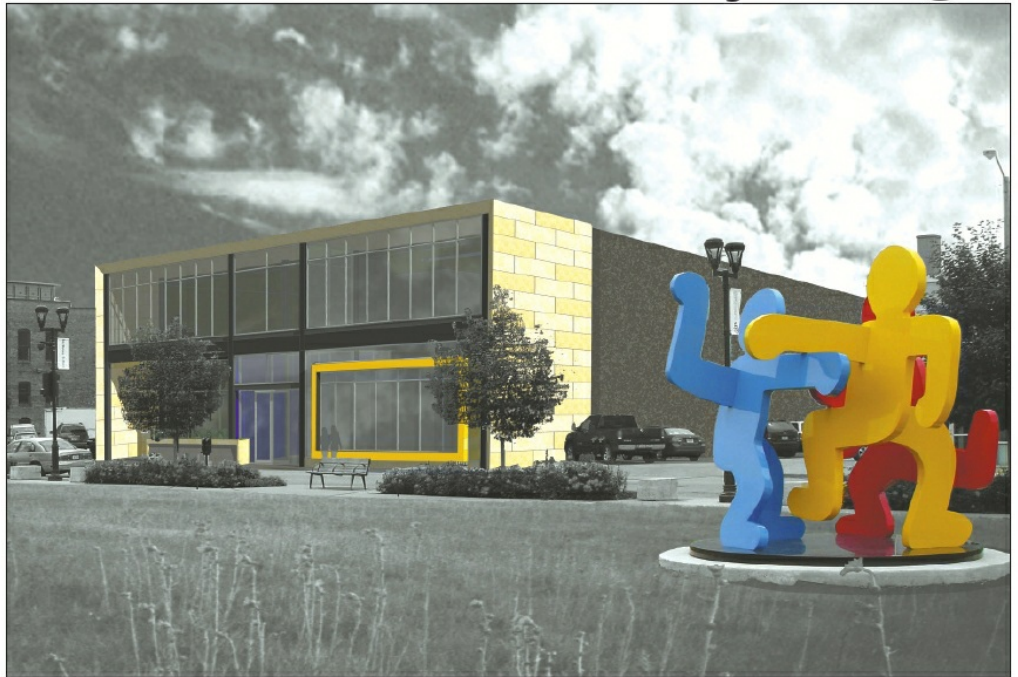
Flynn Wright, the lineage of which dates back to 1919 – the same year the Kruidenier Building was constructed to house Iowa's first Cadillac dealer – is expected to take possession by Dec. 1.

During its search for new office space, the company looked at about a dozen downtown locations. It toured the Locust Street property in June 2010, after Flynn Wright's agent identified it and initiated contact with Aaron Hyde, a broker with Ferguson Commercial Real Estate Services.

"When we first toured it, you really had to use your imagination, because it's pretty cut up," Flynn Wright CEO Andy Flynn said of the Kruidenier Building, which from March 2009 to April 2011 was occupied by the Des Moines Social Club. "Until you get into that process, you really don't know what's available. It's a fun time to kind of dream about all the possibilities."

The dealmakers

Proximity LLC, a new real estate services company that recently opened in Capital Square, repre-



RENDERING SUBMITTED BY STUDIOCOEN ARCHITECTS
The Kruidenier Building's colors will complement late artist Keith Haring's sculpture in Western Gateway Park.



PHOTO BY DUANE TINKEY
Shannon Morton brokered a 10-year lease on 1408 Locust St. downtown.

sented Flynn Wright in procuring the space. Partners Kevin Schlueter and John Garvey launched the company in February.

But Garvey said brokering transactions is only one facet of Proximity's aim to help customers make informed decisions about the spaces they own or occupy. Acting as a "proxy" for decision makers who would otherwise be distracted from

the operations of their core businesses, he said Proximity collaborates with designers, construction managers, lenders, accountants and a myriad of other industry experts to determine customers' needs and gauge their requirements before rushing into the marketplace in search of commercial space.

"We give the client the ability to look ahead, to look around the cor-

“If you put 1408 Locust on Walnut Street, I strongly believe that the deal wouldn't have happened.”

– Shannon Morton
broker, Ferguson Commercial Real Estate Services

ner,” Schlueter said.

Both he and Garvey said they have seen companies derailed by the intricate details involved with the lease, purchase, development and utilization of commercial space. Both men operated their own real estate related companies before launching Proximity in February.

“What Proximity did was help affirm our vision as an organization so this transaction could sync with that vision,” Flynn said. “Some companies might start working with someone on step two or three
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