



CAPSTONE Partners LLC

STRATEGIC PARTNERING IN REAL ESTATE

▪ Strategic Project Partners

Architect –
Craft Architects

Civil Engineer –
Bush Roed Hitchings

General Contractor –
Foushee and Associates

Construction Lender –
Key Bank

Marketing Firm –
Pacific Real Estate Partners

▪ Project Statistics

Total Rentable SF:
216,000 SF
Plus 40,000 SF of mezzanine

Land Area:
14 acres

Target LEED Certified

Integrated office and
manufacturing design

Temperature and
humidity controlled

Designed for future
second story mezzanine
to double capacity

Korry Electronics A division of Esterline Corporation, NYSE



Background

With 40 year old leases in the South Lake Union market due to expire in 2011, Korry Electronics senior management engaged Capstone Partners and brokers from Pacific Real Estate Partners to find land suitable to build a new corporate headquarters facility. Capstone assembled a design and construction team to facilitate creating a facility around Korry's manufacturing processes. To seek the best solution, members of the design team toured facilities in Japan with Korry management. On an open book basis, Capstone Partners provided analysis of several sites in an effort to help Korry senior management and Esterline Corporation senior management make decisions. Capstone and Korry worked collaboratively to structure a lease to best match the objectives of the company with the needs of the market place.

Result

- Construction on the \$45 million project commenced in July, 2008.
- Capstone signed a 14 acre ground lease on Paine Field in Everett, WA simultaneous with a long term building lease with Korry Electronics.
- The building consists of 216,000 square feet of 26' clear, dock high manufacturing space and provisions for approximately 40,000 square feet of mezzanine area.
- The entire facility is air conditioned and humidity controlled.
- The factory floor is designed to facilitate line changes in a matter of hours versus weeks in Korry's former facilities.
- Office space is integrated directly into the manufacturing process to facilitate communications between Korry personnel.
- The facility will house over 600 employees on day one.
- The facility did receive LEED standards.