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BASIN STREET BUYS AGILENT BUILDINGS

Basin Street Properties acquired another key North Bay commercial property. The Petaluma-based commercial developer, owner, and property manager purchased the twin two-story office buildings Agilent Technologies is leasing from Sacramento-based Panattoni Holdings along Aviation Boulevard near Sonoma County Airport.

Basin Street closed escrow November 30 on the 125,000sf of office space at 3850 and 3880 Brickway Boulevard in the 330,000sf Airport Corporate Center development. The purchase price wasn't disclosed.

"Along with our Oak Valley property, it increases our presence near the airport in Santa Rosa," says Basin Street president Matt White.

The purchase gives Basin Street two fully leased (through 2011) yet vacant office buildings in the burgeoning airport business parks. Panattoni build 308,000sf in four buildings at Airport Commerce Center for Agilent's Lightwave division in 2001. Agilent never occupied the campus fully before vacating it two years ago.

Basin Street has just several thousand square feet to lease at its 195,000sf Oak Valley Office Center nearby on Aviation Boulevard. Also, it started clearing trees last week for its' three-building, 120,000sf Harvest Business Center development site just west of Airport Corporate Center. Start of construction on Harvest will begin with increased leasing in the area, according to Mr. White.

The office vacancy rate for the airport area dropped to 18.1% in the third quarter from 20.8% a year before, according to **Keegan & Coppin**.

Medtronic is rumored to be negotiating for 50,000sf-100,000sf in Agilent's office buildings as Medtronic prepares overseas production facilities. Prospective tenants needing as much as 150,00sf have been touring airport-area properties, according to real estate sources.

Just to the west on Airport Boulevard, Brondi Development is tilting walls on a speculative 69,000sf class A two-story office building at Westwind Business Park. That building is set to be ready for tenants in April.

Nearly two years ago, Basin Street acquired the 151,000sf six-building Napa Airpark Center in south Napa from Panattoni to add to its 320,000sf of holdings in adjacent Napa Valley Gateway Business Park. On November 19, Basin Street sold Napa Airpark Center, but it still manages the property.

Glen Dowling and Sean Heaton of Cushman & Wakefield brokered the November 30 deal and are marketing the space for sublease.