

Off-Market Fresno Office Fetches \$56M

FRESNO, CA-The 180,481-square-foot class A 1325 Broadway Plaza here has traded hands. According to **Madison Partners' Bob Safai**, who represented the buyer, the buyer "seized the off-market opportunity to purchase a stabilized asset."

The asset, which was originally completed in 2003, changed hands for \$310 per foot or \$55.8 million. Madison Partners tells GlobeSt.com that it cannot disclose the buyer or seller's identities at this time, and cannot comment on the reasons for selling.

The building is situated on a 2.99-acre site located in the heart of Fresno's CBD. It was originally developed as a build-to-suit for the Internal Revenue Service and is 100% occupied by the federal government through a GSA lease through November 2018.

As GlobeSt.com [previously reported](#), the IRS is still located in the area and recently signed a 10-year, 531,976-square-foot lease renewal at 5045 Butler Ave. in Fresno.

According to a Q4 2011 report from Grubb & Ellis, the Fresno office market vacancy rate remained relatively unchanged at 15.9% through the end of the year. At the same time, average rents dropped by approximately \$.01 per square foot per month overall during the quarter, says the report. "While these figures seem to be of little consequence, there was some interesting activity in various submarkets around town," says the report, pointing to the Palm Bluffs and Northeast areas as the "darlings" of the market.

The report continues that as 2012 begins, there appears to be some momentum in the office market and although it isn't "out of the woods by any stretch of the imagination, 2012 is poised to statistically outperform 2011."

Although GlobeSt.com could not obtain further details from those involved in the deal at this time, according to an unidentified source, the owner on record back in 2004 was **NGP Capital**, but the source could not confirm whether they were in fact still the owner of the property. We will update this story as we learn more.



The buyer of the 180,481-square-foot class A office here at 1325 Broadway Plaza seizes the opportunity to purchase a stabilized asset.