

50 Fremont revamps to rebound from Deloitte

BY J.K. DINEEN
 San Francisco Business Times

TIAA-CREF is trying to make lemonade out of lemons at 50 Fremont St.

A year after its anchor tenant Deloitte signed a deal to defect to 555 Mission St., the owner of the downtown San Francisco building is hoping to pump some new life into it with a \$10 million renovation. The six-month project will transform the tower's main lobby and entries, common areas, retail buildings, outdoor plaza and streetscape. The brooding dark marble plugs that anchor the buildings' four corners will be replaced by illuminated fritted glass columns. The design will include larger window panes, brushed stainless steel columns and door frames, and the black granite surfaces will be replaced by domestically sourced limestone.

Skidmore Owings & Merrill, which designed the 1983 building, is doing the renovation.

"The times are changing more favorably toward landlords and hopefully we can capture that," said John Cornuke, director of asset management for TIAA-CREF Goyal Real Estate. "While we got some bad news with Deloitte leaving, we have some good news with where the market is headed."

The 42-story tower has been 99 percent leased for most of the past decade, with two tenants — Deloitte and Pillsbury Winthrop Shaw Pittman — taking up 420,000 square feet of the 787,000-square-foot building. When Deloitte vacates floors 25-33 and 40 on Aug. 1, it will cre-



"The times are changing more favorably toward landlords," says TIAA-CREF's Cornuke, left. Above: The 50 Fremont lobby renovation.

ate 250,000 square feet of vacancy, said Kari Aycock of Hines, which manages the building for TIAA-CREF. Meanwhile, Pillsbury Winthrop Shaw Pittman's lease expires in 2013 and the law firm is in talks with several downtown property owners. Brokerage sources said that Pillsbury has been looking hard at relocating to Embarcadero Center, but is actively negotiating on three options.

Cornuke said he doesn't know what Pillsbury will do. "Nobody has a crystal ball but they are a great tenant so we

want to do anything and everything we can to keep them," he said.

Tom Poggi of the CAC Group, the brokerage that is marketing the space, said 50 Fremont is one of the only large blocks of law firm-quality space available in San Francisco.

"With the bones of the building — its location and stature and skyline and floorplates — it's a building that definitely justifies making this kind of investment," said Poggi. "This will be a top-tier building."

In addition to the lobby improvements,

the redesign will overhaul the property's 26,000-square-foot plaza and retail area. An amphitheater will be built at the southern edge of the plaza, and programming will be added to the outside space. There will be new landscaping and seating areas for outdoor restaurants in the plaza, which connects First and Fremont streets and is currently the largest outdoor open space in the Transbay Terminal district.

"At the moment the building is not as inviting as it might be," said Tamara Dinsmore, an associate director with Skidmore Owings & Merrill. "It was important to ownership that this building become more open to the street and engage the corner. Mission and Fremont is an anchor corner in the Transbay District."

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