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## **New fund high on "green" buys Seattle buildings**

**By Benjamin J. Romano**

*Seattle Times business reporter*

A New York company launched a "socially responsible" real-estate investment fund with the purchase Wednesday of two old downtown Seattle buildings.

The fund, an affiliate of the Jonathan Rose Companies, bought the 14-story Joseph Vance Building and the adjacent three-story Sterling Building at Third Avenue and Union Street for \$23.1 million. The buildings, dating to 1929 and 1910, respectively, were purchased for nearly \$191 per rentable square foot from an investor group led by Frederic S. Weiss of Mercer Island, according to county records.

Company founder Jonathan F.P. Rose said the buildings' location near the bus tunnel fits the fund's philosophy of making investments in "smart growth" spots such as downtowns and "walkable Main Streets" rather than in suburban settings that depend on parking lots.

The strategy is "environmentally right" because it gives tenants options for commuting to work, Rose said, "but also we think it gives better economic returns."

That confluence of economic and environmental goals is at the heart of the planning, consulting and development business that Rose, a third-generation New York real-estate developer, founded in 1989.

He plans to use his "green renovation" approach inside the buildings by adding insulation, using recyclable carpeting, applying environmentally friendly paints and improving the energy-management systems.

Rose aims to make the buildings "the greenest and healthiest historic buildings in the Seattle marketplace," which he hopes will attract more tenants at higher rents. The buildings are about 20 percent vacant.

"If we do a good job, we believe that the value of the buildings will increase," he said.

One building tenant unfamiliar with Rose's plans said the approach would probably sit well with the small architectural firms, attorneys and nonprofits that rent space in the Vance Building.

Chantal Stevens, executive director of Sustainable Seattle, said her nonprofit likes the Vance Building because it's near bus stops and has a bike-storage area. But fixing the drafty windows that let a breeze into her office would make the building "greener."

Green renovation is happening in parts of Europe she toured last year and she's eager to see it catch on more here, Stevens said.

"I think destroying to rebuild is not the best use of resources at this point, even if it's being rebuilt in a green fashion," she said.

Environmentally sensitive or "green" new construction is gaining momentum with private developers, said Kristen Scott, a principal at Weber + Thompson, a Seattle architecture and design firm.

"We're seeing more and more mainstream clients interested now in sustainable design," Scott said. "It's gotten over the hump of being seen as something only taxpayer-funded public buildings can do."

Rose is pleased at the location of the fund's first purchase. "We think Seattle as a city really represents the underlying values of the fund," he said.

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