



Real Estate Services

Providing a full range of expertise to state agencies

The Department of Enterprise Services provides real estate services to state agencies, boards, commissions and educational institutions. The program manages more than 1,100 leases of state-owned and privately-owned space for about 12 million-square feet of office, warehouse and other space. These leases are worth about \$180 million in base annual rent payments. This represents more than half of all state leases. Some agencies have real estate authority to manage leases for space types that are in keeping with that agency's core mission but not office, warehouse or similar purpose space.

Program services include:

- Comprehensive leasing services, including new transactions, renewals and extensions, and amendments
- Acquisition and disposition of real property
- Design, space planning, architectural services and construction supervision
- Consulting and technical assistance, including project planning, problem resolution, financial analysis, lease-versus-buy analysis and more

Program funding is a combination of a central service billing model that covers lease renewals and a fee-for-service model that covers new leases and other design or real estate consultancy.

Saving space and money

Real Estate Services helps other agencies meet strategic facilities objectives and budget challenges by managing projects focused on reducing lease cost and consolidating services. In the past year, the program has saved its customers nearly \$4.5 million in future lease costs aggressively negotiating lease renewal against existing market rates.

Some other recent achievements:

- **Lease renewal process:** Following a Lean review of its business practices, Real Estate Services now begins the lease renewal process for agency customers two years in advance of lease expiration instead of 18 months. The program recently finished a Lean project to standardize its new leased space process to better serve its agency customers while responding to the time constraints of the authorizing environment.
- **Marketing of surplus properties:** Real Estate Services finalized the sale of the Liquor Control Board's former Seattle distribution center for more than \$23 million in August 2013, one of the highest priced warehouse or distribution building sales ever in King County.
- **Electronic tools:** Real Estate Services is in the process of replacing its current database with a contemporary real estate management system. This will allow the program to conduct business electronically and collect the information needed to professionally manage its portfolio.
- **Current projects:**
 - The program is relocating 90,000 square feet of Department of Social and Health Services space into a new building in Vancouver.

Contact

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