



Recent HQ Renewal Shows Strength of Portland Office Market

Knowledge Universe's renews existing space at Liberty Centre

Portland, Oregon – June 23, 2014 – JLL's recent search of the Portland area for office space options on behalf of Knowledge Universe shows just how far the market has tightened in the last 12 months.

Brokers Eric Haskins and Buzz Ellis explored opportunities throughout Portland's Central Business District as well as suburbs like Beaverton and Lake Oswego.

Preliminary JLL second quarter office numbers show that the CBD office market has again grown tighter, with vacancy dropping to 8.4 percent, its lowest level in at least 10 years and down 80 basis points from last quarter. The CBD Class A market has seen rental rates increase at a rapid rate, with average asking rental rates hitting a new high this quarter of \$29.27, up 1.4 percent quarter over quarter and up 8.3 percent year over year.

In addition, there is currently just one existing option for any tenant over 80,000 square feet in the CBD, according to JLL data.

"Tenants seeking large blocks of space of 80,000 square feet and up have to be nimble and creative in this market," said Eric Haskins, JLL senior vice president. "With the very limited availability of large blocks of space, it's often a case of knowing of what's not readily available and how best to make it work for you."

Of the potential options seriously weighed by Knowledge Universe, several were leased to tenants while under consideration with others either not being available in time or at significantly higher rents. Knowledge Universe – a global education company with 2,000 locations worldwide – was able to renew its existing lease for 79,971 square feet at Liberty Centre at 650 NE Holladay Street on the Eastside and also negotiate short-term subleases for almost 23,000 s.f. of additional space for expansion, of which a little more than 8,000 s.f. will eventually be on a direct lease basis.

The deal allows the global education company to refresh its existing space with minimal disruption to its employees while also accommodating planned growth in its headquarters operations.

"The economics of this deal gives Knowledge Universe the capability to meet their planned growth projections in headcount and also significantly refresh their space in order to retain and recruit talent in the years ahead," Haskins said.

Matt Bassist of Langley Investments represented the landlord, 600 Holladay Limited Partnership.

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About Knowledge Universe:

Knowledge Universe believes that the power of education changes lives. Every day more than 173,000 children take their first steps, learn to read and prepare for school through our early childhood and school-age programs. The Knowledge Universe® family includes KinderCare® Learning Centers, CCLC®, Champions®, and Knowledge Beginnings®, where more than 31,000 people help children discover books, music, science, and language in a nurturing environment. To learn more, visit us online at <http://www.kueducation.com/us>.

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