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Travelport adds to former TWA building's loft

New tenant makes space more than half full

By [Rob Roberts](#) Staff Writer

A former Trans World Airlines administrative building near Kansas City International Airport finally is taking off again. The 500,000-square-foot building, which sat vacant for years after TWA's 2001 sale to American Airlines, soon will become home to another travel-related company, Travelport Inc.

New Jersey-based Travelport, which supplies real-time information and booking capabilities to travel agencies, will relocate local operations from nearby offices at 7300 Tiffany Springs Parkway to 45,000 square feet at 11500 N.W. Ambassador Drive.



"With the Travelport lease, we've broken through 50 percent (occupancy) of the building," said Chris McIntyre, an executive vice president of The Merrill Cos. in Overland Park.



Merrill is managing the building and overseeing millions of dollars worth of improvements to it for Toolco Real Estate, a Ewing Marion Kauffman Foundation subsidiary named in honor of late TWA owner Howard Hughes' firm, Hughes Tool Co.

The Kauffman Foundation, which pursued the building as part of a long-term investment strategy, secured its mortgage with a \$9 million bid when the Federal Deposit Insurance Corp. auctioned off loans of Columbian Bank and Trust Co., which regulators seized two years ago.

The note, originated as an \$18 million loan, was made in 2004 to finance the TWA building's purchase and improvement by a partnership that included Northland developer Ted Ehney Jr.

Ehney's partnership, 11500 LLC, was the only one of several 2004 bidders for the TWA building that didn't plan to demolish the historic structure, which was built in 1970. Shortly after buying the building, Ehney said, "We're going to take a landmark structure and bring it back" via about \$6 million in upgrades.



But after the Kauffman Foundation's attempt to foreclose on the mortgage, 11500 LLC, which had bought out Ehney's stake in 2005, filed for bankruptcy protection. In July, it agreed to allow the foundation to assume free-and-clear ownership of the building.

Brent Roberts, a first vice president with CB Richard Ellis' Kansas City office, said Toolco "has done all the right things" to make the building attractive — from spending \$9 million on improvements to offering the Class A space for \$16.50 a foot.

Roberts represented Toolco in the Travelport transaction. Bill Early and Bucky Brooks of First Scout Realty Advisors represented Travelport.

"We were eager to stay in the Kansas City market, and (Toolco) has worked extremely hard to ensure we would be able to move to a newly renovated first-class facility," Travelport spokeswoman Jill Brenner said. "The location was particularly compelling as it provides great operational efficiency for us now and into the future."

Merrill's McIntyre said the TWA building's huge 85,000-square-foot floor plates are unparalleled in the market and allowed Travelport to consolidate its multifloor operations on Tiffany Springs Parkway to space on a single floor.

The massive building also offers a four-story atrium with huge skylights, a new roof, a new central plant, a new parking lot and storm-sewer system, and a renovated exterior.

"There's very little you can see, touch, feel or park on that isn't new," McIntyre said. "We believe it compares very favorably with any and all office buildings in the Northland, Downtown and so on."

Listed on the National Register of Historic Places, the former TWA building also houses the headquarters of Farmland Foods, and Roberts said it is on the short lists of several other prospective tenants he is working with.

The recent reintroduction of the building as a multitenant property has been a big factor in the Northland's rising office vacancy rate in recent years. The Northland submarket's 30.8 percent vacancy rate is the highest in the metro area, said Carolyn Bagnall, director of research for Cassidy Turley's Kansas City office.

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