

= Commerce Square =

Commerce Square is a Class A , high rise office building complex in Center City Philadelphia , Pennsylvania , United States . Commerce Square consists of One and Two Commerce Square , two identical 41 story office towers 565 feet ( 172 m ) high that surround a paved courtyard of 30 000 square feet ( 2 800 m<sup>2</sup> ) . Architecturally , the granite clad towers feature setbacks on the north and south sides of the building and are topped with a pair of stone diamonds with cutout squares in the center . The towers were built as part an office building boom Philadelphia was experiencing on West Market Street in the late 1980s . Designed by IM Pei & Partners ( now called Pei Cobb Freed & Partners ) , the towers were developed in a joint venture between Maguire Thomas Partners and IBM . IBM also leased more than half of One Commerce Square for the company 's Mid Atlantic headquarters . Construction of the first phase , which included One Commerce Square , the plaza , and retail space , began in 1985 and was completed in 1987 . The project 's second phase , Two Commerce Square , did not begin until a lead tenant was secured for the building in 1990 . Consolidated Rail Corporation ( Conrail ) agreed to be Two Commerce Square 's lead tenant and make the skyscraper its corporate headquarters after a two year search for office space in the region . Two Commerce Square ended the skyscraper construction boom of the 1980s when it was completed in 1992 . No other office skyscraper was built in Philadelphia until Brandywine Realty Trust ( NYSE : BDN ) built the Cira Centre in 2005 .

In the 1990s , Commerce Square 's lead tenants reduced their presence dramatically in the towers . IBM moved some of its operations out of Philadelphia in the early 1990s , and Conrail was bought by Norfolk Southern Railway and CSX Transportation later in the decade . Almost all of Conrail 's operations were moved out of Philadelphia by the 2000s . Commerce Square was praised mainly for its design of two towers surrounding a plaza . Renowned Philadelphia urban planner Edmund N. Bacon praised Commerce Square and its plaza by saying it " will prove to be one of the finest commercial projects to be built in this century " .

= = History = =

Commerce Square was part of an office building boom that took place in the late 1980s in Philadelphia , Pennsylvania . During the boom numerous skyscrapers were constructed in the West Market Street neighborhood of Center City . The US \$ 300 million development of Commerce Square was led by Robert F. Maguire III , co managing partner of Maguire Thomas Partners of Los Angeles . To get his project moving , Maguire engaged the architectural firm IM Pei & Partners ( now called Pei Cobb Freed & Partners ) to design the complex . Using a design by a leading architectural firm as incentive , Maguire approached IBM , a company he had past associations with . By early November 1984 , after negotiations with Maguire , IBM agreed to be a joint partner in the development . IBM also agreed to serve as the lead tenant for One Commerce Square , occupying about half the building as its headquarters for the Mid Atlantic region . Commerce Square would be split between two buildings , One Commerce Square being built first , and the second tower , Two Commerce Square , being built later once a lead tenant was secured . Plans for Commerce Square were officially announced on November 16 , 1984 at a press conference held by Maguire and IBM at the Bellevue Stratford Hotel . The first phase of the project included One Commerce Square , retail and restaurant space , a plaza , and an underground parking garage . Construction began with the first phase on June 10 , 1985 . One Commerce Square was topped off with a ceremony on June 6 , 1986 , and the skyscraper officially opened on October 23 , 1987 .

In 1987 the Consolidated Rail Corporation ( Conrail ) indicated it wanted to consolidate its offices spread out across Philadelphia into one office building . In May 1988 , Conrail solicited proposals from developers for a building to house its corporate headquarters . On March 30 , 1990 , after being sought after by numerous developers in Philadelphia and its suburbs , Conrail announced that it would be leasing 27 floors of Two Commerce Square . With a lead tenant secured , construction of the identical tower commenced in July 1990 . Two Commerce Square was completed in July 1992

and Conrail began moving in approximately 3 @, @ 000 employees in September of that year . Two Commerce Square marked the end of the skyscraper boom of the 1980s , being the last office skyscraper to be built in Philadelphia until the Cira Centre in 2005 .

After the office @-@ building boom of the 1980s , the 1990s saw an office glut that resulted in numerous vacancies and reduced leasing rates throughout Center City . In 1993 IBM , struggling financially , was shrinking its workforce and consolidating its operations nationwide , and its plans included moving some of its local employees out of the city . Though IBM had initially occupied nearly half of One Commerce Square , by 1993 it was using only one @-@ fifth of the building . In 1996 , Maguire Thomas Partners split up , leaving the ownership of Commerce Square to Thomas Properties Group Inc. alone . After the split , Thomas Properties renegotiated mortgage financing of the Commerce Square towers . Thomas Properties Group successfully renegotiated the debt for Two Commerce Square with Bank of America , but was unable to renegotiate the debt with One Commerce Square 's prime mortgage holder , Mitsubishi Trust and Banking Corporation . To break the deadlock , Philadelphia Plaza Associates filed for Chapter 11 bankruptcy protection . Thomas Properties Group was then the parent company of Philadelphia Plaza Associates which owned Commerce Square .

Philadelphia Plaza Associates emerged from bankruptcy reorganization early in 1998 , but the company still had concerns about filling the space soon to be vacated by Conrail . In October 1996 Conrail was bought by Norfolk Southern Railway and CSX Transportation . The merger was concluded in May 1998 and the former Conrail offices and employees began to be moved out of the building . In the merger deal , CSX Transportation absorbed Conrail 's 15 @-@ year lease . CSX was responsible for paying the lease , but the 728 @, @ 000 square feet ( 68 @, @ 000 m2 ) of space was subleased , offsetting the cost . Between 1999 and 2000 , as Conrail offices were phased out of Two Commerce Square , Thomas Properties filled the newly vacated space with new tenants .

" Brandywine Realty Trust Completes Acquisition of One and Two Commerce Square in Philadelphia , PA and Four Points Centre in Austin , TX "

Brandywine Realty Trust ( NYSE : BDN ) announced on December 20 , 2013 that it had closed on the previously announced transactions with Parkway Properties , Inc. to acquire the remaining common ownership interest in One and Two Commerce Square ( ? Commerce Square ? ) in Philadelphia ? s Central Business District for \$ 331 @. @ 8 million and to acquire Four Points Centre and related land parcels in Austin , Texas for \$ 47 @. @ 3 million .

The Philadelphia trophy office towers are now LEED @-@ Silver certified as a result of an extensive capital redevelopment program . Commerce Square ? s central plaza , The Courtyard at Commerce Square , includes ground @-@ level retail and restaurants , a 16x22 @-@ foot Digital Media Wall showcasing the latest in local and international art and innovation and a 525 @-@ space underground garage .

A dancing fountain integrated with an LED light system which syncs to the 40 @-@ foot LED entrance pylons serves as the Courtyard 's centerpiece , while the Media Wall , the crown jewel of the capital redevelopment program , an amenity completely unique to the city , serves as a grand stage for the visual arts , creating a soothing and entertaining atmosphere free for tenants , guests , restaurant patrons and visitors to enjoy . The aesthetically pleasing content is carefully selected by Brandywine 's in @-@ house curator . Sixteen surround @-@ sound speakers sync harmoniously to the content playing on the Media Wall , creating a true " urban oasis " , unparalleled in the city .

Brandywine has assumed full management responsibilities , including property management and leasing . Brandywine funded the acquisition , including closing adjustments , via the assumption of \$ 237 @. @ 1 million of existing mortgage debt with the balance from available corporate funds . The stipulated asset valuation of \$ 331 @. @ 8 million equates to \$ 175 per square foot .

Four Points Centre is valued at \$ 41 @. @ 5 million , or \$ 214 per square foot , and consists of two three @-@ story buildings totaling 192 @, @ 396 square feet in Austin ? s Northwest submarket . The LEED @-@ Gold buildings were built in 2008 and are currently 100 % leased . The land parcels are being acquired for \$ 5 @. @ 8 million and are entitled to build up to 480 @, @ 000 square feet of office space . Brandywine funded this acquisition with available corporate funds .

? We are delighted to complete the Commerce Square and Four Points Centre transactions and congratulate the Parkway and Thomas teams on the closing of their transaction , ? stated Gerard H. Sweeney , President and Chief Executive Officer of Brandywine Realty Trust . ? Commerce Square is currently 86 % occupied providing significant occupancy and rental rate growth opportunities . This acquisition is consistent with our stated objective of increasing our overall revenue contribution from urban and town center properties . The acquisition of Four Points Centre and the land parcels further expands our operating platform and provides a quality addition to our Austin portfolio at an attractive price along with a value add development opportunity . ?

= = Architecture = =

Located on West Market Street in Center City , Philadelphia , Pennsylvania , Commerce Square comprises twin 41 story 565 feet ( 172 m ) office towers designed by Henry N. Cobb and Douglas Gardner of IM Pei & Partners . Commerce Square covers an entire block , between 20th and 21st Streets and Market Street and John F. Kennedy Boulevard . Commerce Square contains 2 , 200 , 000 square feet ( 200 , 000 m<sup>2</sup> ) , which includes 1 , 850 , 000 square feet ( 170 , 000 m<sup>2</sup> ) of office space , 92 , 000 square feet ( 8 , 500 m<sup>2</sup> ) lobby , and a 175 , 000 square feet ( 16 , 000 m<sup>2</sup> ) , 625 car parking garage . The pale gray granite clad skyscrapers feature setbacks on the north and south sides of the building , with the bottom floors containing 33 , 000 square feet ( 3 , 100 m<sup>2</sup> ) and the upper floors 15 , 000 square feet ( 1 , 400 m<sup>2</sup> ) . The floors feature a large amount of floor space , a design influenced by IBM 's needs in the 1980s . The two towers are topped with a pair of standing stone diamonds with cutout squares in the center .

The towers are separated by a 30 , 000 square feet ( 2 , 800 m<sup>2</sup> ) paved courtyard . Tables and chairs are arranged around a large pink granite circular fountain in the plaza 's center . The plaza was designed by Laurie Olin of Hanna / Olin Ltd . Impressed by Commerce Square 's plaza , Philadelphia 's city planning commission included influences from the complex in a new building code governing open space .

= = Reception = =

Commerce Square was praised for its design of two towers surrounding a plaza . The Philadelphia Inquirer said " Its most positive aspect is that it avoids the developers ' cliches of atriums and shopping malls and makes a real urban place . It expresses great confidence in Philadelphia , and even more important , in the whole idea of living in cities . " Renowned Philadelphia urban planner Edmund N. Bacon praised Commerce Square and its plaza by saying " [ Olin ' ] sensitivity for urban design is beautifully demonstrated by his design for the lobby level , including the splendid garden , of Commerce Square at 20th and Market streets , which I think will prove to be one of the finest commercial projects to be built in this century . "

= = Tenants = =

One Commerce Square 's main tenant is IBM , which moved into the skyscraper when it opened in 1987 . IBM initially occupied nearly half of One Commerce Square , but in the decades since , consolidation has reduced the company 's presence in the building . Other tenants in One Commerce Square include Ernst & Young LLP , Stradley Ronon Stevens & Young LLP , The Pew Charitable Trusts , Fiserv Securities Inc . , Thorp Reed & Armstrong LLP , and Delaware Investments , which also leases office space in Two Commerce Square .

When Two Commerce Square opened in 1992 , the Consolidated Rail Corporation made 728 , 000 square feet ( 68 , 000 m<sup>2</sup> ) of the tower its corporate headquarters . Since being bought by Norfolk Southern and CSX Transportation , Conrail and CSX now share about 5 , 000 square feet ( 460 m<sup>2</sup> ) in the tower . Today Two Commerce Square has become a center of accounting and consulting firms , the largest of which is PricewaterhouseCoopers , which occupies 215 , 000

square feet ( 20 @, @ 000 m2 ) . Occupying the tower since its 1992 opening , professional services firm Ernst & Young LLP leased 115 @, @ 000 square feet ( 11 @, @ 000 m2 ) of the tower until relocating to One Commerce Square in early 2012 . Other related firms include Delaware Investments which leases 125 @, @ 000 square feet ( 12 @, @ 000 m2 ) and Grant Thornton LLP . Other tenants also fill the tower , these include Leaf Financial Corporation , which leases the 14th and 15th floors ; Reliance Standard Life Insurance Co . , which leases 130 @, @ 000 square feet ( 12 @, @ 000 m2 ) ; and engineering firm McCormick Taylor , which occupies 60 @, @ 000 square feet ( 5 @, @ 600 m2 ) . In 2010 , multimedia company Wolters Kluwer moved into 75 @, @ 000 square feet ( 7 @, @ 000 m2 ) on the third and fourth floors , raising Two Commerce Square 's occupancy to 91 percent .