

REA Building

Sacramento, CA

BACKGROUND

The REA Building was constructed in 1926 to accommodate both a post office and the Railway Express Agency (REA) which sorted and delivered mail. At one time, REA was the country's largest ground and air express service. The building fell into disuse however, and when the building was purchased in 2002 by REA Partners, it was in extremely poor condition. Its roof, floor and exterior awnings were collapsed, its windows and frames badly damaged, and its foundation and superstructure were in need of a complete seismic upgrade. The City had labeled it a dangerous building. REA Partners saw potential for the building, however, envisioning a mix of office and retail space with true historic character in Sacramento's hot Downtown Railyards site.

THE PROJECT

The REA Building is a 26,600 gross square foot rectangular, flat-roofed, two-story, brick building built in the Mediterranean Renaissance Revival style. It sits in the northwestern portion of the Central Business District in the Rail Yards Special Planning District near the 240-acre mixed use development of the Union Pacific Rail Yard. The REA Partners' rehabilitation of the building began in November 2004 and included repair and weatherproofing of the shell, a seismic retrofit, addition of mechanical and electrical systems, new bathrooms, elevator and stairs and outfitting for new uses including ground-floor retail and office space above. Historic architectural elements were paid special attention, including repair of exterior brick and terra cotta masonry and existing interior brick walls and the salvage of sound wood blocks for reuse in the new lobby.

COMMUNITY IMPACT

This project, completed in 2005, serves as a catalyst for the development of the Union Pacific Rail Yards Site by creating office and ground floor retail space, including a community-serving restaurant and a Starbucks coffee shop. Its office tenant is Thomas Enterprises, Inc., developer of the Union Pacific Rail Yards. The rehabilitated REA Building gives Sacramento a vibrant and historic gateway to the larger rail yards project and, with its spectacular views of the surrounding rail yards, demonstrates how a historic property can coexist and even enhance the revitalization of this area. Its rescue and first-rate rehabilitation protects the REA Building's place within the historic district, seen as critical to the integrity of the district in the eyes of local preservationists.



PROJECT HIGHLIGHTS

PROJECT GOAL:

Rehabilitation of a former post office and mail sorting facility into retail and office space.

DEVELOPER:

REA Partners

TOTAL DEVELOPMENT COST:

\$10.3 MM

KEY FINANCING:

\$1.1 million -- Tax credit equity investment (federal historic tax credits) from NTCIC

\$3.87 MM – Construction/mini-perm loan from Wells Fargo

\$1.91 MM -- 0% interest loan from the City of Sacramento

\$1.16 MM – Grant from the City of Sacramento

FOR MORE INFORMATION, PLEASE CONTACT:

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