

# \$10 purchase turns into \$5.8 million

■ The sale could be a record for downtown Lincoln office buildings.

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What a difference a decade and a face-lift made.

When fifth-generation Nebraska native Gerard Keating in 2000 bought one of Lincoln's most prominent structures, the 12-story Federal Trust Building, he got it for \$10, he said, because it was largely vacant and facing demolition.

Last week, Keating sold the renovated office building to two California brothers for nearly \$5.8 mil-

lion. At a cost of \$95 a square foot, Keating and his real estate agent believe that could be a record in recent times for downtown Lincoln office buildings.

Today the 1926 Gothic Revival-style building — which underwent a multimillion-dollar restoration, including gutting the interior, exposing marble floors and installing new elevators — is on the National Register of Historic Places and enjoys a 93 percent occupancy rate.

“It’s just a great story,” said Keating, who now lives in the Chicago area. “My feeling was that if it was reconstructed to modern standards, at least the interior, it would attract first-class tenants, which is what ended up happening.”

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**The Federal Trust Building in Lincoln.**

# **Sold:** Building likely to remain offices

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Keating credited much of the success to anchor tenant First National Bank locating its Lincoln headquarters in the building. The bank recreated original teller booths, complete with wrought iron. A dozen other firms also call the 77,000-square-foot building at 13th and N Streets home.

Buyers Eric and Scott Haskin of California see the building as a real estate investment in a stable market, said their representative, who said proximity to the University of Nebraska-Lin-

coln and the State Capitol were influential factors. The Federal Trust building is expected to continue as office space.

Keating and agent Mark Seger of CB Richard Ellis Mega of Omaha said the sale price beat the \$48 per square foot paid for the Tier One Bank Tower in downtown Lincoln last month, the \$42 per square foot paid for the Cornhusker Plaza Tower in 2004 and the \$36 per square foot paid for the Wells Fargo Tower in 2003.

Keating, a 1987 graduate of UNL, said that in addition to the \$10 for the building, he paid

\$242,000 for the land beneath it that had been under a long-term lease.

He said he decided to sell so that he could focus on expanding his agribusiness interests in Blaine and Holt Counties in Nebraska and in the Latin American countries of Colombia and Panama.

The interest from out-of-state buyers bodes well for the state, Keating said.

“A key point is that we’re getting outside investors in Nebraska.”

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