

# Business

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II Section D

## Former Ericsson HQ sold

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A Dallas investment group has bought Ericsson Inc.'s former U.S. headquarters tower in Richardson.

The \$16 million purchase of the office tower and surrounding land is the second sale in the Telecom Corridor in recent weeks. Telecom company Nortel Networks Corp. also sold a building nearby.

An investment partnership



ANDY SCOTT/Staff Photographer

A Dallas investment group has purchased Ericsson's former U.S. headquarters tower in Richardson's Telecom Corridor for \$16 million.

headed by Skyrise Properties Inc. bought the 10-story Ericsson tower, eight-story parking garage, and 12 surrounding acres at the southeast corner of North Central Expressway and Campbell Road. The tower was built in 1987.

Skyrise Properties is headed by

businessman Moishe Azoulay, who owns several commercial properties in the Dallas area, including the low-rise office park just south of the Ericsson property.

"The buyer owns the adjoining

See ERICSSON Page 10D

## Ericsson sells former U.S. headquarters

Continued from Page 1D

property," said real estate broker Wayne Swearingen. "With this purchase, he has put together 25 acres of property with high-density development rights."

Swedish telecommunications giant Ericsson has been an anchor of Richardson's Telecom Corridor. But two years ago, the company purchased more than 100 acres in the Legacy business park in West Plano.

Ericsson has since built 580,000 square feet of corporate office space in the project near the Dallas North Tollway.

Ericsson said the sale of the Richardson building is one of several it has undertaken around the world to cut costs.

"We have undertaken a long-term strategy to divest our non-

core assets, real estate being among them, and reallocate funds to business activities," said spokesman Rob Elston.

The company said its recent decision to move research and development work from Dallas to Stockholm and Montreal has freed up more space at its Plano campus. Ericsson plans to cut 400 research and development jobs in North Texas by the end of January, which will leave fewer than 2,000 workers here.

Ericsson sold its London office last week. British Petroleum bought the St. James Square building for more than \$175 million and will make the building its global headquarters.

Ericsson plans to house workers in eight buildings in Richardson and Plano, including about 51,000 square feet of space on the

lower floors of the Richardson high-rise.

Real estate company Fobare Commercial will market the rest of the Ericsson tower to other tenants. Fobare Commercial worked with the buyers to acquire the Ericsson complex.

The Richardson property is strategically located on Dallas Area Rapid Transit's new light-rail line extension.

The land represents one of the last large development sites along North Central Expressway in the Telecom Corridor, Mr. Swearingen said.

Mr. Swearingen of the Barclay Commercial Group and broker King Laughlin worked 18 months on the sale.

Mr. Laughlin advised Ericsson when it bought its Plano campus and continued to represent the

company in the sale of the Richardson property.

Mr. Laughlin is no stranger to land developments. In the 1980s, he represented Southland Corp. as it assembled more than 120 acres for its Cityplace project at North Central Expressway and Haskell Avenue.

Ericsson's Richardson transaction follows on the heels of Nortel Networks' December sale of one of its Richardson buildings.

Nortel sold a seven-story, 282,000-square-foot office building at 2370 Performance Drive to New York investor W.P. Carey & Co. LLC. Nortel will continue to occupy all of the just-completed office building with a long-term lease.

Staff writer Vikas Bajaj contributed to this report.