

INDUSTRY WRAPUPS

From the January 7, 2005 print edition

Inside the deal

Unico moves into the medical-office market

Jeanne Lang Jones
Staff Writer

The parties: Unico Properties Inc. and Allenmore Medical Center LLC

The deal: Unico bought part of a Tacoma medical campus for \$10.8 million.

The implications: The deal signals Unico's move into the medical-office market

Seattle-based Unico Properties Inc. on Dec. 28 bought a portion of Multicare Health System's Allenmore hospital campus in Tacoma, marking Unico's entry into the ownership and management of medical-office property.

The real estate investment and property management company paid \$10.8 million for just under 6 acres of land on the Allenmore campus, according to property records. The parcel includes Allenmore Building B -- a seven-story, 64,000-square-foot medical-office building located at 1901 S. Union Ave. Additionally, Unico plans to construct a 40,000-square-foot medical office building just east of Building B, with completion expected in early 2007.

The seller was Seattle-based Allenmore Medical Center LLC, property records show. In addition, a companion parcel, Building A, was sold to Multicare Health System for \$7.2 million.

Older baby boomers

Unico CEO Dale Sperling expects the medical-office niche will grow rapidly as aging baby boomers require more medical care.

"Right now it's a pretty small piece of our total portfolio, but we hope to make it a lot bigger," Sperling said.

The firm, which owns and operates 6 million square feet of office property in the western U.S., plans to acquire additional medical-office property, particularly in the Northwest, Sperling said.

"It's a difficult investment arena because oftentimes the tenancies are often small and sometimes fractionalized," said Sperling. Additionally, there is competition from national institutional investors specializing in medical-office investment.

Hospitals sell campuses

Fueling sales: Hospitals increasingly are selling their medical-office property to real estate firms to reduce the amount of capital and management time they expend in operating the buildings.

It's the second such sale in recent weeks. In late December, Swedish Medical Center sold off a portion of its downtown Seattle campus to California-based Health Care Property Investors Inc. for \$110.87 million, under a long-term ground lease.

The Tacoma deal was facilitated through Unico executive Julie Currier. Unico was represented in its negotiations with Sarkowsky by Bill Frame, a senior vice president at GVA Kidder Mathews.

© 2005 American City Business Journals Inc.

→ [Web reprint information](#)

All contents of this site © American City Business Journals Inc. All rights reserved.