



Portland architectural landmark sells to Unico for \$28 million

The Belluschi-designed Commonwealth Building is home to a host of the city's design firms

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One of Portland's architectural landmarks has been sold to Unico Properties for \$27.7 million.

The Pietro Belluschi-designed Commonwealth Building since 1993 had been owned by Joe Weston, who purchased the building at auction for \$1.9 million.

In July, Weston donated the building to his public charity, which supports the Oregon Community Foundation (OCF). At that time, OCF President Greg Challie said the foundation would hold onto the property, valued at \$30 million, as an asset.

The board of directors of Weston's foundation made the decision to sell, said Nancy A. Wilson, vice president for fund services of the OCF. Proceeds from the building sale and the foundation's other assets will generate about \$2.5 million in 2008.

Sale of the building to Seattle-based Unico Properties and its investment partner Cigna Realty Investors closed Friday. Unico manages Portland's Lincoln Building and the U.S. Bancorp Tower. The company is also building a two-block project – which will include a 16-story apartment tower, offices and a Safeway store – between 12th and 14th avenues and Marshall and Lovejoy streets in the Pearl District.

The Commonwealth Building is only 30 percent leased. But having so much contiguous space to offer is a benefit, said Brian Pearce, Unico's general manager for its Portland portfolio, as companies make finding more room a priority.

“What I'm finding is if you're a tenant over 10,000 square feet, you're looking at a wide spectrum of (building) types,” Pearce said. “If you're a big tenant, you have to look at everything.”

The 15-story, 208,000-square foot Commonwealth Building occupies a half block on Southwest Sixth Avenue between Stark and Washington streets.

The building, originally known as the Equitable Building, was built for Equitable Savings and Loan in 1948 and has been on the National Register of Historic Places since 1976.

Renovations started by Weston's American Property Management, including overhauls of the elevator lobbies on each floor, will continue under the new ownership with an immediate \$6 million building renovation.

One of the first glass box towers ever built – and the first to use modern features like double-paned glass and aluminum cladding – the building is one of Portland’s most architecturally noted by designers. Architectural firms have taken note, with firms such as Sienna Architecture, Colab Architecture + Urban Design, and DLR Group occupying space in the historic building.

Colab is new to the building, said principal Mark Engberg, only inking its five-year lease in March. Tenants were notified of the potential sale about a week and a half ago, he said, and got notice on Monday that the sale had closed on Friday.

The decision to move from Southwest Fifth Avenue was made in part because Colab needed expansion room, Engberg said, and in part because of the great, light-filled space they snagged. But there was also, he said, the building’s reputation to consider.

“It’s certainly the most famous architectural building in Portland,” he said, “in architecture circles anyway.”