

GlobeSt.com : 10-2-07

Weston Sells Commonwealth Building to Unico

By Brian K. Miller

Summary:

In an unexpected off-market transaction, local investor-developer Joe Weston sold downtown Portland's Commonwealth Building (219,000 square feet) to Seattle-based Unico Properties. Unico and partner Cigna Realty Investors paid \$27 million for the building initially and will invest another \$6 million in major renovations to the building. Built in 1948, the Belluschi-designed skyscraper set the standard for a new type of building design for decades to come and its current tenants (mostly architectural firms) still recognize the building's uniqueness and "cool factor," which will only be enhanced by the scheduled renovations. Current tenant asking rates in the building range from \$16-19 per square foot per year, but will increase to the low-to-mid \$20's per square foot, post-renovation. Unico hopes its newest investment results in the remarkable success that two other Unico acquisitions, Portland's Lincoln Building (now for sale again) and US Bancorp Tower, have produced.