

Unico buys downtown high-rise

Concern paid \$36 million for Bank of America building, records show

By [Kim Crompton](#)

Unico Properties LLC, a Seattle-based real estate investment and operating company, says it has bought the 20-story Bank of America Financial Center in downtown Spokane, and plans to spend millions of dollars on improvements to it.

Unico didn't disclose the purchase price, but a real estate excise-tax affidavit filed with Spokane County indicates that it paid \$36 million for the 330,000-square-foot building, located at 601 W. Riverside. The high-rise was built in 1981.

Allstate Real Estate Investment Group, of Northbrook, Ill., said it provided a \$28 million loan to Unico to buy the building, which currently is 82 percent leased. It said Unico plans to invest more than \$2.7 million to upgrade and enhance the property.

Unico says it owns and operates properties in the western U.S. that total 6 million square feet of space, but this is its first acquisition in the Spokane market.

"Investing in the Spokane market and diversifying our assets to include the Inland Empire has been both a professional and personal objective for me," says Unico President and CEO Dale Sperling, who grew up in Spokane.

Jonas Sylvester, vice president of investments at Unico, says, "Our investment strategy has always been to purchase the best building in any market. We are very confident in the long-term strength of the Spokane office market, and we are pleased to make our first entry here with the purchase of downtown Spokane's premier building."

Sperling says, "We've been wanting to get into Spokane for a long time, but just never found the right alternative."

Unico "began diversifying out in concentric circles" from Seattle seven or eight years ago, grabbing up high-profile properties in Tacoma, Boise, Portland, Denver, and San Francisco, he says.

Of Spokane, Sperling says, “It’s sort of a classic, less volatile market where, if you can own good high-quality real estate in the best location in town, and operate it well, you can make it work.”

Unico is an investment company, so it’s going to hang onto the Bank of America building rather than “flip” it in two or three years as some investment groups might do, he says. Also, he says, “We don’t intend to do just one deal (in Spokane). We would like to expand it.”

Unico says it bought the building here from American Financial Realty Trust (AFR), a publicly traded real estate investment trust that bought the structure in 2003 as part of a large portfolio of Bank of America assets. Bank of America, with 48,000 square feet of floor space, continues to be the largest tenant in the building. Unico says it will make “significant” upgrades to the building’s lobby entry, common areas, and elevators.

Mike Livingston and Craig Soehren, both associate brokers with Kiemle & Hagood Co., of Spokane, provided brokerage services throughout the acquisition process, with Livingston representing Unico and Soehren representing AFR.

“The Bank of America building is a key part of the downtown office landscape. Based on Unico’s excellent reputation within the Seattle marketplace, we are pleased they will be owning and operating this important asset,” says Tom Quigley, president and CEO of Kiemle & Hagood.

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