



Unico Properties paid \$24 million for the Lenora Apartments. The units are leased by the Art Institute of Seattle for student housing.  
Michael Walmsley photo, courtesy of Unico Properties

## Unico announces two purchases: ‘This is the right time to invest’

By **MARC STILES**  
Journal Staff Reporter

Seattle-based Unico Properties bought a Denver-area office building for \$14.6 million in cash, \$19.4 million less than what the seller paid about three years ago.

Unico Senior Vice President Jonas Sylvester said in a prepared statement that Unico is “taking advantage of cyclically low prices. We see multiple market indicators that demonstrate that this is the right time to invest.”

Unico announced the deal yesterday

and also provided details about the acquisition of a Seattle mixed-use project, the 107-unit Lenora Apartments at 211 Lenora St.

Unico officials said the Art Institute of Seattle has a master lease on the apartments for student housing. The property has a 101-stall underground garage and 7,400 square feet of street-level retail, which is leased.

Unico declined to comment on the master lease rate or term, and said as a private company it does not disclose cap rates.

“The location of the Lenora, along with

the master lease agreement, makes this an ideal investment for Unico,” Sylvester said. “It provides a solid cash flow now and will continue to provide a dependable yield for years to come.”

Unico paid SRM Development \$24.1 million for the 11-year-old building last fall, according to Jeff Williams of Moran & Co. SRM worked with Williams, who brokered the deal.

In Colorado, Unico bought the nearly 196,000-square-foot Belleview Tower for about \$75 a foot. The property is 57 percent leased. The seller, Indiana-based Lauth Properties, paid \$34 million for the

property in December of 2007, public records show.

Unico officials said the property includes a 400-stall garage and 365 surface parking spaces. The 27-year-old building is in suburban Greenwood Village, and is near freeways and a light rail station.

Online data posted by Cushman & Wakefield show the building was 87 percent leased when Lauth bought it at a 4.6 percent cap rate. Lauth remodeled the lobby, according to Unico officials, who said they plan to upgrade other common areas this year.

Unico will manage the property, which it views as a long-term hold. The company hired Sergio Casteneda and Mitch Bradley of CB Richard Ellis to lease the tower.

Sylvester said Unico has expanded the areas where it is looking for investment opportunities. In October, Unico and ScanlanKemperBard, a Portland-based private equity firm, formed a management partnership. Unico now manages most of SKB's portfolio of commercial real estate in eight western markets. This allows Unico to enter new markets, including Southern California, Hawaii and Utah.

Asked if other purchases or dispositions are on the horizon, Sylvester said, "Stay tuned."

In September, Unico officials launched a \$100 million fund for high-net-worth investors to partner with institutions in buying office and multi-family properties in the West. Laird Norton Co., committed \$40 million as the lead investor, and Unico said it was putting in \$10 million.

Unico officials declined to give the source of the funds for the Lenora and Bellevue purchases.



**Unico bought Bellevue Tower near Denver for \$19 million less than the seller paid three years ago.**

Photo courtesy of Unico Properties