

1915 Terry



Unico acquired this 251,095 square foot office building from Qwest Communications in 2006 in an off-market transaction. At the time, the building was 100% vacant and, because it had been owner-occupied for a long period, it had substantial deferred maintenance and capital improvement needs. Unico and its capital partner, Broadreach, were successful in securing the building from Qwest due to a similar purchase from Qwest in Portland a year earlier (The Lincoln Building).

To attract a tenant to the project, Unico had to plan a major building renovation and reposition of the asset within the local leasing market.

1915 Terry is a 251,095 square foot office building in Seattle, Washington



Unico was able to sell the building without investing additional capital, producing a significant return

Unico approached value creation in two ways: 1) leasing the space to office tenants and 2) working with a condominium developer to secure entitlements for a residential use conversion (the building's price worked as land value for residential condominiums at that time). As condominium entitlements were being secured, Unico identified an office tenant for which this location had strategic value. Within less than a year, the identified user purchased the building for 2.4x what Unico paid. Because of the short time period involved, Unico structured a tax efficient sale so the partnership could realize long term capital gains.

Without putting in any additional capital, Unico was able to sell the building, which had been acquired for \$60 psf, just one year later to the targeted tenant/user for \$143 psf. This successful transaction produced a significant return for Unico's investors; specifically a 149% levered IRR and 3.0x equity multiple. Unico's ability to execute such a lucrative transaction was the direct result of its long-standing relationship with the seller, tenant, and in-depth local market leasing knowledge.