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University and Partners Plan 58-story Tower

By [David Phillips](#) | West

SEATTLE—The **Metropolitan Tract** in Seattle's Downtown will be the site of a new **58-story tower** with 790,000 square feet of office and 30,000 square feet of retail and 180 residential units. The last in a series of leases dating back to 1904 expired last week, making way for control of the **10-acre property** to revert to **University of Washington**, which will work with developers to add the new high-rise, and a hotel to the tract which is in the city's CBD.

On November 1, 1904, the **University's** Board of Regents approved a ground lease to **James A. Moore**, which was one of a series of leases with different and evolving entities. Last week, 110 years after that first ground lease was approved, and 153 years after the property was donated by **Arthur Denny** and two other pioneer families, the **Terrys** and the **Landers**, the University of Washington (UW) will again take unencumbered ownership of the Metropolitan Tract.

Unico Properties LLC, a real estate investment and operating company, has had a **60-year partnership** with the UW, operating under a ground lease to develop, manage and lease the properties on the Metropolitan Tract. That lease ended October 31. Unico, which participated in a competitive bid process, was selected by the UW to **continue to provide property management** and leasing services for the Metropolitan Tract.

The UW also selected Seattle-based **Wright Runstad & Company** to redevelop a prime piece of the Tract. Between Fourth and Fifth avenues and Union and University streets, the company will develop the 58-story mixed use project. Wright Runstad will also develop a **12-story luxury hotel**. As part of the effort to develop the **Rainier Square Block**, Wright Runstad will manage Rainier Tower.

“We have prepared for a long time for the momentous transition of one of the most unique and historical parcels of land in the Western United States,” said **Todd Timberlake**, chief real estate officer, University of Washington Real Estate. “We’re pleased to work with our new partner, Wright Runstad, to create new opportunities to live, work and shop downtown and to continue our long-term relationship with Unico on the Tract to manage and lease it. Together, we’re laying the groundwork for a metamorphosis of the downtown Seattle Central Business District.”

In a collaborative effort, the UW, Wright Runstad and Unico share a common vision to reinvigorate and reinvent the neighborhood, further elevating its status as the epicenter of downtown Seattle. Their driving priority and shared goal is to develop and redesign the 10-acre parcel of land as a premier destination to work, live, shop, and dine in Seattle's CBD.

As of October 31, the seven buildings, including the **Cobb Building**, the **Skinner Building**, **Puget Sound Plaza**, the **IBM Building**, the **Financial Center** and **Rainier Tower and Rainier Square**, on the Metropolitan Tract ground lease is wholly-owned by the UW.

Unico was selected to continue to provide property management and leasing services for five of the seven buildings on the Metropolitan Tract, excluding Rainier Square and Rainier Tower. Unico did not compete for the redevelopment of the Rainier Square Block, which includes property management of Rainier Square and Rainier Tower. Wright Runstad & Co. was selected to develop Rainier Square and manage Rainier Tower.

"The Metropolitan Tract is a significant part of the legacy of our company and we take tremendous pride in working with the University to achieve their real estate objectives and in the continued association with some of the best real estate in Seattle and the Western U.S.," said **Quentin Kuhrau**, Unico Properties President & CEO. "We're thrilled to continue our productive relationship with the University and to work more closely with the University's new partner, Wright Runstad."

Wright Runstad's redevelopment of the Rainier Square block encompasses a **1.15-million-square-foot** project that will include Seattle's second tallest tower. Parking for more than 1,200 cars will be provided for the new development in a new underground garage.

"Interest among prospective office and retail tenants for the project has been unusually strong," said **Greg Johnson**, president, Wright Runstad & Company. "Having a striking design on the most desired Seattle location has spurred interest among **five-star hotel chains**, major tech employers and high-end retail tenants. In many cases, we're seeing demand from companies and retailers that are new to Seattle.

"We see tremendous new opportunities to achieve the University's goals for the Tract and we have many innovative strategies to move the Tract into its next evolution as the heart of downtown," added Kuhrau. "We are honored and eager to help the UW productively and seamlessly navigate the next chapter of one of the most iconic portfolios of real estate on the West Coast."

Unico Properties LLC is a real estate investor and full-service operator, focused on office and multifamily assets in the Western United States its three target markets of Seattle, Portland, Ore., and Denver, and the firm has recently entered the Salt Lake City, Utah market

Seattle-based Wright Runstad & Company develops, acquires, manages and leases high-quality commercial office buildings located primarily in the Pacific Northwest.