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Guincher sells Montebello and looks ahead

Real Estate Notebook

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Joe Nabbefeld

BRE Properties Inc. of San Francisco has paid \$33.34 million for developer Luis Guincher's freshly built, 248-unit Montebello Apartments in Kirkland's Totem Lake area, according to King County property records.

The price comes to a hefty \$135,000 per unit.

BRE bought the complex, located at 1200 N.E. 131st Lane, from a partnership between Guincher's Continental Pacific Inc. and Vancouver, B.C.-based Bentall Corp.

Montebello was the first project Continental and Bentall developed together. Since then they've formalized their union as Continental-Bentall L.L.C. and launched several prominent projects, such as a 30-story apartment tower in downtown Seattle.

Continental-Bentall recently began the city design review process on the 30-story tower. It is named Westlake Tower for now, though that's likely to change, said principal Claudio Guincher. The tower would total about 300 apartments and cost about \$70 million to build, he said. Construction could start this fall.

Continental-Bentall also is developing a 500,000-square-foot office project at the end of state Route 520 in Redmond, called Millennium Corporate Park, and a 105-apartment complex on Bellevue's Richards Road called Le Chateau at Richards Creek.

Bedford's latest buy

Bedford Property Investors Inc., the San Francisco office real estate investment trust that last week bought Quadrant Corp.'s two Adobe Systems buildings in Fremont for \$47.7 million, isn't new to the area.

Bedford built the roughly 700,000-square-foot Gateway Corporate Center in Tukwila in the 1980s and sold it in 1995, said regional vice president Phil Wood. It began a 50-acre development once planned as Costco's headquarters in Redmond that didn't get built.

It owns a 95,000-square-foot office building in Bellevue on Interstate 90, and the 334,000-square-foot Orillia Office Park in Renton, both occupied by Boeing.

"Like any REIT, we're a buyer right now," said Wood.

As to the 297,000 square feet still under construction for Adobe in Fremont, "We're just going to happily own it," he said.

Tower for Swedish

Swedish Medical Center in Seattle has revived early 1990s expansion plans that will cost about \$90 million and include construction of an 11-story tower.

The new Southeast Tower at Broadway and Cherry Street on the hospital's main campus in First Hill would provide 186,000 square feet of patient-care space. The tower would house 200 patient beds; after conversion or demolition of older buildings that house 140 beds, the hospital would gain 60 new beds.

The \$80 million tower with a concave facade would stand atop three existing stories built in the early 1990s to house surgical activities and three levels of underground parking.

The hospital also will put \$7.5 million into upgrading its west wing, including seismic improvements, to house support services. The west wing's patient beds would transfer to the new tower.

Construction of the new tower will likely begin in April and finish in fall 1999, said Don Audleman, the hospital's manager of corporate properties.

When the new tower is built, Swedish plans to demolish the 72-year-old North Tower, the five-story East Tower and the Tumor Institute, "all of which have outlived their useful life," according to the hospital.

NBBJ is the architect.

Swedish has about 3.5 million square feet of buildings: 3 million on the First Hill campus and 500,000 in Ballard.

Norris Beggs recruits

Industrial broker Matt Wood, son of Norris Beggs & Simpson principal Joe Wood, has moved from Cushman & Wakefield's Seattle office to industrial sales associate in Norris Beggs' Bellevue office.

Associate Chris Hughes went with Wood.

Wood worked eight years for Cushman and is a University of Washington graduate. Norris Beggs says his job will be to make up for the loss of Arie Salomon, a productive Kent Valley

broker who jumped, with two associates, from Norris Beggs to Puget Sound Properties in January.

Norris Beggs previously transferred another of Joe Wood's sons, Michael Wood, up from Portland to work as the Bellevue office's finance officer.

Norris Beggs president J. Clayton Hering has identified gearing up the Bellevue office as a top priority.

Auburn apartments

A partnership led by Beth A. Bryson and Thomas E. Morgan III has purchased the 148-unit Auburn Glen Apartments in Auburn for \$6.7 million, according to King County property records.

That price comes to \$45,000 per unit. The apartments, built in 1989 on six acres, are at 1902 A St. S.E.

A group of investors including Fu-Mei Chen, Shirley Chen and Eunice Lee were the sellers. They bought the property in 1990 for \$6.23 million, according to property records.