

4 towers fetch \$345 million

By Tom Boyer

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A Chicago investment firm yesterday completed the year's biggest buy in the Seattle real-estate market, paying \$345 million for four downtown office towers located on the west side of Interstate 5.

Walton Street Capital, which has been busy investing \$1.8 billion raised from pension funds and other institutions, bought the three-building Metropolitan Park complex, built in the '90s, and the older Park Place building.

The seller was the family-owned Benaroya Co., which had acquired Met Park from original developer Martin Selig in 1995.

The deal, which closed yesterday, became the talk of the commercial real-estate community when it came to light last month, because Benaroya has had a history of selling near the top of a market.

The properties total 1.2 million square feet of office space, almost as much as Seattle's biggest building, the 76-story Bank of America Tower. Walton Street is paying about \$280 a square foot — a hefty price considering Park Place, built in 1971, needs some updates.

Walton Street officials were not available for comment but said in a statement that the company had been pleased with the performance of its past investments in Seattle.

Benaroya said it would keep its headquarters at Met Park, which acquired the nickname "twin toasters" because of the smooth rectangular shape of the project's original two buildings.

Benaroya principal Larry Benaroya said in a statement that his company would continue to sell property but was also looking for buying opportunities.

The last time Benaroya made a \$300 million sale was in 1984, when it sold much of its holdings to two pension funds and Dallas-based developer Trammel Crow in a \$315 million deal.

A year later, commercial real-estate values began a steep slide, brought on in part by federal tax changes.