

SKB Acquires Portfolio for Nearly \$30M

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By Bob Howard



PORTLAND, OR-Scanlan Kemper Bard Cos. has acquired a 279,337-sf portfolio of five office and warehouse buildings in Oregon, Washington and Arizona from Qwest Corp. for \$29.5 million. The buildings were constructed between 1985 and 1987 as build-to-suit facilities to house administrative and field support functions for US West, which was acquired by Qwest in 2000.

SKB's Tempe Asset

All five buildings are net leased to Qwest, and SKB plans to re-trade the properties individually over the next two years. SKB's plan is to re-trade the Oregon asset in the near term and hold the rest for at least 18 months.

Of the five leases, three have expirations beyond 2011, "which will be an attractive triple-net investment for a large and diverse pool of investors," says SKB founder Bob Scanlan. The two shorter leaseholds will be renewed by Qwest or re-leased to another tenant before being put back on the market, he adds.

A 173,359-sf property in Northeast Portland on a 14.86-acre parcel at Airport Way and 122nd Avenue is the largest of the five properties. It is a logistics and distribution facility with approximately 48,000 sf of office space, where Qwest's lease term runs to 2011, not including three five-year renewal options.

The Washington property is a 41,081-sf logistics and distribution center on 10.16 acres at 7235 S. 228th St. in the City of Kent, where Qwest's lease runs through 2015. The three remaining properties are all in Arizona, one in Tempe, one in Chandler and the other in Yuma.

The Tempe property is a 51,748-sf office building on 4.5 acres at 6350 S. Maple Ave., the Chandler building is a 6,593-sf service center on approximately four acres at 375 E. Commonwealth Ave. and the Yuma property is a 6,556-sf service center on four acres at 1850 E 20th St. The lease expires in 2012 on the Chandler facility and in 2007 on the Tempe and Yuma properties.

SKB acquired the portfolio from Reliance Figueroa Assoc. of New York. The brokers in the transaction were Todd Collins and Mike Duyn of Macadam Forbes.