

EXCLUSIVE: Merrill Gardens bets \$119M that seniors like downtown living, too

Sep 1, 2016, 2:17pm PDT **Updated** Sep 2, 2016, 2:06pm PDT

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Business Journal



Apartment developers have been going gang-busters in Seattle building projects near hot restaurants, fun shopping and transit hubs.

Now a builder of senior-living communities is replicating this model, and is wrapping up three Puget Sound-area projects worth a combined \$119 million. The projects are in the downtowns of Auburn, Ballard and Burien.



Seattle senior living company Merrill Gardens is wrapping up development of projects in Auburn and Burien as well as in the Ballard area of Seattle. This photo shows the lobby of the recently opened Ballard facility. Each of the assets will employ between 40 and 60 people, and monthly rents range from around \$1,995 for a studio apartment to \$4,000 for a two-bedroom.

MERRILL GARDENS

Such locations are new for [Merrill Gardens](#). The Seattle company and competitors used to typically build their projects on the perimeter of communities where land is cheaper. These sites tended to be more isolated and away from medical offices, grocery stores and shops.

"Our course now is on connecting seniors," said [Bill Pettit](#), president of [R.D. Merrill Co.](#), parent company of Merrill Gardens and Pillar Properties.

When Pillar seeks out locations for new Merrill facilities, the focus is on locations "right in the heart of communities, right in the midst of a full intergenerational experience."

Three years ago after, Merrill Gardens [sold its stake in 38 senior communities for \\$173 million](#), the company launched a development fund of a little more than \$150 million. Investors include individuals and Heitman, a global real estate investment management company out of Chicago.

The 1,600-employee Merrill Gardens operates in Washington and five other states across the country. The company has 24 communities, including the recently opened Seattle facility in the Ballard neighborhood at 5601 24th Ave. N.W., and 10 communities in development. Those include the Auburn and Burien projects, which are in those suburban cities' downtowns near transit stations. The Burien project includes [228 market-rate apartments that another company, Legacy Partners Residential of Mercer Island, is developing](#).

The three Seattle-area projects range in size from 101 to 128 units. Urbal Architects of of Seattle designed all three, and [W.G. Clark Construction Co.](#), of Seattle, is building the Auburn and Burien facilities, and Spokane-based [SRM Development](#) built the Ballard one. Pillar is managing the development process. Total development cost is \$40 million each for Ballard and Burien, and \$39 million in Auburn.

Rents range from \$1,995 a month for a studio to \$4,000 for a two-bedroom. The fee covers meals and transportation and most utilities. The projects have independent and assisted living units, and each has a memory care unit. The cost of medical care is extra.

Editor's note: This story has been updated with the [Bill Pettit's](#) correct title.

Marc Stiles covers real estate for the Puget Sound Business Journal.