



South King County Office Report (SKCOR)

Mid-Year, 2016

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- An aerial photograph of a city skyline, likely New York City, showing a mix of modern glass skyscrapers and older brick buildings. In the background, a harbor with several large red cranes and a white ferry is visible under a blue sky with scattered white clouds.
- 1 Executive Summary
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Absorption, Vacancy & Average Asking Rates

During the first quarter the Southend office market saw only 26,478 SF of positive absorption, leaving vacancy overall for the entire Southend submarket at 9.4%. Not including the 840,000 SF Southport project (\$27.00 NNN ask rate) average asking rates are at \$21.00 Full Service. Renton and Tukwila vacancy logged in at 5.7% vacancy while the Kent Valley dramatically lowered its vacancy to just 11.7%. Seatac still hovers at 13.3% and Federal Way vacancy rates are nearly doubling from 12%-13% to 20% with the addition of the Weyerhaeuser Campus inventory purchased by IRG. South Seattle



saw about 170,000 SF of absorption to drop vacancy to 11.1% largely due to Oculus and Trupanion taking down large availabilities at Stadium Innovation Center and the 6100 building respectively.

The SKCOR most competitive subset (which represents 5.2 mil SF of the most competitive buildings in the market (see Sec. 3) bears a vacancy 20.8% vacancy rate, significantly lower than the 25.2% average rate for the trailing 5 year period. This is a direct result of the flight of certain tenants from CBD properties and out-of-region requirements, but most importantly growth of the native tenant base. The average space is on the market for 31 months over the 5-year trailing period, with Tukwila/Renton absorbing space roughly twice as fast as Kent Valley properties, Seatac and Federal Way.

Major Lease Transactions

Aside from Providence having leased Blackriver's 600 Naches Building (18,500 SF) they helped absorb the long-standing 40,000 SF Integra Sublease at Time Square's 700 Building. This in turn pushed Integra Telecom into the market for +/-15,000 SF. Due in part to Integra operating a telco switch on the CenterPoint Campus and availability of fiber, they leased a 16,000 SF floor from Fountainhead at the Cascade West tower. Kiewitt Construction (27,000 SF) and Ironbow Technologies (10,000 SF) each renewed their leases, but Boeing did not do so by their renewal option deadline, leaving many question marks in the market regarding the 90,000 SF+ they occupy at Triton. That space is now being marketed as available. In South Seattle, Anderson Construction leased the 25,000 SF Penthouse at Georgetown Squared.

Significant Sales

The investment sales market has been robust in the Southend for the past two quarters, starting with Menashe Properties acquisition of Creeksides at Centerpoint, Radovich's purchase of Southcenter Place, and IRG's scooping up of the Weyerhaeuser Campus in Federal Way. During the 2nd quarter, the medical projects called Valley Professional Center and Auburn Marketplace both closed. In South Seattle Goodman RE sold South Seattle Business Park. Riverview Plaza and Time Square are on the open market for sale currently. See Section 5 for more details.

Date	Area	Tenant	Building		RSF	Term	Starting Rent	Annual Escalations	TI's PSF	Free Rent (Mos.)	Comments
03/17	Tukwila	Best Choice Realty	Southcenter Place		1,163	60 mos.	\$27.00 FS	\$0.75	None	2	• Early renewal
11/16	Seattle	Legros Buchannon & Pail	West Seattle Corporate Center		8,239	132 mos.	\$25.00 FS	\$0.75	\$60.00	11	• Shell was Vanilla Shell
11/16	Federal Way	Kiewit	Cedar Park @ West Campus		27,756	62 mos.	\$13.00 NNN	\$0.50	Approx. \$7.00	4	• Renewal
09/16	Tukwila	Opti Staffing	Fort Dent II		2,630	60 mos.	\$25.00 FS	\$0.50	New Carpet & Paint	0	• Chose to renew the lease earlier than the scheduled option date to get the cosmetic improvements
08/16	Tukwila	Ameriprise Financial	Fort Dent III		1,229	61 mos.	\$25.00 FS	\$0.50	None	1	• Renewal
07/16	Tukwila	Global Harvest	Riverview Plaza		7,152	64 mos.	\$24.50 FS	\$0.50	\$27.00	4	• Expansion involved expanding another tenant in a different suite
07/16	Tukwila	Audio Video Labs	Riverview Plaza		1,123	38 mos.	\$25.50 FS	\$0.50	None	2	• Steam cleaned carpets

Date	Area	Tenant	Building		RSF	Term	Starting Rent	Annual Escalations	TI's PSF	Free Rent (Mos.)	Comments
07/16	Renton	APM Mortgage	South 405 Place		3,850	61 mos.	\$26.00 FS	3%	\$45.00	1	• Exterior building signage
07/16	Renton	Andover Company	South 405 Place		4,677	63 mos.	\$24.00 FS	2.5%	\$52.00	3	• TIs included demo to bring back shell condition
07/16	Tukwila	Taylor Protocols	Southcenter Place		1,500	63 mos.	\$26.50 FS	\$0.75	\$4.00	3	
07/16	Renton	Conrac	981 Powell		1,051	38 mos.	\$20.00 FS	2.5%	\$8.00	2	
06/16	Renton	City University	Triton One		12,700	65 mos.	\$17.75 NNN	\$0.65	\$7.50	5	• Free base rent only
05/16	Kent	Old Republic Title	216 Gowe (Post Office Building)		4,025	85 mos.	\$18.50 NNN	3%	\$40.00	0	
05/16	Tukwila	Terra Staffing	Southcenter Place		3,195	65 mos.	\$26.00 FS	\$0.50	\$30.00	5	

Lease Comparables

Date	Area	Tenant	Building		RSF	Term	Starting Rent	Annual Escalations	TI's PSF	Free Rent (Mos.)	Comments
04/16	Renton	Retina Institute	Valley Medical and Dental		3,385	132 mos.	\$21.00 FS	\$0.50	\$60.00	12	
04/16	Kent	Integra	CenterPoint (West Tower)		16,082	60 mos.	\$14.75 NNN	\$0.50	Turnkey (\$20.00)	5	<ul style="list-style-type: none"> Free rent spread throughout term, one month per year
04/16	Tukwila	Lou Development	Southcenter Place		1,061	50 mos.	\$27.00 FS	\$0.75	\$27.00	2	
04/16	Renton	Serviz	Plaza 451		921	25 mos.	\$18.00 FS	\$0.50	\$10.00	1	
03/16	Kent	Iron Bow	Creeksides @ Centerpoint		10,005	36 mos.	\$21.50 FS	\$0.50	\$7.50	0	<ul style="list-style-type: none"> 18k of allowance can be used towards rent credit
03/16	Renton	Flatiron	Renton Plaza		7,070	60 mos.	\$19.00 FS	\$0.50	Turnkey (Approx. \$20.00)	0	
02/16	Federal Way	Visser	East Campus Corporate Park I		2,387	65 mos.	\$15.50 NNN	\$0.50	Turnkey	5	

Lease Comparables

Date	Area	Tenant	Building		RSF	Term	Starting Rent	Annual Escalations	TI's PSF	Free Rent (Mos.)	Comments
02/16	Kent	Wells Fargo	Creeksides @ Centerpoint		14,658	67 mos.	\$21.00 FS	\$0.50	\$50.00	7	• Space was spec demo'd and carpeted
02/16	Renton	Legend Jewelry	Blackriver Corporate Park		2,862	64 mos.	\$21.50 FS	\$0.50	\$20.00	4	• Turnkey TI
02/16	Kent	WGU Washington	Creeksides @ Centerpoint		3,240	75 mos.	\$21.75 FS	\$0.50	\$0.00	3 (FS)	
02/16	Kent	Gaylord Security	Creeksides @ Centerpoint		10,704	68 mos.	\$20.50 FS	\$0.50	\$0.00	8 (FS)	
02/16	Kent	Physicians & Dentists Credit Bureau	Creeksides @ Centerpoint		3,229	77 mos.	\$21.00 FS	\$0.50	\$45.00	5 (FS)	
01/16	Federal Way	PMSI	East Campus Corporate Park I		2,578	52 mos.	\$15.50 NNN	\$0.50	Turnkey	4	
01/16	SeaTac	Alaska Airlines Credit Union	Shores I		5,817	60 mos.	\$21.00 FS	\$0.50	\$15.00	0	• Renewal

Date	Area	Tenant	Building		RSF	Term	Starting Rent	Annual Escalations	TI's PSF	Free Rent (Mos.)	Comments
02/16	Renton	Land Home	Millennium 405 Centre		1,900	68 mos	\$18.00 FS	\$2.00 @ YR 3	\$0	8	<ul style="list-style-type: none"> Sublease tenant terminated from lease but left all furniture
01/16	Tukwila	Timmerman, DDS	Fort Dent III		2,000	61 mos.	\$25.50 NNN	\$0.50	\$0.00	1	
12/15	Tukwila	Renters Warehouse	Riverview Plaza		3,988	39 mos.	\$24.00 FS	\$0.50	\$0.00	3	<ul style="list-style-type: none"> Suite was spec ready
12/15	Renton	BluePearl	South Lind Square		1,840	56 mos.	\$14.00 NNN	\$0.50	\$15.00	0	<ul style="list-style-type: none"> TIs were from shell conditions
12/15	Kent	Summit Financial	Van Doren's Landing Office Plaza		2,899	65 mos.	\$22.00 FS	3%	\$40.00	5	<ul style="list-style-type: none"> TIs were from shell conditions
12/16	Renton	Teledyne	South 405 Place		2,934	64 mos.	\$24.00 FS	\$0.50	\$32.00	4	
12/15	Renton	Kiel Mortgage	Oakesdale Center		6,577	48 mos.	\$14.00 NNN	\$0.50	\$15.00	3 (FS), 9 mos. 1/2 rent	<ul style="list-style-type: none"> On 9 months half rent, tenant pays full NNN's estimated at \$8.63

Lease Comparables

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11/15	Tukwila	Olympic Collections	Riverview Plaza		2,154	65 mos.	\$23.50 FS	\$0.50	\$20.00	5	• Lease commences 10/1/15
11/15	Renton	Visiting Physicians Assoc.	Oakesdale Center		3,254	65 mos.	\$13.75 NNN	\$0.50	\$25.00	5	
11/15	Kent	Club Pilates Kent	124 4th Ave S.		1,743	98 mos.	\$16.85 NNN	3%	\$35.00	2 (NNN)	
10/15	Tukwila	5 Star Resorts	Pacific Engineering Building		1,934	24 mos.	\$20.00 FS	\$0.50	\$2.00	0	
10/15	Renton	Priority Solutions	Oakesdale Center		1,248	62 mos.	\$14.75 NNN	\$0.50	\$2.00	2	
10/15	Federal Way	Chinese Information Center	Cascade Federal Credit Union	N/A	2,101	60 mos.	\$19.00 FS	\$0.50	\$10.00	0	
10/15	Renton	Dynamic Labs	Blackriver Corporate Park		3,054	64 mos.	\$21.50 FS	\$0.50	\$20.00	8 base only	• TI Allowance + base building work. Tenant will invest their own \$\$ in the space

Date	Area	Tenant	Building		RSF	Term	Starting Rent	Annual Escalations	TI's PSF	Free Rent (Mos.)	Comments
09/15	Seattle	First Call Resolution	West Seattle Corporate Center		1,887	62 mos.	\$25.00 FS	\$0.75	\$40.00	2	<ul style="list-style-type: none"> Estimate turnkey cost from shell
09/15	Seattle	CH Robinson	West Seattle Corporate Center		3,433	64 mos.	\$24.00 FS	3%	\$45.00	4	<ul style="list-style-type: none"> Estimate turnkey cost from shell
09/15	Kent	Polyform	Van Doren's Landing Office Plaza		6,432	64 mos.	\$22.00 FS	2.5%	\$25.00	4	
09/15	Renton	Allied Residential	Landmark		4,996	66 mos.	\$16.00 NNN	\$0.50	\$30.00	6	
09/15	Renton	Panattoni	South 405 Place		3,853	63 mos.	\$24.00 FS	\$0.50	\$31.00	3	<ul style="list-style-type: none"> Their lease at Fort Dent Two was set to expire and they needed more space. They agreed to moving to South 405 Place
09/15	Federal Way	Broadcom	East Campus Corporate Park I		7,628	62 mos.	\$15.00 NNN	\$0.50	\$10.00	2	<ul style="list-style-type: none"> Renewal
09/15	Renton	Valley Urology	Valley Medical and Dental		1,435	126 mos.	\$21.75 MG	\$0.75	\$47.00	6 (Base)	

Lease Comparables

Date	Area	Tenant	Building		RSF	Term	Starting Rent	Annual Escalations	TI's PSF	Free Rent (Mos.)	Comments
09/15	Tukwila	Dr. Emily Sabbagh	Fort Dent II		1,858	60 mos.	\$24.00 FS	\$0.50	\$0.00	0	<ul style="list-style-type: none"> Took over from a bankrupt company, American Laser, signed a new lease
09/15	Renton	Southlake Clinic	Talbot Office (17906 Talbot Rd S)	N/A	6,000	60 mos.	\$16.80 NNN	\$0.50	\$3.00	0	<ul style="list-style-type: none"> Renewal No outside broker, Op. Exp. Approx. \$8/SF
08/15	Renton	Ameresco	Midtown Office Bldg		5,073	36 mos.	\$15.00 NNN	3%	\$9.00	0	<ul style="list-style-type: none"> Tenant increased sf by snapping to true BOMA
08/15	SeaTac	HAL	SeaTac Office Center		693	38 mos.	\$25.00 FS	\$0.50	\$4.00	2	
08/15	Kent	Blackpoint IT	Creeksides @ Centerpoint		10,286	70 mos.	\$20.75 FS	\$0.50	\$40.00	10	<ul style="list-style-type: none"> Space was spec demo'd and carpeted
08/15	Tukwila	Law Offices of Daniel Whitmore	Legacy Southcenter Place		642	62 mos.	\$26.50 FS	\$0.75	\$5.00	2	
08/15	Renton	Western Port Transporstion	Millennium Centre		2,346	39 mos.	\$20.50 FS	2.5%	\$0.00	3	<ul style="list-style-type: none"> Space was in move-in condition, taken as-is

Date	Area	Tenant	Building		RSF	Term	Starting Rent	Annual Escalations	TI's PSF	Free Rent (Mos.)	Comments
07/15	Renton	Pacific Legal	981 Powell		5,146	72 mos.	\$20.00 FS	\$0.50	\$24.00 Turnkey	1	• No outside broker
07/15	Tukwila	Worksite Benefits Consultants	Fairway Center		1,805	39 mos.	\$20.00 FS	\$0.50	\$10.00	3	
07/15	Seattle	Zuli Lighting	5506 6th Ave S Building		7,631	63 mos.	\$16.10 NNN	3%	\$45.00	3	• TI's are estimated
07/15	Tukwila	UFCW	Legacy Southcenter Place		1,785	67 mos.	\$27.25 FS	\$0.75	\$20.00	0	
07/15	Tukwila	CLP Resources	Gateway Corporate Center		1,950	62 mos.	\$20.80 NNN	3%	\$0.00	2	
07/15	Tukwila	Curtis Nagai	320 Building		765	63 mos.	\$20.00 FS	\$0.50	\$8.00	3	
07/15	Kent	Graebel Moving	Creeksides @ Centerpoint		2,694	42 mos.	\$20.50 FS	\$0.50	\$15.00	6	• LL had spent spec money prior to TI

Lease Comparables

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07/15	Tukwila	Dr. Koyama	Pacific Engineering Building		1,825	36 mos.	\$21.00 FS	\$0.50	\$10.00	0	
07/15	Renton	Restore Vision	Oakesdale Center		5,097	66 mos.	\$14.50 NNN	\$0.50	\$0.00	6	<ul style="list-style-type: none"> 12 months half rent for first 12 months
07/15	Tukwila	Airport Brokers Corp.	Park East		2,840	39 mos.	\$18.75 MG	\$0.50	\$0.00	3	<ul style="list-style-type: none"> Minimal TIs: New water-line in break room, small amount of carpet/paint
06/15	Renton	Southlake Clinic	Times Square		13,890	180 mos.	\$17.50 NNN	\$0.50	\$50.00	6	
06/15	Kent	SASH	Atrium @ Centerpoint		2,276	41 mos	\$23.95 FS	\$0.50	\$35.00	0	<ul style="list-style-type: none"> Space was previously built out and ready to occupy, est at \$35/sf
06/15	Renton	Valley Foot & Ankle	South Lind Square		2,410	84 mos.	\$14.00 NNN	3%	\$30.00	0	
06/15	Tukwila	Keithly Barber	Southcenter Corporate Square		2,824	76 mos.	\$20.75 FS	\$0.50	\$30.00	4	

Lease Comparables

Date	Area	Tenant	Building		RSF	Term	Starting Rent	Annual Escalations	TI's PSF	Free Rent (Mos.)	Comments
05/15	Seattle	Silverware	West Seattle Corporate Center		2,004	74 mos.	\$24.00 FS	3%	\$45.00	3	<ul style="list-style-type: none"> Extensive private office build-out, additional lease term added to 60 month deal
05/15	Seattle	Hardsuit	West Seattle Corporate Center		6,988	39 mos.	\$22.50 FS	3%	\$5.00	3	<ul style="list-style-type: none"> Formerly known as Zombie Studios Gaming
05/15	Tukwila	Ray Klein PCS	Riverview Plaza		2,372	65 mos.	\$23.00	\$0.50	\$0.00	5	<ul style="list-style-type: none"> Previous tenant defaulted on lease, space was move in ready and furnished
05/15	Tukwila	Eoscene	Riverview Plaza		1,434	39 mos.	\$23.50	\$0.50	\$6.00	3	<ul style="list-style-type: none"> Tenant allowance for misc items
05/15	Tukwila	US Healthworks	Fort Dent I		4,092	64 mos.	\$24.00 FS	\$0.50	\$0.00	4	<ul style="list-style-type: none"> No TI's, no outside broker Renewal
05/15	Federal Way	Michelle B. Nelson Inc P.S.	Ridgewood Center		1,791	65 mos.	\$11.75 NNN	\$0.50	\$30.00	5	
05/15	Kent	National Corp. Housing	Cascade East @ Centerpoint		1,237	39 mos	\$23.45 FS	\$0.50	\$30.00	0	<ul style="list-style-type: none"> Space was previously built-up and ready to occupy, est. at \$30/sf

Bldg	BUILDING NAME Address	Image	Owner	Year Built	Project SF	SF Avail. (RSF)	Asking Rates (PSF)	NNN	Comm. Years 1-5	TI (PSF)	Comments
			Leasing Agent		# Bldgs.						
					Floorplate						
1	FRYE COMMERCE CENTER 2414 SW Andover St. Bldg D Seattle, WA		Charles & Emma Frye	1988	21,514	4,871	\$14.00 NNN	\$5.50	TBD	Negotiable	<ul style="list-style-type: none"> Class B office 58.3% Leased Op. expense at \$5.50/SF does not include janitorial
			Kidder Mathews		1						
					10,757						
2	HARBOR MARINA CENTER, BLDG A,B & C 1001-1011 SW Klickitat Way - Harbor Marina Ctr Seattle, WA		Port of Seattle	1989	117,000	21,631	\$8.00 - \$17.00 NNN	\$7.50	\$5.00/RSF	"Market"	<ul style="list-style-type: none"> 16,000 SF space will be on the market soon Class B flex 95.9% Leased \$3.50/SF operating expenses due to low tax basis Retec Engineering consolidated to Bellevue, opening a 16,000 SF space
			CBRE		3						
					30,511						
3	JEFFERSON SQUARE 4700-4574 42nd Ave. SW Seattle, WA		Kimco Realty Corporation	1987	146,363	5,238	Withheld	\$7.50	5%	Negotiable	<ul style="list-style-type: none"> Looking for \$28-\$30 NNN for street level retail space 982 SF of retail space available
			Direct		1						
					24,393						
4	200 SW MICHIGAN BUILDING 200 SW Michigan St. Seattle, WA		Haslund MP LLC	1929/1999	90,979	83,143	\$18.00-\$22.00 MG	TBD	\$5.00/RSF	\$10-\$20	<ul style="list-style-type: none"> Creative South Seattle office space High, exposed ceilings Open work plan options Southern views
			CBRE		1						
					28,375						
5	WEST SEATTLE CORPORATE CENTER 4025 Delridge Way SW Seattle, WA		Services Group of America	1990	116,251	6,500	\$25.00-\$24.00 FS	\$8.25	\$5.00/RSF	Negotiable	<ul style="list-style-type: none"> Class A, five stories Spectacular views of Elliott Bay and Seattle skyline Exceptional, free parking at over 3:1,000 SF
			ORION		1						
					23,250						
6	RIVERFRONT TECH PARK 2811 S 102nd St. Seattle, WA		USPS	1987	175,000	99,343	\$14.50 NNN	\$5.50	5% NNN	Negotiable	<ul style="list-style-type: none"> Rehab in 1996 Large sublease availability through Jan, 2017
			Sabey		2						
					87,500						

Bldg	BUILDING NAME Address	Image	Owner	Year Built	Project SF	SF Avail. (RSF)	Asking Rates (PSF)	NNN	Comm. Years 1-5	TI (PSF)	Comments
			Leasing Agent		# Bldgs.						
					Floorplate						
7	BLACKRIVER CORPORATE PARK 560-606 Oakesdale Avenue SW Renton, WA		Embarcadero Capital	1985	275,593	82,141	\$21.75 FS	\$9.00	\$1.25/SF/annum	Turnkey most deals	<ul style="list-style-type: none"> 5.0/1,000 Parking New project paint and parking lots
			ORION Commercial Partners		16						
8	500 BUILDING 500 SW 7th Renton, WA		Isola Capital	1967	65,433	0	N/A	\$6.50	5% FS	Negotiable	<ul style="list-style-type: none"> Class B building with parking issues
			JSH		2						
9	TRITON TOWERS 555-705 Renton Village Place Renton, WA		Hines	1980-1987	407,500	119,002	\$17.50 NNN	\$8.95	5% FS	\$10.00 or negotiable	<ul style="list-style-type: none"> Boeing may vacate 92K
			CBRE		3						
10	SOUTH 405 PLACE 900 SW 16th Street Renton, WA		John Radovich	2001	52,007	8,888	\$22.50 - \$26.00 FS	\$8.95	5% FS	Negotiable	<ul style="list-style-type: none"> Exposure to I-405 45 covered parking stalls Expensive finishes to common areas
			Direct		1						
11	VALLEY OFFICE PARK 1800 Lind Avenue Renton, WA		Providence	1980	208,643	0	N/A	\$7.50	5% FS	\$10.00 or negotiable	<ul style="list-style-type: none"> Not projected to have space for lease - Providence's HQ's
			Direct		4						
12	THE LANDMARK East & West 1600 Lind Avenue Renton, WA		Kairos	1987	274,000	79,231	\$16.50 NNN	\$7.20	5% FS	\$40.00 warm shell	<ul style="list-style-type: none"> Sublet available, \$11.50, NNN
			Andover		2						
13	TIME SQUARE 500-800 SW 39th Street Renton, WA		LBA	1986-1987	324,000	29,496	\$15.00 NNN	\$7.00	\$1.25/SF/annum	\$50.00 warm shell	<ul style="list-style-type: none"> Project underwent extensive remodeling in 2002 & features on-site amenities Project on market for sale
			C & W		5						






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			Leasing Agent		# Bldgs.						
					Floorplate						
14	EARLINGTON BUSINESS CENTER, BLDG. B 1107 SW Grady Renton, WA		Private ownership	1982	123,136	2,595	\$22.00 FS	\$7.00	\$5.00/RSF	N/A	• Building sold to owner/user 2Q 2010
			NAI		2						
15	MILLENNIUM CENTRE 1201 Monster Road SW Renton, WA		Ashton Development	2001	32,500	1,106	\$21.50 FS	\$7.00	5% FS	Turnkey on most deals	• 3 floors over 1 of parking • Located by Blackriver project
			NAI		1						
16	OAKESDALE CENTER Oakesdale Avenue SW @ SW 7th Street Renton, WA		Blackriver Park LLC	1999-2000	146,707	46,507	\$14.75 NNN	\$8.75	5% FS	Negotiable	• 1-2 floor, 5 building campus in a wooded setting • On-site amenities
			Kidder Mathews		5						
17	FORT DENT 6700 Fort Dent Way Tukwila, WA		Radovich	1980	140,000	0	N/A	\$8.50	5% FS	Negotiable	• Easy access to I-405 and SR-167. • River views
			Direct		3						
18	SOUTHCENTER CORPORATE SQUARE 500-900 Andover Park W Tukwila, WA		PCCP	1979	223,000	107,339	\$22.00 FS	\$7.25	\$5.00/RSF	Negotiable	• Garden-style office project
			NAI		12						
19	SOUTHCENTER PLACE 16400 Southcenter Parkway Tukwila, WA		Radovich	1979	64,725	6,774	\$26.95 FS	\$9.17	\$5.00/RSF	Negotiable	• Lease ready suites
			Direct		1						
20	RIVERVIEW PLAZA 16000 Christensen Road Tukwila, WA		Broadreach	1984	175,000	15,000	\$25.00-\$26.00 FS	\$9.25	5% FS	Negotiable	• 5,200 RSF is largest contiguous availability
			ORION		3						

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			Leasing Agent		# Bldgs.						
					Floorplate						
21	RIVERPOINT CORPORATE CENTER 18200-18300 Cascade Ave. S. Tukwila, WA		O'Keefe Development	1978	103,425	26,125	\$15.35 - \$16.00 NNN	\$7.75	5% FS \$2/SF/YR	Negotiable	<ul style="list-style-type: none"> \$2 Million project face-lift includes windows, paint, landscaping, lobbies, entry-ways & TI's 10,000 RSF largest contiguous single space
			C & W		2						
					26,000						
22	CENTERPOINTE BUSINESS PARK 18000-18062 72nd Avenue S. Kent, WA		NB&S Capital	1987	101,347	26,771	\$13.00 NNN	\$9.50	\$5.00/RSF	Negotiable	<ul style="list-style-type: none"> 48,031 SF is single floor flex-tech product
			The Andover Company		1						
					26,957						
23	FAIRWAY CENTER 14220-14240 Interurban Avenue Tukwila, WA		Schuster Group	1989-1990	82,537	13,317	\$10.00 - \$20.00 FS	\$6.75	5% FS	Negotiable	<ul style="list-style-type: none"> Flex tech and office project
			Direct		2						
					19,474-28,375						
24	SOUTHCENTER PLAZA 14900 Interurban Avenue Tukwila, WA		L.D. Schneider	1981	58,290	9,047	\$23.00 FS	\$7.00	\$5.00/SF	Negotiable	<ul style="list-style-type: none"> Project redeveloped in 2002, Rate depends on street vs. River views
			C & W		1						
					25,000						
25	PITNEY BOWES BUILDING 116 Andover Park East Tukwila, WA		Hill Raaum Pietromonaco	1972	22,318	16,182	\$12.00 NNN	\$6.78			<ul style="list-style-type: none"> Easy I-5, I-405 and SeaTac Airport access. 3/1000 square feet parking Utilities included in NNN's Fedex/Kinko's in building
			JLL		1						
					11,159						
26	SEATAC OFFICE CENTER 17900 International Blvd SeaTac, WA		Urban Renaissance Group	1974-1980	581,654	227,274	\$13.00 NNN - \$25.00 FS	\$7.50	\$5.00/RSF	Negotiable	<ul style="list-style-type: none"> 37,918 is available space in Building III North Tower is 60% vacant
			Urbis		3						
					18,300-55,693						

Bldg	BUILDING NAME Address	Image	Owner	Year Built	Project SF	SF Avail. (RSF)	Asking Rates (PSF)	NNN	Comm. Years 1-5	TI (PSF)	Comments
			Leasing Agent		# Bldgs.						
					Floorplate						
27	CREEKSIDES @ CENTERPOINT 20415 72nd Avenue S. Kent, WA		UNICO	1984	218,577	22,145	\$22.75 FS	\$7.75-\$8.50	\$6.00/RSF	Negotiable	<ul style="list-style-type: none"> Part of CenterPoint Campus with daycare, restaurant, fitness center & conference center amenities
			NAI		3						
28	CENTERPOINT CORPORATE PARK 20819-20865 72nd Avenue S. Kent, WA		Fountainhead	1985	435,893	184,400	\$15.00 NNN	\$6.90/\$8.37	\$5.00/RSF	Lease-ready space	<ul style="list-style-type: none"> Part of CenterPoint Campus with daycare, restaurant, fitness center & conference center amenities Some TI negotiable
			CBRE		3						
29	VAN DOREN'S LANDING CENTER OFFICE PLAZA 6703 S 234th Street Kent, WA		Van Doren's Landing LLC	2001	35,500	2,384	\$23.00 FS	\$6.50	5% FS	Negotiable	<ul style="list-style-type: none"> 3 floor building 4.8/1,000 SF parking 12% multi-tenant load
			Colliers		1						
30	CENTERPOINT CP TECHNOLOGY BLDG 20810 68th Avenue S. Kent, WA		BECU	1986	81,464	0	N/A	N/A	2.5% FS Negotiated	Negotiable	<ul style="list-style-type: none"> User building For sale \$132.00/SF
			Kidder Mathews		2						
31	KENT OFFICE BUILDING 20811 84th Avenue S. Kent, WA		Hill-Raum Pietromonaco	1982	92,141	55,894	\$7.00 NNN	\$4.00	5% NNN	Negotiable	<ul style="list-style-type: none"> Flex-tech building with heavy power & telecom infrastructure
			None		1						
32	FOUNTAIN PLAZA 501-505 South 336th Street Federal Way, WA		Franklin Street Prop.	1978	118,280	56,698	\$20.50 FS	\$7.00	5% FS	Negotiable \$3/SF/annum	<ul style="list-style-type: none"> Building I-76,824 RSF Building II-30,000 RSF
			Kidder Mathews		2						
33	EAST CAMPUS CORPORATE PARK I 32001 32nd Avenue S. Federal Way, WA		Sterling Realty Organization	2001	105,344	5,934	\$15.50 NNN	\$7.50	5% FS Negotiated	\$50.00 from cold shell	<ul style="list-style-type: none"> High quality construction 4.0/1,000 parking ratio
			Andover Company		1						

Bldg	BUILDING NAME Address		Owner	Year Built	Project SF	SF Avail. (RSF)	Asking Rates (PSF)	NNN	Comm. Years 1-5	TI (PSF)	Comments
			Leasing Agent		# Bldgs.						
					Floorplate						
34	EAST CAMPUS PLAZA S. 320th St. & Weyerhaeuser Way Federal Way, WA		Pannatoni	2006	30,000	24,415	\$14.00 NNN	\$7.00	5% NNN	\$30.00	<ul style="list-style-type: none"> Proposed Bldg A asking rates are \$18.00
			Kidder Mathews		2						
					15,000						
35	EVERGREEN CORPORATE PLAZA 33405 8th Avenue S. Federal Way, WA		LBA Realty	1979	114,707	76,546	\$14.00 NNN	\$6.50	5% FS	\$12.00	<ul style="list-style-type: none"> Two story office building with aluminum and glass curtain wall
			Kidder Mathews		2						
					57,000						
36	EAST CAMPUS CORPORATE PARK IV 3450 South 344th Way Federal Way, WA		LBA	1999	65,462	11,699	\$14.00 NNN	\$8.69	5% NNN	\$15.00	<ul style="list-style-type: none"> Covered parking available
			Kidder Mathews		1						
					32,731						
37	GOLDEN STONE OFFICE BUILDING 33400 9th Avenue S. Federal Way, WA		Sound Ventures	2001	38,641	7,776	\$21.00 FS	\$8.36	5% FS	\$15.00	<ul style="list-style-type: none"> Covered parking available
			NAI		1						
					17,700						
38	ABAM BUILDING 33301 9th Avenue Federal Way, WA		Transpacific	1985	50,000	5,041	\$21.00 FS	\$6.48	5% FS	\$15.00	<ul style="list-style-type: none"> Located at the entrance of Celebration Park
			Kidder Mathews		1						
					17,041						
39	RIDGEWOOD CENTER 33650 6th Avenue S. Federal Way, WA		Calista	1989	31,757	2,807	\$14.00 NNN	\$7.98	5% FS	Negotiable	<ul style="list-style-type: none"> Recent extensive lobby and common area remodeling 4.0/1,000 parking Covered parking Avail On-site storage units
			ORION		2						
					15,880						
40	WASHINGTON PARK 33801 1st Way S. Federal Way, WA		Transpacific	1990	50,061	7,564	\$21.00 FS	\$6.50	5% FS	\$15.00	<ul style="list-style-type: none"> Premier West Campus property and location
			Neil Walter Company		1						
					16,500						

Bldg	BUILDING NAME Address	Image	Owner	Year Built	Project SF	SF Avail. (RSF)	Asking Rates (PSF)	NNN	Comm. Years 1-5	TI (PSF)	Comments
			Leasing Agent		# Bldgs.						
					Floorplate						
41	MAPLEWOOD BUILDING 33915 1st Way S. Federal Way, WA		Clise Maplewood	2005	35,500	5,003	\$25.00 FS	\$8.37	5% FS	\$25.00	• 3.5/1,000 parking ratio
			Clise Properties		1						
					15,868						
42	RUSSELL PLAZA 33600 6th Avenue S. Federal Way, WA		Russell Plaza LLC	1985	31,070	6,516	\$19.50 FS	\$8.92	5% FS	Negotiable	• 'B' office project
			Kidder Mathews		2						
					15,535						
43	CHAMBER OF COMMERCE 31919 1st Avenue S. Federal Way, WA		Omni Partners	1984	25,000	12,781	\$16.00 FS	\$8.00	5% FS	Negotiable	• Class B • Covered parking below
			Craig Michalak Real Estate		1						
					12,500						
44	EAST CAMPUS CORPORATE PARK - TALON COURT 33810 Weyerhaeuser Way S. Federal Way, WA		Alco Investment	2001	55,172	34,827	\$22.00 FS	\$8.50 est	5% NNN	Negotiable	
			NAI		1						
					27,568						
45	EAST CAMPUS CORPORATE PARK - IV 33936 Weyerhaeuser Way S. Federal Way, WA		Pyramis Global Advisors	2000	72,000	72,000	\$14.50 NNN	\$8.50 est	5% NNN	Negotiable	
			CBRE		1						
					24,000						
46	EAST CAMPUS CORPORATE PARK - BLDG III 33940 Weyerhaeuser Way S. Federal Way, WA		Pyramis Global Advisors	2000	72,000	72,000	\$14.50 FS	\$8.50	5% NNN	Negotiable	
			CBRE		1						
					24,000						

Bldg	BUILDING NAME Address		Owner	Year Built	Project SF	SF Avail. (RSF)	Asking Rates (PSF)	NNN	Comm. Years 1-5	TI (PSF)	Comments
			Leasing Agent		# Bldgs.						
					Floorplate						
47	EAST CAMPUS CORPORATE PARK - HERON 33820 Weyerhaeuser Way S. Federal Way, WA		MJR Development	2001	55,755	27,878	\$22.00 FS	\$8.50	5% NNN	Negotiable	
			NAI		1						
48	GEORGETOWN SQUARED 5601 6th Ave S Seattle, WA		Greenbridge Investment	1982	280,563	184,000	\$18.00 - \$20.00 NNN	\$6.50	\$1.00 SF/YR (1-10)	\$6.00 SF/YR	
			JLL		2						
49	WEYERHAEUSER TECHNOLOGY CENTER 32901 32nd Ave S Federal Way, WA		Industrial Realty Group	1981	461,673	Approx. 129,000 +/-	TBD	TBD	TBD	TBD	
					2						
50	WEYERHAEUSER HEADQUARTERS 33663 Weyerhaeuser Way S Federal Way, WA		Industrial Realty Group	1971	343,535	Approx. 343,535 +/-	TBD	TBD	TBD	TBD	
					2						

Summery Report - Five Year Trend

Availability	Survey	5-Year Avg
Rent Per SF	\$17.98	\$16.53
Vacancy Rate	20.9%	25.2%
Vacant SF	1,086,681	1,312,643
Availability Rate	29.5%	31.5%
Available SF	1,535,004	1,643,132
Sublet SF	89,440	187,848
Months on Market	33.9	31.4

Inventory	Survey	5-Year Avg
Existing Buildings	94	94
Existing SF	5,211,019	5,211,019
12 Mo. Const. Starts	0	0
Under Construction	0	0
12 Mo. Deliveries	0	0

Demand	Survey	5-Year Avg
12 Mo. Absorption SF	209,808	76,314
12 Mo. Leasing SF	370,490	382,141

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$119	\$136
Asking Price Per SF	-	\$188
Sales Volume (Mil.)	\$141	\$75
Cap Rate	7.5%	7.6%

Vacancy Rate



Asking Rent Per SF



“Big-Block” Availabilities

Space for Lease 50,000 RSF+ in a single building






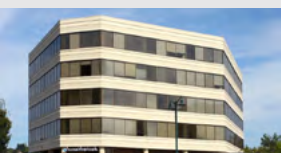
Area	BUILDING NAME Address		Year Built	Largest Contiguous Avail.	Rate
Federal Way	EVERGREEN CORPORATE PLAZA 33405 8th Ave S. Federal Way, WA		1979	76,546	\$14.00 NNN
Federal Way	EAST CAMPUS CORPORATE PARK - BLDG III 33940 Weyerhaeuser Way S. Federal Way, WA		2000	72,000 - 205,945	\$14.50 NNN
Federal Way	EAST CAMPUS CORPORATE PARK - BLDG I 33820 Weyerhaeuser Way S. Federal Way, WA		2001	27,878 - 205,945	\$22.00 FS
Federal Way	EAST CAMPUS CORPORATE PARK - BLDG IV 33936 Weyerhaeuser Way S. Federal Way, WA		2000	72,000 - 205-945	\$14.50 NNN
Kent	CENTERPOINT CORPORATE PLAZA - CASCADE EAST 20819 72nd Ave S. Kent, WA		1986/2001	87,728	\$15.00 NNN
Kent	KENT OFFICE BUILDING 20811 84th Ave S. Kent, WA		1968	55,894	\$7.00 NNN
SeaTac	SEATAC OFFICE CENTER - NORTH TOWER 17930 International Blvd S. SeaTac, WA		1980	123,704	Withheld

“Big-Block” Availabilities

Space for Lease 50,000 RSF+ in a single building

Area	BUILDING NAME Address		Year Built	Largest Contiguous Avail.	Rate
Tukwila	RIVERFRONT TECH PARK 2811 S. 102nd St. Tukwila, WA		1987/1995	84,234	Sublease
Renton	THE LANDMARK EAST 1601 E Valley Rd Renton, WA		1987	79,231	16.50 NNN
Seattle	GEORGETOWN SQUARED 5601 6th Ave S Seattle, WA		1982	184,267	\$18.00- \$20.00 NNN
Federal Way	WEYERHAEUSER TECHNOLOGY CENTER 32901 32nd Ave S Federal Way, WA		1981	129,100 +/-	TBD
Federal Way	WEYERHAEUSER HEADQUARTERS 33663 Weyerhaeuser Way S Federal Way, WA		1971	343,535 +/-	TBD
Renton	TRITON TOWERS 555-705 Renton Village Place Renton, WA		1980-1987	73,204	\$17.50 NNN

Recent Investment Sales Comparables

	BUILDING NAME Address	Date Sold	Gross SF	Sale Price	Buyer	Comments
			Year Built	\$/SF	Seller	
	AUBURN MARKETPLACE 1151 D St NE Auburn, WA	05/16	30,000	\$12,089,200	JJW Group LLC	<ul style="list-style-type: none"> 6.12% cap rate at 85% at time of sale Anchored by Franciscan Health System 1031 Exchange, ORION repped buyer and seller
			2014	\$345.41	Donovan Brothers Commercial Construction	
	SOUTH SEATTLE BUSINESS PARK 4634-4636 E Marginal Way S Seattle, WA	05/16	97,653	9,500,000	The SMARTCAP Group, Inc	<ul style="list-style-type: none"> 8.0% cap rate 47% Industrial and 53% office space Buyer will be converting some warehouse into additional office parking
			1953 Renovated 1997	\$97.27	Goodman Real Estate, Inc	
	VALLEY PROFESSIONAL CENTER NORTH 3915 Talbot Rd S Renton, WA	04/16	46,600	\$21,600,000	Healthcare Realty Trust Incorporated	<ul style="list-style-type: none"> 100% leased at time of sale 5.9% cap rate
			1983	\$463.52	Valley Medical Center	
	WEYERHAEUSER CAMPUS 33663 Weyerhaeuser Way S Federal Way, WA	02/15	805,208	\$70,500,000	Industrial Realty Group, LLC	<ul style="list-style-type: none"> Seller will lease-back short-term on HQ Building and flexible on Tech Building 425 acres included which portions of will be spun off Excess land will be sold/developed & the building marketed to large users.
			HQ Bldg - 1971 Tech Bldg - 1981	\$87.57	Weyerhaeuser Company	
	CREEKSIDES @ CENTERPOINT 20415 72nd Avenue S. Kent, WA	01/16	218,585	\$27,700,000	Menashe Properties	<ul style="list-style-type: none"> 90% leased at the time of sale Part of CenterPoint Campus with daycare, restaurant, fitness center & conference center amenities
			1984	\$127.00	Unico Properties	
	SOUTHCENTER PLACE 16400 Southcenter Parkway Tukwila, WA	12/15	64,868	11,880,000	John C. Radovich Development	<ul style="list-style-type: none"> Sale of multi-tenant office building located near Southcenter Mall. About 15.5% vacancy at time of sale Buyer credited \$255k for repairs est. at \$550k
			1979 (Renov 2002)	\$183.14	SteelWave Inc. Legacy	

Recent Investment Sales Comparables

	BUILDING NAME Address	Date Sold	Gross SF	Sale Price	Buyer	Comments
			Year Built	\$/SF	Seller	
	THE LANDMARK East & West 1600 Lind Avenue Renton, WA	11/15	274,000	\$45,000,000	Kairos Real Estate Partners	<ul style="list-style-type: none"> 98% leased at time of sale FAA shadow vacancy 10/17 36,615 RSF represents another 13.4% of vacancy
			1987	\$164.00	BlackRock	
	KENT BUSINESS CENTER 25316 74th Avenue S. Kent, WA	12/15	95,599	\$8,600,000	Rosen Harbottle	<ul style="list-style-type: none"> 53% leased at sale
			1986 (Renov 1999)	\$90.00	Killian Pacific	
	SEATAC OFFICE CENTER 17930 Pacific Hwy S SeaTac, WA	10/15	581,654	\$47,100,000	Urban Renaissance Group	<ul style="list-style-type: none"> 62% leased at time of acquisition New ownership planning \$10mil renovation/update
			1980	\$80.98	Scanlan Kemper-Bard	
	PLANT 1 200 SW Michigan St. Seattle, WA	09/15	83,143	\$5,450,000	Lift Partners	<ul style="list-style-type: none"> Sold by a Special Servicer Occupancy at time of sale was at 11% Sold as an all-cash deal
			1929 (Renov 1999)	\$65.55	C-III	
	TALON COURT 33810 Weyerhaeuser Way S Federal Way, WA	09/15	55,172	\$4,800,000	MD Ventures Talon LLC	<ul style="list-style-type: none"> According to the buyer the property distressed and only 40% occupied at the time of sale This property was also a part of a 1031 exchange on behalf of the buyer
			2001	\$87.00	Talon Court LLC	
	MAPLEWOOD OFFICE BLDG 33915 1st Way S Federal Way, WA	05/15	32,074	5,850,000	F&E Holdings 45983R LLC	<ul style="list-style-type: none"> Multi-tenant bldg 100% occupied ATOS Located in West Campus neighborhood of Federal Way Occupied by 8 tenants
			2005	\$182	CUNA Mutual Investment Corp.	
	EAST CAMPUS CORPORATE PARK I 32001 32nd Ave S Federal Way, WA	03/15	105,807	\$17,900,000	Sterling Realty Organization Co.	<ul style="list-style-type: none"> 98% leased Located at the southeast corner of I-5 and South 320th Interchange Easy access to Seattle, Tacoma and the SeaTac airport 7.87 cap rate
			2001	\$169.18	Frc Federal Way LLC	