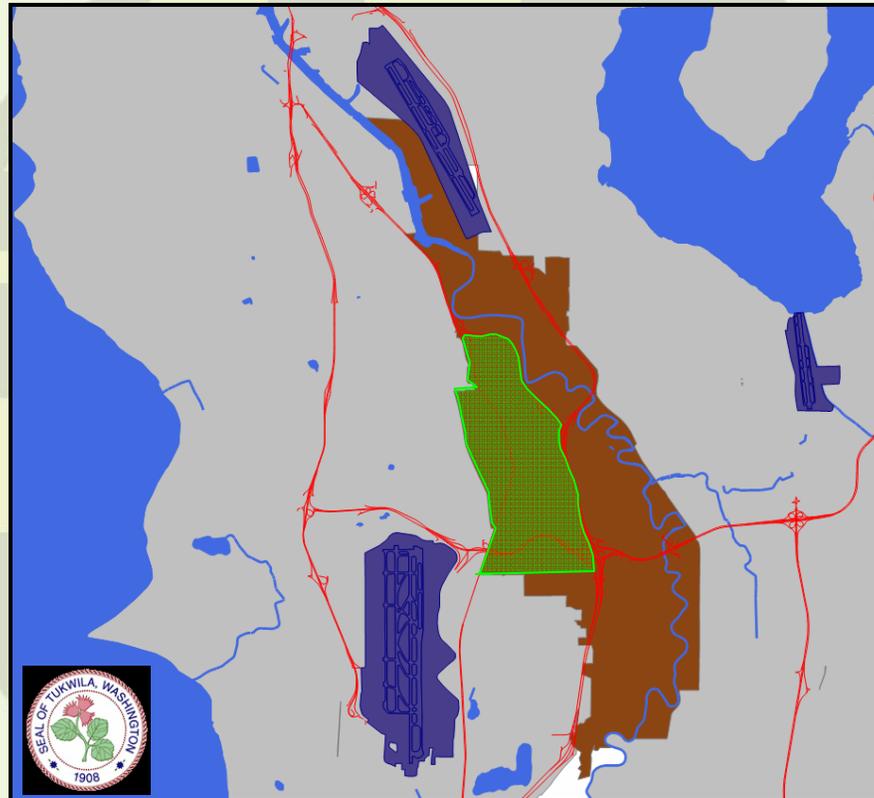


TUKWILA INTERNATIONAL BOULEVARD:

Current Market Conditions & Factors Influencing Its Development



Presentation of Market Analysis
February 26, 2007

Scope of Study

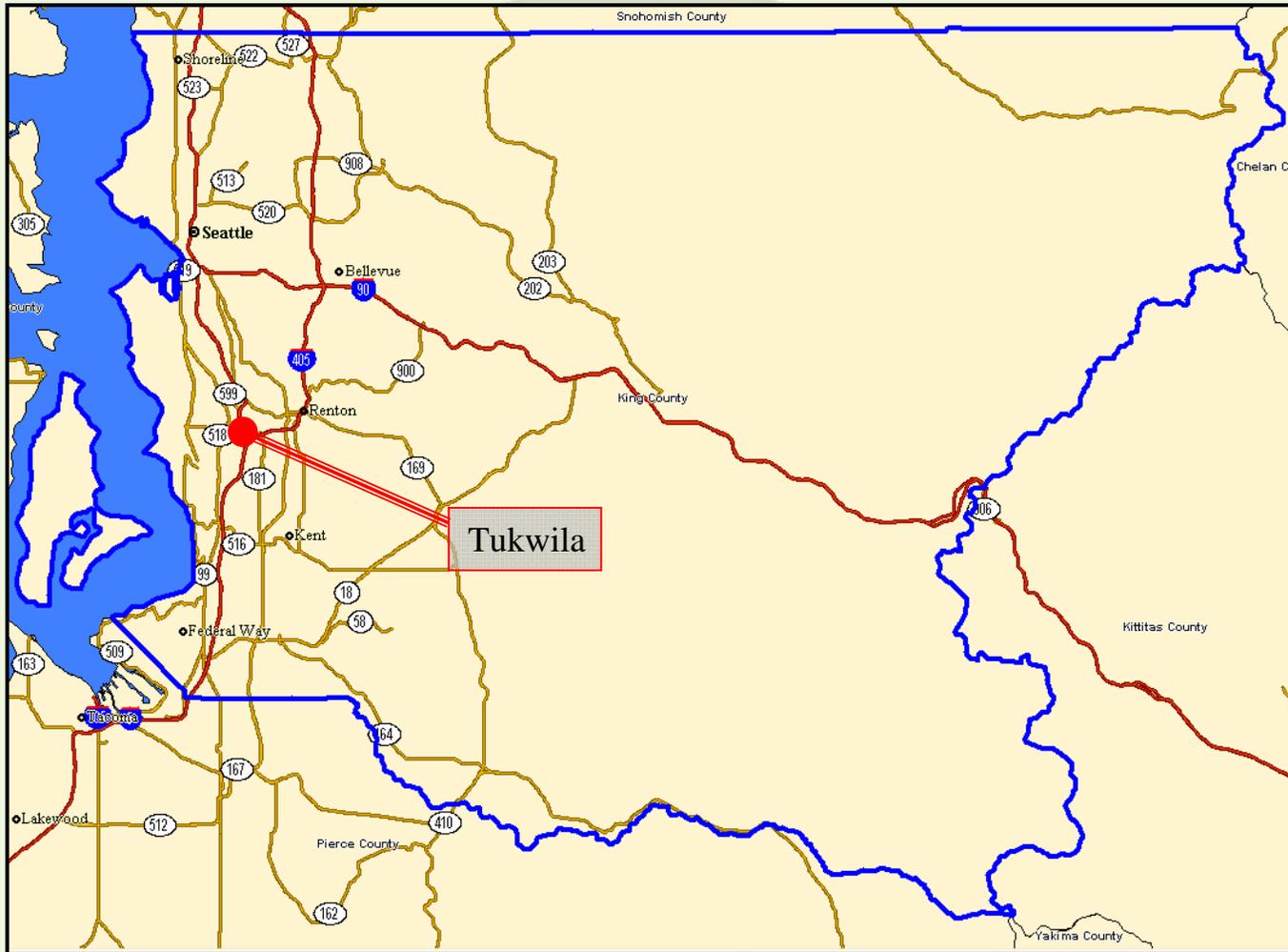
- Evaluate local development trends influencing the development of residential and commercial uses in the TIBC.
- Translate market findings into development recommendations, addressing for each land use: market demand, market positioning, and development scale.
- This analysis will function as a baseline from which recommendations can be made.



King County Profile

Employment and Income

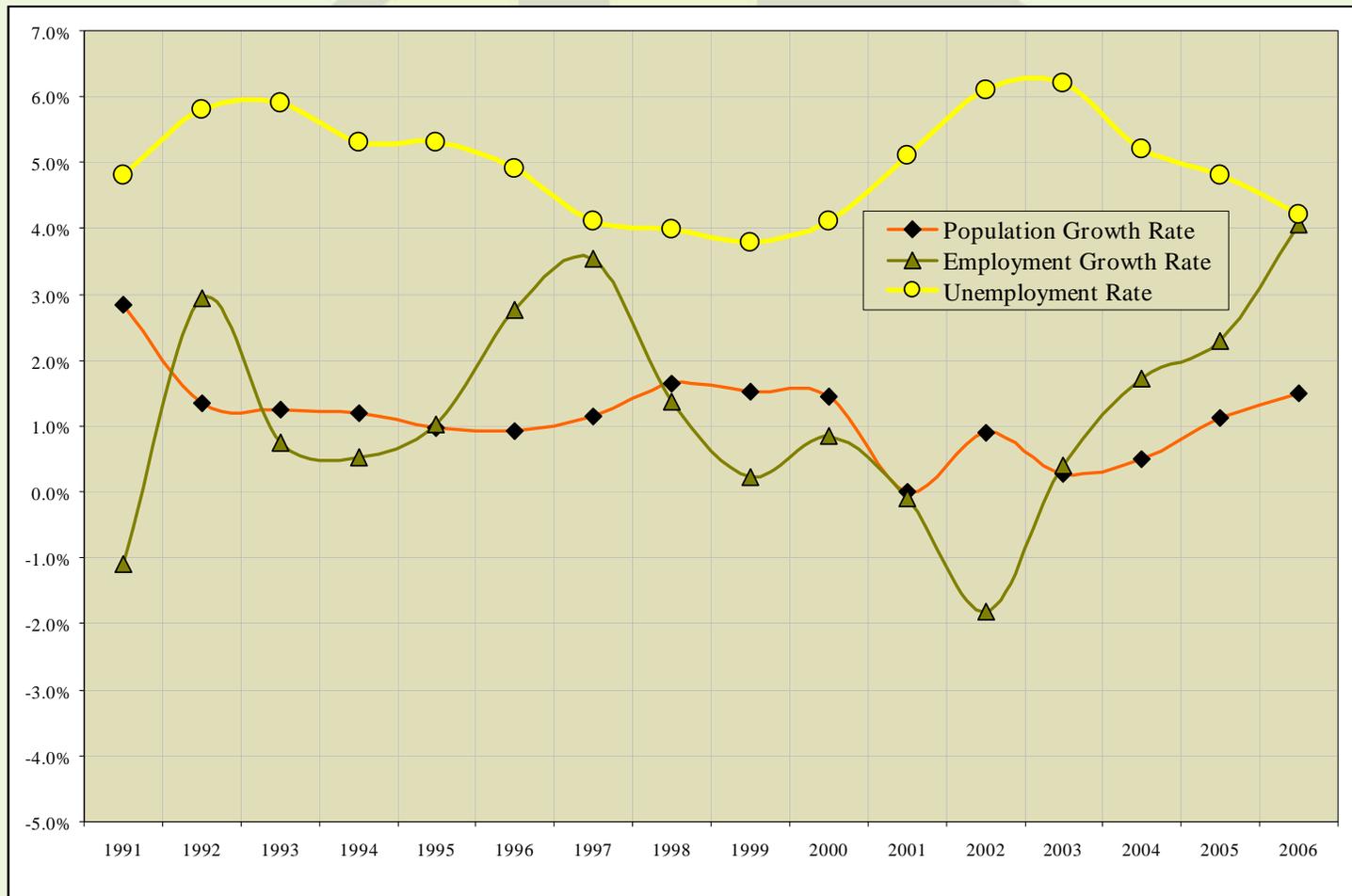
King County



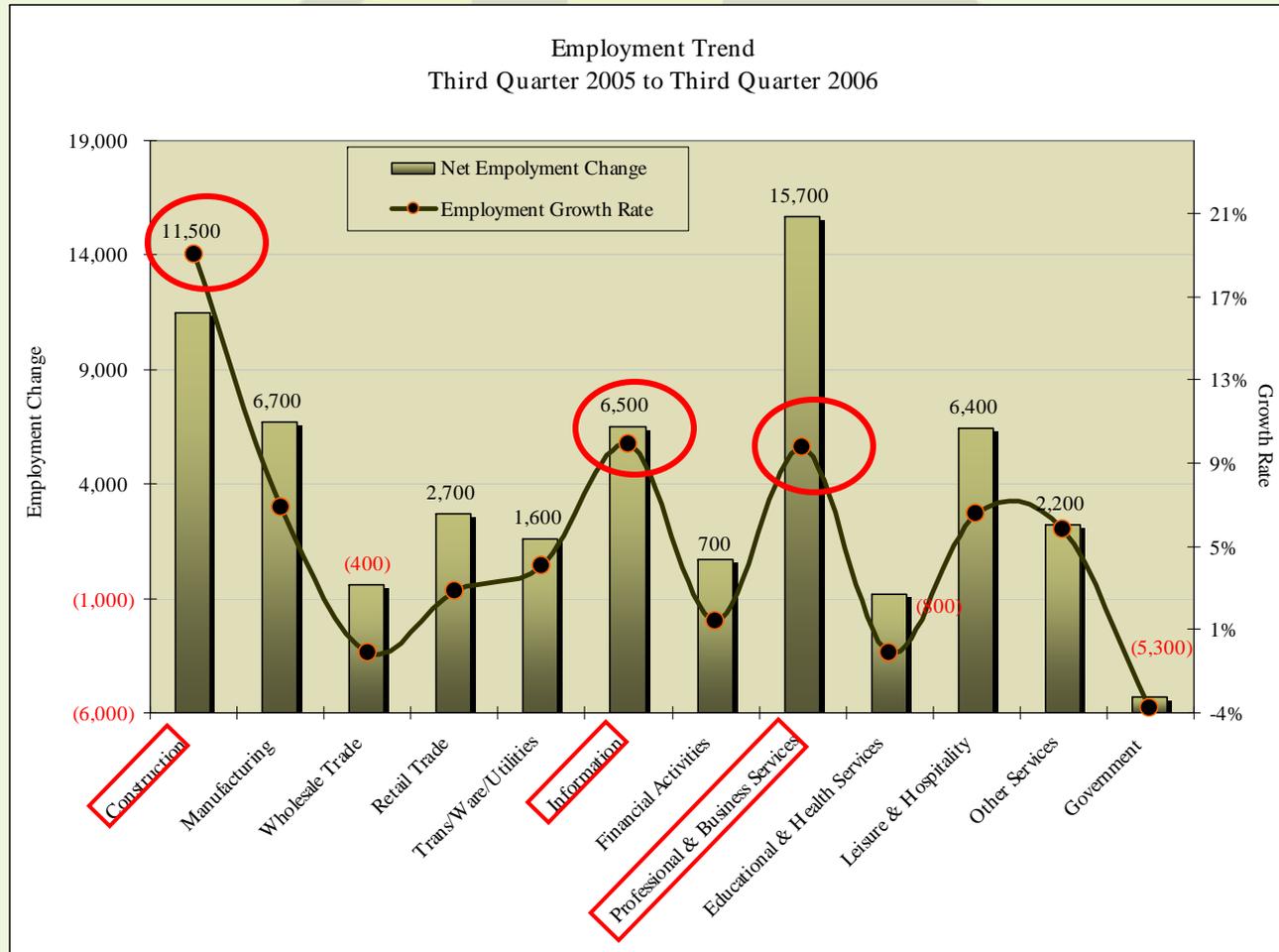
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King County Employment -On the Rise-



King County Employment Growth -Sectors are Positive-

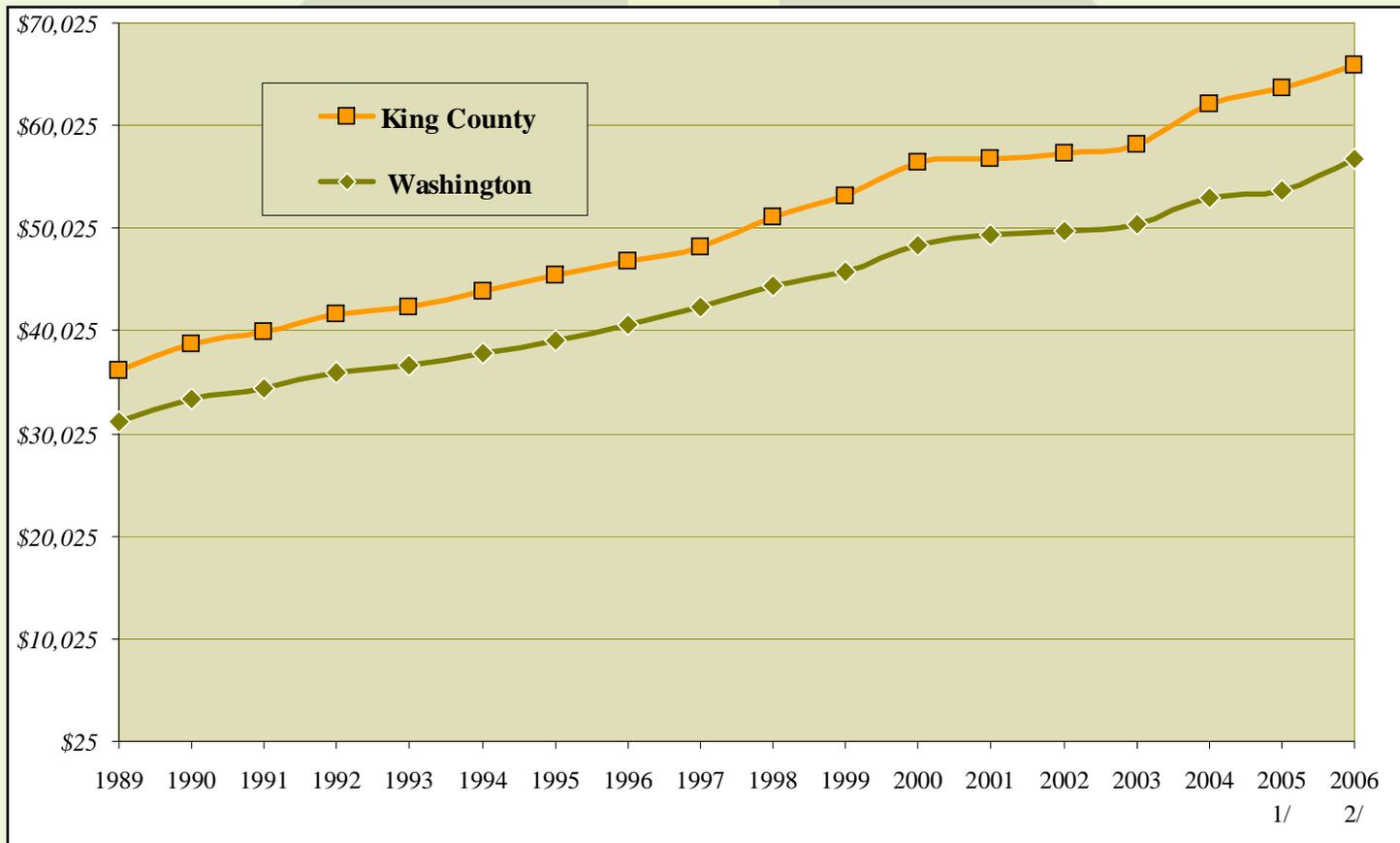


Metro Employment Projections are Solid

King County Forecast

Employment Sector	2006	2007	2008	2009	2010	2011
Construction	73,600	76,029	78,050	79,875	81,486	83,130
Manufacturing	112,400	116,334	119,483	122,244	124,584	126,969
Wholesale Trade	63,500	64,262	65,062	65,888	66,739	67,600
Retail Trade	117,000	118,872	120,496	122,000	123,381	124,777
Transportation, Warehousing & Utilit	46,600	47,066	47,754	48,563	49,497	50,450
Information	75,800	78,150	80,286	82,333	84,280	86,275
Financial Activities	77,100	77,871	78,593	79,294	79,973	80,657
Professional & Business Services	185,600	191,910	198,230	204,652	211,172	217,900
Educational & Health Services	122,700	125,154	127,417	129,598	131,693	133,821
Leisure & Hospitality	111,500	113,730	115,749	117,674	119,499	121,353
Other Services	43,500	44,196	44,888	45,582	46,280	46,988
Government	157,800	159,694	161,556	163,412	165,262	167,132
Total	1,187,100	1,213,268	1,237,564	1,261,115	1,283,845	1,307,051
<i>Rate</i>	4.2%	2.2%	2.0%	1.9%	1.8%	1.8%

King County Median Income Continuing Up



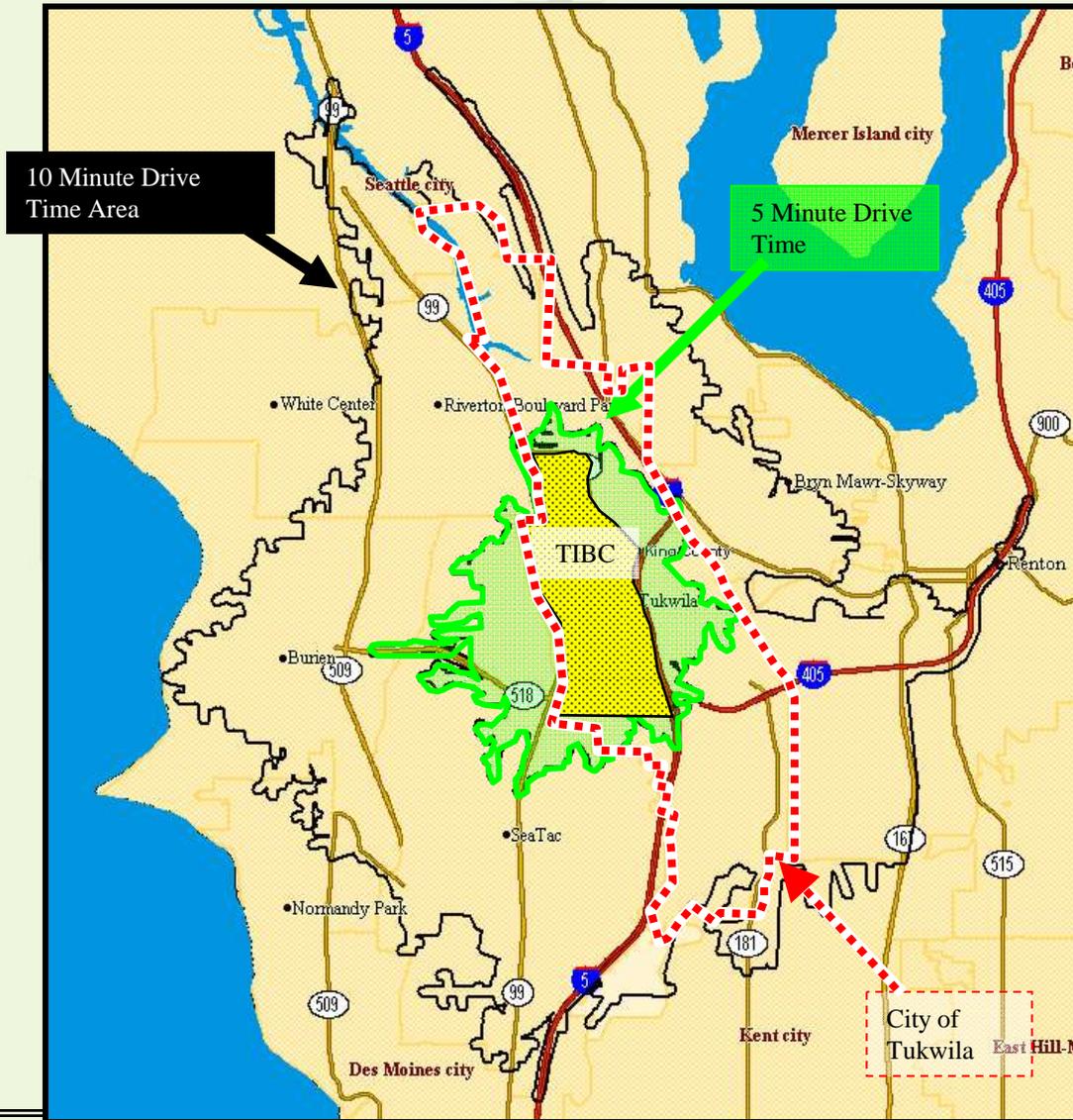


Local Profile

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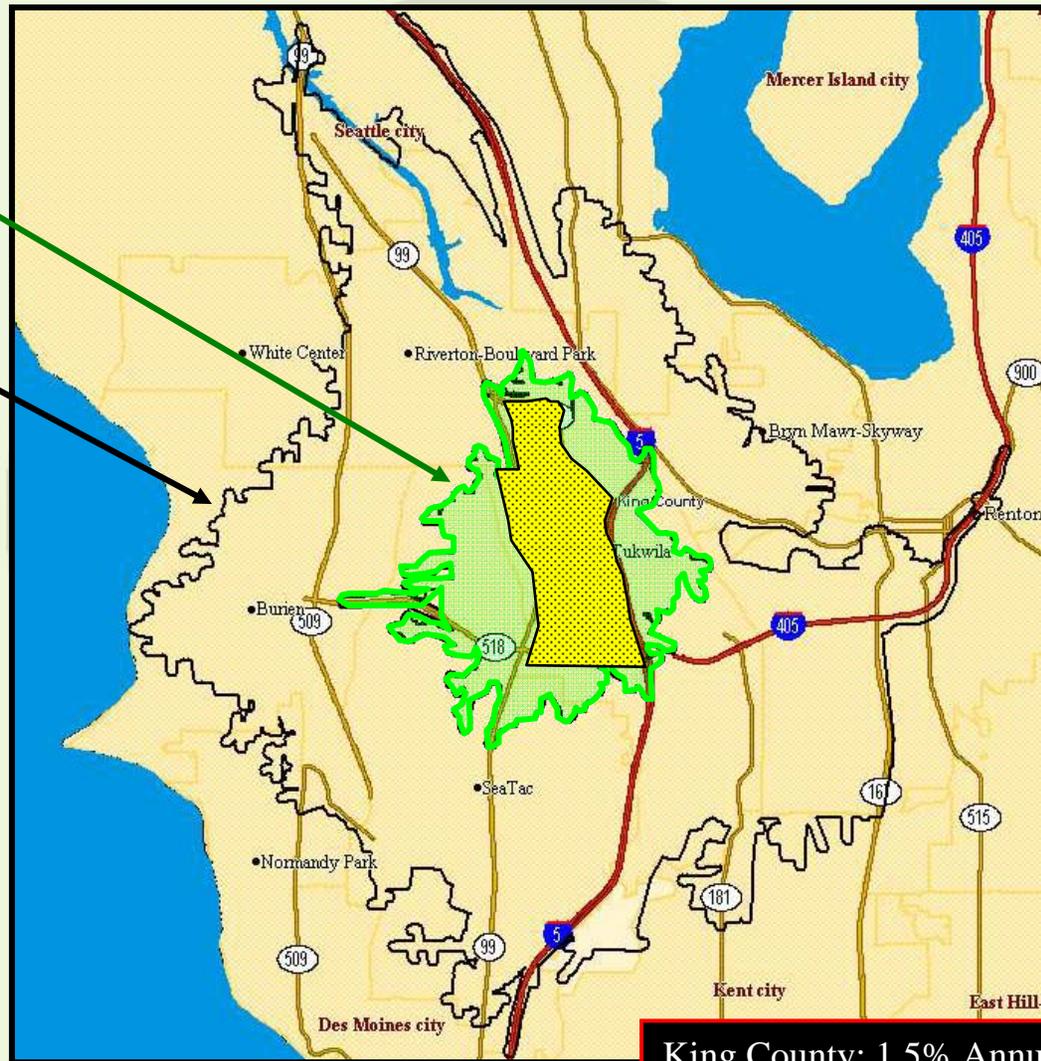
Areas of Influence



Population Estimates: 2006-2011

5-minute:
0.5% Annually
200 Total

10-minute:
0.2% Annually
380 Total

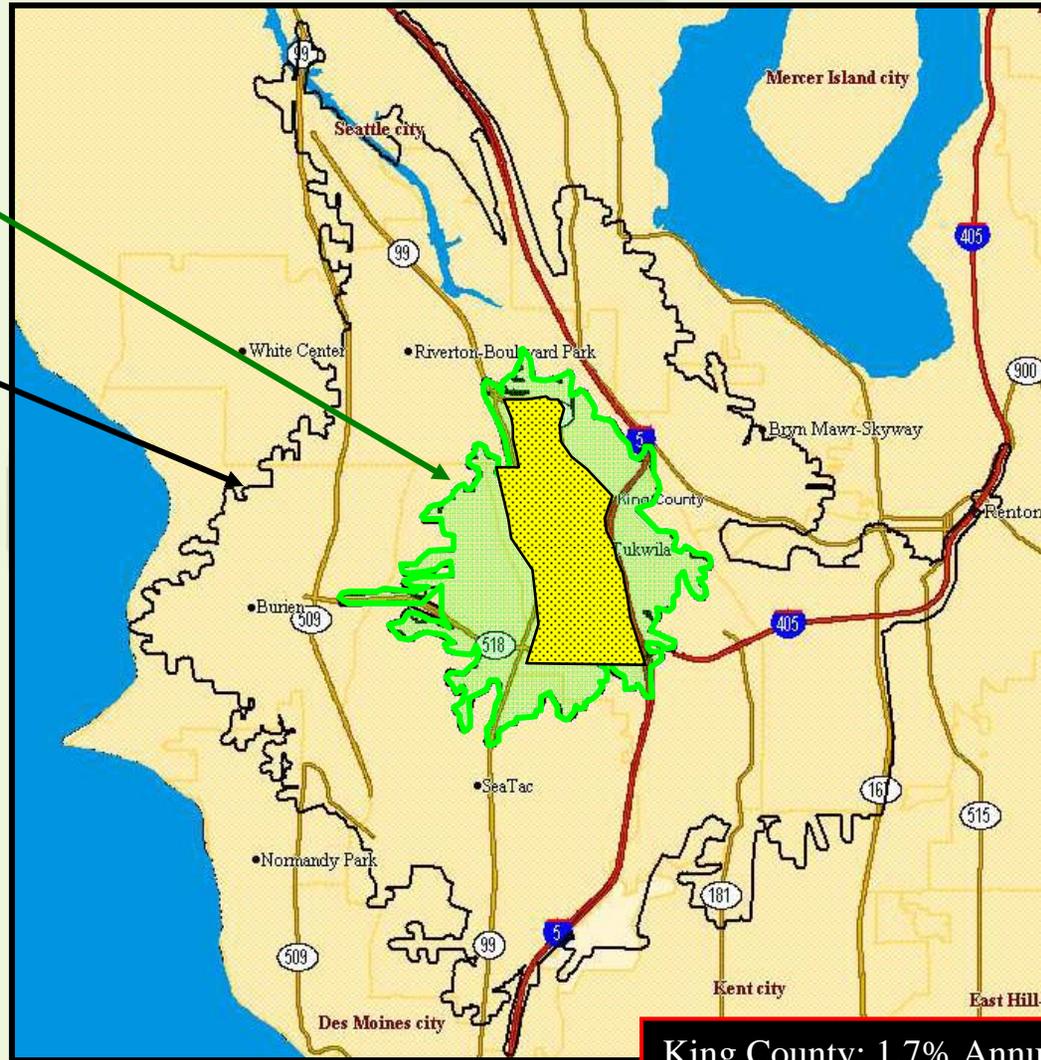


King County: 1.5% Annually (61,200 Total)

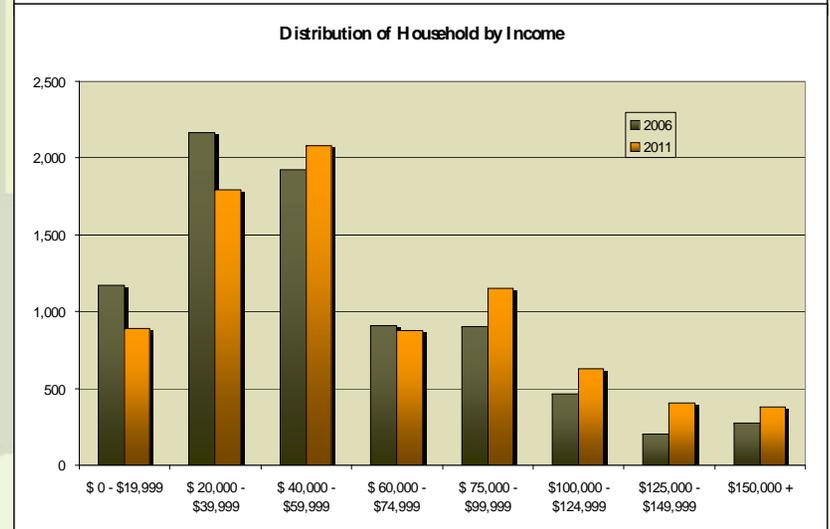
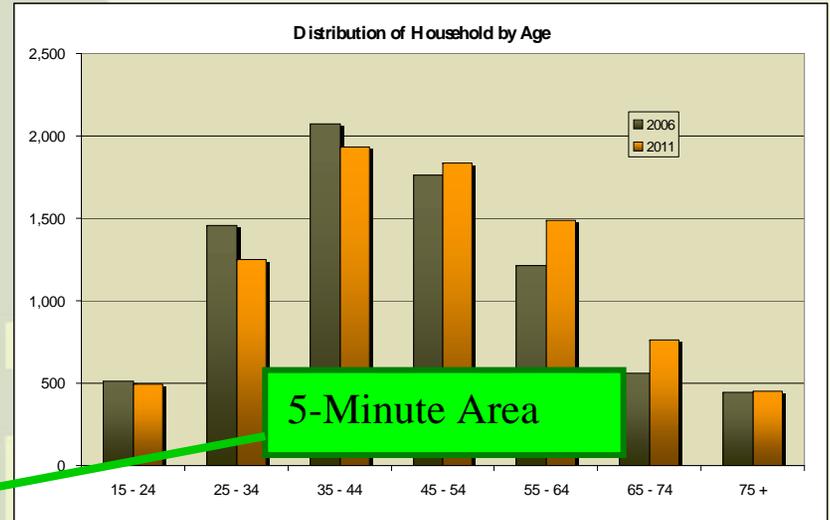
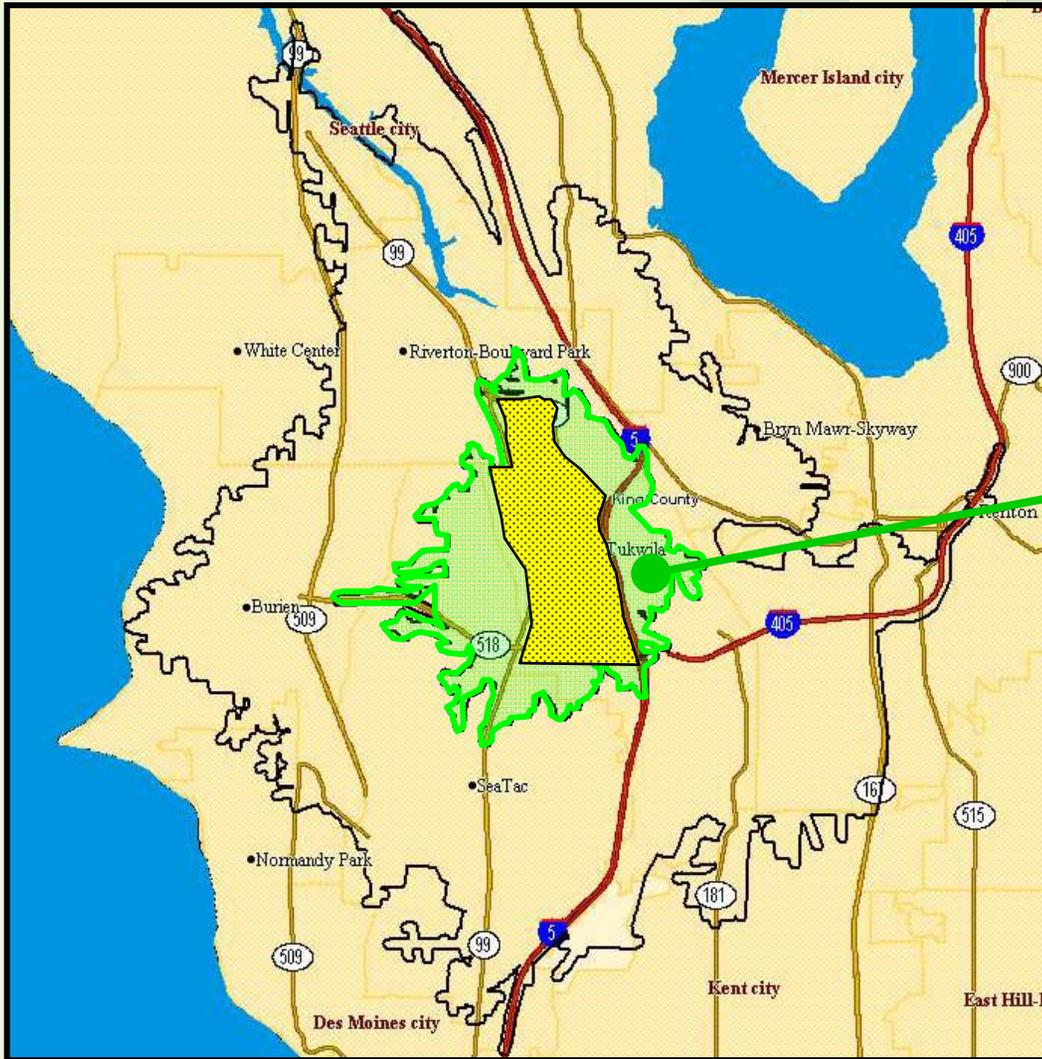
Median Income Comparison: 2006-2011

5-minute:
1.6% Annually
34% Less than KC

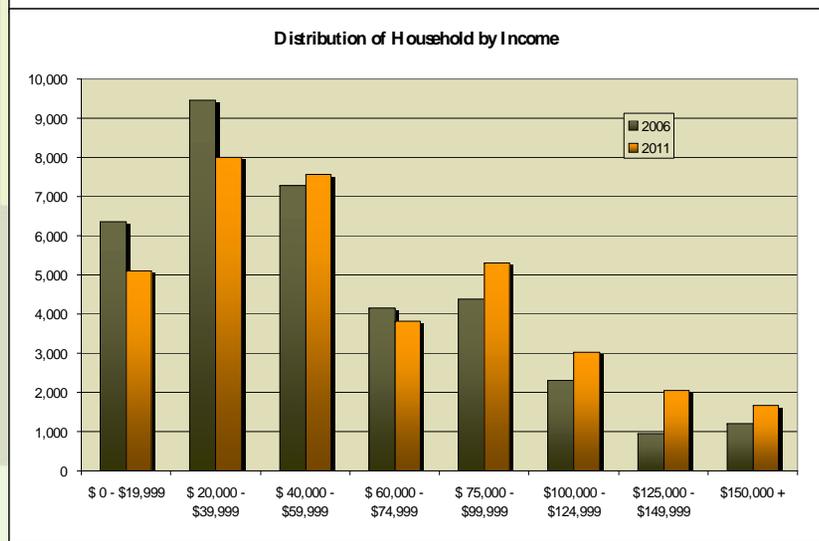
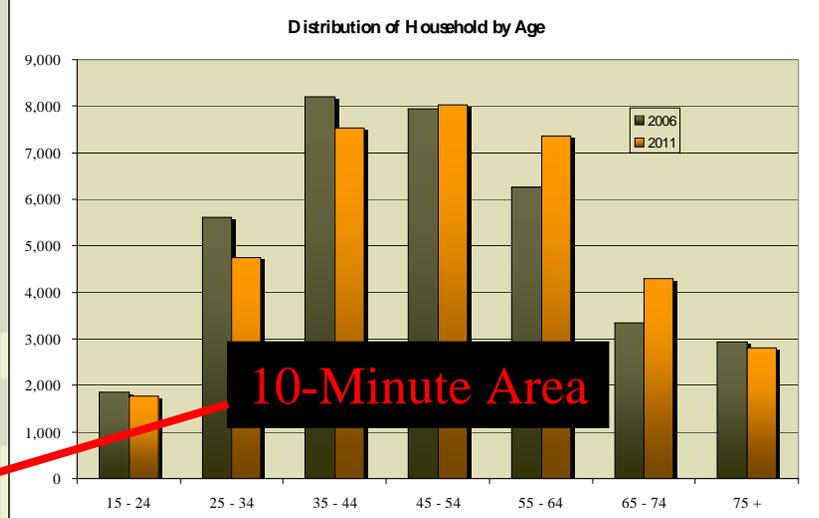
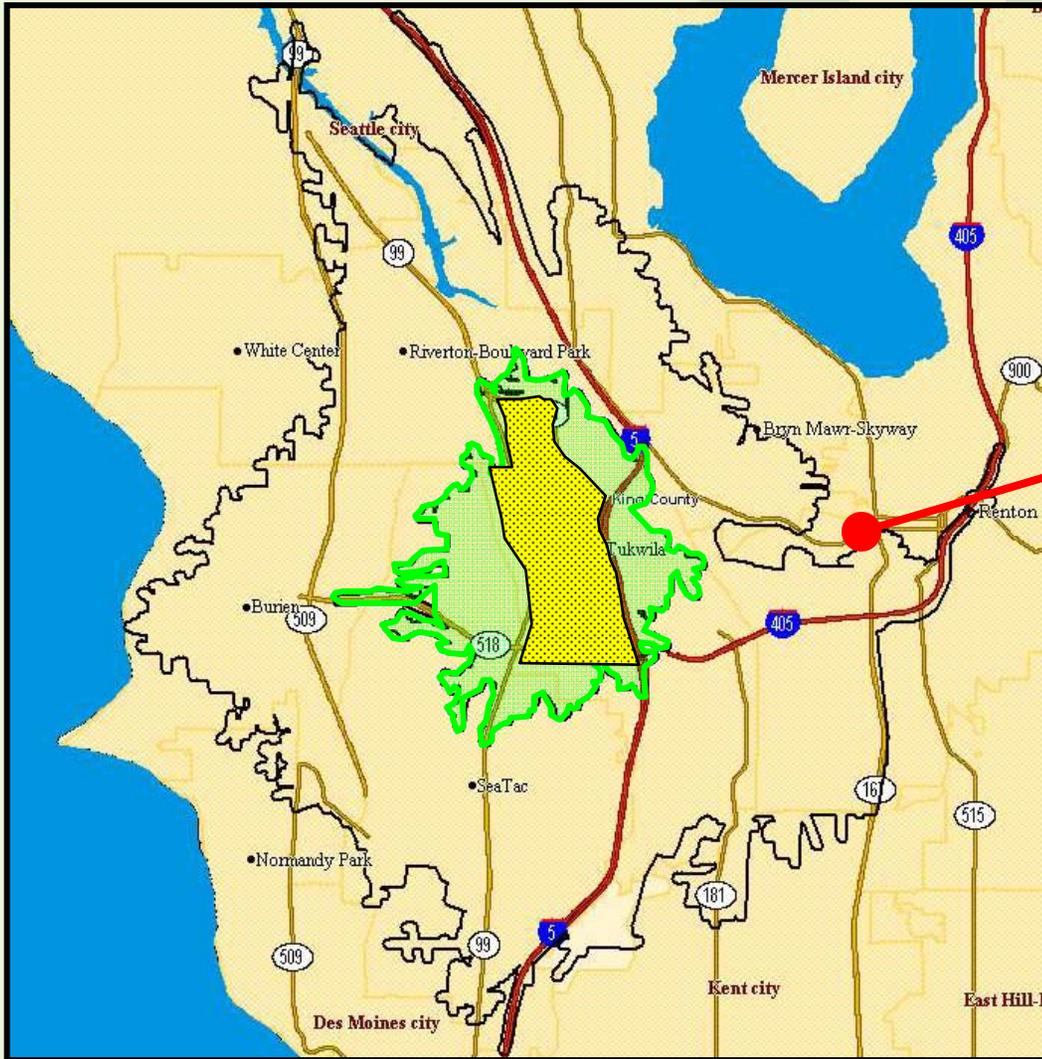
10-minute:
1.6% Annually
37% Less than KC



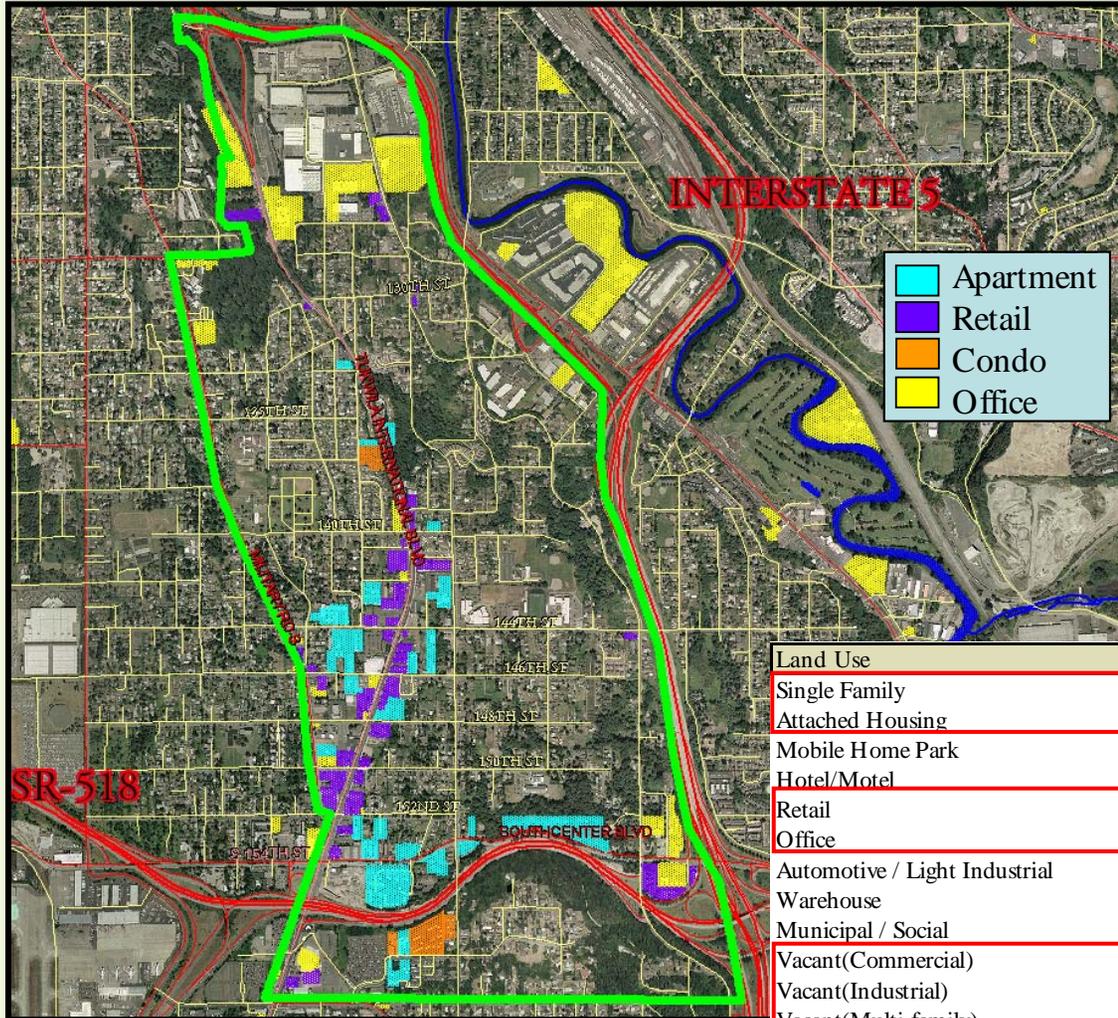
Household Demographics



Household Demographics



Existing Neighborhood Inventory



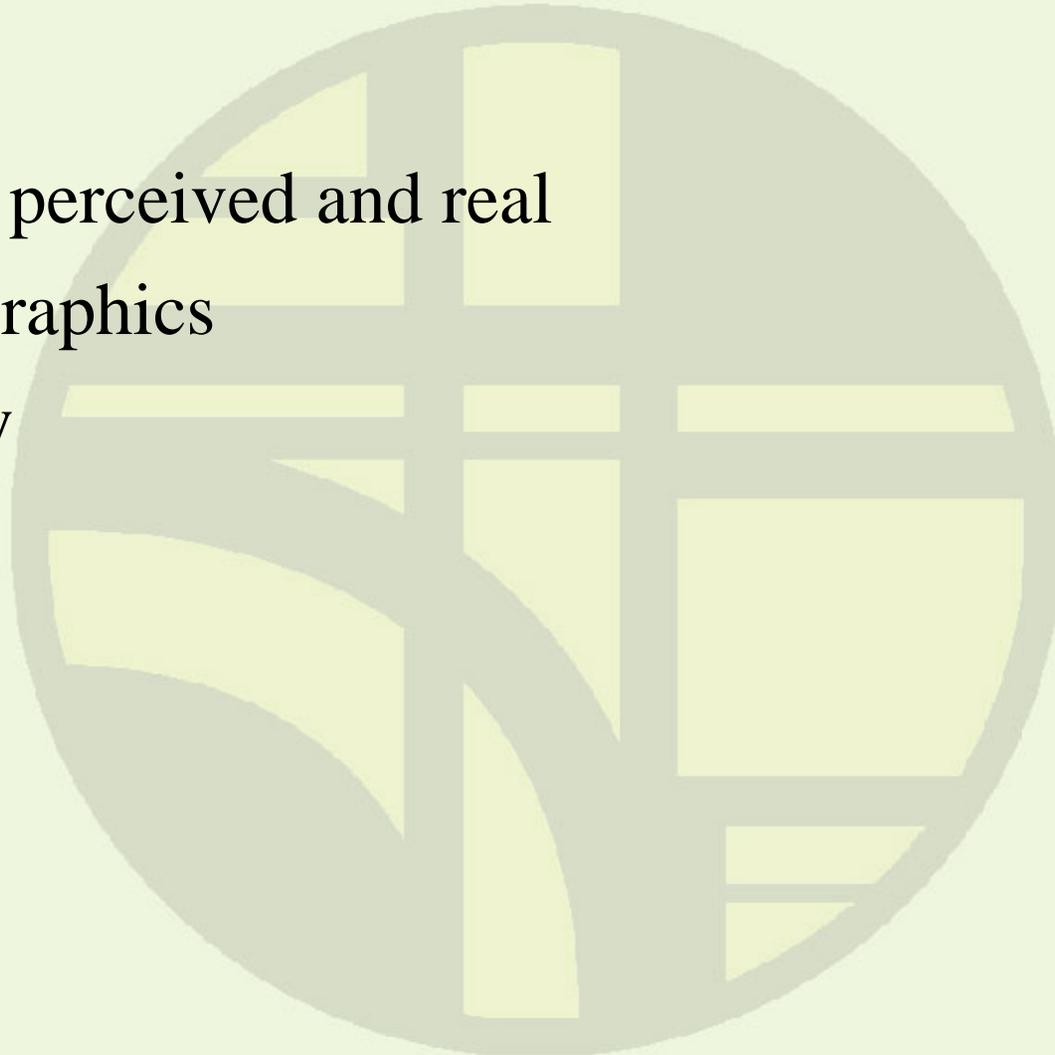
Land Use	Total Land (sf)	Land Ratio	Total Bldg Size (sf)	Bldg Ratio	Avg Year Blt
Single Family	21,474,187	46%	2,003,616	29.8%	1954
Attached Housing	4,082,972	9%	1,531,067	22.7%	1968
Mobile Home Park	464,900	1%			
Hotel/Motel	369,274	1%	151,456	2.2%	1984
Retail	1,781,530	4%	360,571	5.4%	1960
Office	1,348,935	3%	484,137	7.2%	1977
Automotive / Light Industrial	4,046,168	9%	1,213,189	18.0%	1969
Warehouse	2,578,486	6%	615,467	9.1%	1974
Municipal / Social	3,195,643	7%	373,189	5.5%	1962
Vacant(Commercial)	1,242,665	3%			
Vacant(Industrial)	1,134,128	2%			
Vacant(Multi-family)	917,809	2%			
Vacant(Single-family)	3,722,761	8%			
Totals	46,359,458	100%	6,732,692	100%	1969

TIBC Strengths

- Access – Highway, bus, light rail in the future
- Traffic Volume
- Potential Cascade Mountain views
- Existing policy groundwork
- Land holdings – Tukwila Village

TIBC Weaknesses

- Safety, perceived and real
- Demographics
- Identity



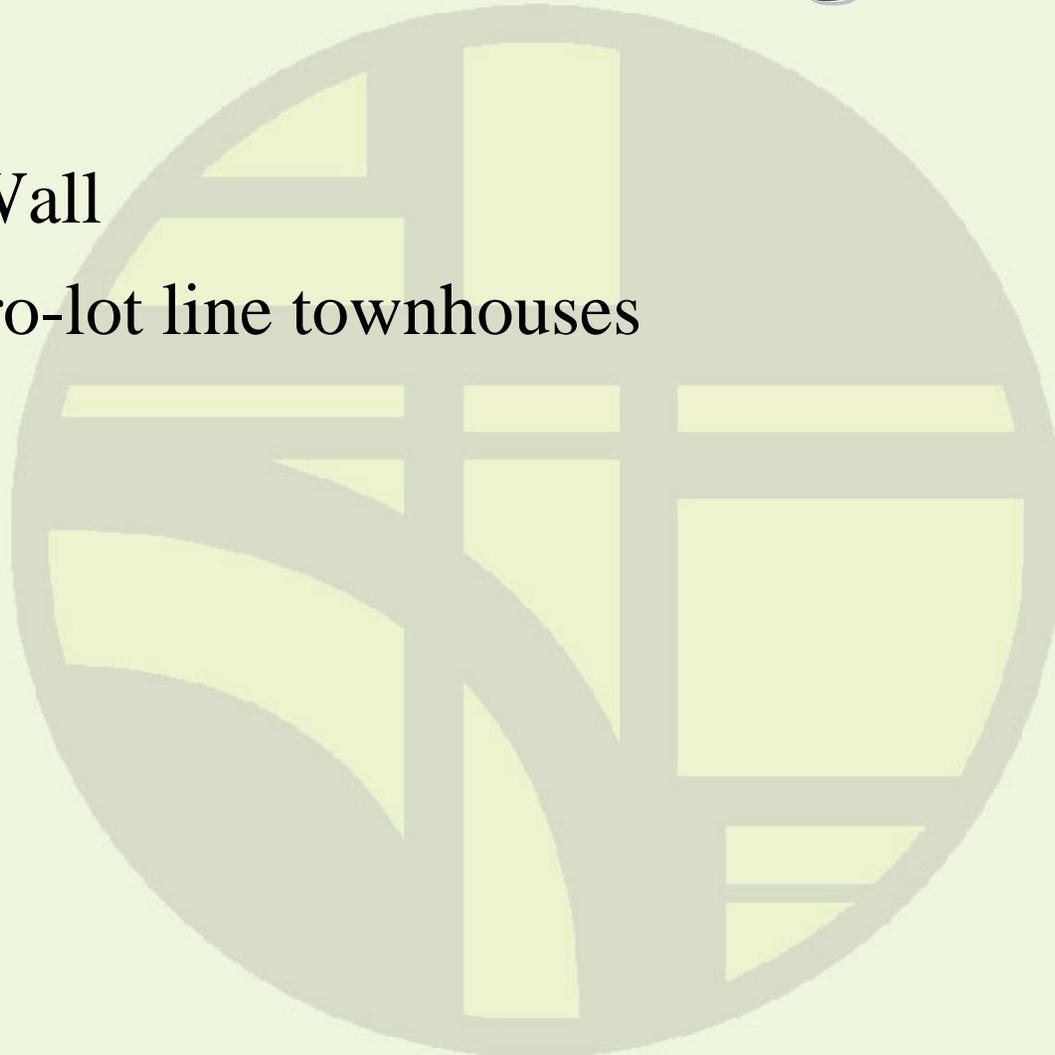


Attached Ownership

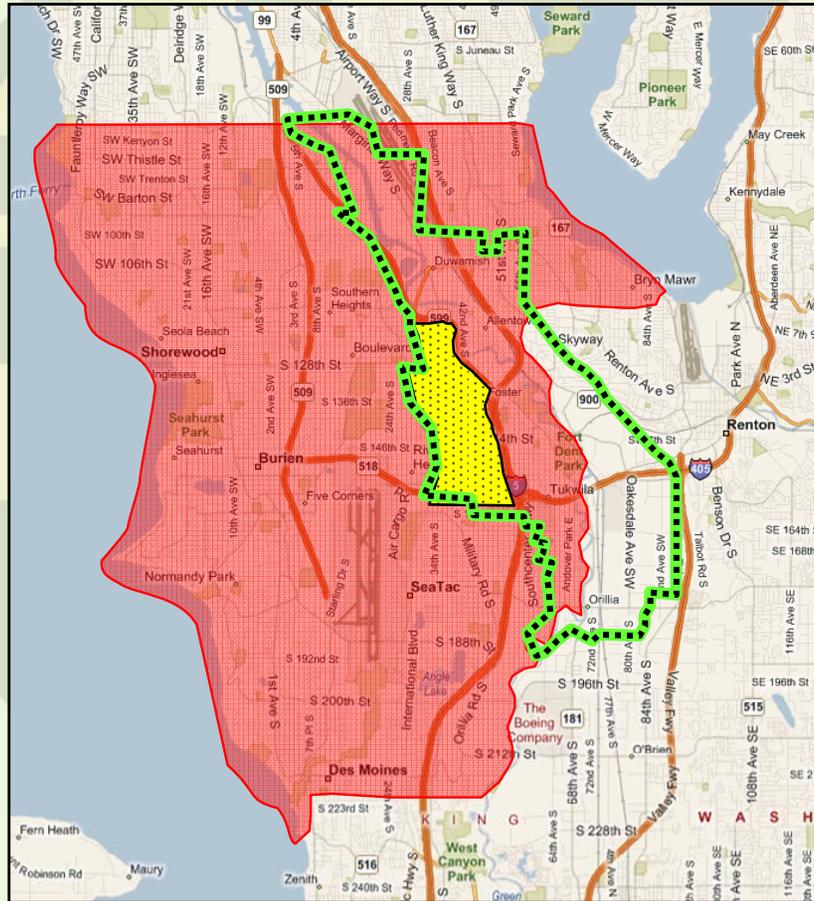
Housing Market

Attached Housing is . . .

- Party Wall
- Not zero-lot line townhouses

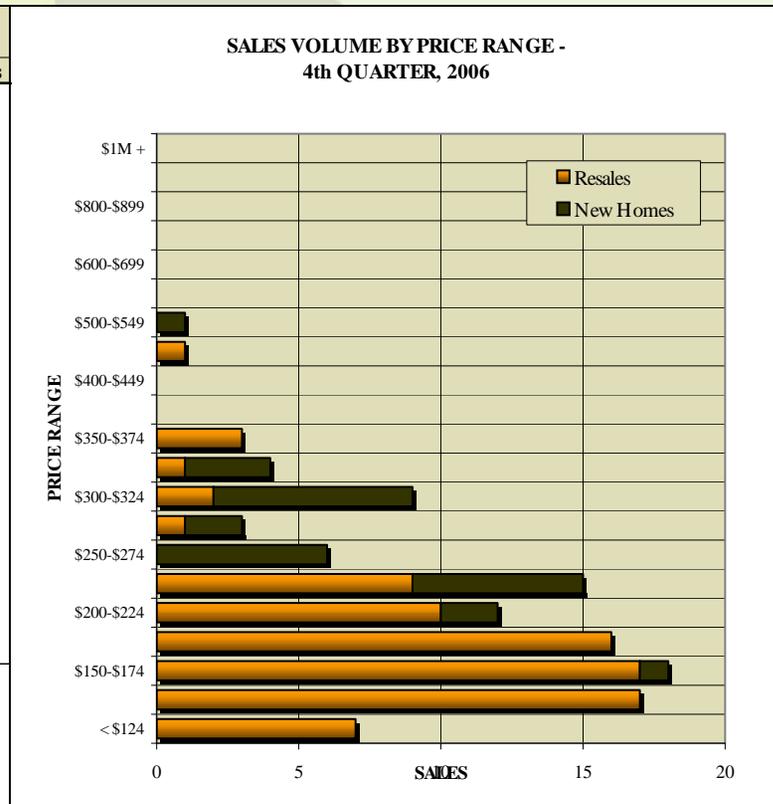


South Seattle Attached Home Market



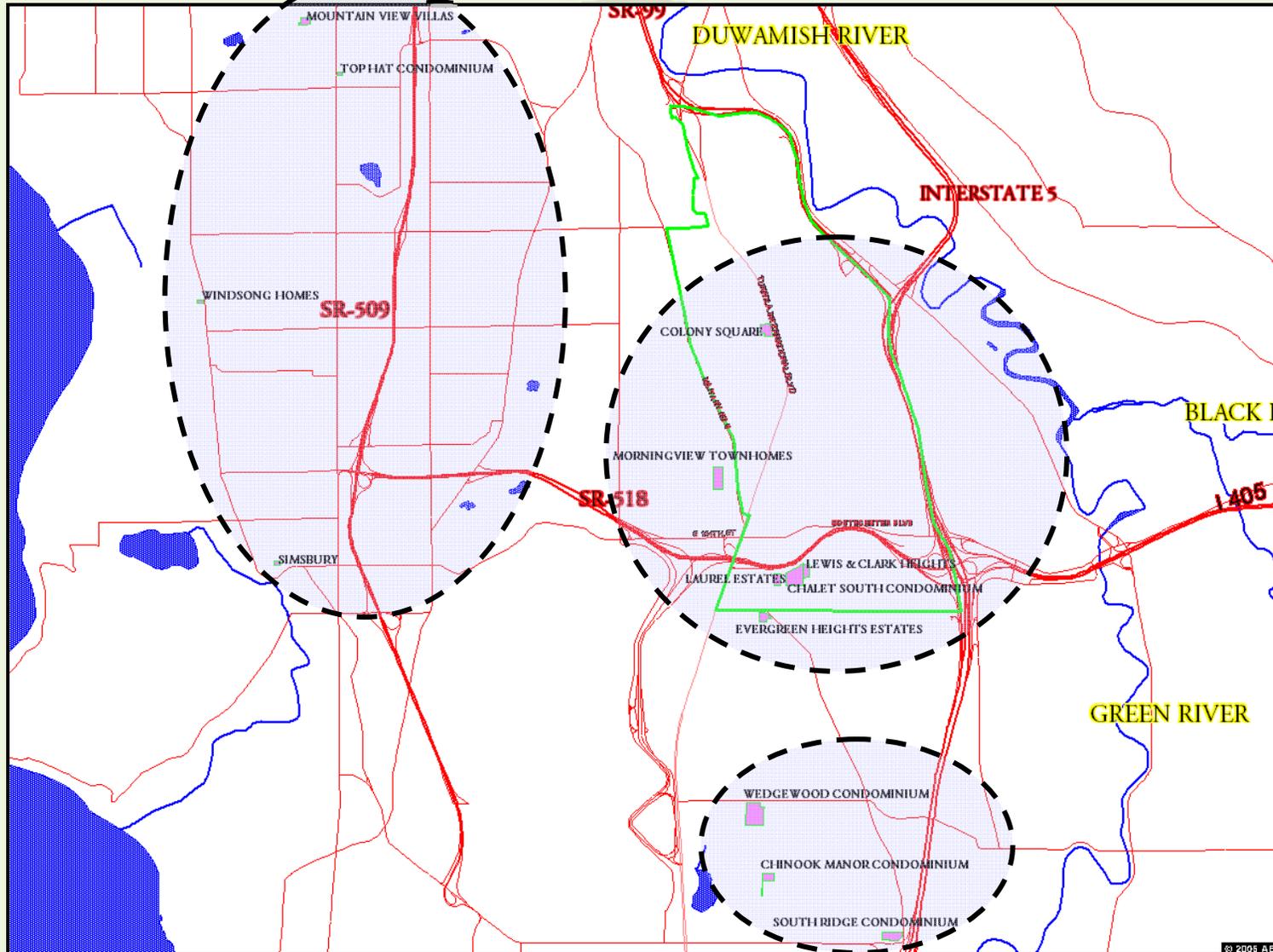
South Seattle Condominium Sales

Attached Home Sales				
Price Range	4Q06		YTD Total Sales	
	New	Resales	New	Resales
Under \$124,999	0	7	1	74
\$125,000 - \$149,999	0	17	1	72
\$150,000 - \$174,999	1	17	3	72
\$175,000 - \$199,999	0	16	2	66
\$200,000 - \$224,999	2	10	3	48
\$225,000 - \$249,999	6	9	17	27
\$250,000 - \$274,999	6	0	27	11
\$275,000 - \$299,999	2	1	25	5
\$300,000 - \$324,999	7	2	28	11
\$325,000 - \$349,999	3	1	36	4
\$350,000 - \$374,999	0	3	5	6
\$375,000 - \$399,999	0	0	3	4
\$400,000 - \$449,999	0	0	2	2
\$450,000 - \$499,999	0	1	0	2
\$500,000 - \$549,999	1	0	1	2
\$550,000 - \$599,999	0	0	0	1
\$600,000 - \$699,999	0	0	0	1
\$700,000 - \$799,999	0	0	0	0
\$800,000 - \$899,999	0	0	0	0
\$900,000 - \$999,999	0	0	0	0
\$1,000,000 & Over	0	0	0	1
Total	28	84	154	409
<i>Average Sales Price (All Sales)</i>			<i>\$212,934</i>	
<i>Average Sales Price (New Construction)</i>			<i>\$282,573</i>	



SOURCE: NWMLS

Sales Comparables are Limited



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Sales Comparables are Limited

Map #	Development Name	Address	Year Built	Apartment Conversion	Unit Types	Count of Units	Count of Sales	Mtn Views	Median SF	Median Price	Median \$/SF
<i>TIBC or Adjacent</i>											
1	Colony Square	13550 37th Ave S, Tukwila	1977	Y	Flat/Townhouse	62	17	No	880	\$114,688	\$134.64
2	Evergreen Heights Estates	3503 S 160th St, Sea-tac	1979	N	Flat	54	13	Yes	803	\$112,462	\$137.04
3	Lewis & Clark Heights	15625 42nd Ave S, Tukwila	1980	N	Townhouse	31	9	No	904	\$132,950	\$147.07
4	Morningview Townhomes	14803 32nd Pl S, Sea-tac	1982	N	Flat/Townhouse	48	15	Yes	987	\$168,856	\$171.80
5	Laurel Estates	3810 S 158th St, Tukwila	1983	N	Flat/Townhouse	28	10	No	1,139	\$161,600	\$140.18
6	Chalet South	4024 S 158th St, Tukwila	1985	N	Flat/Townhouse	78	18	No	1,028	\$151,125	\$146.95
Weighted Averages						301	82		954	\$139,968	\$146.56
<i>Within 1 Mile of TIBC or Built after 2000</i>											
7	Wedgewood	3425 S 176th St, Sea-tac	1968	Y	Flat/Townhouse	180	34	Yes	895	\$120,143	\$130.43
8	South Ridge	4802 S 187th pl, Sea-tac	1978	Y	Flat	68	16	Yes	682	\$99,063	\$157.55
9	Chinook Manor	3715 S 182nd St, Sea-tac	1990	Y	Flat	30	10	Yes	1,204	\$142,750	\$118.57
10	Simsbury	430 SW 156th St, Burien	2001	N	Flat	11	4	Yes	1,230	\$248,750	\$202.24
11	Windsong Homes	13349 Ambaum blvd SW, Burien	2002	N	Townhouse	10	2	No	1,139	\$221,000	\$194.19
12	Top Hat	11424 1St Ave S, King County	2005	N	Flat/Townhouse	13	13	No	936	\$151,796	\$170.86
13	Mountain View Villas	11008 3rd Ave SW, King County	2005	N	Townhouse	18	20	Yes	2,215	\$250,800	\$116.12
Weighted Averages						330	99		1,182	\$156,805	\$140.22

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South Seattle Housing Demand: 2007

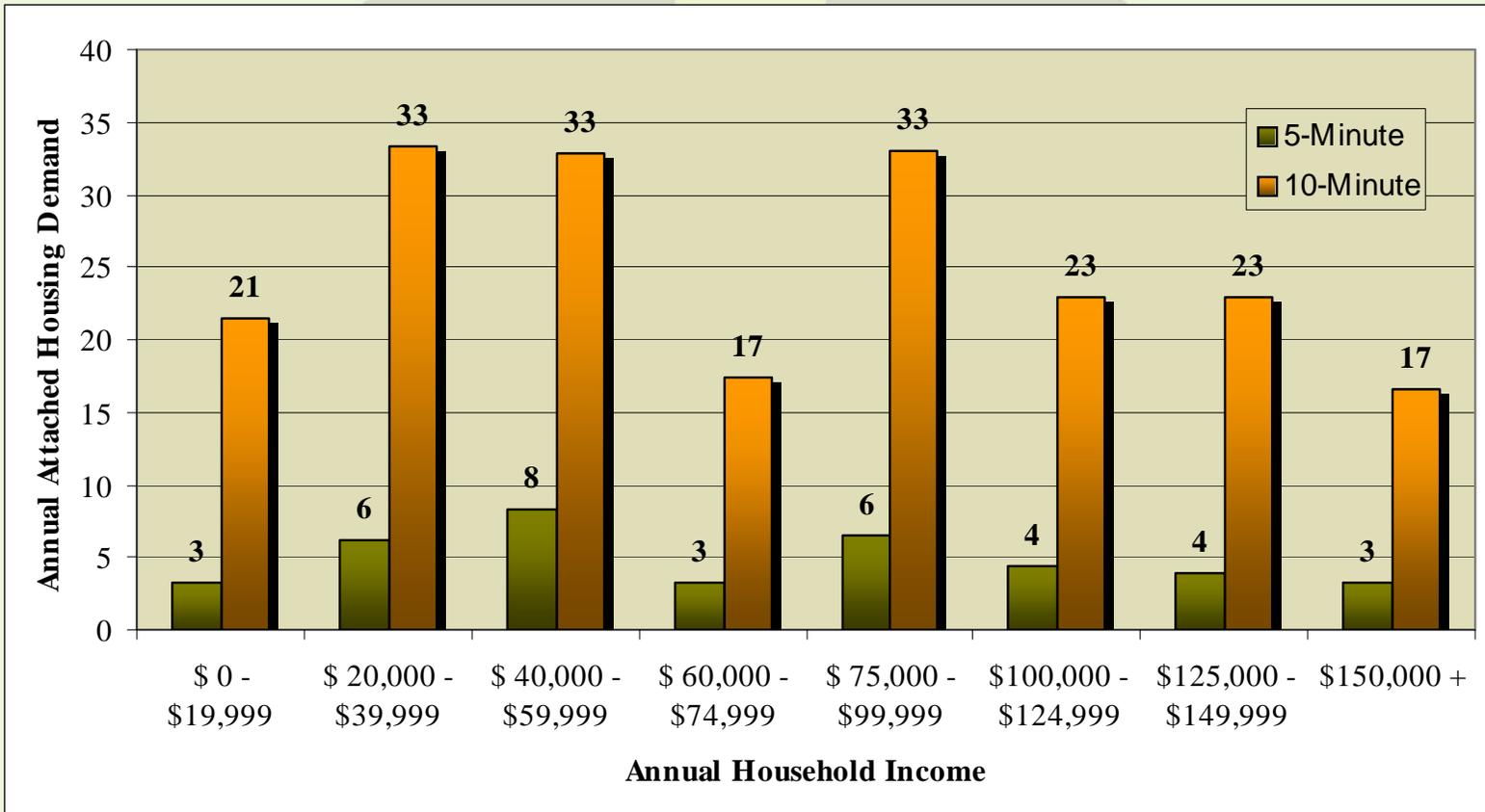
Projected Demand for New Housing by Price Range									
Price Range (\$000s)	Previous Volume			Projected Volume			% Change from Previous Year		
	Detached	Attached	Total	Detached	Attached	Total	Detached	Attached	Total
< \$124	0	4	4	0	12	12	---	200%	200%
\$125-\$149	0	4	4	0	15	15	---	275%	275%
\$150-\$174	1	7	8	2	15	17	100%	114%	113%
\$175-\$199	0	2	2	0	12	12	---	500%	500%
\$200-\$224	2	1	3	8	4	12	300%	300%	300%
\$225-\$249	7	14	21	9	18	27	29%	29%	29%
\$250-\$274	9	21	30	10	25	35	11%	19%	17%
\$275-\$299	20	25	45	22	27	49	10%	8%	9%
\$300-\$324	19	22	41	19	22	41	0%	0%	(0%)
\$325-\$349	17	33	50	16	32	48	(6%)	(3%)	(4%)
\$350-\$374	20	6	26	21	6	27	5%	0%	4%
\$375-\$399	36	3	39	35	3	38	(3%)	0%	(3%)
\$400-\$449	54	2	56	54	2	56	0%	0%	(0%)
\$450-\$499	35	0	35	34	0	34	(3%)	---	(3%)
\$500-\$549	16	0	16	17	0	17	6%	---	6%
\$550-\$599	15	0	15	16	0	16	7%	---	7%
\$600-\$699	4	0	4	7	0	7	75%	---	75%
\$700-\$799	8	0	8	9	0	9	13%	---	13%
\$800-\$899	11	0	11	0	0	0	---	---	---
\$900-\$999	3	0	3	0	0	0	---	---	---
\$1 million +	5	0	5	12	0	12	140%	---	140%
Total	282	144	426	291	193	498	3%	34%	17%

Projected Demand: 2006-2011

5-Minute	Affordable Home 2/		Ownership Households			Average Annual Demand 3/				
	Income Range	Minimum	Maximum	2006	2011	2006-2011 Growth	Detached		Attached	
							Potential Turnover	Structural	Potential Turnover	Structural
\$ 0 - \$19,999		- \$92,300	374	283	0	30	0	3	0	
\$ 20,000 - \$39,999	\$92,300	- \$184,600	684	568	0	56	0	6	0	
\$ 40,000 - \$59,999	\$184,600	- \$276,900	687	743	56	64	10	7	1	
\$ 60,000 - \$74,999	\$263,000	- \$328,800	331	319	0	29	0	3	0	
\$ 75,000 - \$99,999	\$328,800	- \$438,400	385	490	105	39	19	4	2	
\$100,000 - \$124,999	\$415,300	- \$519,100	230	311	81	24	15	3	2	
\$125,000 - \$149,999	\$490,300	- \$588,300	114	227	113	15	20	2	2	
\$150,000 +	\$553,700	-	170	235	65	18	12	2	1	
Total			2,976	3,176	420	277	76	31	8	

10-Minute	Affordable Home 2/		Ownership Households			Average Annual Demand 3/				
	Income Range	Minimum	Maximum	2006	2011	2006-2011 Growth	Detached		Attached	
							Potential Turnover	Structural	Potential Turnover	Structural
\$ 0 - \$19,999		- \$92,300	2,388	1,911	0	193	0	21	0	
\$ 20,000 - \$39,999	\$92,300	- \$184,600	3,617	3,055	0	300	0	33	0	
\$ 40,000 - \$59,999	\$184,600	- \$276,900	2,994	3,109	115	275	21	31	2	
\$ 60,000 - \$74,999	\$263,000	- \$328,800	1,814	1,666	0	157	0	17	0	
\$ 75,000 - \$99,999	\$328,800	- \$438,400	2,169	2,623	455	216	82	24	9	
\$100,000 - \$124,999	\$415,300	- \$519,100	1,296	1,697	401	135	72	15	8	
\$125,000 - \$149,999	\$490,300	- \$588,300	597	1,273	676	84	122	9	14	
\$150,000 +	\$553,700	-	845	1,169	325	91	58	10	6	
Total			15,719	16,504	1,971	1,450	355	161	39	

Projected Demand: 2006-2011



Supportable Development

Based on Demographics and Market Trends:

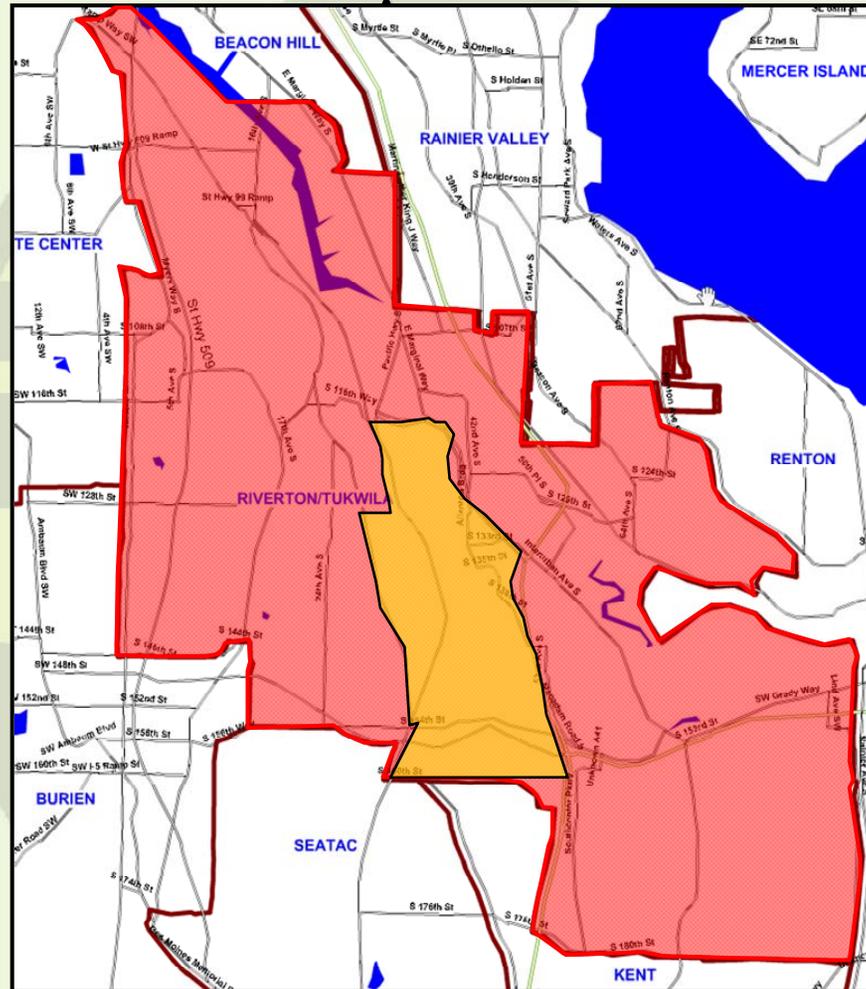
- The TIBC could attract between 40 and 65 new construction attached ownership.
- Flats between \$160,000 and \$250,000.
- Townhouses between \$185,000 and \$300,000.



Rental Apartment

Housing Market

Riverton/Tukwila Rental Market



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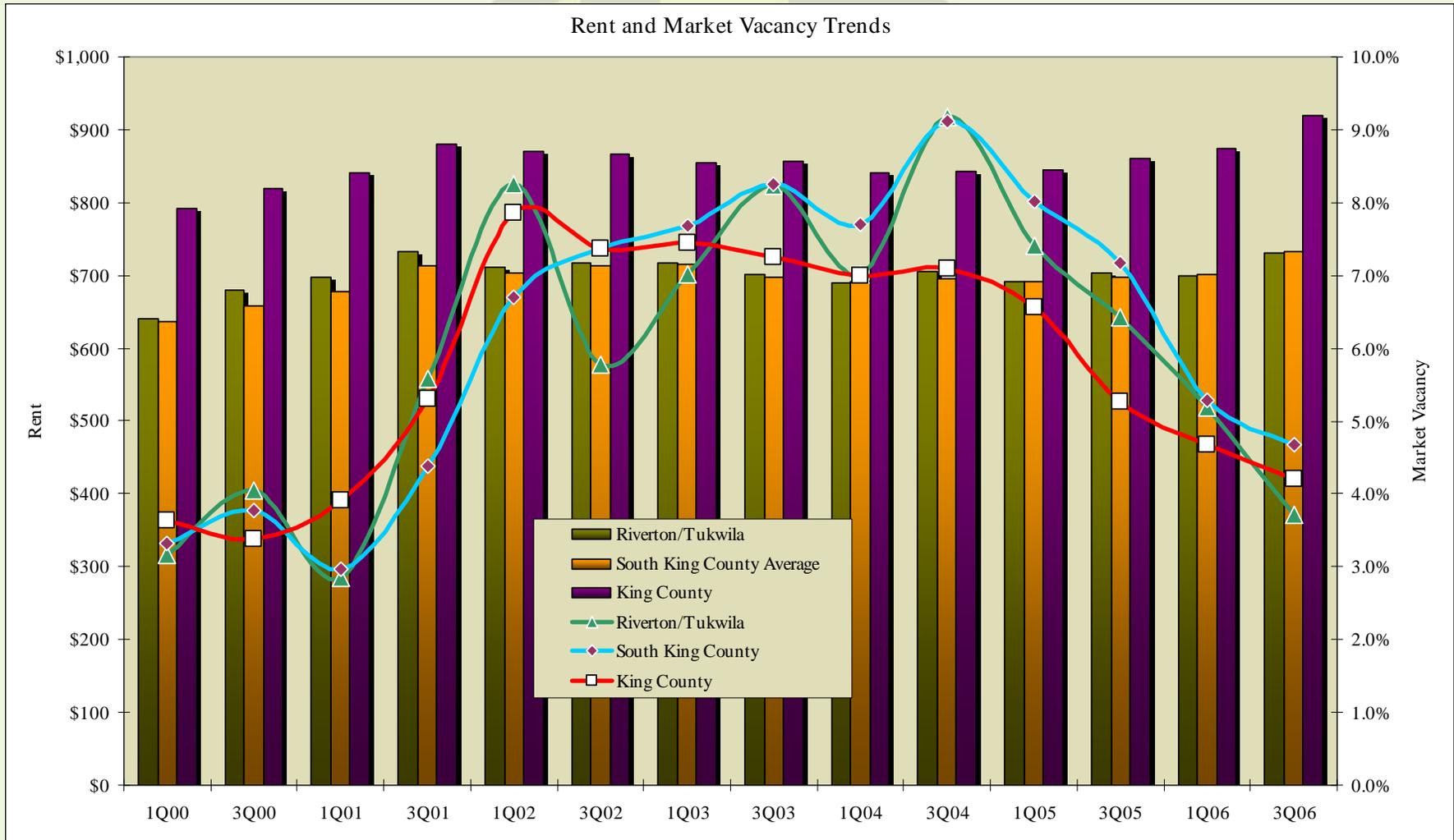
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Older Rental Stock

South King County Market

Market Area	Year Built													Total
	<1997	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006*	2007*	2008*	
KING COUNTY														
<i>South King</i>														
BEACON HILL	775	0	0	0	25	0	0	0	0	0	0	23	0	
BURIEN	3,250	0	0	0	0	0	0	0	0	0	0	0	0	3,250
RAINIER VALLEY	1,722	0	0	0	0	0	0	0	0	0	41	0	0	1,763
RIVERTON/TUKWILA	4,609	0	20	0	0	0	0	0	0	0	0	0	0	4,629
SEATAC	2,783	0	0	0	0	0	0	0	0	0	0	147	0	2,930
WEST SEATTLE	2,624	0	0	60	0	0	85	0	0	51	0	0	455	3,275
WHITE CENTER	2,277	91	0	0	0	0	0	0	0	0	36	0	0	2,404
<i>SOUTH KING TOTAL</i>	18,040	91	20	60	25	0	85	0	0	51	77	170	455	19,074

Rental Market Comparison



Competitive Market Survey

TIBC

Project Name	Total Units	Year Built	Avg. Unit Size	Occupancy	Rent (Current \$)			
					Min	Max	Average	\$/S.F.
Comparable Projects								
Sea Breeze	77	1968	472	97.4%	\$540 - \$690	\$554	\$1.18	
Crystal Manor	80	1970	905	100.0%	\$700 - \$800	\$750	\$0.84	
Corinthian	95	1968	764	97.9%	\$600 - \$825	\$701	\$0.95	
Southwicke	72	1986	697	98.6%	\$650 - \$936	\$777	\$1.15	
West Colonial Village	120	1984	722	98.3%	\$639 - \$1,199	\$849	\$1.20	
Riverton Ridge	39	1987	741	NA	\$675 - \$845	\$756	\$1.02	
Avalon Apartment	41	1985	510	97.6%	\$545 - \$545	\$545	\$1.07	
Woodside Apartments	40	1982	882	75.0%	\$675 - \$915	\$813	\$0.92	
Edgewood	68	1968	973	NA	\$638 - \$1,021	\$802	\$0.83	
The Samara II	69	1982	970	100.0%	\$730 - \$930	\$843	\$0.87	
The Samara	133	1969	983	NA	\$725 - \$1,025	\$784	\$0.80	
Park Place By The Woods	210	1979	669	NA	\$615 - \$970	\$766	\$1.22	
Normandy Court	46	1967	899	NA	\$650 - \$950	\$750	\$0.84	
Totals/Avg	1,090	1977	779	95.6%	\$540 - \$1,199	\$756	\$1.02	

Recommended Unit Mix & Rental Rates

- Low market rents
- Poor demographic
- 150 unit project based on existing demand



Retail Market

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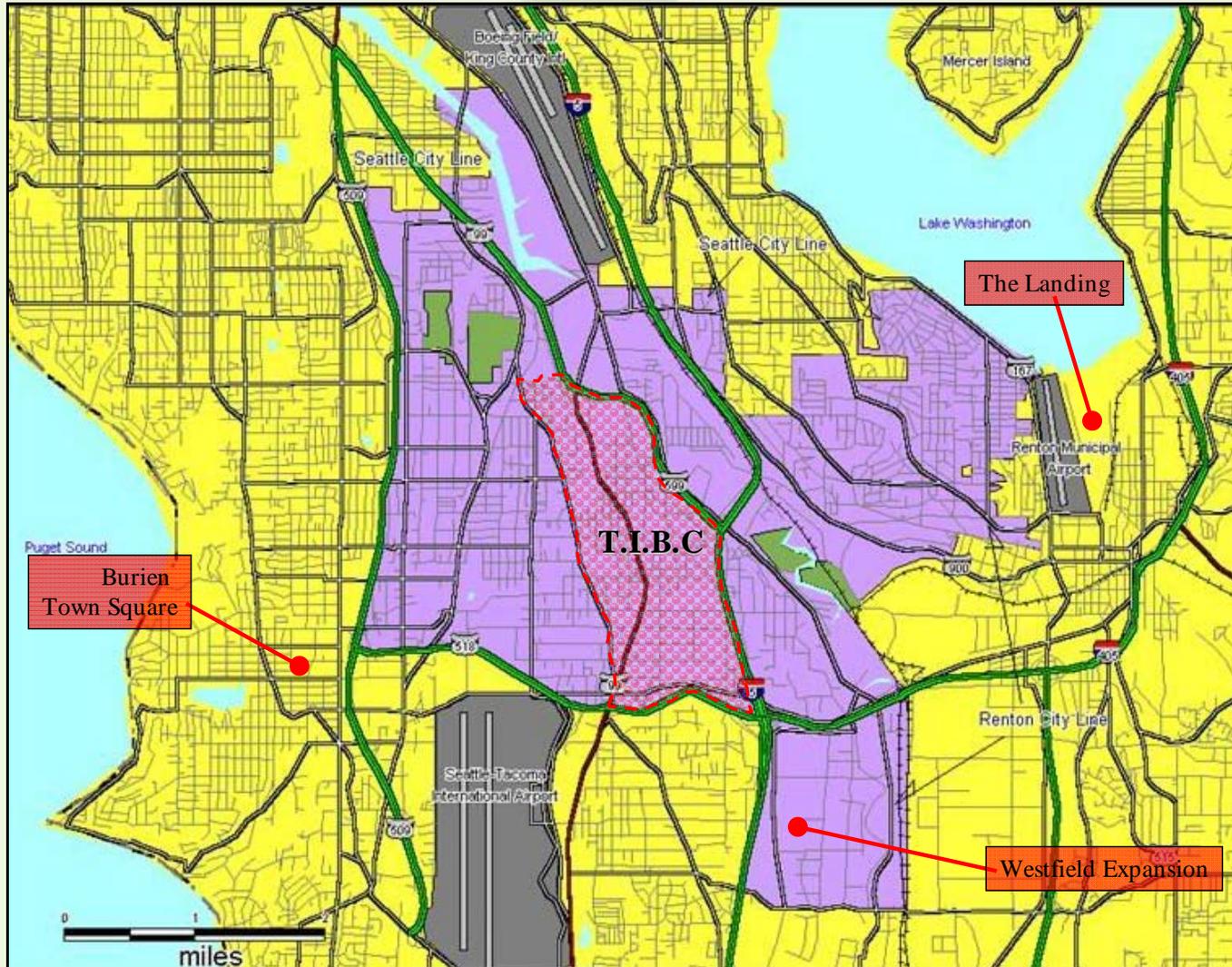
Retail Market Strength

Region Wide

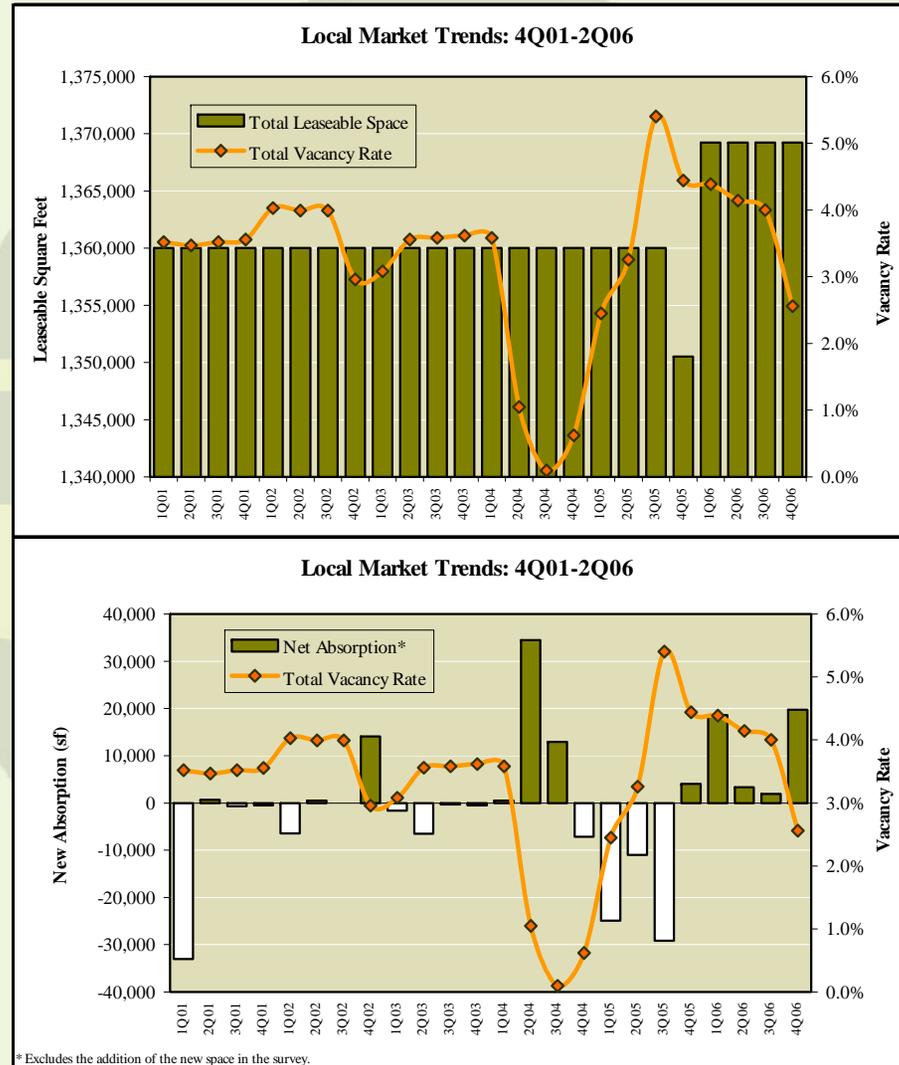
Market	Net Leaseable Area	Total Vacancy	Total Absorption	Under Construction	NNN Asking Rates
Downtown	1,475,317	3.20%	90,412	75,000	\$38.12
Eastside	11,258,421	4.25%	156,361	–	\$24.71
Southend	10,657,668	2.69%	221,670	695,000	\$23.10
Northend	10,218,393	2.69%	366,016	466,625	\$21.28
Pierce Co.	8,057,295	3.96%	(116,208)	550,000	\$18.94
TOTALS	41,667,094	3.37%	718,251	1,786,625	\$22.56

SOURCE: CB Richard Ellis

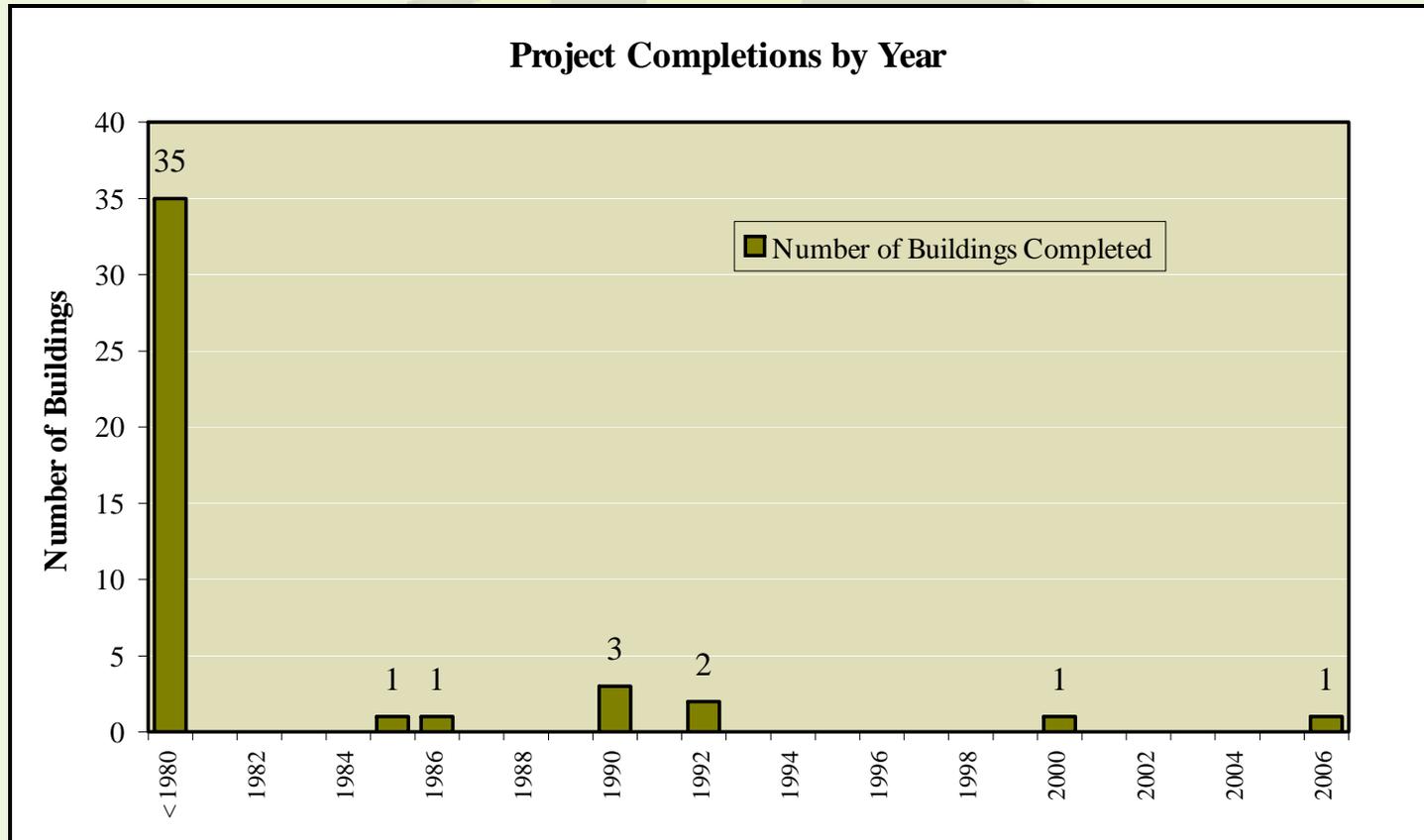
Tukwila Retail Market



Tukwila Market Vacancy & Absorption

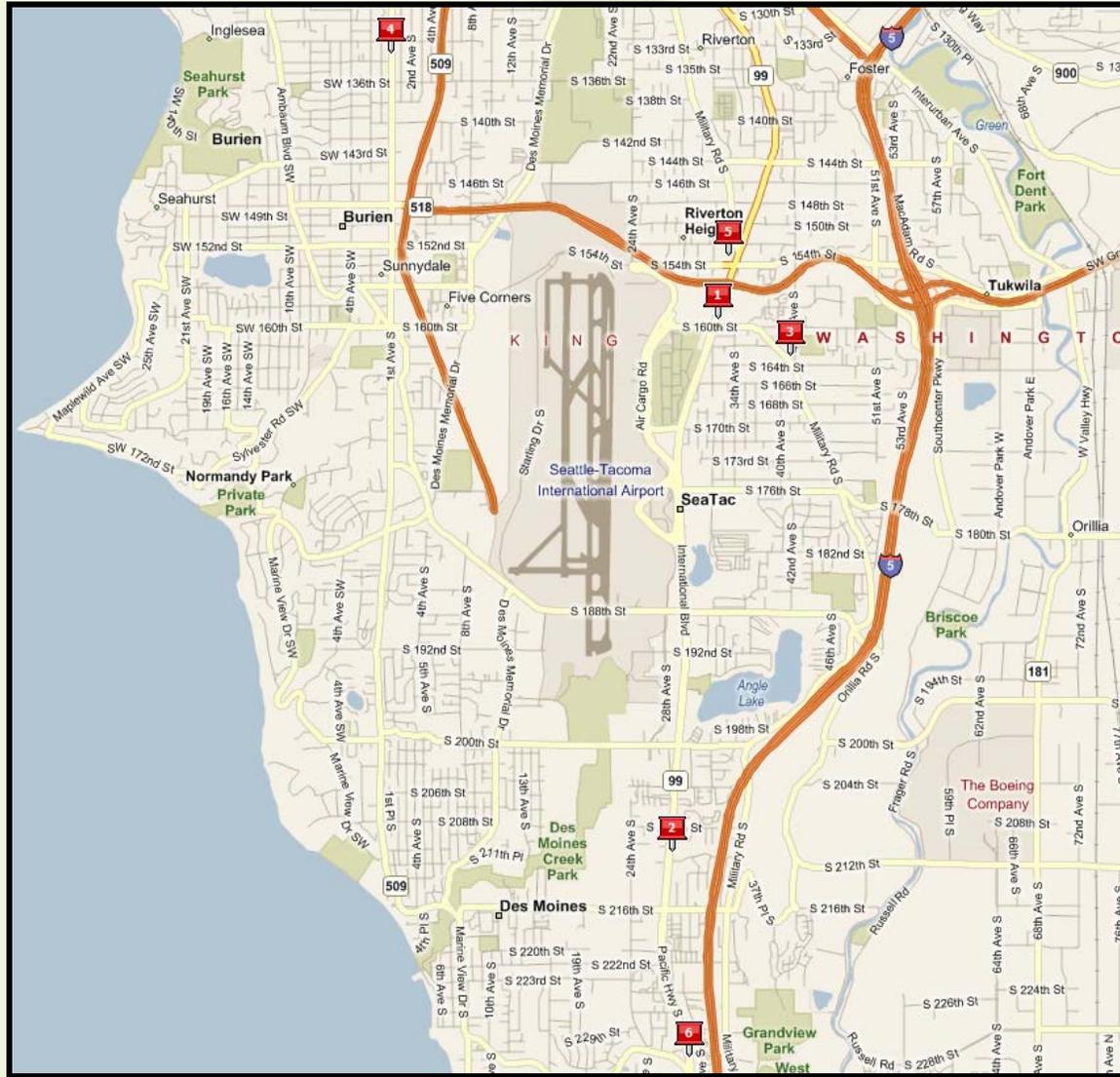


Tukwila Market Age of Stock



SOURCE: CoStar

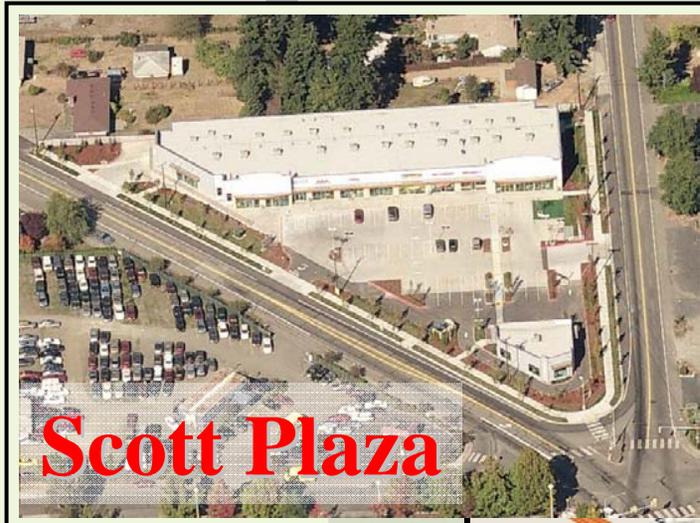
Specific Comparable Rates



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Specific Comparable Rates



Property Name	Address	Property Detail		Vacancy Details		Lease Rate
		Yr Blt	SF	Total	Total %	NNN
Ace Hardware & E L CHARRO	15848 Tukwila International Blvd	1961	9,408	700	7%	\$17.00
Helens Painted	20848 International Blvd	1948	2,000	1,472	74%	\$23.64
Scott Plaza	16256 Military Road South	2006	6,613	3,968	60%	\$21.36
New service garage and retail	13210 S 1st Ave	2005	6,400	6,400	100%	\$18.00
SeaTac Center	15221-245 International Boulevard	1954	NA	10,023	-	\$21.50
Rahul Investments Bldg	23040 Pacific Hwy S	2007	17,443	16,450	94%	\$19.80

Estimated Retail Expenditures

Expenditure Category	Estimated Average Household Expenditures				Estimated Growth (2006-2011)	
	2006		2011		Inflation	Inflation
	Average	%	Average	%	Adj. Growth	Adj. Growth
Apparel	\$683	3.3%	\$721	3.3%	\$34	4.9%
Household Furnishings and Equipment	\$2,064	10.0%	\$2,204	10.1%	\$127	6.2%
Personal Care	\$694	3.4%	\$732	3.4%	\$34	4.8%
Reading	\$159	0.8%	\$168	0.8%	\$8	5.1%
Tobacco	\$344	1.7%	\$352	1.6%	\$8	2.3%
Education Books and Supplies	\$149	0.7%	\$162	0.7%	\$11	7.5%
Entertainment	\$2,685	13.0%	\$2,841	13.1%	\$141	5.2%
Food and Beverage	\$7,588	36.7%	\$7,951	36.6%	\$328	4.3%
<i>Alcoholic Beverages</i>	\$563	2.7%	\$598	2.8%	\$32	5.6%
<i>Food At Home</i>	\$4,041	19.6%	\$4,197	19.3%	\$141	3.5%
<i>Food Away From Home</i>	\$2,984	14.4%	\$3,155	14.5%	\$155	5.2%
Health Care Supplies and Equipment	\$837	4.1%	\$874	4.0%	\$33	4.0%
Other Retail Expenditures	\$5,453	26.4%	\$5,747	26.4%	\$265	4.9%
Total Average Retail Expenditures	\$20,657		\$21,751		\$989	4.8%

SOURCE: Demographics Now, Gardner Johnson, LLC

Estimated Net Demand

Demand Derived from Market Area Population

Expenditure Category	Total Demand for Retail Space			Estimated Market Net Demand***
	2006 Total	2011* Total	Total Change	
Apparel	21,903	23,520	1,618	809
Household Furnishings and Equipment	130,038	141,295	11,257	8,442
Personal Care	17,890	19,196	1,306	1,306
Reading	5,747	6,185	437	437
Tobacco	5,404	5,659	255	255
Education Books and Supplies	5,392	5,931	539	539
Entertainment	148,804	160,272	11,468	5,734
Food and Beverage	153,384	164,046	10,662	7,824
<i>Alcoholic Beverages</i>	17,780	19,225	1,445	1,445
<i>Food At Home</i>	67,237	71,217	3,979	2,189
<i>Food Away From Home</i>	68,366	73,604	5,238	4,191
Health Care Supplies and Equipment	17,902	19,047	1,145	1,145
Other Retail Expenditures	291,564	312,900	21,336	21,336
Summary	798,027	858,049	60,022	47,827

TIBC Retail

- Infrastructure improvements are a help
- Up to 50,000 square feet through 2011
- Current rates: \$17.50 to \$25.00/sf/year NNN.
 - Under 2,000sf: \$17.50-\$20.00/sf/year NNN.
 - Greater than 2,000sf: \$19.00-\$25.00/sf/year NNN.
- One or two smaller anchors
- Neighborhood services (“sense of place”)



Office Market

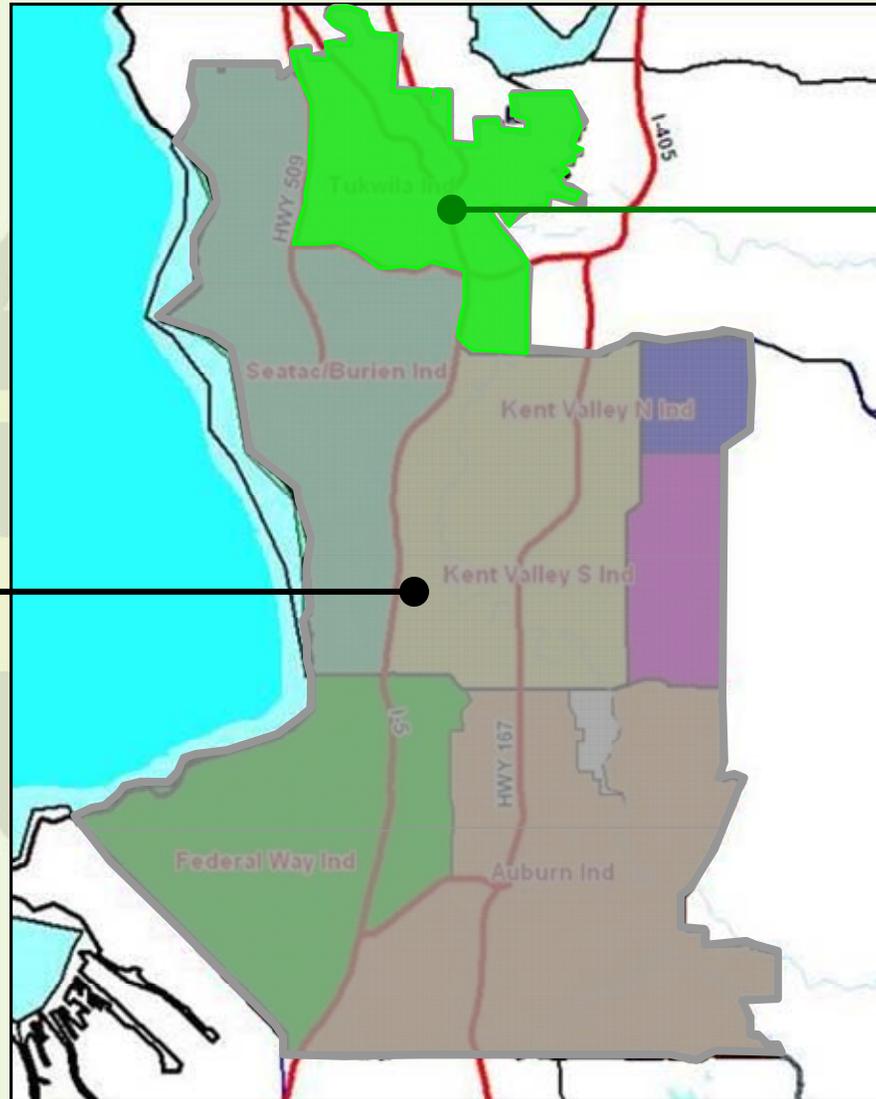
GARDNER
JOHNSON

119 First Avenue S, Suite 410
Seattle, WA 98104
206.442.9200

Metro Office Market

Market	Net Leaseable Area	Total Vacancy Rate	Total Absorption	Under Construction	Gross Asking Rates
Downtown	38,033,308	10.51%	787,645	625,200	\$28.46
Eastside	26,093,563	9.34%	101,133	2,742,439	\$25.09
Southend	11,016,674	19.75%	106,784	–	\$21.44
Northend	1,559,599	10.23%	-57,277	100,000	\$22.96
Tacoma/Fife	3,822,599	7.82%	40,236	–	\$21.00
TOTALS	80,525,743	11.26%	978,521	3,467,639	\$25.53

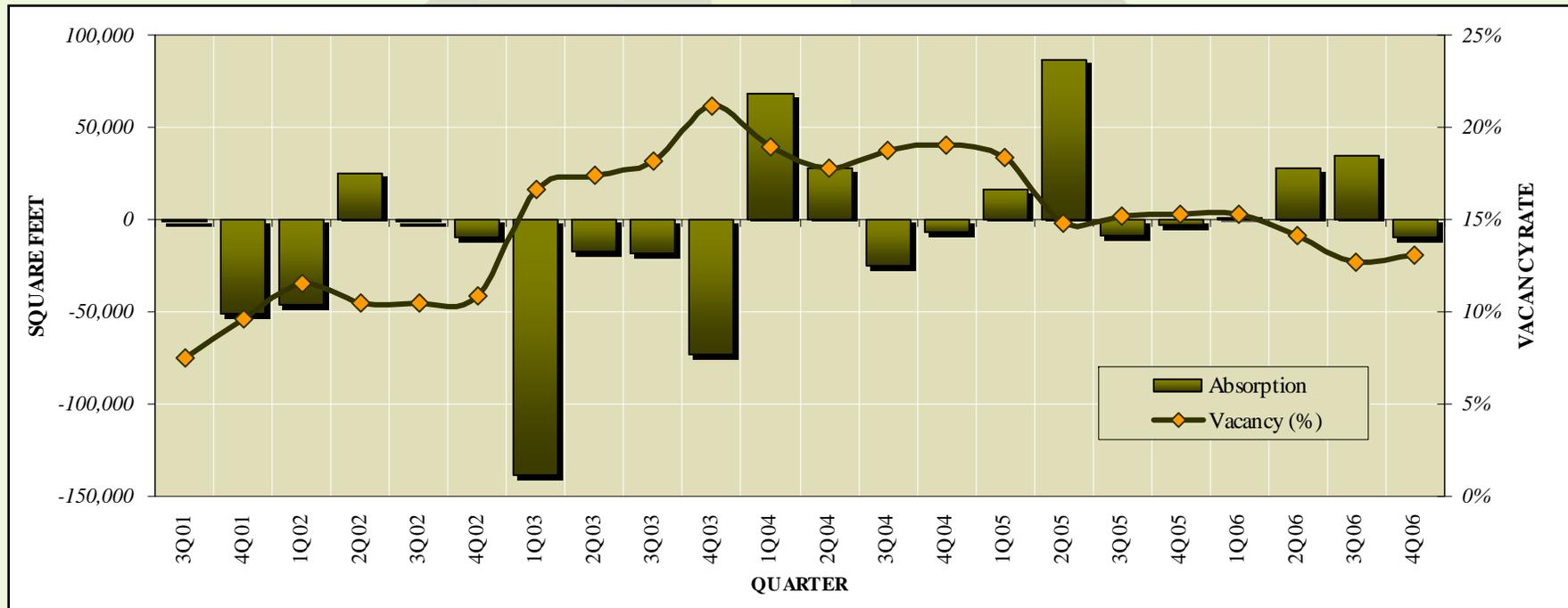
Tukwila Office Market Area



Tukwila Market

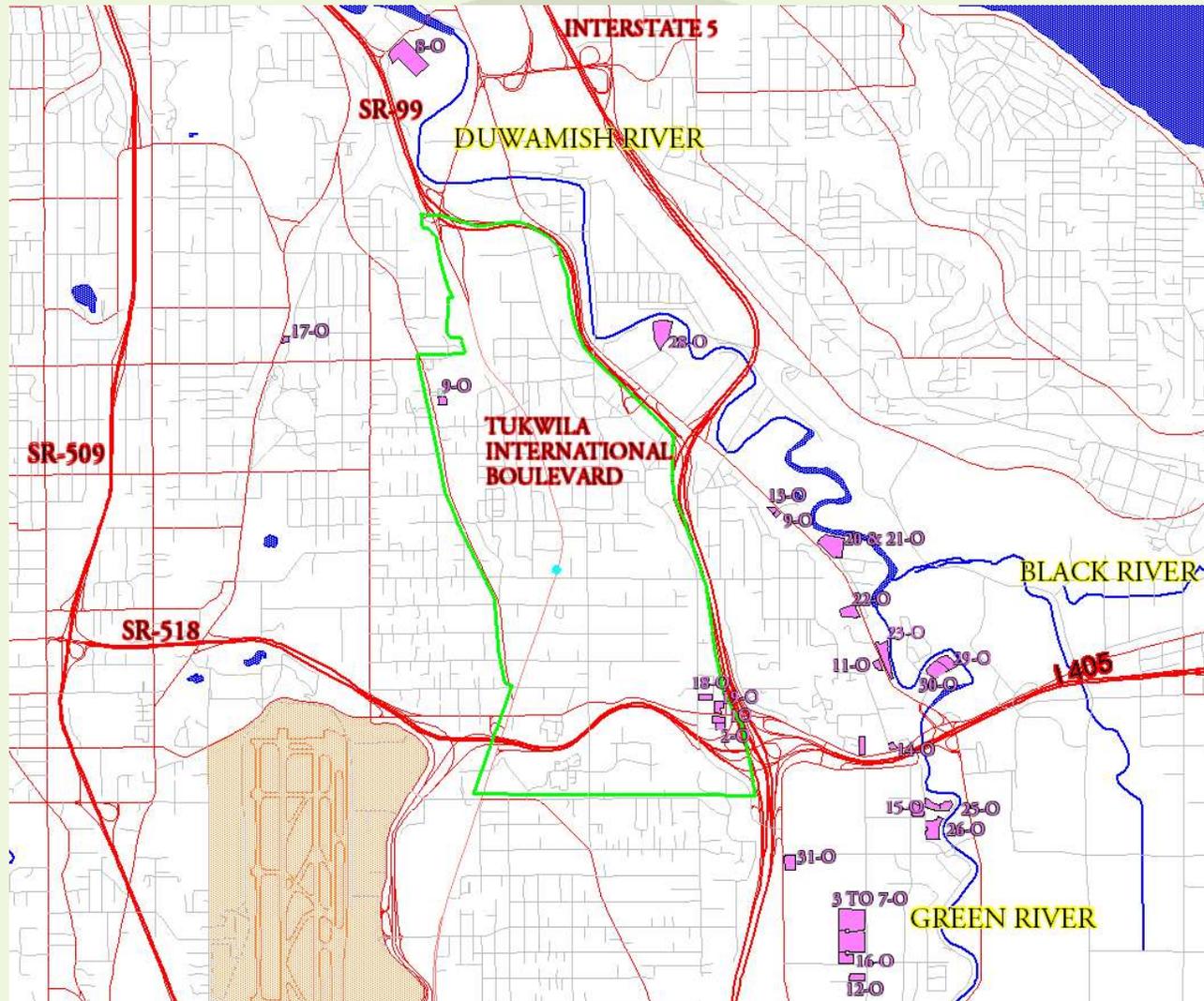
Southend Market

Historic Tukwila Office Market Trends: Absorption/Vacancy



SOURCE: CoStar

Office Survey



Office Survey

Building (Class)	Property Address	Year Built	Leasable S.F.	Vacant Space	Sublease Space	Total Vacancy Rate	Average Gross Rent
Qestar Bldg I (C)	15425 53rd St S	1980	10,018	5,000	-	49.9%	\$12.00
Qestar Center II (C)	15439 53rd St S	1970	9,868	9,868	-	100.0%	\$12.00
Southcenter Corporate Square Bldg 4 (B)	555 Andover Park W	1980	20,000	19,610	10,233	149.2%	\$12.66
Southcenter Corporate Square Bldg 1 (B)	545 Andover Park W	1980	19,800	7,296	-	36.8%	\$13.00
Southcenter Corporate Square Bldg 2 (B)	565 Andover Park W	1980	19,610	8,127	-	41.4%	\$13.00
Southcenter Corporate Square Bldg 10 (B)	360 Corporate Dr N	1980	19,769	19,769	-	100.0%	\$13.00
Southcenter Corporate Square Bldg 8 (B)	635 Andover Park W	1980	20,791	15,275	4,108	93.2%	\$13.95
Riverfront Tech Park (B)	2811 S 102nd St	1987	175,000	64,000	-	36.6%	\$14.00
Riverton Medical Center (B)	13030 Military Rd S	1984	15,976	1,908	-	11.9%	\$14.00
Interurban Office Bldg (B)	13975 Interurban Ave S	1982	7,948	4,674	-	58.8%	\$14.50
Southcenter Commerce Building (B)	14973-14975 Interurban Ave S	1980	7,632	3,000	-	39.3%	\$14.50
IPTN Bldg (B)	1035 Andover Park W	1979	18,845	18,845	-	100.0%	\$15.50
Intertel Bldg (C)	13925 Interurban Ave S	1983	15,891	3,501	-	22.0%	\$16.50
Schneider Homes Bldg (C)	6510 Southcenter Blvd	1970	11,170	2,000	-	17.9%	\$16.50
Park East (B)	130 Andover Park E	1970	40,000	8,972	7,019	40.0%	\$16.81
Market Trend's Bldg (B)	375 Corporate Dr S	1987	30,912	2,845	-	9.2%	\$17.50
12610 Des Moines Memorial Dr (B)	12610 Des Moines Memorial Dr	1966	8,446	900	-	10.7%	\$18.00
Park Ridge Bldg (B)	15215 52nd Ave S	1981	18,282	3,118	-	17.1%	\$18.50
Parkside Bldg (B)	5200 S 154th St	1982	31,750	15,558	-	49.0%	\$18.50
Fariway Center - Bldg A (B)	14220 Interurban Ave S	1989	19,474	4,944	-	25.4%	\$18.50
Bldg B (B)	14240 Interurban Ave S	1989	56,750	8,428	-	14.9%	\$18.50
Teamsters Bldg (A)	14675 Interurban Ave S	1983	60,040	15,000	-	25.0%	\$18.50
Southcenter Plaza (B)	14900 Interurban Ave S	1981	58,290	14,562	-	25.0%	\$19.00
Riverview Plaza II (B)	16000 Christensen Rd	1980	45,006	6,373	-	14.2%	\$20.00
Riverview Plaza I (B)	16040 Christensen Rd	1980	46,271	7,927	-	17.1%	\$20.00
Riverview Plaza III (B)	16300 Christensen Rd	1983	75,846	2,530	-	3.3%	\$20.00
Gateway Center Bldg 7 (B)	12720 Gateway Dr	1987	62,167	1,932	-	3.1%	\$21.00
Fort Dent III (B)	7100 Fort Dent Way	1999	37,526	-	19,242	51.3%	\$22.60
Fort Dent II (B)	6840-6842 Fort Dent Way	1991	57,067	1,530	6,020	13.2%	\$22.61
Southcenter Place (A)	16400 Southcenter Pky	1979	63,606	3,931	-	6.2%	\$24.34
Andover Plaza (B)	200 Andover Park E	1996	22,882	4,400	-	19.2%	\$26.00
Summary							
Totals		1982	1,106,633	285,823	46,622	38.7%	\$18.11
Weighted Averages							

SOURCE: CB Richard Ellis, CoStar

Tukwila Market Area -Rates by Class & Size-

Class	<u>Less Than 5,000sf</u>		<u>Greater Than 5,000sf</u>	
	Available Space	Gross Rate	Available Space	Gross Rate
A	8,041	\$27.61	260,812	\$20.43
B	57,809	\$19.97	266,540	\$16.75
C	20,631	\$13.97	38,339	\$12.38
Weighted Average		\$19.25		\$18.15

SOURCE: CoStar

Projected Demand by Sector Tukwila Market Area

Employment Sector	Capture Factor	S.F./ Employee	Net New Jobs 2006-2011	Net New Demand 2006-2011
Construction / Mining	4%	250	307	3,074
Manufacturing	20%	250	(96)	(4,817)
Wholesale Trade	35%	250	51	4,446
Retail Trade	35%	250	171	14,945
Transportation and Utilities	25%	275	(55)	(3,751)
Information	85%	250	106	22,444
Financial Activities	85%	250	39	8,313
Professional and Business Services	70%	275	489	94,145
Educational and Health Services	70%	275	732	140,981
Leisure and Hospitality	35%	250	332	29,048
Other Services	70%	275	93	17,985
Government	50%	225	42	4,768
Total			2,212 Jobs	331,583 sf

Office Summary

- Proximity to highways & future light rail
- Compete against Southcenter, etc.
- Up to 50,000 square feet through 2011
 - \$19/sf - \$21/sf NNN for professional space
 - \$23/sf - \$25/sf NNN for medical space
- Suggest flexibility in retail square footage to include neighborhood commercial crossover space such as real estate office, bank, investment advisor, etc...

TIBC Summary

- Attached Housing: 45 to 60 units
 - Flats between \$160,000 and \$250,000.
 - Townhouses between \$185,000 and \$300,000.
- Rental Housing: Up to 150 units (but rents are too low)
- Retail: Up to 50,000 sf of neighborhood service through 2011
 - Current rates: \$17.50 to \$25.00/sf/year NNN
- Office: Up to 50,000 square feet through 2011
 - 1,000 to 15,000 sf floor plates
 - \$19/sf - \$21/sf NNN for professional space

TIBC

Market Trends and Outlook

QUESTIONS



COMMENTS