



THE SEATTLE MARKET REVIEW

Compiled by The Seattle Times Company Strategic Research Department



MARKET HIGHLIGHTS

Labor Market: State's jobless rate edges up in August

Retail Market: H&M to open at Alderwood Mall on October 4

Regional Development: Sound Transit begins Northgate Link light rail extension

Travel: Seattle cruise ship direct impact is \$707 million

Economy: Seattle exports jump 16% in 2011

Real Estate Market: Sales hot in August for homes in King County

Area Stores Opening

- Athleta opening at University Village (Seattle)
- Emilie Sloan opens at Pacific Place (Seattle)
- BevMo coming to downtown Bellevue
- Capitol Hill to get a 5 Point Café sibling
- H&M to open at Alderwood Mall on October 4
- Volterra opening a second restaurant in Kirkland
- Cal's Classic American Kitchen open in South Lake Union
- Rione XIII opens its doors in Capitol Hill
- Hillside Bar to open on Capitol Hill

Area Stores Moving/Renovation/other

- N/A

Area Stores Closing

- Several Save-A-Lot, Albertson's grocery stores to close

Seattle best metro area for Gen Y workers: According to a new report, of the 20 largest U.S. metro areas, Seattle is No. 1 for Generation Y workers (those between ages 18 and 29), because of its strong wage growth and abundant number of tech firms. Seattle tops Houston and Minneapolis as the nation's top city for Gen Y workers, according to [a report by Seattle-based PayScale Inc.](#) In Seattle over the last three years,

Source: *Puget Sound Business Journal*, August 21, 2012

http://www.bizjournals.com/seattle/morning_call/2012/08/seattle-best-metro-area-for-gen-y.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-21

Seattle fourth in U.S. for job growth this year: Seattle ranked fourth in the country with a 2.9 percent increase in job growth from July 2011 to July 2012, according to a new study. San Francisco led the country with a 3.5 percent increase in job growth, followed by Houston (up 3.2 percent) and Denver (up 3 percent)..

Source: *Puget Sound Business Journal*, August 24, 2012

http://www.bizjournals.com/seattle/morning_call/2012/08/seattle-fourth-in-us-for-job-growth.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-24

Washington Monthly ranks UW 8th in U.S.: A national magazine that ranks colleges according to how much good they do for the nation has put the University of Washington as eighth in the U.S. — up from 23rd a year ago. Washington Monthly, a national nonprofit magazine that covers politics and culture, rates schools based on the degree to which they improve social mobility, produce research and promote social service.

Source: *The Seattle Times*, August 26, 2012

<http://seattletimes.com/html/highschoolsports/fbrank.html>

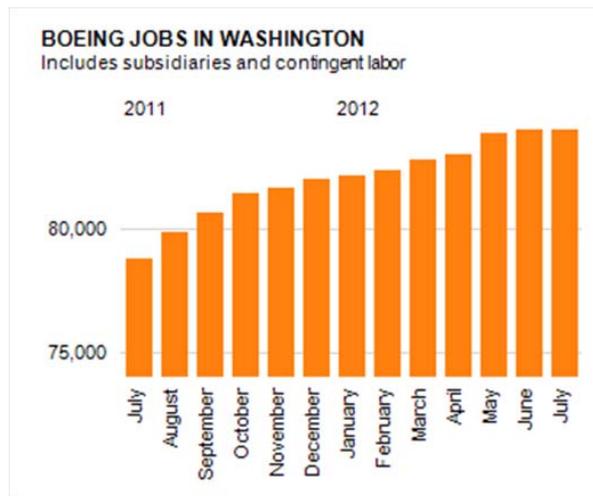
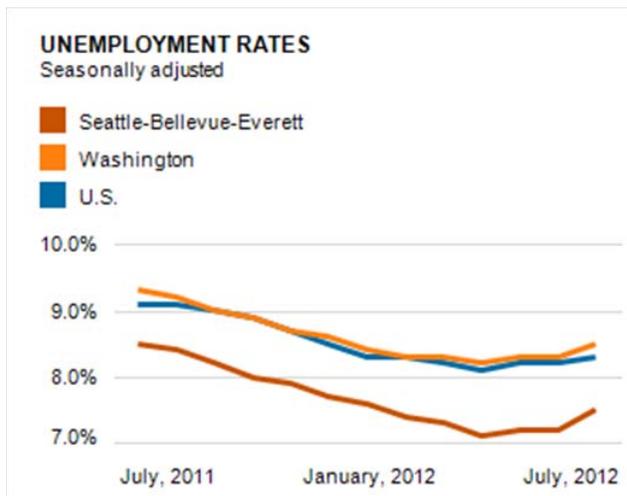
Seattle weekly wages up 11 percent in last 5 years: The average weekly private-sector wage in Seattle increased nearly 11 percent in the last five years, increasing from \$1,027.67 to \$1,140.18. The 10.95 percent increase was the 34th-biggest percentage gain in the U.S. from 2007 to 2012 and the \$112.51 gain was the 17th-largest increase. Leading the nation in gains in average weekly earnings was Durham, N.C., where earnings shot up from \$679.32 in July 2007 to \$959.78 in the same month this year. That's an increase of \$280.46 per week, or 41.3 percent.

Source: *Puget Sound Business Journal*, September 12, 2012

http://www.bizjournals.com/seattle/morning_call/2012/09/seattle-weekly-wages-up-11-percent-in.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-12



LABOR MARKET



County jobless rates tick up in July: Unemployment in King, Snohomish and Pierce counties rose in July over the previous month, the state said Tuesday. The non-seasonally adjusted jobless rate in King County was 7.8 percent in July, up from 7.2 percent in June. In Snohomish County, it was 8.8 percent, up from 8.3 percent. And in Pierce County, the jobless rate was 9 percent, up from 8.9 percent.

Source: The Seattle Times, August 21, 2012

http://seattletimes.com/html/business/technology/2018961433_countyjobsxml.html

RealNetworks laying off as many as 160 workers: More RealNetworks employees will be leaving their jobs in the next few months. Recently returned CEO Rob Glaser sent a letter to the RealNetworks staff Tuesday informing them that a plan to cut at least \$45 million from the company's annual expenses includes eliminating 80 jobs now and another 80 in the coming months, approximately 14 percent of the company's workforce. That will leave the total RealNetworks workforce at 980 people.

Source: Puget Sound Business Journal, August 28, 2012

http://www.bizjournals.com/seattle/blog/techflash/2012/08/report-realnetworks-laying-off-160.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-29

At 8.3 percent, Seattle unemployment rate higher than US average: In July, Seattle's unemployment rate was 8.3 percent, higher than the U.S. national average of 8.1 percent in August. Seattle ranks No. 55 in the U.S. for unemployment among the country's 102 largest cities. At No. 1 and 2, Omaha and Oklahoma City are the only major markets below the 5 percent threshold today, according to new figures from the U.S. Bureau of Labor Statistics and compiled by On Numbers, the research division of American City Business Journals.

Source: Puget Sound Business Journal, September 7, 2012

http://www.bizjournals.com/seattle/morning_call/2012/09/at-83-percent-seattle-unemployment.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-07

Seattle lost 4,300 retail jobs in last 5 years: The number of retail jobs in Seattle fell 4,300 in the past five years, a decline of about 1.8 percent, but that's not as bad as the rest of the country. Employment at stores and mail-order operations across the U.S. is 4.3 percent below pre-recession levels, based on an On Numbers comparison of U.S. Bureau of Labor Statistics data from mid-2007 and mid-2012. (The recession officially began in December 2007. On Numbers is the research division of American City Business Journals.)

Source: Puget Sound Business Journal, September 13, 2012

http://www.bizjournals.com/seattle/morning_call/2012/09/seattle-lost-4300-retail-jobs-in-last.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-13

State's jobless rate edges up in August: The jobless rate in Washington state rose to 8.6 percent in August and employment fell by about 1,100 jobs, officials said Wednesday. It was the second month in a row that the state unemployment rate rose and the first time this year that payrolls contracted, according to figures released by the state Employment Security Department. Unemployment was 8.5 percent in July and 9.2 percent in August 2011. In the Seattle area, the jobless rate rose to 7.7 percent in August, up from 7.5 percent in July, down from 8.4 percent in August 2011.

Source: The Seattle Times, September 19, 2012

http://seattletimes.com/html/business/technology/2019199258_jobsaugustxml.html



RETAIL MARKET



New! Athleta at University Village: WHERE: University Village WHAT: Gap Inc.'s sportswear brand Athleta is opening its first Northwest location next month. The store will feature women's apparel and accessories for all things active including yoga gear, swimsuits, and hiking shoes. Shoppers will also find customer-focused extras like a personalized styling service and complementary hemming. U Village is turning out to be *the place* to pump it up for free. Like another resident shop, Athleta will offer several gratis fitness classes. (See figure A, page 11)

Source: seattlemet.com, August 31, 2012

<http://www.seattlemet.com/style-and-shopping/shop-talk/articles/athleta-comes-to-university-village>

Emilie Sloan Opens at Pacific Place: Talk about a brand made for the Northwest. The Emilie Sloan line—named for owner Lisa Murphy's two daughters—features vibrant handbags, totes, wallets, and cosmetic bags, all coated with a waterproof matte laminate making them completely rainproof. The much-loved brand is sold in over 1,000 stores around the country, but starting September 1st they're bringing it home with a first ever brick-and-mortar shop. We caught up with Murphy for details on the line and its new Pacific Place home. (See figure B, page 11)

Source: seattlemet.com, August 30, 2012

http://www.seattlemet.com/style-and-shopping/shop-talk/articles/emilie-sloan-opens-at-pacific-place?utm_medium=email&utm_campaign=Shop+Talk+Seattle&utm_content=Shop+Talk+Seattle&utm_source=Email+Marketing+Software&utm_term=New+Emilie+Sloan+at+Pacific+Place

New BevMo! coming to downtown Bellevue: California-based liquor store chain Beverages & More Inc. has leased space in the Bellevue North Shopping Center across from the downtown Bellevue post office. The liquor retailer, which sells wine, spirits and beer, is leasing a 12,000-square-foot space in the shopping center adjacent to the Adventure Kids Playcare. The 54,666-square-foot shopping center is located at 1100 Bellevue Way N.E. at N.E. 12th Street.

Source: *Puget Sound Business Journal*, September 5, 2012 (See figure C, page 11)

http://www.bizjournals.com/seattle/blog/2012/09/new-bevmo-for-downtown-bellevue.html?ana=e_du_pub&s=article_du&ed=2012-09-05

Capitol Hill Will Get a 24-Hour 5 Point Cafe Sibling: David Meinert is the owner of the vaunted all-nighter 5 Point Cafe in Belltown, a partner in Big Mario's, and the longtime driving force behind the Capitol Hill Block Party. Jason Lajuene is also behind Big Mario's, as well as Neumos and Moe Bar, and took over the Capitol Hill Block Party this year. So when these two men announce a new project, it's a safe bet that stiff drinks and wee hours are involved.

Source: seattlemet.com, September 5, 2012 (See figure D, page 11)

<http://www.seattlemet.com/bars-and-nightlife/sauced/articles/capitol-hill-will-get-a-24-hour-5-point-cafe-sibling>

Several Save-A-Lot, Albertson's grocery stores to close: Minnesota-based Supervalu Inc. said Wednesday it plans to close 60 underperforming stores nationwide including eight in the Puget Sound area. Five of those eight are in the South Sound. Among those stores are Save-A-Lots at 9820 Pacific Ave. in Tacoma and in Port Orchard. The Save-A-Lot at 1105 Martin Luther King Jr. Way in Tacoma's Hilltop business district will remain open, said Save-A-Lot spokeswoman Chon Tomlin. The chain will also close Albertson's supermarkets in Lacey, Sumner, Auburn, Kent, Marysville and Kirkland, said Albertson's spokeswoman Lilia Rodriguez.

Source: *The News Tribune*, September 6, 2012

<http://www.thenewstribune.com/2012/09/06/2283447/grocery-stores-to-close.html>

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H&M to open Oct. 4 at Alderwood Mall: Swedish fashion chain H&M will open a store at Alderwood Mall store at noon Oct. 4, the company said Tuesday. The first 100 shoppers will receive an H&M T-shirt and "Access to Fashion Pass" worth \$10 to \$300. At 18,000 square feet, the store will include sections for women, men and children, with space for lingerie, maternity wear and accessories. H&M, formally Hennes & Mauritz, opened its first local store in summer 2008 at Westfield Southcenter in Tukwila. With more than 240 U.S. locations, it also has stores in downtown Seattle and at University Village and Tacoma Mall. (See figure E, page 11)

Source: *The Seattle Times*, September 11, 2012

http://seattletimes.com/html/business/technology/2019126914_hmalderswoodxml.html

Volterra owners opening restaurant in Kirkland: Volterra, the popular Tuscan restaurant in Ballard, is about to gain a sibling on the Eastside. The husband and wife ownership team of chef Don Curtiss and managing partner Michelle Quisenberry is opening a second Volterra Monday in downtown Kirkland. The new Volterra will serve the same food, is the same size (2,500 square feet) and has some of the same features as the one in Ballard, but with a more modern and sophisticated look to blend with its setting, a new luxury apartment building. (See figure F, page 11)

Source: *Puget Sound Business Journal*, September 7, 2012

http://www.bizjournals.com/seattle/blog/2012/09/volterra-owners-opening-restaurant-in.html?ana=e_du_pub&s=article_du&ed=2012-09-07

Corner Bakery Cafe has big Seattle expansion plans: Corner Bakery Cafe, a Dallas-based chain with 140 outlets in 15 states, said it plans to open 18 restaurants in the Seattle area in the next seven years. The chain said franchisee Northwest Bakery Cafe, LP, which also own 95 Jack in the Box locations, plans to open two locations in the next two years, probably in Seattle and Bellevue. "Seattle is the perfect market in which to launch our expansion into the Northwest. Neighborhoods are an important part of the Seattle community and we are confident that our cafes will quickly become a local favorite in each market," said Jonathan Benjamin, vice president of franchise sales for Corner Bakery Cafe, in a statement.

Source: *Puget Sound Business Journal*, September 13, 2012

http://www.bizjournals.com/seattle/morning_call/2012/09/corner-bakery-cafe-has-big-seattle.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-13

Second Cal's Classic restaurant tailored to fit South Lake Union: The Classic Concepts crew opens its second restaurant, Cal's Classic American Kitchen, Wednesday with happy hour and dinner and Monday with lunch. It's right in the thick of Seattle's teeming new South Lake Union neighborhood, on the ground floor of Amazon.com's headquarters building on Terry Avenue. In other words, it's a long way from the group's first endeavor – Cal's Classic American Tavern, which opened last October in an upscale suburban shopping center, Kent Station. (See figure G, page 11)

Source: *Puget Sound Business Journal*, September 12, 2012

http://www.bizjournals.com/seattle/blog/2012/09/second-cals-classic-restaurant-shaped.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-13

Rione XIII opens its doors in Capitol Hill: Like all fine cooking, good things come to those who wait. Now, after months of expectation, the corner of 15th Ave E and E Harrison has been converted from a tired, eclectic gift shop into a bustling culinary destination. Ethan Stowell's Rione XIII finally opened its doors to the public, bringing an authentic taste of Rome to the 15th Avenue shopping district. While the 1920s-era building had "character," the building required major retrofitting, Stowell said. The storefront was falling down, the floor needed to be replaced and the brick walls and massive ceiling beams needed to be repeatedly sandblasted. (See figure H, page 11)

Source: *capitolhillseattle.com*, September 9, 2012

<http://www.capitolhillseattle.com/2012/09/09/hill-tastes-with-rione-xiii-paying-off-something-small-maybe-next-for-stowell>

You can stop emailing us now -- Details on The Hillside Bar: The guys from Hooverville are about to bring new life to a shuttered Capitol Hill watering hole. The first question people are asking about The Hillside Bar as it replaces gay Capitol Hill institution The Elite -- queer or straight? "Just a bar," longtime Hooverville barkeep and new Hillside partner Sean McAteer tells CHS. McAteer is teaming up with Hooverville founders Todd Gean and Billy Kincaid on the new E Olive Way project. It's his first time in an ownership role but not his first rodeo. He's been tending bar for a decade.

Source: *Capitol Hill Seattle Blog*, September 19, 2012 (See figure I, page 11)

<http://www.capitolhillseattle.com/2012/09/19/you-can-stop-emailing-us-now-details-on-the-hillside-bar>



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REGIONAL DEVELOPMENT



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Lincoln Square expansion on again after four-year break: Four years after it put the project on hold, Kemper Development is gearing up to at last break ground on its ambitious proposed expansion of Lincoln Square in downtown Bellevue. The company recently applied for the first of several needed building permits, and hopes to start construction on the high-rise, mixed-use project in late spring or early summer next year, President Jim Melby said. "We like what we're seeing," he said. "The office market is tightening. The hotel market feels good. And we've seen just an unbelievable run in terms of retail." (See figure J, page 11)

Source: *The Seattle Times*, August 20, 2012

http://seattletimes.com/html/business/technology/2018958081_kemperlincolnxml.html

Construction starting on 40-story Seattle apartment tower: Developer Holland Partner Group, betting big on the apartment boom, plans to break ground Tuesday on a 40-story tower across Ninth Avenue from Seattle's Paramount Theatre. The first tenants won't move into the 386-unit project, Seattle's tallest residential skyscraper in at least five years, until late 2014. By then more than 7,700 other apartments under construction or in the development pipeline will have been completed in greater downtown, according to data from research firm Dupre + Scott Apartment Advisors.

Source: *The Seattle Times*, August 20, 2012 (See figure K, page 11)

http://seattletimes.com/html/business/technology/2018958032_pinehollandxml.html

Still more apartments for South Lake Union: Chicago-based apartment developer AMLI Residential has filed preliminary paperwork with Seattle city planners for a 129-unit complex in South Lake Union, where more than 2,300 apartments already are under construction or in the development pipeline. The 7-story project would be built at Pontius Avenue North and Mercer Street, adjacent to property at Pontius and Republican Street where AMLI already has proposed a 175-unit complex. (See figure L, page 11)

Source: *The Seattle Times*, August 21, 2012

http://seattletimes.com/html/business/technology/2018963213_amlisluxml.html

Columbia City project gets key approval: Seattle city planners have approved Seattle developer Security Properties' proposed retail and apartment complex in Columbia City at Rainier Avenue South and South Edmunds Street. The six-story project, on the 1.5-acre site of a former grocery, would have 193 apartments atop 36,000 square feet of retail space, with PCC Natural Markets tentatively lined up as the anchor tenant. Parking for 270 cars would be provided.

Source: *The Seattle Times*, August 27, 2012 (See figure M, page 11)

http://seattletimes.com/html/business/technology/2019004449_rainiersecurityxml.html

King County moves closer on Eastside rail corridor buy: King County is moving closer on a \$15.8 million purchase of about 20 miles of the Burlington Northern Eastside Rail Corridor. Under a proposal that was sent to the metropolitan [King County Council](#), King County will have three years to pay the [Port of Seattle](#) \$15.8 million for the 20-mile corridor that runs through unincorporated King County and the cities of Renton, Bellevue, Kirkland and Woodinville.

Source: *Puget Sound Business Journal*, August 28, 2012

http://www.bizjournals.com/seattle/morning_call/2012/08/king-county-moves-closer-on-eastside.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-28

AvalonBay to start 283 apartments for Gen Yers in University District: AvalonBay Communities says it is starting construction of AVA University District, a 283-unit apartment project on the west side of 12th Avenue Northeast, south of 47th Street. The community is AvalonBay's ninth ground-up development in the Seattle metropolitan area. Steve Johnson, Director of Seattle's Office of Economic Development, said, "This development is an excellent project that is supported by the U-District's current [commercial revitalization efforts](#). Located near the future Brooklyn stop on the Light Rail, AVA University District provides critical housing and retail space for one of our most dynamic retail centers." (See figure N, page 11)

Source: *Daily Journal of Commerce*, August 20, 2012

<http://www.djc.com/news/re/12044101.html>

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Sound Transit begins Northgate Link light rail extension: Washington State's regional transit authority Sound Transit has started construction of the \$2.1bn, 4.3-mile Northgate Link light rail extension in Seattle, US. Extension of the light rail is set to be the largest Sound Transit 2 construction project to date. The new line, which will run from Husky Stadium in Seattle to stations serving the University District, Roosevelt and Northgate, is expected to open for service in 2021. The largely underground Northgate Link Extension will offer services for 20 hours a day, linking North Seattle destinations with the University of Washington, Capitol Hill, downtown Seattle, South Seattle, Tukwila and SeaTac.

Source: [railway-technology.com](http://www.railway-technology.com), August 20, 2012

<http://www.railway-technology.com/news/newssound-transit-begins-northgate-link-light-rail-extension/>

US Seafoods pays \$9 million for former NOAA property on Lake Union: Seattle-based US Seafoods bought most of the National Oceanic and Atmospheric Administration's former Marine Operations Center Pacific on Lake Union. The company worked with the Office of Economic Development and the Department of Planning and Development to ensure that the site could support US Seafoods' operations and to develop a plan for rebuilding piers that were destroyed by fire on July 4, 2006. The 8-acre site is located at 1801 Fairview Ave. E. and includes 6.5 acres of submerged land and less than two acres of uplands. The property has approximately 900 linear feet of shoreline, two piers, a wharf, a 17,100-square-foot office and lab building, and a 12,000-square-foot warehouse. (See figure O, page 11)

Source: [Daily Journal of Commerce](http://www.djc.com), August 22, 2012

<http://www.djc.com/news/re/12044207.html>

Vulcan putting Amazon campus up for sale: Paul Allen's Vulcan Real Estate is looking to sell the centerpiece of fast-growing South Lake Union, the 1.8 million-square-foot Amazon.com headquarters complex, and some real-estate experts say it could well fetch more than \$1 billion. Seeking to cash in on more than a decade of intensive investment in the neighborhood, Vulcan put the complex up for sale Thursday, months before the last of the 11 buildings is scheduled to be finished. Vice President Ada Healey said Vulcan decided to sell now to re-balance its real-estate portfolio, which she said is too heavily weighted toward office investments, and to free up capital for still more development. (See figure P, page 11)

Source: [The Seattle Times](http://seattletimes.com), August 30, 2012

http://seattletimes.com/html/business/technology/2019027800_vulcansale31.html

Big parcel going on the market on Eastside: One of the last big redevelopment sites on the Eastside is up for sale. Bellevue-based Mutual Materials manufactured bricks on the 53-acre site, in Newcastle just off Coal Creek Parkway, for more than 50 years. The plant closed last year, a victim of "the length and depth of the recession," said Joe Bowen, the 112-year-old company's president. Mutual put the property up for sale earlier this month, listing it with multifamily housing specialists at brokerage CBRE. "It was a difficult decision," Bowen said. "It was a legacy asset of our company."

Source: [The Seattle Times](http://seattletimes.com), August 30, 2012 (See figure Q, page 11)

http://seattletimes.com/html/business/technology/2019027021_mutualmaterialsxml.html

Wave of new hotels planned in Seattle: It's been more than two years since a new hotel opened in or near downtown Seattle. None is under construction now, nor is any slated to break ground in the next few months. But the long drought may not last much longer. Business is up at downtown hotels, which had been hit hard by the recession. They're renting more rooms, and getting higher rates for them. "We're not quite back to where we were," says Kent Angier, president of Kauri Investments of Seattle, "but the trend is definitely improving."

Source: [The Seattle Times](http://seattletimes.com), September 3, 2012

http://seattletimes.com/html/business/technology/2019061484_hotelboom04.html

Vulcan Amazon expansion unrelated to HQ sale: Five days after announcing that they are selling Amazon.com's massive headquarters in Seattle's South Lake Union area, Vulcan Inc. officials said they'll develop two more buildings for the world's largest online retailer. [Lori Mason Curran](http://seattletimes.com), Vulcan director of real estate investment strategy, said the decision to sell the 1.8-million-square-foot headquarters is not related to Tuesday's announcement of two more buildings to expand Amazon's headquarters with 380,000 square feet of office and retail space.

Source: [Puget Sound Business Journal](http://www.bizjournals.com), September 4, 2012

http://www.bizjournals.com/seattle/blog/techflash/2012/09/amazons-expansion-unrelated-to-hq-sale.html?ana=e_du_pub&s=article_du&ed=2012-09-04

\$58M paid for Waterford Place apartments in Woodinville: [Grosvenor Americas](http://seattletimes.com) said Tuesday that it acquired Waterford Place, a 360-unit apartment property in Woodinville. The sales price was just over \$58.4 million, according to public records. Colorado-based [Archstone](http://seattletimes.com) sold the 18-acre property at 13305 N.E. 171st St. Grosvenor said in a press release that it plans a "substantial renovation" of the Waterford Place clubhouse, apartment interiors and landscaping. The property was built in 1989, King County records show. (See figure R, page 11)

Source: [Puget Sound Business Journal](http://www.bizjournals.com), September 4, 2012

http://www.bizjournals.com/seattle/news/2012/09/05/58m-paid-for-woodinville-apartment.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-05

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Seattle kicks off planning for possible new streetcar: The city of Seattle has picked transportation planning company Nelson\Nygaard to study the best way of connecting the [South Lake Union](#) and [First Hill streetcar](#) lines. The study is the beginning of a process that will ultimately include a full environmental analysis and public outreach to determine the alignment of the route, [Aaron Pickus](#), a spokesman for Mayor [Mike McGinn](#), said. "This is an important next step to enhance transit service and to develop a streetcar line connecting Seattle's major center city neighborhoods," City Councilmember [Tom Rasmussen](#) said in a statement.

Source: *Puget Sound Business Journal*, September 6, 2012

http://www.bizjournals.com/seattle/news/2012/09/06/seattle-kicks-off-planning-for.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-07

Centerpoint office park in Kent sells for \$46.25M: The four-building Centerpoint Corporate Park in Kent has been bought by Fountainhead Northwest LLC for \$46.25 million. The 435,000-square-foot office park on 72nd Avenue South had been owned by a partnership of Unico Properties and pension fund AEW. The site has contiguous spaces of up to 60,000 square feet, according to CBRE, which represented the buyer in the deal. (See figure S, page 11)

Source: *Puget Sound Business Journal*, September 7, 2012

http://www.bizjournals.com/seattle/morning_call/2012/09/centerpoint-office-park-in-kent-sells.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-07

Big apartment/retail project for West Seattle: The old Huling Brothers auto showrooms and lots on busy [Fauntleroy Way Southwest](#) at the entrance to West Seattle have sat mostly vacant since the dealerships closed five years ago. Now the properties are finally showing signs of life. Two high-powered national developers have unveiled plans for a six-story building with more than 350 apartments above 65,000 square feet of stores on the long block where Huling Brothers Chevrolet once did business. The project, which would include underground parking for more than 500 cars, is a joint venture of Weingarten Realty Investors of Houston, which specializes in supermarkets, and Miami-based residential developer Lennar. (See figure T, page 11)

Source: *The Seattle Times*, September 11, 2012

http://seattletimes.com/html/business/technology/2019118645_hulingprojectxml.html

Downtown Bellevue office building sold: An affiliate of Bellevue real-estate company Fana Group purchased the 9-story Key Bank Building in downtown Bellevue this week, paying \$36.075 million, according to county records. The 40-year-old building, on Northeast Fourth Street between 106th and 108th Avenue Northeast, is 93 percent occupied, according to commercial real-estate database Officespace.com. The seller, Legacy Partners of Foster City, Calif, paid \$22 million for the 96,000-square-foot building in 2005, according to records. (See figure U, page 11)

Source: *The Seattle Times*, September 14, 2012

http://seattletimes.com/html/business/technology/2019160097_bizlinekeybankxml.html

Green Lake apartments sold: An institutional investor bought the 199-unit Circa Green Lake apartments Friday for \$83.25 million, according to county records. The Teachers Insurance and Annuity Association of America bought the four-year-old residential/retail complex from a partnership of Trammell Crow Residential and Prudential Insurance. Circa is at the prominent intersection of East Green Lake Way North and Northeast Ravenna Boulevard. Before the complex was built, an Albertson's supermarket occupied the site. (See figure V, page 11)

Source: *The Seattle Times*, September 14, 2012

http://seattletimes.com/html/business/technology/2019160089_bizlinecircaxml.html

Snoqualmie Ridge commercial building sells for \$13.9M: A big office building with some industrial space in Snoqualmie Ridge Business Park sold Thursday for nearly \$13.9 million, or nearly half of the \$26.9 million that the seller paid for it in 2007. OSI Systems Inc. bought the 13-year-old, 176,600-square-foot building from Philips Oral Health Care. OSI is the parent company of [Spacelabs Healthcare](#), a medical device company. The purchase price works out to nearly \$79 per square foot. (See figure W, page 11)

Source: *Puget Sound Business Journal*, September 14, 2012

http://www.bizjournals.com/seattle/news/2012/09/14/snoqualmie-ridge-industrial-building.html?ana=e_du_pub&s=article_du&ed=2012-09-17

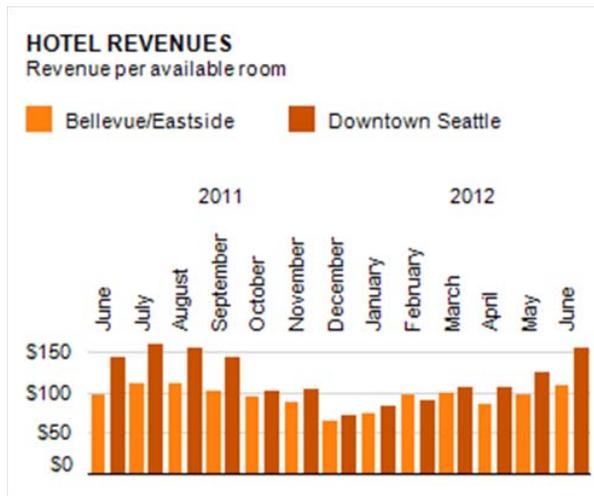
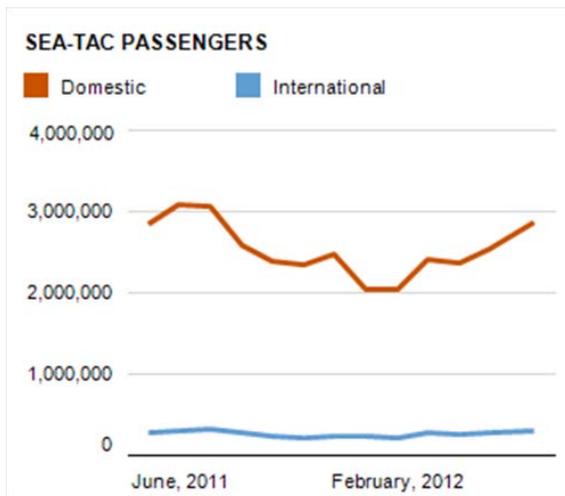
Amazon sheds more light on new office buildings plan: [Amazon.com Inc.](#) has provided more detailed looks at what its three new office towers planned for Seattle's Denny Triangle neighborhood are going to look like. The Seattle online retailing giant (NASDAQ: AMZN) and architect NBBJ presented updated plans to the city that will be discussed by the city's design board on Sept. 25. The three-block project (code named Rufus 2.0) bounded by Westlake Avenue, Sixth Avenue and Blanchard Street. Amazon said it could start construction on the first phase of the massive 3.3 million-square-foot project next year. (See figure X, page 11)

Source: *Puget Sound Business Journal*, September 20, 2012

http://www.bizjournals.com/seattle/blog/techflash/2012/09/amazon-sheds-more-light-on-new-office.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-20



TRAVEL MARKET



All Nippon Airways to start Seattle-Tokyo 787 nonstop flight Oct. 1: Passenger flights out of Seattle on Boeing's new 787 Dreamliner are set to begin Oct. 1. All Nippon Airways of Japan announced Tuesday that on that date it will switch from using the larger 777 jet to the 787 for its Seattle-Tokyo nonstop flight, a new route that opened in July. Mark Reis, managing director of Seattle-Tacoma International Airport, said the news reinforces Seattle's status as "a global gateway."

Source: *The Seattle Times*, August 21, 2012

http://seattletimes.com/html/business/technology/2018961403_anaseattlexml.html

Seattle cruise ship direct impact is \$707M: The cruise industry is responsible for nearly 18,000 jobs in Washington, and cruise-related wages were \$861 million in the state, according to a cruise industry report. Washington is sixth in the nation for cruise industry expenditures, with \$707 million in direct spending, according to a new study commissioned by Cruise Lines International Association. Seattle is the nation's seventh-busiest cruise port and handled 434,000 passenger embarkations last year, or 4.4 percent of the entire country's embarkations.

Source: *Puget Sound Business Journal*, September 6, 2012

http://www.bizjournals.com/seattle/morning_call/2012/09/seattle-cruise-ship-impact-861m.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-06

Sea-Tac traffic up nearly 2 percent: Passenger traffic through Sea-Tac Airport is nearly 2 percent higher through July than last year's record-setting pace, new airport figures show. The airport reported that some 19.13 million passengers used its facilities from the first of the year through July 31. That's more than 361,000 more than in 2011's first seven months. In July alone, passenger traffic exceeded last year's July traffic by 42,447, a 1.27 percent increase, the Port of Seattle said. The port owns and operates Sea-Tac.

Source: *The News Tribune*, September 8, 2012

<http://www.thenewstribune.com/2012/09/08/2287314/sea-tac-traffic-up-nearly-2-percent.html>

Lakewood Sounder route finally to open: Sounder commuter rail service to South Tacoma and Lakewood will begin Oct. 8, Sound Transit officials announced Wednesday. The announcement put a definite end date on a transportation struggle that's lasted more than 16 years. "My thought today is, 'Hallelujah,'" said Claudia Thomas, a longtime Lakewood City Council member who served for 10 years on Sound Transit's board of directors. "After all this time, it makes my heart fill up with joy that we are here," Thomas said. "We had issues along the way, but we dealt with them."

Source: *The News Tribune*, September 16, 2012

<http://www.thenewstribune.com/2012/09/13/2294212/lakewood-sounder-route-finally.html>

Alaska Airlines begins Seattle flights to San Antonio: Alaska Airlines Monday began flying daily from Seattle-Tacoma International Airport to San Antonio, Texas. Flights will leave Seattle at 12:30 p.m. and arrive in San Antonio at 6:35 p.m. San Antonio flights will leave at 7:25 p.m. and arrive in Seattle at 9:55 p.m. Alaska Airlines, a unit of Seattle-based Alaska Air Group Inc. (NYSE: ALK), now flies to four cities in Texas: Dallas-Fort Worth, Austin and Houston. Alaska announced the San Antonio-Seattle route in May.

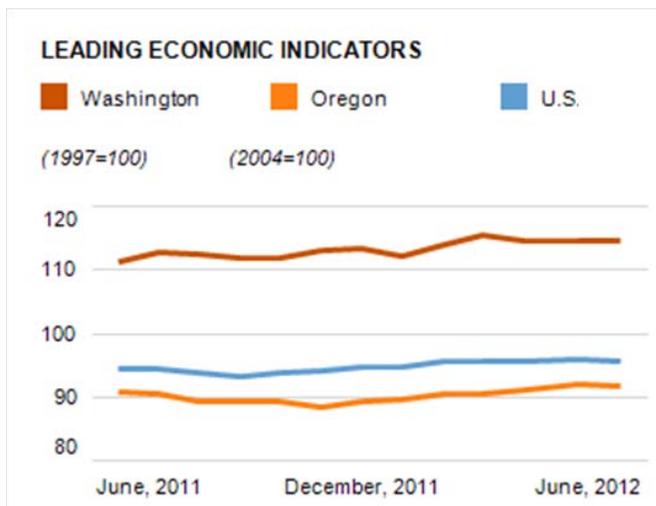
Source: *Puget Sound Business Journal*, September 17, 2012

http://www.bizjournals.com/seattle/morning_call/2012/09/alaska-airlines-begins-seattle-flights.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-17

THE SEATTLE MARKET REVIEW



ECONOMY



Boeing adding third 787 line in Everett: In an effort to speed up construction of its 787, [Boeing Co.](#) has added a third Dreamliner assembly line in Everett. [The Wall Street Journal reports](#) the new production line will be the second in Everett and joins Boeing's (NYSE: BA) Charleston, S.C. 787 production line. Boeing hopes to increase 787 production rate to 10 a month by the end of 2013, up from the current production rate of 3.5 a month.

Source: [Puget Sound Business Journal, August 28, 2012](#)

http://www.bizjournals.com/seattle/morning_call/2012/08/boeing-adding-third-787-line-in-everett.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-28

King County has 145,650 one-person businesses: King County has 145,650 one-person businesses that made an average of \$51,300 in 2010, which was the 13th-highest in the country. That's more than the U.S. average of \$43,000, according to research by On Numbers, the research division of American City Business Journals. More than 22 million U.S. businesses are one-man or one-woman shows. Each of these tiny firms has a single owner, but no paid employees at all. "Nonemployer businesses," as the [U.S. Census Bureau](#) calls them, combined for \$950 billion of receipts in 2010, the latest year for which official figures are available.

Source: [Puget Sound Business Journal, September 4, 2012](#)

http://www.bizjournals.com/seattle/morning_call/2012/09/king-county-has-145650-one-person.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-04

Seattle-area exports jump 16% in 2011: With \$41.1 billion in 2011 exports, the Seattle-Tacoma-Bellevue area is the nation's sixth-largest exporting area. According to the U.S. Department of Commerce's International Trade Administration (ITA), exports from the Seattle/Tacoma/Bellevue metropolitan area' increased by \$5.7 billion from 2010, or up 16.1 percent. The ITA said top export markets for Seattle included China, Canada, Japan, Hong Kong, and the United Arab Emirates. The nation's top five exporting cities are: New York, Houston, Los Angeles, Detroit and Miami.

Source: [Puget Sound Business Journal, September 14, 2012](#)

http://www.bizjournals.com/seattle/morning_call/2012/09/seattle-area-is-nations-sixth-largest.html?ana=e_sea_rdup&s=newsletter&ed=2012-09-14

Seattle-area inflation stays modest; gas prices a worry: Inflation in the Seattle area mostly held steady in August, but remained above the national rate, the Federal Bureau of Labor Statistics reported Friday. Local prices rose 0.3 percent between June and August, the bureau reported, and 2.74 percent over the previous 12 months. That compares with a national 12-month inflation rate of 1.7 percent, also reported Friday. (Local inflation is measured every other month.) Local inflation has been running between 2.7 and 2.9 percent all year, while it has slowed nationally. Rising prices for shelter and apparel in the summer months pushed Seattle-area inflation higher.

Source: [The Seattle Times, September 14, 2012](#)

http://seattletimes.com/html/business/technology/2019156164_seattleinflationxml.html

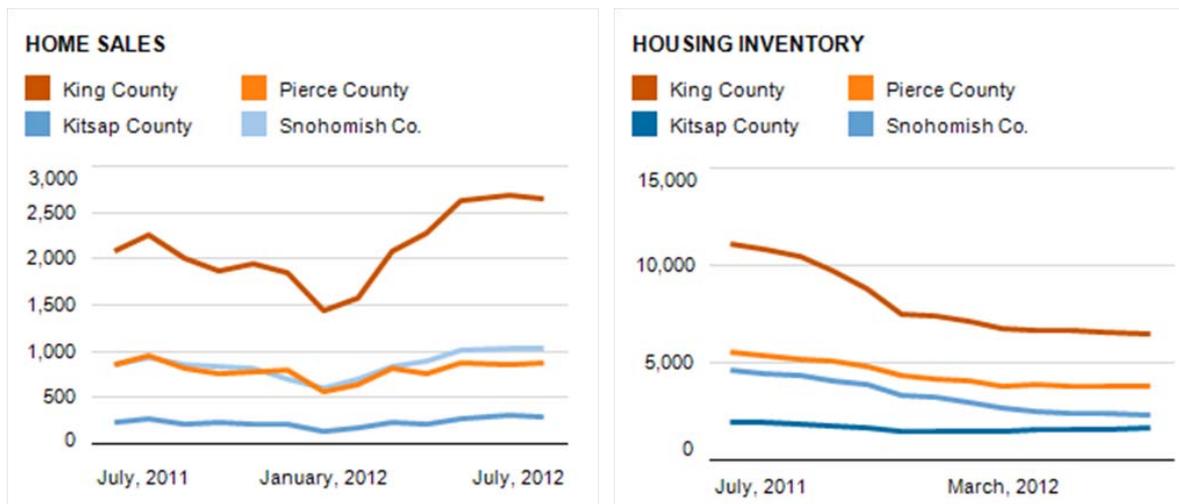


Seattle Media Maven

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REAL ESTATE MARKET



Seattle-area home prices post fourth monthly gain: Home prices rose between May and June in the Seattle metropolitan area and every other city tracked by the closely watched Standard & Poor's/Case-Shiller index, another sign that the housing market is improving. Seattle-area prices were up 1.8 percent month-over-month, the fourth straight monthly increase. They also were up 1.8 percent compared with June 2011, the second consecutive year-over-year rise. The Seattle metropolitan area includes King, Snohomish and Pierce counties.

Source: *The Seattle Times*, August 28, 2012

http://seattletimes.com/html/business/technology/2019008059_homepricesxml.html

38% of Seattle homeowners underwater on mortgage: Almost 38 percent of all Seattle homeowners owe more on their home's mortgage than their house is worth, according to a new study. Seattle-based [Zillow.com](http://www.zillow.com) reports Seattle's rate for underwater mortgages is above the national average of 30.9 percent in the second quarter of 2012. Zillow's report adds that nearly half of U.S. homeowners under the age of 40 are underwater on their mortgages.

Source: *Puget Sound Business Journal*, August 23, 2012

http://www.bizjournals.com/seattle/morning_call/2012/08/38-of-seattle-homeowners-underwater.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-23

King County foreclosure sales fall 18% in 2nd quarter: Sales of bank-owned homes and those already on the foreclosure path fell sharply in the second quarter, reflecting a thinner slate of properties for sale in many cities as banks take a measured approach to placing homes on the market. In King County, foreclosure sales were down 18 percent from the first quarter and nearly 28 percent from the second quarter of 2011, according to foreclosure listing firm RealtyTrac.

Source: *The Seattle Times*, August 31, 2012

http://seattletimes.com/html/business/technology/2019041855_foreclosurestatsxml.html

Sales hot in August for homes in King County: A robust August capped the busiest summer for home sales in King County in five years, according to statistics released Wednesday by the Northwest Multiple Listing Service. Buyers closed on 2,156 houses last month -- the largest number so far this year, and the fourth straight month with more than 2,000 sales. Before that statistical barrier was breached in May, there hadn't been a 2,000-sale month since bubbly August 2007. Compared with a year ago, summer sales volume was up 21 percent.

Source: *The Seattle Times*, September 5, 2012

http://seattletimes.com/html/business/technology/2019072503_homesalesaugustxml.html

Real-estate rebound adding to city coffers: Home sales are up. Office towers are selling for sky-high prices. Developers are building more new apartments than Seattle has seen in decades. And, down at City Hall, the people who keep track of the money can't help but smile. City tax revenue from real-estate sales and construction took a nosedive when development activity dried up and property values plunged during the recession. Now real estate is bouncing back, and it's helping to fill the city's coffers, at least a little.

Source: *The Seattle Times*, September 15, 2012

http://seattletimes.com/html/business/technology/2019160253_sundaybuzz16xml.html

