



THE SEATTLE MARKET REVIEW

Compiled by The Seattle Times Company Strategic Research Department



MARKET HIGHLIGHTS

Labor Market: Seattle hiring heats up; rest of state shivers

Retail Market: Retail sales rise 5.6% statewide

Regional Development: Washington State Convention Center eyes Honda site for expansion

Travel: Passengers rate Sea-Tac Airport staff as best in North America

Economy: Port of Seattle one of 7 U.S. ports ready to handle bigger ships

Real Estate Market: King County house prices jumped almost 20 percent over year

Area Stores Opening

- Façonnable opens at Bel-Square (Bellevue)
- Kedai Makan opens on Capitol Hill (Seattle)
- Totokaelo Opens Underground Men's Shop on Capitol Hill (Seattle)
- Rachel's Ginger Beer is Opening in Pike Place Market (Seattle)
- Highscore Burgers opens in Redmond
- Chico Madrid Spanish restaurant now open on Capitol Hill (Seattle)
- Li'l Woody's and Molly Moon's are expanding to Ballard (Seattle)
- Mezcaleria Oaxaca opens on Capitol Hill (Seattle)
- Anchors Down opens in Ballard (Seattle)

Area Stores Moving/Renovation/other

- None

Area Stores Closing

- The Viking Tavern in Ballard to close (Seattle)

12 best places to live in the U.S.:

#2 Seattle

Population: 624,070

Museums: 29

Colleges: 8

% residents with grad. degree: 16.8

Household income: \$90,303

% unemployed: 7.2

The tour: Residents of Rain City will take the city's famously prodigious rainfall in exchange for their high average median income, beautiful water-bound locale, and standout clean air. Microsoft (MSFT) and Boeing (BA) provide tens of thousands of jobs to the area, for those who can't toss fish at the Pike Place Market.

Source: *investmentnews.com*, March 2013

<http://www.investmentnews.com/gallery/20130318/FREE/318009999/PH&Params=Itemnr=11>



Seattle Ranks #10 in Global Innovation, #4 Nationally: Australian innovation agency 2ThinkNow released their global index of the most innovative cities, where Seattle ranked tenth behind London, Copenhagen, and Amsterdam. Our city also ranked fourth in the nation. New York and Boston tied for first place globally and nationally.

Source: *2thinknow.com*, March, 2013

<http://www.innovation-cities.com/innovation-cities-global-index-2012/7237>

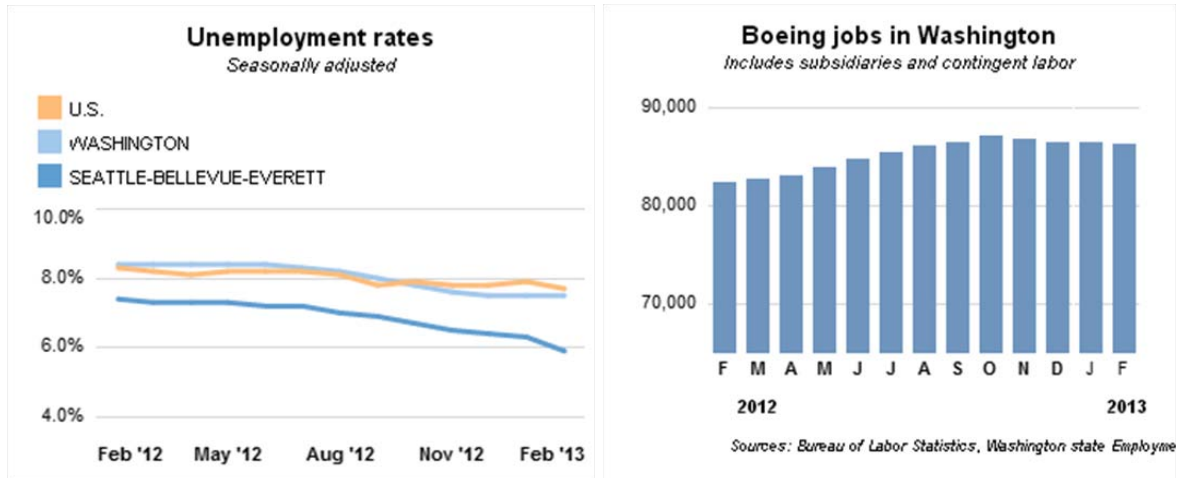
Seattle ranked among best cities for young entrepreneurs 2013: Under30CEO put together a list of the best cities for young entrepreneurs in 2013. The presence of startups, cultures that are suited towards twenty-somethings, and opportunities with large companies informed the Under30CEO list. Seattle was ranked one of the ten best large cities for young entrepreneurs, with our coffee culture being cited and the presence of technology giants Amazon and Microsoft.

Source: *Under30CEO.com*, March 19, 2013

<http://under30ceo.com/top-30-best-cities-for-young-entrepreneurs-2013/>



LABOR MARKET



Seattle hiring heats up; rest of state shivers: With payrolls expanding in February and unemployment continuing to fall, it would appear that Washington's jobs picture is finally brightening. Except that for much of the state, it isn't. The jobs recovery that began in early 2010 has been overwhelmingly concentrated in the Greater Seattle area, analysis of the data released Tuesday by the state Employment Security Department shows. While the statewide unemployment rate held at 7.5 percent for the third straight month, that apparent stability masked a stark disparity between metro Seattle and the rest of the state.

Source: *The Seattle Times*, March 2, 2013

http://seattletimes.com/html/business/technology/2020600815_jobsfebreportxml.html

Retailer REI says a 'limited number' of employees are being laid off: Outdoor-gear retailer REI said Thursday it has laid off a "limited number" of employees at its Kent headquarters and in stores throughout the country. It characterized the layoffs as a response to its changing business needs rather than any financial downturn. REI, which has about 1,100 employees at its headquarters, said most of the eliminated positions were in "support" areas.

Source: *The Seattle Times*, March 21, 2013

http://seattletimes.com/html/business/technology/2020614556_reilayoffsxml.html

Boeing plans to lay off 800 machinists: Boeing said Friday it will lay off some 800 machinists by the end of this year as workforce needs on its newest jet programs, the 787 Dreamliner and 747-8 jumbo jet, are reduced. Company spokesman Doug Alder said other reductions will be made through attrition so that the total number of positions cut this year will be between 2,000 and 2,300.

Source: *The Seattle Times*, March 22, 2013

http://seattletimes.com/html/business/technology/2020621699_boeinglayoffsxml.html

Report: 25,000 high-skill jobs unfilled; prompts request for more education funding: It's never been easy and it may be getting harder to find an unemployed computer-science major in Washington state. Just ask Steve Singh, the CEO of a company with 700 job openings worldwide, 300 of them in Washington. "We have a standing discussion with University of Washington computer science, anybody you graduate, we'll take," said Singh, CEO of Redmond-based Concur Technologies.

Source: *The Seattle Times*, March 29, 2013

http://seattletimes.com/html/localnews/2020645973_skillsgapxml.html

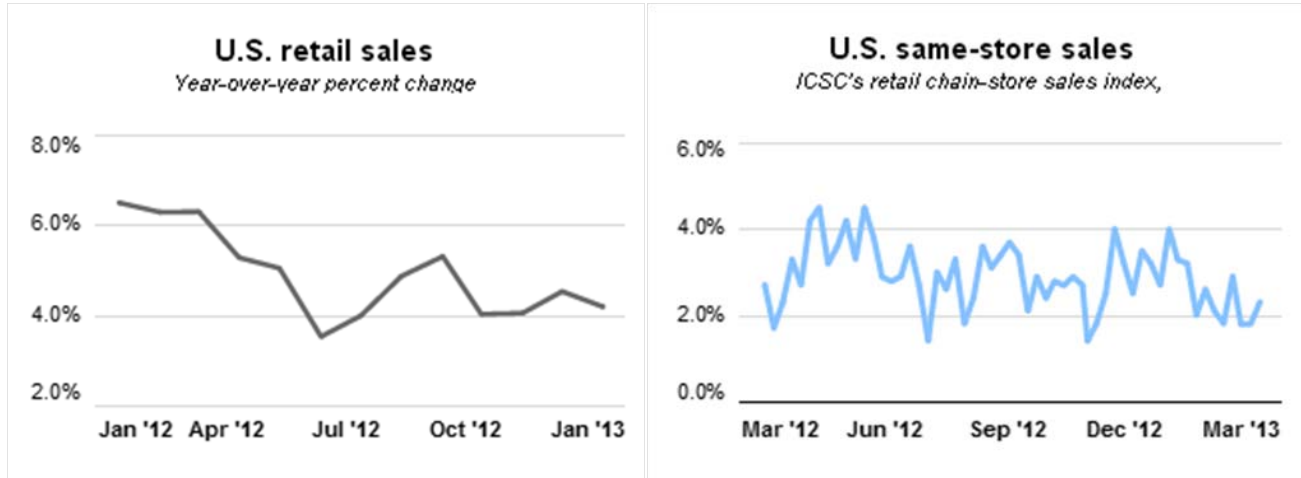
King, Snohomish have state's lowest unemployment: King and Snohomish counties had the state's lowest unemployment rates in February at 5.6 and 6.3 percent, respectively, according to data released Tuesday by the state Employment Security Department. Both counties improved from their January rates of 6.3 percent and 7.1 percent. That put them ahead of Whitman County, which in January had Washington's lowest rate of 5.8 percent but saw unemployment grow to 6.4 percent last month.

Source: *The Seattle Times*, March 29, 2013

http://seattletimes.com/html/business/technology/2020643415_countyunemploymentxml.html



RETAIL MARKET



Façonnable opens at Bel-Square: Top international fashion brand, Façonnable, has opened its first free-standing store in the Northwest at Bellevue Square. The store is next to Burberry on the first floor of the Nordstrom corridor. Founded in the 1950s, Façonnable is known for its collections of men's classic French tailoring and resort wear. As part of its grand opening, 15 percent of its sales from March 20-24 will be donated to the Bellevue Youth Theatre Foundation.

Source: *bellevuereporter.com*, March 14, 2013 (see figure A, page 10)
<http://www.bellevuereporter.com/business/198354772.html>

Kedai Makan; Capitol Hill's trendy, tasty Malaysian takeout: Here is a taste of Malaysia, hawker-stall style — redolent of curry and fermented shrimp, anchovy and jack fruit. It's not your fat-noodles-drowning-in ketchup-sour-sauce-kinda place. There will be bone-in meat and heat. Can you handle that? Kedai Makan, the new takeout joint, is run by Kevin Burzell and Alysson Wilson, who want to bring the exotic spices and flavors of Southeast Asia to late-night bar hoppers on the Hill. (see figure B, page 10)

Source: *The Seattle Times*, March 22, 2013
http://seattletimes.com/html/restaurants/2020610424_diningdeal22xml.html

Capitol Hill's Totokaleo opens underground men's shop: Capitol Hill's Totokaleo is a women's fashion retailer on 10th Avenue, next to the Elliott Bay Book Company and near the soon-to-be opened Lost Lake Café & Lounge. The store has just expanded into men's clothing, opening TotokaleoMAN last weekend in what used to be parking garage space on the 10th Avenue block. The addition offers clothes from a number of designers and boasts a stylish interior. **Source:** *capitolhillseattle.com*, March 25, 2013 (see figure C, page 10)

<http://www.capitolhillseattle.com/2013/03/upscale-capitol-hill-fashion-retailer-trades-parking-for-new-subterranean-mens-shop/>

Rachel's Ginger Beer is Opening in Pike Place Market: The long-occupied Seattle's Best spot in Pike Place Market will now house a local favorite, Rachel's Ginger Beer. With market-fresh ginger root, lemons, blueberries, apples, and kale, the new ginger beer spot will offer an array of nonalcoholic gingery drink options for tourists and Seattleites alike.

Source: *seattlemet.com*, March 25, 2013 (see figure D, page 10)
<http://www.seattlemet.com/bars-and-nightlife/sauced/articles/rachels-ginger-beer-is-opening-in-pike-place-market-march-2013>

Full Tilt Ice Cream Sibling Highscore Burgers: Highscore Burgers opens Friday, March 29 in Redmond at 8440 160th Ave NE. And as owner Justin Cline likes to say, [think of it as a Full Tilt with burgers](#). The spartan, gamecentric decor definitely has the same vibe as Cline's quartet of ice cream shops in Seattle. Highscore's burger menu includes grass-fed beef patties and a black bean vegetarian burger that took some time to perfect, but now gets Cline's enthusiastic thumbs up. Keep tabs on [the website](#) for more details; hours will likely be 11 to 10. (see figure E, page 10)

Source: *seattlemet.com*, March 26, 2013
<http://www.seattlemet.com/and-then-there-were-there-the-tilt-ice-cream-shops-highscore-burgers-opens-friday-march-29-11-mb-20130326-20130326.html>



Seattle Media Maven

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Chico Madrid, Capitol Hill's neighborhood Spanish cafe, now open: The newest tenant of the Belroy Apartments will be open for business on Bellevue Ave. this weekend. Just look for the giant cedar. And some pretty solid Spanish-style sandwiches. UPDATE: It's open and ready for business as of Thursday morning. Enjoy! Chico Madrid, created by partners Jacob Daley and Franz Gilbertson of Ballard's Honore Bakery and espresso-powered by Capitol Hill caffeine and pie slinger Dani Cone, has plans to open Friday morning. (see figure F, page 10)

Source: capitolhillseattle.com, March 28, 2013

<http://www.capitolhillseattle.com/2013/03/capitol-hills-chico-madrid-now-open-neath-a-60-foot-cedar-tree-on-bellevue-ave/#more-2067101130>

Li'l Woody's and Molly Moon's Are Expanding to Ballard: Okay, guys—I have an embarrassing confession. This weekend I had a few glasses of wine and sorta drunk texted Li'l Woody's owner Marcus Lalario. But seriously, who wouldn't be excited by [this cryptic image](#) that showed up on the burger shack's social media feeds Friday night? For the record, my husband doesn't mind me drunk texting other men if burgers are involved. And today all was revealed.

Source: seattlemet.com, April 2, 2013 (see figure G, page 10)

<http://www.seattlemet.com/eat-and-drink/nosh-pit/articles/lil-woody-s-and-molly-moons-are-expanding-to-ballard-april-2013>

Capitol Hill Gets Its Own Mezcaleria Oaxaca Location: Rumors keep percolating about a new location of La Carta de Oaxaca coming to Capitol Hill. And this morning the owners of the devoutly adored Ballard restaurant gave the official word: It's actually a second location for its sibling Queen Anne restaurant, Mezcaleria Oaxaca. The Mezcaleria Oaxaca location on Capitol Hill will open late this summer (if all goes well) in a former auto repair shop at Summit and Pine

Source: seattlemet.com, April 15, 2013 (see figure H, page 10)

<http://www.seattlemet.com/eat-and-drink/nosh-pit/articles/capitol-hill-gets-its-own-mezcaleria-oaxaca-location-april-2013>

Anchor's Down officially drops its anchor in Ballard: The newest addition to Ballard's bar scene, Anchor's Down (2016 NW Market St), is now open for business. The bar officially opened its doors last Friday and is ready to serve up delicious drinks and signature Po Dog hot dogs to locals. The new bar is the joint venture of Amy Graeff, manager of Capitol Hill spot [Grim's](#) and Christopher Williams, general manager and co-owner of Capitol Hill sports bar [Auto Battery](#). Po Dog owner Laura Olsen will also be a silent partner in the business venture. Check out our initial [post](#) on Anchor's Down when the opening was announced last month. (see figure I, page 10)

Source: myballard.com, April 16, 2013

<http://www.myballard.com/>

Local painter immortalizes The Viking before closure this month: Painter Ethan Jack Harrington has immortalized The Viking Tavern (6404 24th Ave NW) on canvas before it closes for demolition at the end of the month. Harrington finished the oil painting earlier this month and it has reportedly been a big hit with both regulars and staff at the iconic Ballard watering hole. The Viking, which has been a staple of the community since 1950, is being demolished to make way for apartment complex "Ballard Lofts". (see figure J, page 10)

Source: myballard.com, April 16, 2013

<http://www.myballard.com/>

Retail sales rise 5.6% statewide: Taxable retail sales in Washington rose 5.6 percent to \$29.5 billion during the fourth quarter of 2012 compared to that period in 2011, according to the Washington State Department of Revenue. In Seattle, retail rose 6.8 percent to \$4.6 billion. Construction also rose a substantial 9.6 percent in that time frame.

Source: *Daily Journal of Commerce*, April 5, 2013

<http://www.djc.com/news/bu/12051648.html?cgi=yes>





REGIONAL DEVELOPMENT



Group Health sells former Redmond campus to developer: Capstone Partners, a commercial real estate development firm, has purchased the Group Health's former Redmond campus. The 28 acres sit between Microsoft's main campus and the Overlake shopping neighborhood. The site will be used to build 1.1 million square feet of office and retail space, more than 1,400 residential units and nearly 300 hotel rooms, Capstone said in a release. The total square footage will be more than 3 million. (see figure K, page 10)

Source: *The Seattle Times*, March 15, 2013

http://seattletimes.com/html/business/technology/2020569779_grouphealthcapstonexml.html

Polygon Homes to acquire downtown Bothell development site in \$8.2 million deal: Polygon Homes could build at least 100 townhomes in downtown Bothell, city officials said Wednesday. On Tuesday, the City Council approved a tentative agreement to sell 5.5 acres to the Bellevue-based company for \$5 million. Polygon also would have to spend more than \$3.2 million to improve roads and make other infrastructure improvements around the site that is due south of Pop Keeney Stadium. (see figure L, page 10)

Source: *Puget Sound Business Journal*, March 20, 2013

http://www.bizjournals.com/seattle/news/2013/03/20/polygon-homes-to-acquire-downtown.html?ana=e_du_pub&s=article_du&ed=2013-03-20&u=q3qEy5+PUlyH77YLquBBiC7bz23

Proposed courtyard, corridors could have big impact on Capitol Hill block: [Liz Dunn](#), the Seattle developer best known for co-developing [Melrose Market](#), is out with updated plans for her latest project: a five-story, mixed-use office building on Seattle's Capitol Hill near 11th and East Pike Street. Those plans show the project will have as big of an impact on the block in the trendy Pike/Pine corridor as Melrose Market did about 10 blocks to the west. (see figure M, page 10)

Source: *Puget Sound Business Journal*, March 14, 2013

<http://www.bizjournals.com/seattle/blog/2013/03/seattle-real-estate-developer-liz-dunn.html>

Federal Way moves ahead on \$32M arts, conference center: The Federal Way City Council appropriated funds Tuesday to complete the schematic design of a nearly \$32 million Performing Arts and Conference Center in downtown. The project is a key element in the city's years-long effort to redevelop the nondescript downtown. Efforts to develop a nearby property with [a massive mixed-use project](#) have faltered. While the latest iteration of the Town Square project is technically still alive, the developer, Massachusetts-based Arcadd, has not come up with financing for the \$300 million project, city spokesman Chris Carrel said. (Not pictured on map, 23 miles South of Seattle)

Source: *Puget Sound Business Journal*, March 21, 2013

http://www.bizjournals.com/seattle/news/2013/03/21/federal-way-moving-ahead-with.html?ana=e_du_pub&s=article_du&ed=2013-03-21&u=q3qEy5+PUlyH77YLquBBiC7bz23

Swedish opening Edmonds cancer center April 1: [Swedish Health Services](#) said it's opening its new 17,000-square-foot, \$10.9 million outpatient cancer center in Edmonds on April 1. Swedish said the new facility can care for as many as 175 patients each day. Five Swedish Cancer Institute medical oncologists will practice at the new center. "Later this year Swedish will enhance cancer-care services at the Edmonds campus by starting construction on a vault to house a new \$4.95 million linear accelerator for radiation therapy that will go into use in late 2013," said [David Jaffe](#), chief executive of Swedish/Edmonds, [in a statement](#). (see figure N, page 10)

Source: *Puget Sound Business Journal*, March 22, 2013

http://www.bizjournals.com/seattle/morning_call/2013/03/swedish-opening-edmonds-cancer-center.html?ana=e_sea_rdup&s=newsletter&ed=2013-03-22&u=q3qEy5+PUlyH77YLquBBiC7bz23

Boeing buys huge 787 modification center building in Everett: Boeing has purchased the building housing the Everett Modification Center, where Boeing has been [finishing production on approximately 45 model 787 Dreamliners](#). The purchase of the 600,000-square-foot building, on the south end of Everett's Paine Field, should be welcome news for the region. It suggests that Boeing is creating room for expansion there, which conceivably could include a new production line for the 777X. (Not pictured on map, 28 miles North of Seattle)

Source: *Puget Sound Business Journal*, March 22, 2013

http://www.bizjournals.com/seattle/news/2013/03/22/boeing-buys-600000-square-foot.html?ana=e_du_pub&s=article_du&ed=2013-03-22&u=q3qEy5+PUlyH77YLquBBiC7bz23

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McCaw family sells two Union Station office buildings in Seattle: Two office buildings in Seattle's Union Station tech office complex were sold Wednesday for a total of \$96.9 million. The Los Angeles County Employees Retirement Association bought 605 Union Station and 625 Union Station from members of the McCaw family, public records show. Built in 2000, the five-building Union Station campus used to house [Amazon.com Inc.](#) Today, Getty Images, Intel, Double Down Interactive and other tech companies [lease space](#) there. Vulcan Inc., Microsoft co-founder [Paul Allen](#)'s company, also owns and occupies one of the five buildings, which are over the International District/Chinatown transit station.

Source: *Puget Sound Business Journal*, March 7, 2013 (see figure O, page 10)

http://www.bizjournals.com/seattle/blog/techflash/2013/03/mccaw-family-sells-two-union-station.html?ana=e_sea_rdup&s=newsletter&ed=2013-03-28&u=g3qEv5+PUlyH77YLquBBIc7bz23

Washington State Convention Center eyes Honda site for expansion: The [Washington State Convention Center](#) in downtown Seattle is eyeing a group of properties that — if acquired — would dramatically increase its footprint and its ability to host more and larger conventions. The convention center is “definitely” looking at the two acres around Boren Avenue and Olive Way occupied by Honda of Seattle, said [Jeff Blosser](#), president and CEO of the convention center public facilities district, or PFD. The acquisition would give the PFD enough land to build a subterranean expansion across several square blocks. For years, the convention center has wanted to expand. (see figure P, page 10)

Source: *Puget Sound Business Journal*, March 29, 2013

http://www.bizjournals.com/seattle/news/2013/03/28/washington-state-convention-center.html?ana=e_sea_rdup&s=newsletter&ed=2013-03-29&u=g3qEv5+PUlyH77YLquBBIc7bz23

Report indicates two 14-Story residential towers to be built at Bellevue Square: According to a report by The Seattle Daily Journal of Commerce Kemper Development, developer and operator of Bellevue Square, Bellevue Place and Lincoln Square, has a plan to build two 14-story residential towers and nearly 250,000 square feet of retail on the southeast corner of Bellevue Square. According to the report, Kemper Development has begun a conversation with city of Bellevue administrators regarding the plan. The publication reported that City Urban Design Planning Manager Liz Stead disclosed to the Journal, that Kemper officials had a meeting with the city last month to discuss the project. **Source:** *downtownbellevue.com*, March 18, 2013 (see figure Q, page 10)

<http://www.downtownbellevue.com/2013/03/18/report-indicates-two-14-story-residential-towers-built-bellevue-square/>

Schuster Group plans second Belltown apartment tower next year: The Schuster Group, a commercial real estate development company that is building an apartment tower in Seattle's Belltown, plans to start construction next year on a second tower a block away, CEO Mark R. Schuster said. The plan is to build a 12-story tower called Walton Lofts at the southwest corner of Western Avenue and Vine Street. Schuster often names his company's projects for people who have influenced his life. The 130-unit Walton is named for W. Berry Fowler, the founder of [Sylvan Learning](#). Schuster said Fowler is a close friend and was an early business mentor to him. (see figure R, page 10)

Source: *Puget Sound Business Journal*, April 8, 2013

http://www.bizjournals.com/seattle/news/2013/04/08/schuster-group-plans-to-start-building.html?ana=e_sea_rdup&s=newsletter&ed=2013-04-09&u=g3qEv5+PUlyH77YLquBBIc7bz23

Hedreen new building project up for design review: Seattle-based R. C. Hedreen and Company is set to present their design for a 43-story convention hotel complex at City Hall on April 16. The complex, located on Ninth Avenue and Howell Street, plans to house a 1,550 room hotel, 150 low-income housing, meeting space, and retail space. The original proposition included two towers but was redesigned to simplify the permitting process. The complex was designed by local firm, LMN Architects, and the general contractor is Sellen Construction. If approved, the complex could start construction next spring with the hotel opening in late 2016 or early 2017. (see figure S, page 10)

Source: *Daily Journal of Commerce*, April 8, 2013

<http://www.djc.com/news/ae/12051689.html>

F5 office buildings on Seattle's waterfront sell for more than \$142M: Cole Real Estate Investments paid \$142.5 million for the three-building campus that houses [F5 Networks](#) headquarters, public records show. The buildings, which total 300,000 square feet, sold on April 3, but the deal did not record until Wednesday. [The 13-year-old buildings](#) are on the waterfront at 351, 401 and 501 Elliott Ave. W. (see figure T, page 10)

Source: *Puget Sound Business Journal*, April 10, 2013

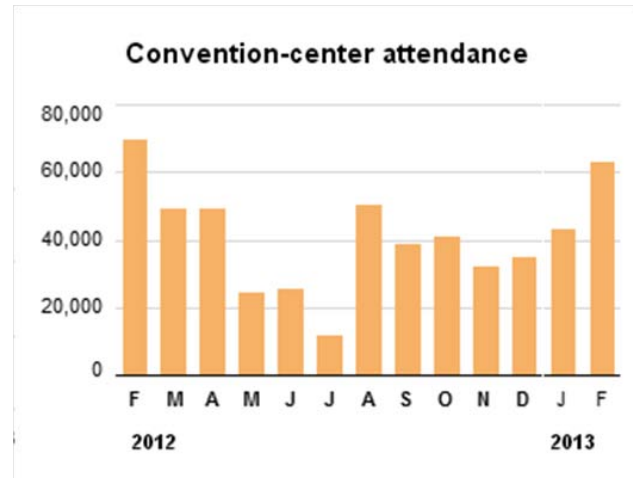
http://www.bizjournals.com/seattle/blog/techflash/2013/04/f5-office-buildings-on-seattles.html?ana=e_sea_rdup&s=newsletter&ed=2013-04-11&u=g3qEv5+PUlyH77YLquBBIc7bz23



Do good for yourself.



TRAVEL MARKET



Car2go expanding rental service to southeast Seattle and West Seattle: More of car2go's small blue-and-silver Smart Cars are coming to Seattle. The one-way car-sharing service company announced plans to expand its fleet and bring service to southeast Seattle and West Seattle earlier this month, and on Monday, the City Council approved the company's request.

Source: *Puget Sound Business Journal*, March 19, 2013

http://www.bizjournals.com/seattle/blog/2013/03/car2go-expanding-service-to-southeast.html?ana=e_tf&s=newsletter&ed=2013-03-19&u=jQCD48n8V42A6v8kHbFcOZiFvPJ

Five Washington air traffic control towers slated for closure: Five contract air traffic control towers at smaller airports in Washington state are slated to close beginning April 7, as the result of federal budget cutting. The towers, out of 149 towers that will be closed by the [Federal Aviation Administration](#) across the country, are located at Olympia Regional Airport, Renton Municipal Airport, Felts Field Airport, [Tacoma Narrows Airport](#) and Yakima Air Terminal/McAllister Field.

Source: *Puget Sound Business Journal*, March 25, 2013

http://www.bizjournals.com/seattle/morning_call/2013/03/five-washington-air-traffic-control.html?ana=e_du_pub&s=article_du&ed=2013-03-25&u=q3qEv5+PUlyH77YLquBBiC7bz23

Alaska Airlines begins Seattle-Salt Lake City service: Alaska Airlines began its twice-daily service between Seattle-Tacoma International Airport and Salt Lake City on Thursday. [Announced in November](#), Alaska Airlines, a unit of [Alaska Air Group Inc.](#) of Seattle, said Salt Lake City was the largest market out of Seattle that the airline does not currently serve and has been a top request of its customers for more than a decade.

Source: *Puget Sound Business Journal*, April 4, 2013

http://www.bizjournals.com/seattle/morning_call/2013/04/alaska-airlines-begins-seattle-salt.html?ana=e_sea_rdup&s=newsletter&ed=2013-04-04&u=q3qEv5+PUlyH77YLquBBiC7bz23

Horizon, Alaska are top-performing airlines in March: [Horizon Air](#) had the nation's best on-time arrival performance of all U.S. airlines in March and Alaska Airlines had the best performance of the nation's major airlines. [According to FlightStats](#), Horizon Air had an on-time arrival performance of 90.5 percent in March, besting Hawaiian Airlines at 89.63%.

Source: *Puget Sound Business Journal*, April 8, 2013

http://www.bizjournals.com/seattle/morning_call/2013/04/horizon-alaska-are-top-performing.html?ana=e_sea_rdup&s=newsletter&ed=2013-04-08&u=q3qEv5+PUlyH77YLquBBiC7bz23

Passengers rate Sea-Tac Airport staff as best in North America: Customer service at Seattle-Tacoma International Airport is recognized world-wide as the best in North America! Today Sea-Tac Airport was named Best Airport Staff Service in North America by the 2013 Skytrax World Airport Awards, held at the Passenger Terminal EXPO in Geneva.

Source: portseattle.org, April 10, 2013

<http://www.portseattle.org/Newsroom/News-Releases/Pages/default.aspx?year=2013#364>

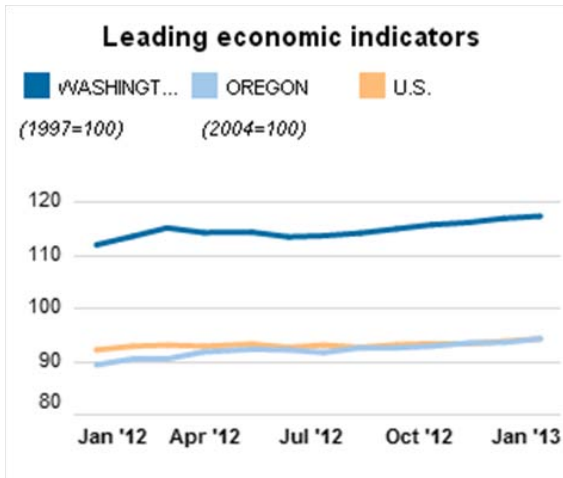
Kuwait shipping line to call at Port of Seattle: Kuwait-based United Arab Shipping Co. (UASC) will begin calling at the Port of Seattle's Terminal 30 in a partnership to expand the existing Asia-U.S. service by China Shipping Container Lines. UASC and China Shipping will each provide two ships that will carry cargo between China, Hong Kong and South Korea and the Northwest ports of Seattle and Vancouver B.C. China Shipping previously operated the service with two smaller vessels.

Source: *The Seattle Times*, April 8, 2013

http://seattletimes.com/html/business/technology/2020737439_portuascxml.html



ECONOMY



Seattle-area inflation climbs 0.8%, gas prices jump 8.4% in 2 months: Fueled by sharply higher gasoline prices, inflation in the Greater Seattle area jumped 0.8 percent over the past two months, federal researchers reported Friday. Over the past year, the local Consumer Price Index rose 1.76 percent, less than the national inflation rate of 2 percent, the Bureau of Labor Statistics reported. Seattle-area gasoline prices rose 8.4 percent between December and February, including a 7.3 percent increase last month alone.

Source: *The Seattle Times*, March 15, 2013
http://seattletimes.com/html/business/technology/2020566079_seattleinflationxml.html

Beer industry worth \$4.3B to Washington, report says: The beer industry brings in about \$4.29 billion to Washington state, according to an estimate by two trade groups. The National Beer Wholesalers Association and the Beer Institute said that the brewing industry has about 42,160 jobs in Washington that total \$1.6 billion in wages and benefits annually. It's also kicked in \$946 million in taxes in 2012, according to the estimate. Nationwide, the beer industry has a payroll of about \$31.8 billion and 1.1 million employees.

Source: *Puget Sound Business Journal*, March 27, 2013
http://www.bizjournals.com/seattle/morning_call/2013/03/beer-industry-worth-43b-to.html

Seattle is home to 2 of top 5 distilleries in Washington state: Craft distilleries in Washington state are going strong, according to the *Puget Sound Business Journal's* second annual list covering this niche industry. The ranking of craft distilleries is based on proof gallons produced between October 2011 and September 2012. (Proof gallons are gallons produced multiplied by alcohol content.) The list has seen quite a change since its first edition last year (based on amount produced from October 2010 to September 2011).

Source: *Puget Sound Business Journal*, April 15, 2013
<http://www.bizjournals.com/seattle/news/2013/04/15/the-list-top-5-craft-distilleries-in.html>

Seattle moves up a bit in economic rankings: Seattle moved to No. 27 last month from No. 29 a month earlier in economic rankings of the nation's top 102 markets. According to research by On Numbers, the research division of American City Business Journals, Austin, Texas is the nation's economic pacesetter for the second straight month, followed by Provo, Utah. Eighteen statistical indicators are analyzed each month by the On Numbers Economic Index, which tracks conditions in the 102 major metropolitan areas with populations above 500,000.

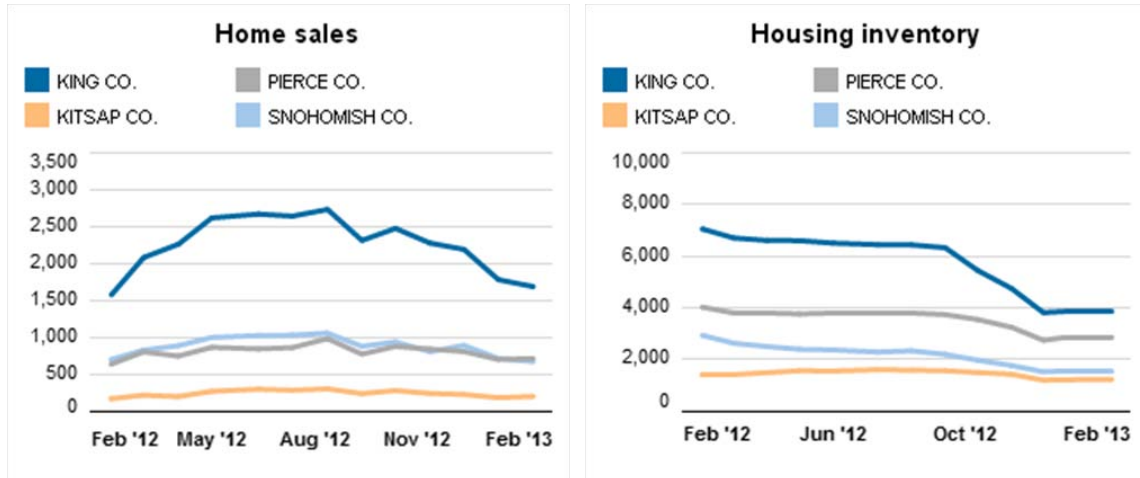
Source: *Puget Sound Business Journal*, April 1, 2013
http://www.bizjournals.com/seattle/morning_call/2013/04/seattle-moves-up-a-bit-in-economic.html?ana=e_sea_rdup&s=newsletter&ed=2013-04-01&u=g3qEy5+PUIvH77YLquBBiC7b23

Port of Seattle one of 7 U.S. ports ready to handle bigger ships: The Port of Seattle is currently only one of seven U.S. ports that will be ready to handle the massive new ships that will be utilizing the upgraded Panama Canal in 2015. According to a report by Colliers International of Seattle, the Port of Seattle was commended for spending on its capital infrastructure, even though the volume of its container traffic dropped in 2012.

Source: *Puget Sound Business Journal*, April 8, 2013
http://www.bizjournals.com/seattle/morning_call/2013/04/port-of-seattle-one-of-7-us-ports.html?ana=e_sea_rdup&s=newsletter&ed=2013-04-08&u=g3qEy5+PUIvH77YLquBBiC7b23



REAL ESTATE MARKET



Seattle home value gains up above national average: Seattle home values rose 0.4 percent in February and rose 8.1 percent in the past year, well above the national averages. According to Seattle online real estate company [Zillow](#) Inc., the national home value increase average in February was 0.1 percent and for the past year, was 5.8 percent.

Source: *Puget Sound Business Journal*, March 21, 2013

http://www.bizjournals.com/seattle/blog/techflash/2013/03/seattle-home-value-gains-up-above.html?ana=e_sea_rdup&s=newsletter&ed=2013-03-21&u=g3qEv5+PUlyH77YLguBBiC7bz23

Seattle house prices take seasonal dip: House prices in the Seattle area edged down in January for the second straight month, putting the region in the middle of the pack among 20 cities tracked by the Standard & Poor's/Case-Shiller index. But the region's prices were up 8.7 percent year-over-year, ahead of the index's 8.1 percent national gain.

Source: *The Seattle Times*, March 26, 2013

http://seattletimes.com/html/businesstechnology/2020642790_homepricesxml.html

Seattle apartment market; good times keep on rolling: Seattle's apartment market is still booming, but some experts say they are not expecting it to end with a bust this time. Developers plan to complete 34,000 new units between now and 2017. Nearly 15,000 units are under construction or finished, and construction will begin on another 5,000 units by the end of June. The strength of the region's job market got developers to start building again.

Source: *Daily Journal of Commerce*, March 26, 2013

<http://www.djc.com/news/re/12051284.html>

Land developers are selling homes faster than they can build: Land developers in the Puget Sound are now selling new homes faster than they are preparing construction-ready lots. As the housing market bottomed out and began recovering in 2012, King County's supply of vacant lots went from a 58-month supply in 2009 to a staggering 16-month supply. Replenishing the region's lot inventories will likely take a few years and could drive up home prices as competition over vacant lots gets tighter.

Source: *Puget Sound Business Journal*, March 22, 2013

<http://www.bizjournals.com/seattle/print-edition/2013/03/22/housing-rebound-begets-a-new-shortage.html>

King County house prices jumped almost 20 percent over year: The median price of single-family homes sold in King County leapt in March to \$392,000 as buyers, many waving all-cash offers, bid up the region's tight inventory. With 40 percent fewer houses for sale than a year ago, March's median closing price was 19 percent higher than the previous March and up 7 percent from February, the Northwest Multiple Listing Service reported Thursday.

Source: *The Seattle Times*, April 4, 2013

http://seattletimes.com/html/businesstechnology/2020711424_homesalesmarchxml.html

Financiers worry Seattle's apartment boom is overdone: Developers will open more apartments in the Seattle area this year than they have in any of the previous 20. They will repeat that feat in 2014, according to apartment research firm Dupre + Scott. And again in 2015. And for the first time, about three-quarters of the new apartments will be in Seattle, most of them concentrated in downtown and close-in neighborhoods.

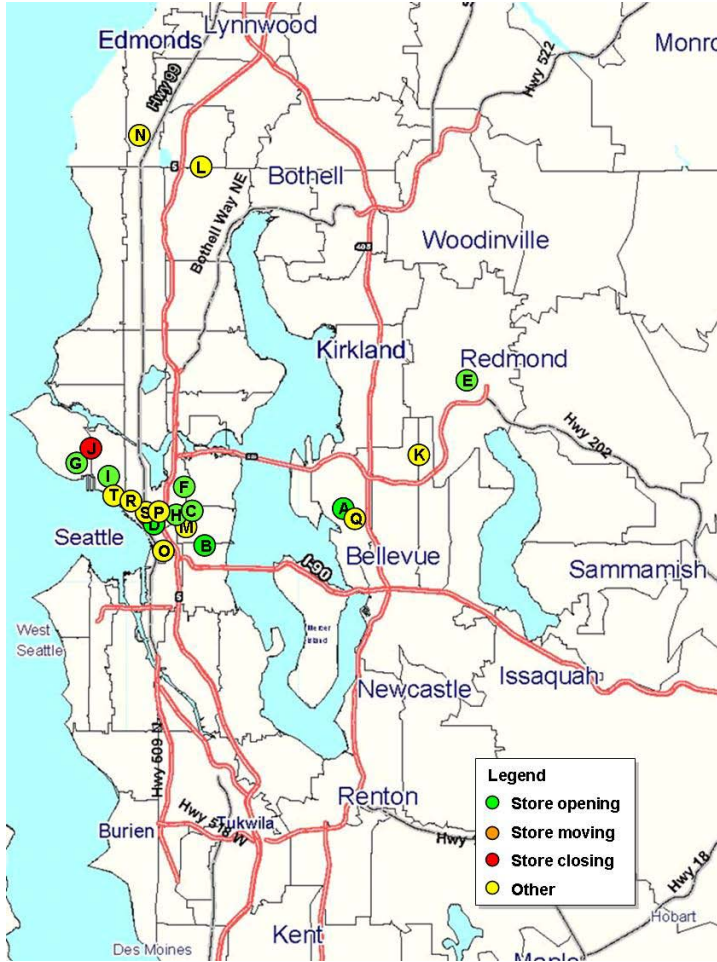
Source: *The Seattle Times*, April 15, 2013

http://seattletimes.com/html/businesstechnology/2020775791_apartmentboomxml.html

THE SEATTLE MARKET REVIEW



MARKET REFERENCE MAP



- A. Faconnable opens at Bel-Square (Bellevue)
- B. Kedai Makan open on Capitol Hill (Seattle)
- C. Totokaelo opens underground men's shop (Seattle)
- D. Rachel's Ginger Beer to open at Pike Place Market (Seattle)
- E. Highscore Burgers open in Redmond
- F. Chico Madrid open on Capitol Hill (Seattle)
- G. Li'l Woody's expanding to Ballard (Seattle)
- H. Mezcaleria Oaxaca to open on Capitol Hill (Seattle)
- I. Anchors Down opens in Ballard (Seattle)
- J. The Viking Closes in Ballard (Seattle)
- K. Group Health sells former Redmond campus to developer (Redmond)
- L. Polygon home to acquire downtown Bothell development site (Bothell)
- M. Proposed courtyard corridors could have big impact on Capitol Hill block (Seattle)
- N. Swedish opens Edmonds Cancer Center
- O. McCaw family sells two Union station office buildings in Seattle
- P. Washington State Convention Center eyes Honda site for expansion (Seattle)
- Q. Two 14 story residential towers to be built at Bellevue Square (Bellevue)
- R. Schuster Group plans second Belltown apartment tower next year (Seattle)
- S. Hedreen new building project up for design review (Seattle)
- T. F5 office buildings on Seattle's waterfront sell for more than \$142M

Note: All articles have been sourced; however, they are edited for brevity. Most articles are linked online, and all articles are available on request.

