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Vulcan Real Estate Awarded Top Honors as 2006 Developer of the Year by National Association of Industrial and Office Properties

Vulcan recognized as Developer of the Year by NAIOP for four years in a row

Vulcan's Alley24 project also named Sustainable Development of the Year and Mixed-Use Development of the Year in prestigious industry awards competition

SEATTLE – November 9, 2006 – Vulcan Real Estate today announced that it has been recognized as the 2006 Developer of the Year by the Washington State chapter of the National Association of Industrial and Office Properties (NAIOP), marking the fourth year in a row that Vulcan has received the industry organization's highest honor. NAIOP also selected Vulcan's Alley24 project as the Sustainable Development of the Year and Mixed-Use Development of the Year.

Presented by the Washington State chapter of NAIOP, the annual "Night of the Stars" awards pay tribute to the companies and projects that exhibit excellence, ingenuity and success in the commercial real estate industry for the prior year. Winners are selected based on a rigorous judging and interview process that includes evaluation by top industry peers in the region. Final award recipients were announced at the Night of the Stars gala on November 4, 2006 in Seattle.

"This has been a truly incredible year for Vulcan Real Estate, and we're honored that our accomplishments have been recognized by our peers in the local real estate industry," said Ada M. Healey, vice president of real estate for Vulcan. "These awards are a testament to our team's hard work and dedication that have led to Vulcan's track record of success in the marketplace."

A few of Vulcan Real Estate's recent achievements include:

- Assumed lead development role in all projects with a 40+ person in-house team
- In 2005 and early 2006, leased nearly 750,000 square feet to commercial tenants, including developments for Group Health, WPP and UW Medicine Lake Union
- Delivered eight new commercial, residential and mixed-use developments to date spanning nearly 1.4 million square feet in South Lake Union, with about 600,000 square feet currently under construction
- Worked with other property owners to achieve the successful passage of a Seattle Streetcar line in South Lake Union, which will begin boarding passengers in late 2007

- Welcomed nearly 23,000 visitors to the South Lake Union Discovery Center since it first opened its doors last spring
- Attracted nearly 20 new national and locally owned retailers to South Lake Union in the past year that are providing sought-after amenities and services

Alley24 – Sustainable and Mixed-Use Development of the Year

Located in the heart of South Lake Union’s Cascade neighborhood across the street from REI, Alley24 represents a new model for sustainable, mixed-use urban development. Developed by Vulcan Real Estate, the 336,000-square-foot high performance development complements the rich character of the existing neighborhood while offering a diverse mix of new office, residential and retail uses within the context of a visually striking project grounded in sustainable values.

As one of Seattle’s first mixed-use projects expected to achieve LEED certification for its environmentally responsible approaches, Alley24 is defined by its attention to maximizing resource efficiency, reducing waste and promoting the use of recycled building materials that enhance the quality of life for its occupants.

The project team for Alley24 includes:

- Owners: Vulcan Inc. and PEMCO Mutual Insurance Co.
- Developer: Vulcan Real Estate
- Architect: NBBJ
- Commercial Contractor: Skanska USA Building Inc.
- Residential Contractor: Compass Construction
- Structural Engineer: Magnusson Klemencic Associates
- Civil Engineer: Coughlin Porter Lundeen
- Landscape Architect: Murase Associates
- Mechanical Engineer (Office): McKinstry Company
- LEED Consultant: Egis Certified

Vulcan owns approximately 60 acres in South Lake Union and is leading one of the largest urban revitalization efforts in the U.S. that will consist of nearly 10 million square feet upon completion. Its vision for the area is to partner with the community to foster a vibrant, connected neighborhood that blends new housing development with lively shops and restaurants, new offices, biotech research, attractive parks and public transportation.

About Vulcan Real Estate

Vulcan Real Estate directs all real estate strategies for Vulcan Inc., a Paul G. Allen company. Through strategic acquisitions and innovative development, Vulcan Real Estate creates a diversified portfolio of high-performing, quality assets. The company’s experienced, talented team of real estate professionals offers a full range of development services from site selection to build-to-suit construction. Its real estate model is based on quality, sustainable development that builds new value across the entire community. For more information, visit www.vulcanrealestate.com.

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