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Vulcan Real Estate Wraps Up 2010 on High Note

SEATTLE — December 16, 2010 — Vulcan Real Estate today announced that 2010 marked a banner year for the company, which is working to redevelop more than 60 acres in Seattle’s fast-growing South Lake Union neighborhood. Vulcan Real Estate is a division of Vulcan Inc., the project and investment management company founded by Paul G. Allen.

“The momentum underway in South Lake Union today is unmistakable. The neighborhood’s growth has been a bright spot in Seattle’s economy as a magnet for new jobs, residents and retail shops and restaurants,” said Ada M. Healey, vice president of real estate at Vulcan Inc. “A vibrant city center such as South Lake Union attracts creative-minded entrepreneurs and companies, offers abundant recreational and retail opportunities, a range of housing options and a true sense of community.”

Vulcan Real Estate’s efforts in South Lake Union represent one of the largest urban redevelopment projects in the country, and will consist of more than 10 million square feet of new housing, offices and life sciences research space, retail shops and restaurants, open green space and public transit upon completion. By 2013, Vulcan expects to have completed nearly five million square feet, or about half of its potential development in South Lake Union.

Vulcan’s growing portfolio includes over \$2 billion in quality real estate assets, totaling nearly 6.5 million square feet of office, biotech, retail, residential, hospitality, parking and open space. To date, Vulcan has delivered 3.4 million square feet in 19 new office, biotech, residential and mixed-use projects in South Lake Union. The company has nearly 1.5 million square feet currently under construction and/or planned for delivery by 2013.

“We expect the momentum to continue into 2011 with more new retailers joining South Lake Union, strong condominium sales at Enso and new office leases in our commercial portfolio,” Healey added.

Vulcan Real Estate’s 2010 highlights include:

- **Executed more than 500,000 square feet** of new or renewal leases and achieved an average **occupancy of over 95 percent in commercial-wide portfolio.**
- **Opened first two phases of Amazon.com’s new headquarters in South Lake Union** starting in April 2010, including five buildings totaling 613,000 square feet; Phases 3-4 are currently under construction for delivery in 2011, with the final phase to break ground next spring and open in 2013. The entire headquarters continues to generate construction jobs and will be home to thousands of employees.
- In January 2010, **welcomed global health organization PATH to its new headquarters at Vulcan’s 2201 Westlake project**, occupying 111,000 square feet of Class A office space home to more than 300 PATH employees.
- Vulcan’s 2201 Westlake project represents **Seattle’s first speculative office building delivered during the recent real estate cycle to become fully leased** in July 2010 (office space occupied by PATH and Amazon.com).

- Vulcan secured approval from **UW Medicine to move forward with Phase 3 of its life sciences research hub in South Lake Union**, with Phase 3 including up to three phased buildings totaling nearly 421,000 square feet; the first lab building is scheduled to break ground next summer with completion by 2013 for more than 400 researchers.
- In August 2010, secured world-renowned **Institute for Systems Biology (ISB) as the new anchor tenant in Vulcan's 401 Terry Avenue North Building** in South Lake Union, with more than 300 ISB employees to occupy 140,000 square feet of office and life sciences research space starting in spring 2011.
- **Welcomed nine new retail shops and restaurants to South Lake Union in 2010**, including Flying Fish, On the Fly, Be Luminous Yoga, Ligne Roset, Yellow Dot Café, Hipcooks, Align Chiropractic, Quiznos and Jimmy Johns.
- Leased more than 35,000 square feet of retail space in South Lake Union in 2010, including **three new Tom Douglas restaurants** to be located in the historic Terry Avenue Building of the Amazon.com headquarters (opening in spring 2011).
- **Achieved average occupancy of over 95 percent for Vulcan's for-rent residential portfolio and successful sales milestones at Enso and Veer Lofts**, Vulcan's two current condominium developments in South Lake Union.
- **Announced sellout of all 99 homes at Veer Lofts and 100th closing at Enso** (nearly 80 percent sold) in the past year.
- In June 2010, **Vulcan expanded its holdings with the acquisition of a new office building in Tempe, AZ** representing the company's first investment purchase outside the Seattle market; secured Limelight Networks in July 2010 as first tenant in Tempe Gateway Building to occupy 65,000 square feet of office space in early 2011.
- Continued longstanding leadership in sustainable development as **largest private owner of known new construction LEED Certified projects in Seattle**; achieved LEED Gold certification for Phase II of Amazon.com's headquarters (Phases III-V buildings also targeting LEED Gold certification upon completion) and achieved LEED Silver certification for Rollin Street (208-unit apartment building).
- Supported **opening of newly renovated 12-acre Lake Union Park in September 2010**, providing quality open space in Seattle's downtown core and creating a shared sense of community; Vulcan contributed \$10 million to make the park's renovation possible, the largest funding commitment ever made to a Seattle public park.
- Supported **groundbreaking of \$200 million Mercer Corridor project in September 2010** funded by City of Seattle, federal government and local property owners (including Vulcan); critical regional transportation project scheduled for completion in 2013 and creates 1,200 construction jobs.

Local and national industry organizations have recognized Vulcan Real Estate as a leader in real estate development, sustainability and urban revitalization. In 2010, the company received numerous industry awards including:

- 2010 NAIOP National Sustainable Development of the Year Award (Alley24)
- 2010 CREW National Impact Award for Ada Healey (Economic Improvement category)
- 2010 CREW National Achievement of Excellence Award for Ada Healey
- 2010 NAIOP Washington Chapter Night of the Stars Award for Developer of the Year

- 2010 NAIOP Washington Chapter Night of the Stars Award for Multifamily Development of the Year (Rollin Street)
- 2010 NAIOP Washington Chapter Night of the Stars Award for Deal of the Year (Institute for Systems Biology at 401 Terry Avenue North Building)
- 2010 Seattle Business Magazine Green Washington Award for Vulcan Real Estate (Building category)
- 2010 Downtown Seattle Association's Downtown Champion Award – presented to Vulcan Real Estate and Seattle Parks Foundation

Vulcan Real Estate has also played an active role in fostering a healthy and diverse community in South Lake Union – from its support of local nonprofits and the arts community to preserving historic buildings and organizing community-wide events. Highlights include:

- **Produced and hosted 6th annual SLU Block Party in August 2010**, a free all-day community festival that has quickly become an annual tradition in South Lake Union bringing together thousands of the area's workers, residents and visitors. This year's Block Party raised over \$22,000 for Immanuel Community Services (\$5,000), Historic Seattle (\$11,000) and the Junior League of Seattle (\$6,000).
- **In the past year, Vulcan has incorporated three of its commissioned public artworks as part of the new Amazon.com headquarters**, including *Convergence* by local artist Ann Gardner in the Phase IA plaza, *Cabin Corners* by local artist Jenny Heishman in Phase II and *Beacon, Cloud and Toto* by Seattle artist Jamie Walker in the Phase III public plaza.
- As part of its commitment to retaining historic structures that enhance the neighborhood's character, **Vulcan preserved two historic buildings incorporated in the new Amazon.com headquarters** – including the century-old Van Vorst Building (Phase IA) and Terry Avenue Building (Phase IV).
- **Organized hundreds of community and social events at Vulcan's South Lake Union Discovery Center**, which has welcomed over 50,000 visitors since opening in 2005. The Discovery Center welcomed nearly 7,500 visitors in 2010 alone.
- As member of the Cascade Farmers Market Steering Committee, **Vulcan played a critical role in securing the market operator and funding for South Lake Union's first ever farmers' market**, which opened in 2009 and completed its 2nd season in October 2010.
- **Provided financial and in-kind support to numerous local nonprofits** including Urban League of Seattle, Cascade People's Center, Immanuel Community Services, Historic Seattle, Cornish College of the Arts, Center for Wooden Boats, ArtWorks, New Discovery School, Morningside Academy and Spruce Street School, among others.

About Vulcan Real Estate

Vulcan Real Estate directs all real estate activities for Vulcan Inc., a Paul G. Allen company. Vulcan Real Estate is a long-term investor and builder with a development portfolio of almost 6.5 million square feet of office, biotech, retail, residential, hospitality, parking and open space. Its real estate model is based on quality, sustainable development that builds new value across the entire community. The company's growing portfolio comprises over \$2 billion in high-performing, quality assets. In Seattle's South Lake Union neighborhood alone, Vulcan has delivered 3.4 million square feet in 19 new office, residential and mixed-use projects. For more information, visit www.vulcanrealestate.com.

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