Appendix A

City of Seattle Resolution No. 30883

City of Seattle Legislative Information Service

Information updated as of July 30, 2008 3:02 PM

Resolution Number: 30883

A RESOLUTION relating to the Fort Lawton Army Reserve Center, authorizing the Mayor or his designee to request the United States Department of Defense to recognize the City of Seattle as a Local Redevelopment Authority (LRA) for the closure of the Fort Lawton Army Reserve Center (Fort Lawton), and authorizing the Mayor or his designee to apply for federal grant funds for the City to perform the duties of an LRA.

Date introduced/referred: June 26, 2006
Date adopted: June 26, 2006
Status: Adopted
Vote: 9-0

Committee: Full Council for Introduction and Adoption
Sponsor: LICATA

Index Terms: LAND-ACQUISITION, DISCOVERY-PARK, MAGNOLIA, US-GOVERNMENT, FORT-LAWTON, MILITARY-INSTALLATIONS

Text

RESOLUTION _____

A RESOLUTION relating to the Fort Lawton Army Reserve Center, authorizing the Mayor or his designee to request the United States Department of Defense to recognize the City of Seattle as a Local Redevelopment Authority (LRA) for the closure of the Fort Lawton Army Reserve Center (Fort Lawton), and authorizing the Mayor or his designee to apply for federal grant funds for the City to perform the duties of an LRA.

WHEREAS, through the federal Base Realignment and Closure Act (BRAC) process the Department of Defense has proposed closure of Fort Lawton and the President of the United States, with Congress concurring, has designated Fort Lawton for closure; and

WHEREAS, the Department of Defense, as the administering BRAC agency, has informed the City of the two ways in which the City can provide guidance and input into the Department of Defense disposal decision concerning Fort Lawton: either by the City serving as a Local Redevelopment Authority or by the City consulting with the Department of Defense during the disposal process; and

WHEREAS, acting as an LRA provides the greatest opportunity for the City to guide the Fort Lawton disposal process, by planning and implementing a community involvement process and by preparing a local redevelopment plan for Fort Lawton; and

WHEREAS, the City desires to ensure adequate access to Discovery Park is provided and the reuse of Fort Lawton is consistent with the City's comprehensive plan and reflects citywide priorities and community interests; and

WHEREAS, the Department of Defense has advised the City of the availability of grant funds to perform the duties of an LRA; and

WHEREAS, the City believes the recognition of the City as the LRA for Fort Lawton would be beneficial to the City and its citizens and provide the opportunity for the City to lead a community input process prior to the City's preparation of a Fort Lawton redevelopment plan for the Department of Defense to consider in disposing of this property; NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:

Section 1. The Mayor or his designee is authorized to submit to the Department of Defense, for and on behalf of the City of Seattle, a request that the City be recognized as the Local Redevelopment Authority for the Fort Lawton BRAC disposal process. Upon recognition as the LRA, the Mayor or his designee is authorized to identify appropriate stakeholders and lead a community input process to develop a redevelopment plan for the Fort Lawton Army Reserve Center, all in accordance with the requirements of and schedule identified in the BRAC process.

Section 2. The Mayor or his designee is authorized to submit grant applications to the Department of Defense for funding to assist the City to perform the duties of an LRA and to provide such information and documents as may be required in connection therewith.

Adopted by the City Council the ____ day of _____, 2006, and signed by me in open session in authentication of its adoption this _____ day of _____, 2006.

_____

President _____of the City Council

THE MAYOR CONCURRING:

_____

Gregory J. Nickels, Mayor

Filed by me this ____ day of _____, 2006.

_____

City Clerk

(Seal)

Linda Cannon/DB

OIR, Ft. Lawton Local Reuse Authority RESO

June 16, 2006

Version #1

1
Fiscal Note

Form revised April 10, 2006

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Office of Intergovernmental Relations	Linda Cannon 684-8263	Candice Chin 233-7014

Legislation Title:
A RESOLUTION relating to the Fort Lawton Army Reserve Center, authorizing the Mayor or his designee to request the United States Department of Defense to recognize the City of Seattle as a Local Redevelopment Authority (LRA) for the closure of the Fort Lawton Army Reserve Center (Fort Lawton), and authorizing the Mayor or his designee to apply for federal grant funds for the City to perform the duties of an LRA.

- **Summary of the Legislation:**

This legislation would direct the Executive to request recognition by the United States Department of Defense (DOD) as a Local Redevelopment Authority (LRA) for closure of the Ft. Lawton Army Reserve Center, and would authorize the Executive to apply for federal grant funds to perform the duties of an LRA.

- **Background:**

The DOD intends to move the Army Reserve units currently located at the Ft. Lawton Army Reserve Center to Ft. Lewis, Washington, to close Ft. Lawton, and to dispose of Ft. Lawton as surplus property. Other federal agencies and certain public benefit providers will have the first opportunity to obtain this surplus property. As part of this closure, the City has an option to form an LRA to perform the following functions:

- To conduct outreach for homeless-assistance providers and other eligible recipients of public benefit property transfers.
- To provide leadership, prepare, and build consensus for a base redevelopment plan.
- To consult with the DOD on personal property disposal.
- To serve as a single point of community contact for the DOD.

If the City does not elect to serve as the LRA, the DOD will perform these functions. The City wishes to serve as the LRA to develop a base redevelopment plan, which will be as reflective and responsive as possible to needs of the Seattle community.

The DOD has advised the City of the availability of limited grant funds to perform the duties of an LRA. This resolution will provide authorization to apply for these DOD grant funds if needed and appropriate to perform the duties of an LRA.

- *Please check one of the following:*

____ **This legislation does not have any financial implications.**

__X_ **This legislation has financial implications.**

Appropriations:

Fund Name and Number	Department	Budget Control Level*	2006 Appropriation	2007 Anticipated Appropriation
To be determined	OIR	To be determined	TBD	TBD
TOTAL				

Notes: Contingent upon successful application for DOD grant funds, the City will propose subsequent legislation to formally accept and appropriate grant funds.

Anticipated Revenue/Reimbursement: Resulting From This Legislation:

Fund Name and Number	Department	Revenue Source	2006 Revenue	2007 Revenue
To be determined	OIR	DOD	$50,000	
TOTAL			$50,000	

Notes: Several City departments are expected to participate in conducting community outreach, in conducting an interactive planning process, and in development of the base redevelopment plan. The City has not determined all the means by which community outreach will be conducted, or the costs associated with that outreach. At present, certain costs of preliminary planning are being absorbed within the existing budget authority of City departments.

The DOD has advised the City of the availability of limited grant funds to perform the duties of an LRA. This resolution will provide authorization to apply for these DOD grant funds if needed. The revenue reflected above is a rough estimate, to be refined as the roles of various City departments are better defined. Costs that exceed possible DOD grant funding will be absorbed within the existing budget authority of City departments.

Total Regular Positions Created Or Abrogated Through This Legislation, Including FTE Impact:

Position Title and Department*	Fund Name	Fund Number	Part-Time/ Full Time	2006 Positions	2006 FTE	2007 Positions**	2007 FTE**
N/A							
TOTAL							

Notes:

- **Do positions sunset in the future?** N/A

Spending/Cash Flow: TBD

Fund Name and Number	Department	Budget Control Level*	2006 Expenditures	2007 Anticipated Expenditures

N/A				
TOTAL				

Notes:

- **What is the financial cost of not implementing the legislation?** None

- **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**

If the City does not elect to serve as the LRA, the DOD will perform these functions.

- **Is the legislation subject to public hearing requirements:** No

- **Other Issues**

Various Magnolia and Discovery Park community groups are expected to have a strong interest in future redevelopment plans for Ft. Lawton.

Please list attachments to the fiscal note below: None

Appendix B

Fort Lawton Public Meetings Matrix

Public Meeting Matrix	
Date	Agenda/Discussion Items
July 19, 2008	• Introduction and Agenda Review • Draft Plan
July 12, 2008	• Introduction and Agenda Review • Process Update/Feedback/Project Guidance • Open Space • Housing Program • Circulation • Character • 36th Avenue Treatment • Impacts
June 21, 2008	• Introduction and Agenda Review • Process Update/Feedback/Guiding Principles • Affordable Housing Program • Housing Market Analysis • Overall Housing Program • Transportation Implications
June 19, 2008	• Reminder of Upcoming Planning Workshops • Review and improve the Community Relations Plan: review plan section by section, opportunity to submit additional comments • Next steps
June 2, 2008	• Review of reasons for meeting • Limitations of the Community Relations Plan • Inclusion of community members' interests in the Community Relations Plan • Improving the Community Relations Plan • Reschedule date for the next Community Relations Plan meeting
May 31, 2008	• Site Analysis and Background Information (feedback) • Building Program (feedback) • Building Location Options (feedback) • Open Space Options (feedback) • Site Access Options (feedback • Internal Circulation Options (feedback) • 36th Avenue Treatments (feedback) • Parks Overview
May 19, 2008	• Purpose community meetings on homeless • Community relations plans • Communityconcerns/questions on homeless housing

April 26, 200	• BRAC Process and NOI review • Goals Discussion Conclusion • Overview of Next Steps • Community Visioning: High Point Case Study • Community Visioning: Fort Lawton
April 21, 2008	• Discussion of homelessness and housing
March 29, 2008	• Project Update • Goals Statement and Project Vision • Stakeholder Process Overview • Goals and Visions • Idea “Parking Lot” and Questions
March 13, 2008	• Project Update • Stakeholder Process Discussion: 3 Concepts of Outreach, Stakeholder Workshops, Information Presentations, Public Access and Outreach, Tours, Other Stakeholder Concepts • Next Meeting/Tours • How to improve this meeting
February 25, 2008	• City’s decision on NOI requests for Ft. Lawton property • City’s selected master developer • Next steps in Ft. Lawtom reuse plan • Community Participation in Ft. Lawton Reuse Planning • Public Q & A
April 19, 2007	• BRAC process • Army value
February 13 & 14, 2007	• Discuss NOIs recieved
December 13. 2006	• Welcome/Meeting Overview • Fort Lawton Closure & BRAC • Department of Housing & Urban Development Role • Next Steps • Q&A
October 17, 2006	• Welcome • Meeting Overview • Fort Lawton and the Base Realignment and Closure (BRAC) Process • Role of the Department of Housing and Urban Development (HUD) • Overview of Discovery Park • Introduction/Overview of Stations • Conclusion/Next Steps • Break to Stations
September 26, 2006	• Welcome • Workshop purpose and BRAC process • Surplus property • Homelessness and BARAC • Local Reuse Authority: LRA Role and Timeline, Notices of Interest Applications, Zoning, Public Process, Consultations • Tour

Appendix C
Topography and Soils

STRATUM GROUP
P.O. Box 2546, Bellingham, WA 98227
Phone (360) 714-9409

July 2, 2008

Michael Schuler
EDAW
815 Western Avenue, Suite 300
Seattle, WA 98104

Re: **Fort Lawton Geology Report**
Seattle, Washington

Dear Mr. Schuler:

The attached report provides a generally geology assessment of geologic conditions at the Fort Lawton Army Reserve Center in Seattle Washington. The primary purpose of this report was to identify any geologic or geotechnical constraints that may constrain redevelopment on the site.

The only significant geologic issue on the site is that the slope on the north end of the Fort Lawton Army Reserve site is potentially unstable. The slope is steep enough and the presence of seeps and springs are such that alteration of the slope conditions would likely lead to shallow surface soil failures or erosion on some portions of the slope unless engineered designed mitigation measures are in place. Additional detailed analysis should be performed to establish appropriate setbacks from the slope and/or to establish engineered designed mitigation measures.

Stratum Group appreciates the opportunity to be of service to you. Should you have any questions regarding this geology assessment please contact our office at (360) 714-9409.

Sincerely yours,
Stratum Group

Dan McShane, L.E.G., M.Sc.
Licensed Engineering Geologist

REPORT

GEOLOGY ASSESSMENT

FORT LAWTON ARMY RESERVE CENTER
SEATTLE, WASHINGTON

Stratum Group

PO Box 2546
Bellingham, WA 98227
(360) 714-9409

July 2, 2008

July 2, 2008
Geology Assessment
Fort Lawton Army Reserve Center
Seattle, WA

GENERAL GEOLOGY

Northwestern Washington has been occupied by continental glaciers at least four times during the Pleistocene Epoch (1.6 million to 10,000 years ago). During these glacial and accompanying interglacial periods, the underlying geology units were eroded and a relatively thick layer of glacial related and interglacial fluvial sediments were deposited in the vicinity of the Fort Lawton area.

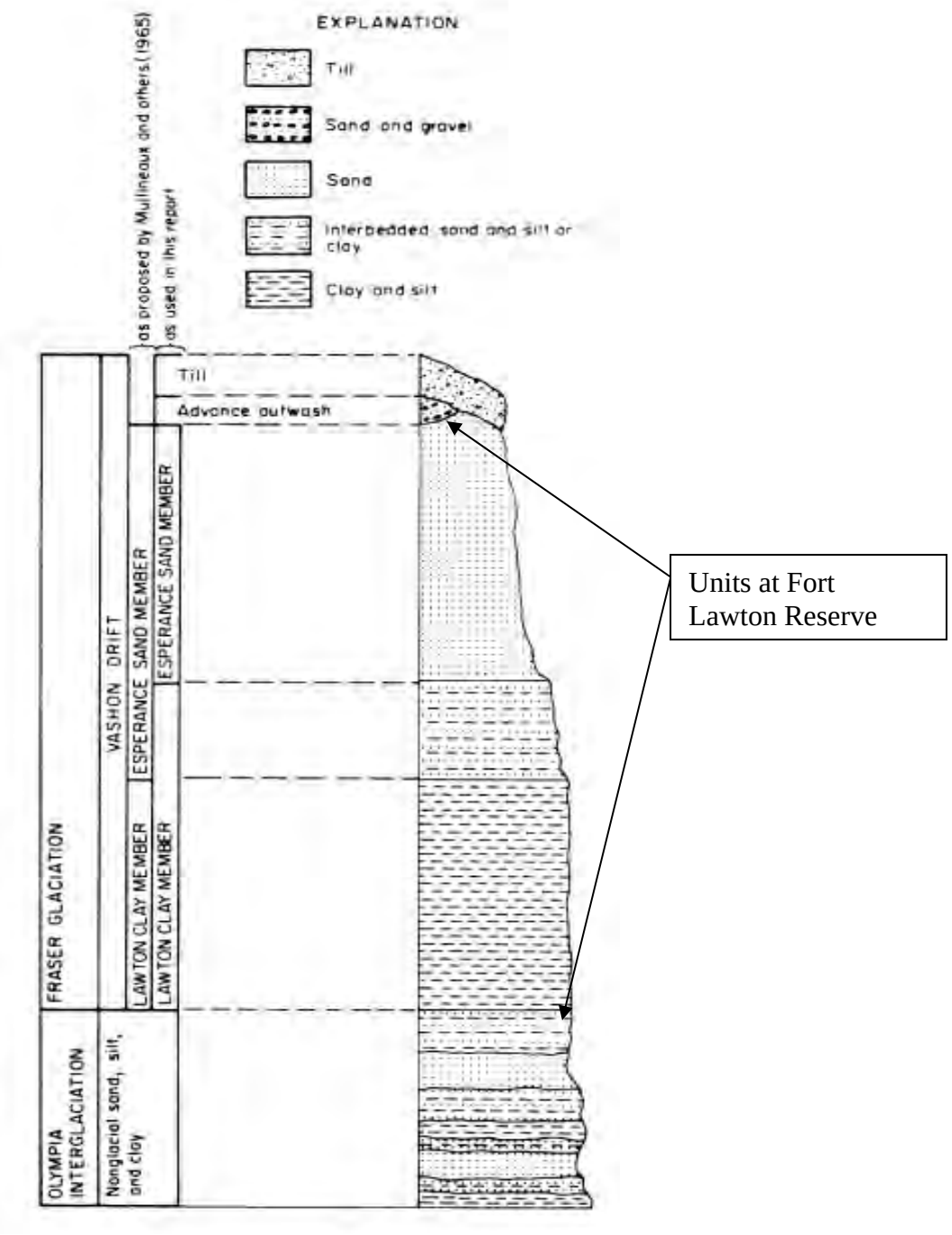
The Geologic Map of Surficial Deposits in the Seattle 30' x 60' Quadrangle, Washington (Yount, Minard and Dembrof, 1993) indicate that subject area of Fort Lawton is underlain by advance outwash deposits and pre-Fraser deposits.

The advance outwash deposits consist of slightly oxidized, light red-brown gravel and sand and light brown to gray silt and clay, moderately- to well-sorted, and well stratified. Sections generally coarsen upward from parallel laminated thin-bedded silt and clay through well-sorted cross-bedded sand to moderately-sorted, cross-bedded and plane bedded gravel. The advance outwash deposits were deposited by glacial melt water from the advancing glacial ice during the last glacial period approximately 20,000 years ago. This unit includes the Lawton Clay and Esperance Sand.

The Lawton Clay represents the earliest advance outwash when the Puget Lobe of glacial ice pushed south into the Puget Sound lowland far enough to block the northward-flowing drainage to the Strait of Juan de Fuca. This resulted in a widespread deposit of silt and clay which constitutes the Lawton Clay Member of the Vashon Drift (Mullineaux and others, 1965). The Lawton Clay is overlain by the Esperance Sand Member. The contact between the Lawton Clay and the Esperance Sand is not generally a sharp contact. Typically there is a transitional zone, several meters thick, in which sand is interbedded with silt and clay. The Esperance Sand grades coarser and more pebbly near its top, grading into the coarser grained advance outwash. In other places the Vashon advance outwash was deposited in stream channels cut into the Esperance Sand creating a more abrupt change.

The advance outwash deposits including the Esperance Sand and Lawton Clay are underlain by pre-Fraser deposits at the Fort Lawton site. The pre-Fraser deposits consist of interbedded oxidized brown, red-brown to gray gravel, sand, silt and clay. The unit is moderately to well bedded and contains minor amounts of diamicton (ice-contact deposits) and outwash sand and gravel. Generally the unit is non glacial with abundant peat and woody debris. In the Seattle area the unit includes deposits of the Olympian nonglacial interval and the upper portion of the deposit may include minor amounts of pre-Fraser glacial deposits.

A general stratigraphic sequence from Tubbs (1974) is presented below.



General stratigraphic sequence from Tubbs (1974).

SPECIFIC SITE OBSERVATIONS

The Fort Lawton Army Reserve site consists of a gently northward sloping upland area with a steep north-facing slope on the north side of the site. Numerous buildings and paved parking areas cover the upland area with a few grass-covered and landscaped areas. Building areas and some of the parking areas have been leveled such that cut and fill areas are present on site. The steep north-facing slope on the northern boundary of the property is primarily tree-covered with a mix of alders, big leaf maples, Douglas fir and western red cedar. The brush understory is thick and includes significant areas that are covered with black berry brambles. A small portion of the slope north of Texas Way is grass-covered.

Soils underlying the site consist primarily of sand and gravel with some silt units. The soils generally become coarser grained towards the south. Silt to clay soil becomes predominant near the north end of the site just south of West Lawton Street along the base of the steep north-facing slope. Fill soils of local derivation are likely present over parts of the site where past grading took place. Fill soils are evident along the slope between the northern most parking area and West Lawton Street.

The steep north-facing slope along the northern boundary of the site is generally plainer with minor convergent and divergent areas. Springs and seeps are present near the base of this slope both on the site and off site further to the north. The slope appears to be generally stable with slope angles on the order of between 20 degrees and 30 degrees. No obvious recent landslides are evident on the slope; however, minor soil creep is evident. Significant portions of the slope have been heavily burrowed by rats and fill soils are present near the upper portions of the slope.

Most of the upland area appears to be relatively well drained. A swale area along the west side of 36th Avenue West appears to receive some storm water run off from paved areas and there is no evidence of surface water flow at this location. However, based on soil descriptions associated with underground storage tank investigations and hand dug test pits along the north side of the site and surface soil observations on the site, silty soils with lower permeability should be expected particularly towards the north end of the site.

SPECIFIC VICINITY OBSERVATIONS

As development on a property can have off site impacts and off-site observations can assist in evaluating the geology of the area, observations were made along the steep slopes in the ravine at Kiwanis Memorial Park located to the east of the site and along West Lawton Street, Commodore Way and 40th Avenue West located north of the site.

A steep sided ravine is located within Kiwanis Memorial Park. The upper slopes of the ravine are underlain by compact sand and gravel. The soils become progressively siltier towards the bottom of the ravine and the base of the ravine slope is underlain by clay soils in some areas. Seeps and springs are present at the base of the slopes and a year round spring fed stream is located in the bottom of the ravine. Evidence of past shallow landslides is evident throughout the ravine. The slides appear to be triggered by a combination of the very steep slopes along with piping of sand and silt at the base of the slope within the springs and seeps.

Slopes and limited soil exposures along West Lawton Street and Commodore Way indicate numerous wet areas with a mix of soil types from very compact sand to hard clay. No obvious landslides are present in the area, but retaining walls and development of homes on pilings near the tops of slopes along with wet soil areas indicates that slopes are likely potentially unstable if cut or if fill is placed on the slopes. Portions of Commodore Way appear to have been subjected to differential settlement or road bed failure along a wet area.

A road cut along 40th Avenue West northwest of the property exposes glacial till. The till appears to pinch out towards the south and appears to be overlying advance outwash sand and gravels.

POTENTIAL GEOLOGY HAZARDS

The only potential geology hazard at the site is the potential for shallow landslide hazards associated with the steep slope on the north side of the site.

The slope along the north end of the Fort Lawton Army Reserve site is potentially unstable. No landslides are evident at the site nor are slides reported (Shannon and Wilson, Inc., 2003). However, the slope is steep enough and the presence of seeps and springs are such that alteration of the slope conditions would likely lead to shallow surface soil failures or erosion on some portions of the slope unless engineered designed mitigation measures are in place. Additional detailed analysis should be performed to establish appropriate setbacks from the slope and/or to establish engineered designed mitigation measures.

Removing invasive plants from the slope such as blackberries and English ivy will have minimal impact on slope stability in the short term and in the long term enhance slope stability. Encouraging evergreen trees on the slope as opposed to deciduous trees will also improve slope stability by reducing the frequency that the slope will be saturated.

Development could potentially be done on the slope or near the slope, but will require site and development specific engineered designed retaining structures and site specific subsurface drainage.

Redevelopment of the site will not lead to an increase the risk of off-site landslides as long as storm water and surface water run off is handled in a manner similar to the way it currently is managed on the site. Much of the site is currently covered with impervious surfaces and water is directed into an existing storm water system. Redevelopment of the site could potentially infiltrate more storm water if low impact development techniques are used; however, a full evaluation of this issue is not possible as there are no specific redevelopment plans at this time. If ground water recharge is maintained at similar levels as is currently taking place at the site or at levels near natural conditions, no off-site impacts would be posed.

Shannon and Wilson, Inc. (2003) as well as Tubbs (1974) indicate that slope stability problems are associated perched ground water above the Lawton Clay at some locations in Seattle. The contact between the overlying sandy units and underlying silts on the slope along the north side of the site does not appear to be a sharp contact, and the slope does not appear to have been impacted by the types of failures typically associated with perched water above the Lawton Clay as at other Seattle locations. Tubbs (1974) observed that saturation failures associated with perched water above the Lawton Clay appeared to be an issue on the southwest and west sides of the hills in Seattle and the same conditions were not present on the east and north sides of the

hills. Tubbs postulated that the contact between the two units was slightly sloped to the west southwest and hence high water pore pressure was limited to those slopes.

As topography and geomorphic evidence on the slope to the north indicates that ground water mounding is not a cause of past slope failures, maintaining ground water infiltration levels at natural background levels should not cause slope stability problems typically associated with ground water mounding. Natural ground water recharge can be accommodated at the site via a combination of using existing storm water facilities and new infiltration sites and would depend on the amount of impervious development proposed and the amount of evergreen tree covered areas on the site.

GEOTECHNICAL CONSIDERATIONS

Soils underlying much of the site consist of soils that have been over ridden by glacial ice. As such the native soils have been over consolidated and will support typical foundation loads. However, there is likely variability across the site as at least a portion of the site is located in an area transitioning between sub units between the Lawton Clay, Esperance Sand and more generic glacial outwash. In addition cut and fill grading in the past to create a semi terraced landscape on portions of the site means that some of the soils underlying the site have been disturbed and are underlain by fill. As noted in hand dug test pits on the slope on the north side of the property, fill soils covered some portions of the slope.

Due to the variable nature of soil conditions, larger buildings with heavier foundation loads may be subject to differential settlement unless site specific foundation designs specific to site soil conditions are developed. However, soil conditions on the site should not be pose particularly difficult conditions for site development.

Appendix D
Existing Facilities Study

Fort Lawton Reuse Plan
Existing Facilities Assessment

June 13, 2008

1011 SW Klickitat Way
Suite 102
Seattle, WA 98134
206.623.6832

AKS
ARCHITECTURE
INTERIOR DESIGN

EXECUTIVE SUMMARY

The existing buildings at Fort Lawton, which are being considered through the evolution of the City of Seattle's Reuse Proposal, were evaluated for their overall condition, use, and characteristics. This Limited Facilities Assessment illustrates the information discovered concerning five of the seven major existing buildings at Fort Lawton. The two remaining buildings were not examined as the Fort Lawton USARC Building 240 is not part of the City's Reuse Plan and documents for the OMS Building 240 were unavailable. Drawings were used in the field to confirm the current conditions and layouts of the buildings. Each building's construction methods, square footage, exterior appearance, interior facets, and mechanical systems were addressed.

Conclusions

The following are the conclusions of this Facility Assessment:

Generally, all the buildings were in good condition.

- Building 211
  - Built in 1952.
  - A single story concrete with brick masonry veneer and wood joist roof structure.
  - Contains unheated storage.

- Building 214
  - Built in 1999.
  - A single story pre-engineered steel structure with corrugated metal siding and metal roofing.
  - Contains offices and computer equipment storage.

- Harvey USARC Building 216
  - Built in 1952 and in 2003 an addition was added.
  - A two story concrete with brick masonry veneer and steel joist structure. The 2003 building addition is a one story pre-engineered metal structure with metal siding and a brick veneer wainscot.
  - Contains offices, classrooms, storage, and auditorium.

- Leisy USARC Building 220
  - Built in 1970 with a building addition added in 1976.
  - A two story precast concrete column and steel joist structure with precast concrete panels.
  - Contains offices, classrooms, storage, and assembly spaces.
  - May contain asbestos.

- AMSA Building 222
  - Built in 1970.
  - A single story precast concrete column and steel joist structure with precast concrete panels.
  - Maintenance shop for army vehicles.

TABLE OF CONTENTS

INTRODUCTION

This Limited Facilties Assessment evaluates the existing buildings at Fort Lawton that are to be considered during the development of the City of Seattle's Reuse Proposal. Documents and as-builts provided by the Army Reserve were reviewed in the field to verify the layout and current use of the building. When discrepancies occurred, they were noted on the drawings. The site is comprised of seven major buildings across a sloping site surrounded with tall dense trees. It is landscaped with mostly grass and some small shrubs. There is approximately a 68 foot difference in elevation between the north and south ends of the subject site. A berm divides the east side of the site from neighboring houses.

The seven buildings include:

- Building 211
- Building 214
- Harvey USARC Building 216
- Leisy USARC Building 220
- AMSA Building 222
- Fort Lawton USARC Building 240
- OMS Building 245

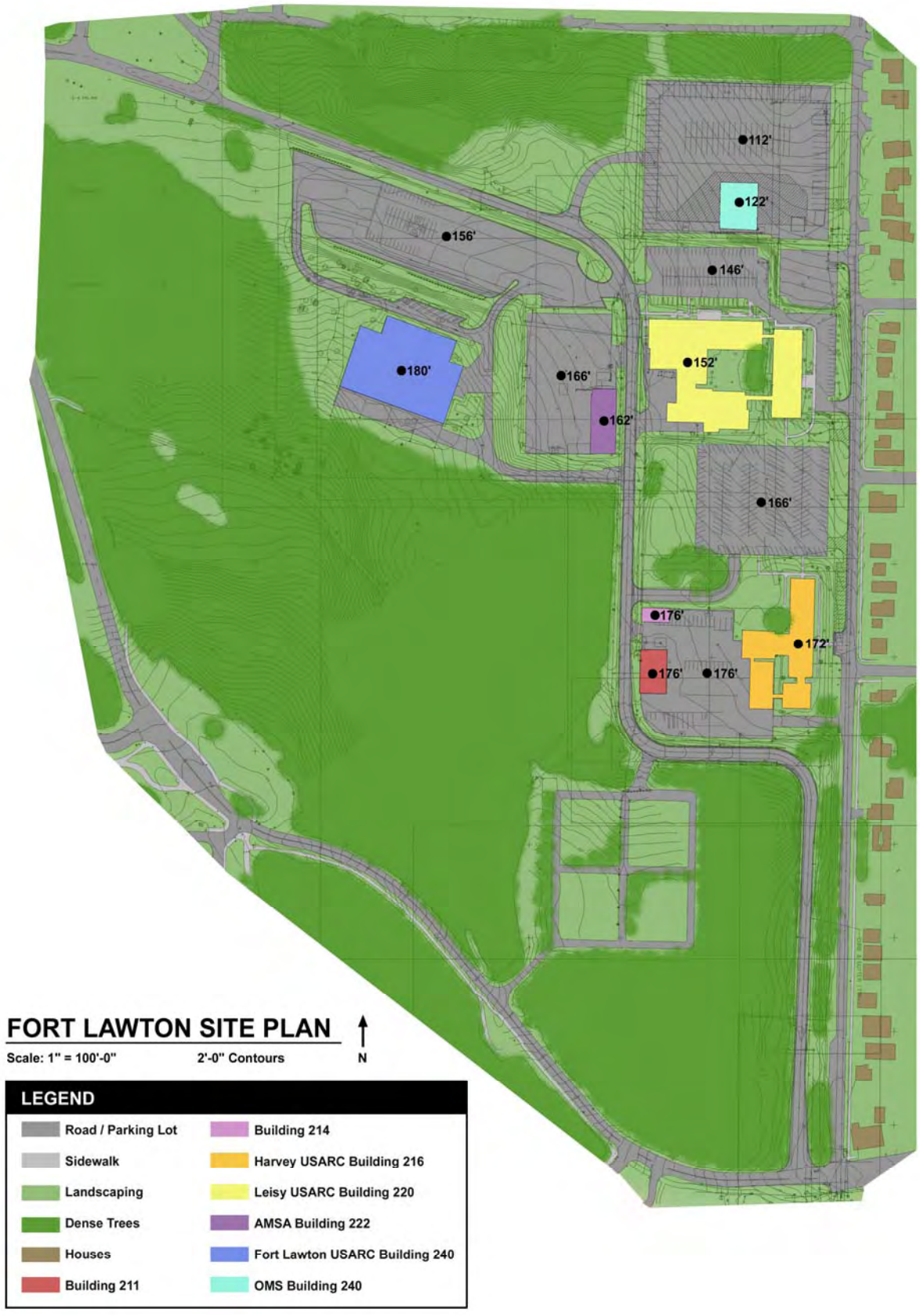
Building 240 will be turned over to the Veterns Administration and is not a part of the City of Seattle's Reuse Plan. Building 211 was originally a maintanace shop, which is now currently used for cold storage and is located west of Harvey USARC Building 216. Building 214 is a pre-engineered metal building that was converted into office spaces and computer equipment storage. It is located just north of Building 211. Harvey USARC Building 216 is located on the eastern site of the site and contains classrooms, offices, storage, and an auditorium. Leisy USARC Building 220 houses offices, classrooms, storage, and assembly areas that is sited north of Building 216. Building 222 is a maintenace shop for army vehicles that is west of Leisy USARC Building 220. Each of the previously mentioned building's construction methods, sqaure footage, exterior, interior, and mechanical systems were documented. A report for each is included on the succeeding pages. On the following page, Figure 1, depicts the building locations relative to the roads, parking lots, houses, and landscape. At this time there is no known information on OMS Building 245, so it is not included in this Facilities Assesment.

The following table is a summary of the buildings. Each building's condition was rated as being Very Good, Good, or Poor.

Table 1: Fort Lawton Building Report

Name	Year Built	Total Area (Gross SF)	Condition
Building 211	1952	4,860	Good
Building 214	1999	1,800	Good
Harvey USARC Building 216	1952, 2003	37,248	Very Good
Leisy USARC Building 220	1970, 1976	66,401	Good
AMSA Building 222	1970	6,468	Good
OMS Building 245	?	?	?
	Total	**116,777**	

Figure 1: Fort Lawton Site Plan



BUILDING 211 – Unheated Materials Storage

Building 211 is a single story concrete building with brick masonry veneer and wood joist roof structure that was constructed in 1952. Concrete Masonry Units (CMU) were used to infill 3 of the building's original 4 roll-up doors. The building has a footprint of approximately 4,860 sq ft.

- **Interior:**

Storage areas are created with freestanding chain link and metal mesh enclosures. It is a singular enclosed space with access via an overhead coiling service door. The floor is concrete and the walls are painted concrete. There is a small restroom located on the northwest side of the building.

- **Exterior:**

The site slopes from the north up to the south and is adjacent to the south parking lot for Harvey. Brick masonry wraps the exterior of the building and appears to be in good condition. The clerestory windows, metal doors, and gable built up roof with a mineral cap sheet all seem to be in good condition.

- **Mechanical:**

The building is not heated. Interior lighting is from round ceiling hung fixtures.

Figure 2: Exterior View of Building 211

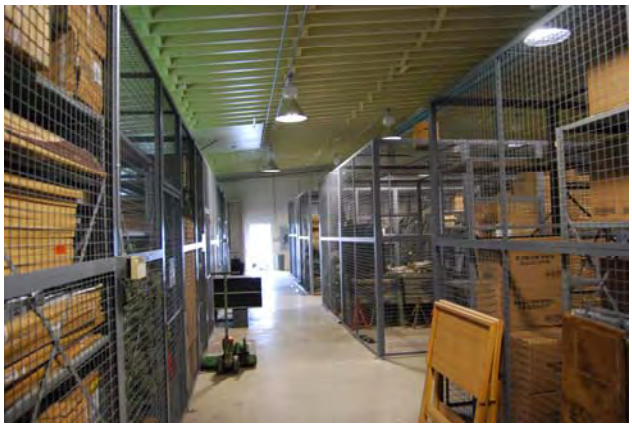
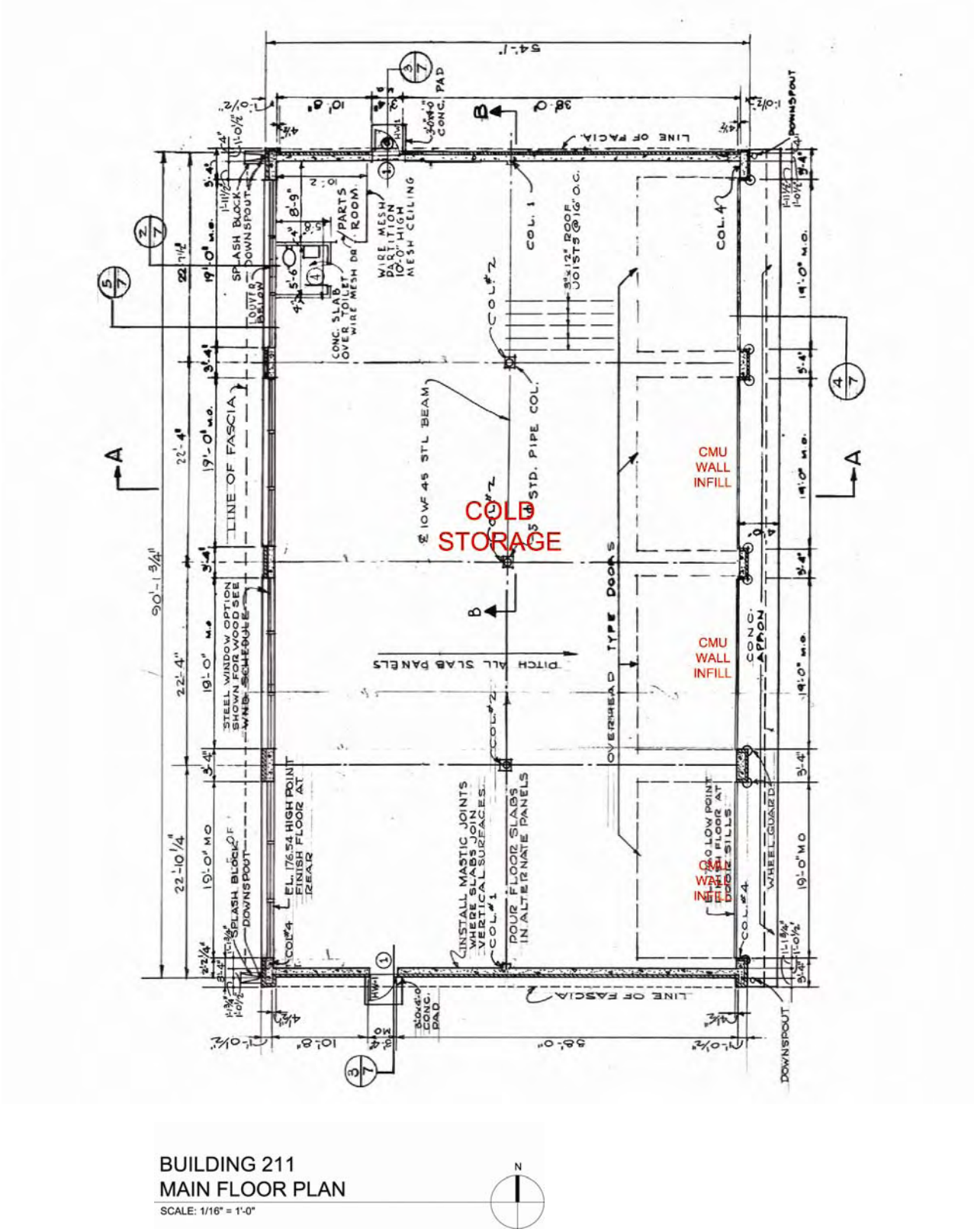


Figure 3: Interior View of Building 211 Metal Storage Enclosures

Building Assessment Summary				
Name	Use Description	Year Built	Total Area (Gross sf)	Condition
Building 211	Unheated Storage	1952	4,860 sf	Good

Figure 4: Building 211 Floor Plan



BUILDING 211
MAIN FLOOR PLAN
SCALE: 1/16" = 1'-0"

BUILDING 214 – Storage and Offices

Building 214 is single story pre-engineered steel structure with metal siding that was erected in 1999. The building has a footprint of approximately 1,800 sq ft.

- **Interior:**

An ATC 2 x 4 grid ceiling system and painted gypsum wall board partitions are used to create the enclosed office and restroom. The rest of the building has a layer of gypsum wall board covering the exterior walls only up to roughly 7'-6". The remaining is exposed to the steel structure. Vinyl tile is used in the enclosed office and restroom for the interior floor finish. The rest of the building has a concrete floor finish.

- **Exterior:**

The site slopes from the north up to the south and is adjacent to the Harvey parking lot. Metal siding and a metal gable roof creates the exterior of the building. Both appear to be in good condition. The exterior metal doors along with the roll-up door also seem to be in good condition.

- **Mechanical:**

The building is heated with natural gas heaters that are hung from the ceiling. The lighting system is a series of hung fluorescent lights and round ceiling fixtures in the open spaces and recessed fluorescent lights in the enclosed office and restroom.

Figure 5: Exterior View of Building 214

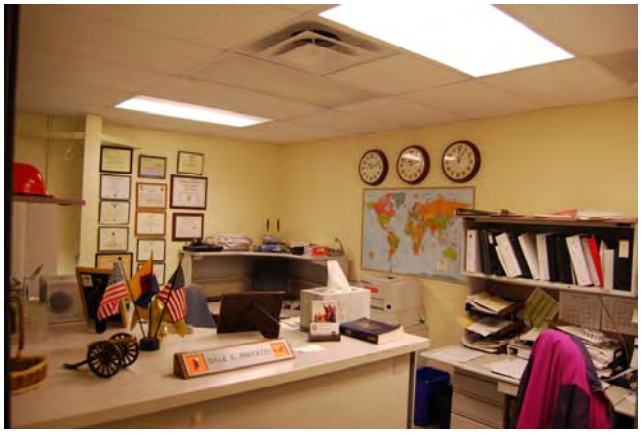
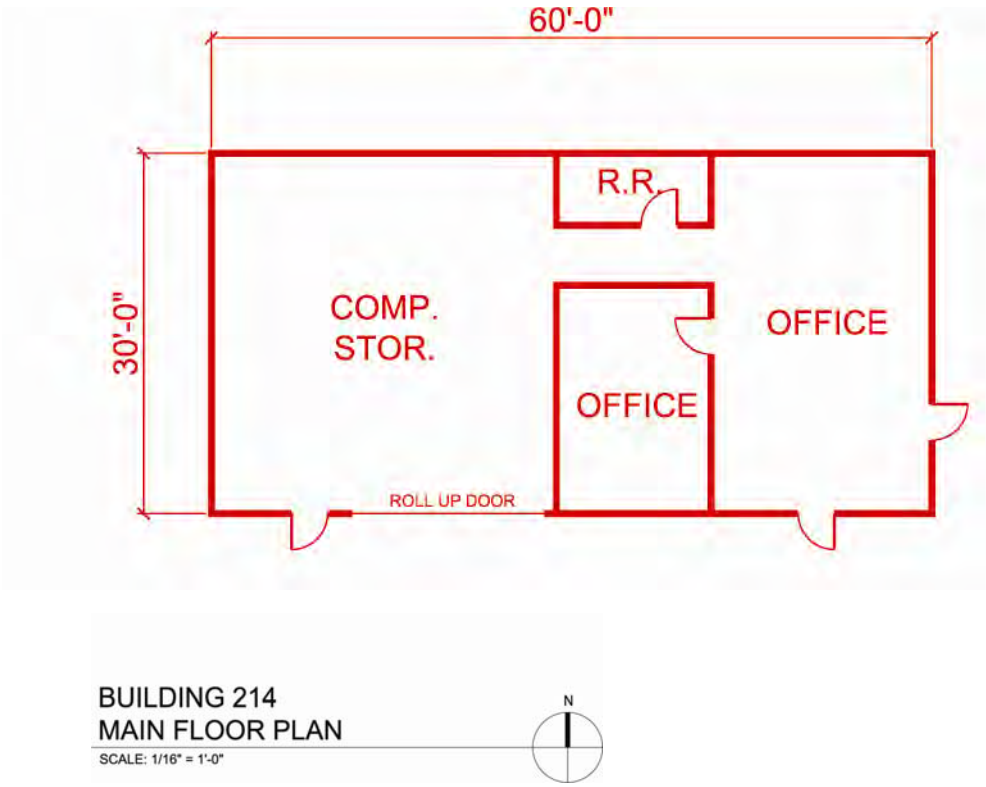


Figure 6: View of Enclosed Office

Figure 7: View of Storage Space

Building Assessment Summary				
Name	Use Description	Year Built	Total Area (Gross sf)	Condition
Building 214	Storage and Offices	1999	1,800 sf	Good

Figure 8: Building 214 Floor Plan



HARVEY USARC BUILDING 216 – Offices, Classrooms, Storage, and Auditorium

Harvey USARC Building 216 is a two story concrete building with brick masonry veneer and a steel joist structure that was built in 1952. In 2003 a one story pre-engineered metal addition, with metal siding and brick masonry wainscot, was added to the south end of the west wing. The building has a footprint of approximately 27,460 sq ft.

- **Interior:**

Painted gypsum wall board, fabric panels, painted CMU, and a tan colored rubber base are the interior wall finishes. The floor finishes include hardwoods, tile, vinyl tile, and carpet. An ATC 2 x 4 grid system and 2 x 2 grid system are used for the ceiling. Both wood and metal doors are used on the interior. The music area, which is located in the 2003 building addition, contains sound proof practice rooms with STC 45-doors.

- **Exterior:**

The site slopes from the northeast up to the southwest and is landscaped with grass and trees. Brick masonry wraps the exterior of the building and seems to be in good condition. The metal windows and doors also look to be in good condition. The built-up roof system with a mineral cap sheet is about 10 years old and is also in good condition. There is a small courtyard space that was formed when the building addition was added in 2003. This space is rather uninteresting as it only contains gravel and no landscaping features.

- **Mechanical:**

The building is heated with hot water baseboard heaters served from a natural gas boiler. The boiler was upgraded to natural gas from oil in the 90's.

Figure 9: View of Harvey North Elevation

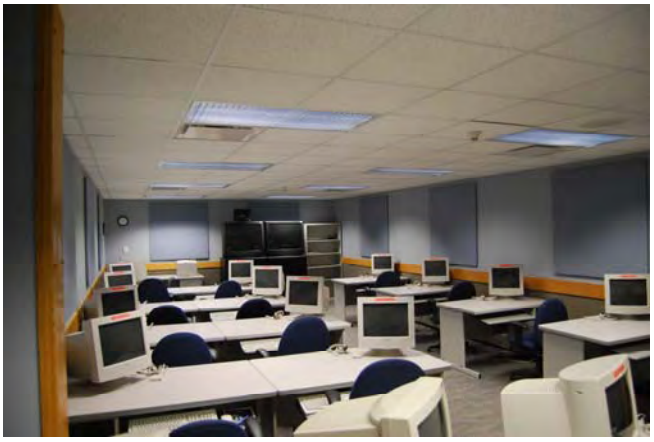


Figure 10: View of Harvey Computer Classroom

Figure 11: View of Harvey Conference Room

Building Assessment Summary				
Name	Use Description	Year Built	Total Area (Gross sf)	Condition
Harvey USARC Building 216	Offices and Classrooms	1952, 2003	37,248 sf	Very Good

Figure 12: Harvey USARC Building 216 Main Floor Plan

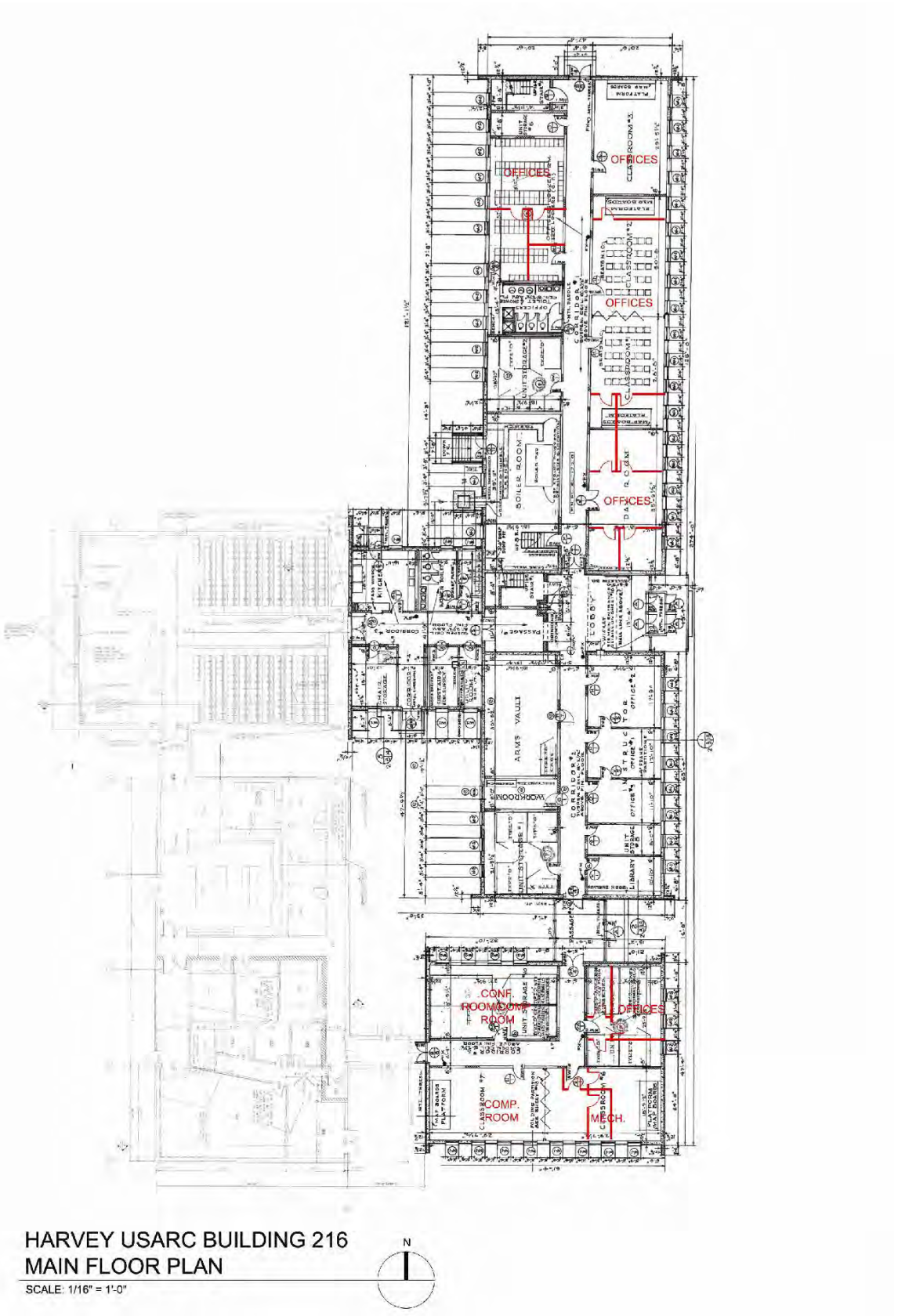
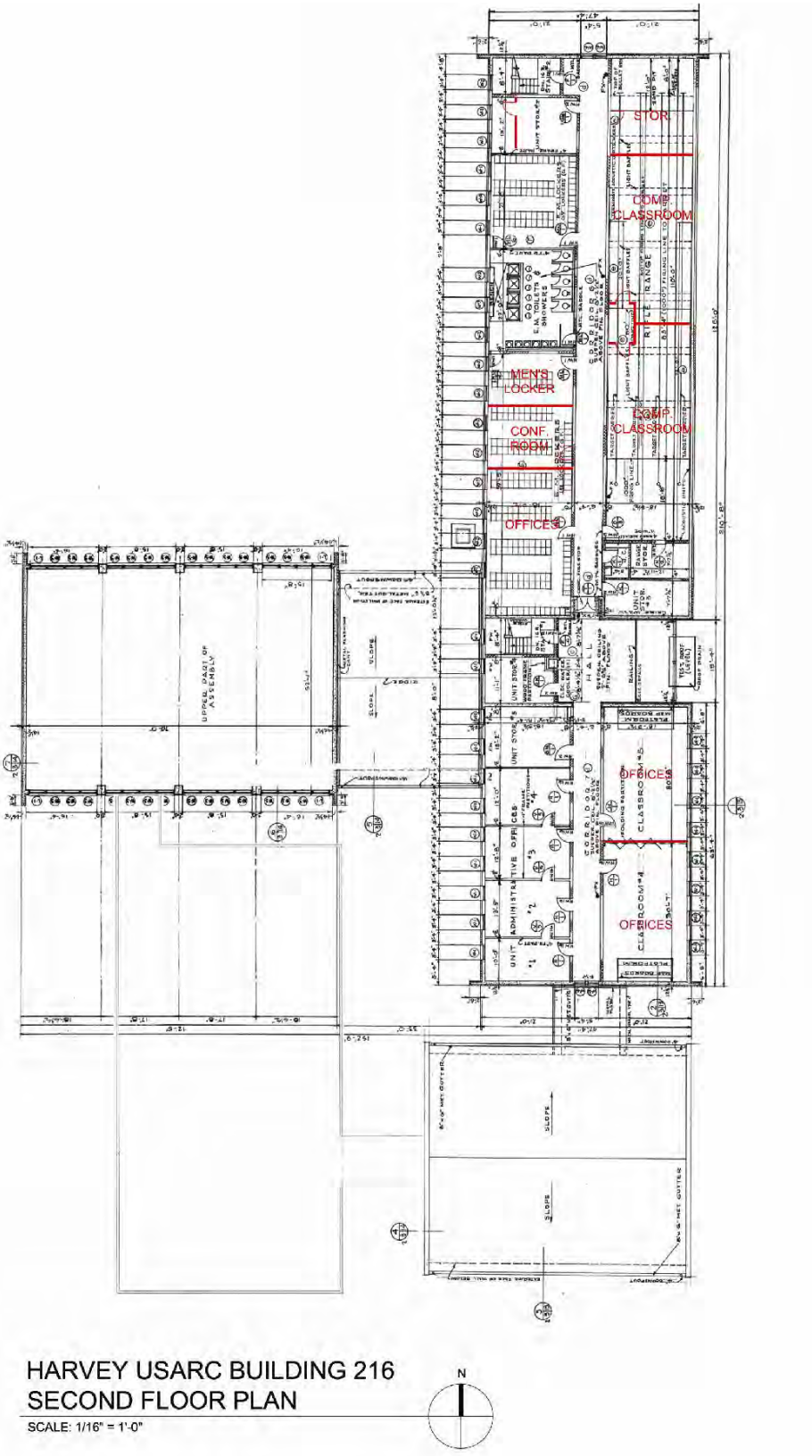


Figure 13: Harvey USARC Building 216 Second Floor Plan



LEISY USARC BUILDING 220 – Offices, Classrooms, Assembly Rooms, and Storage

The Leisy USARC Building 220 is a two story precast concrete column and steel joist structure with precast concrete panels that was built in 1970 and later added to in 1976. The building has a footprint of approximately 43,444 sq ft.

- **Interior:**

Painted gypsum wall board, painted CMU, fabric panels, wood paneling, and a tan colored rubber base are used for the interior wall finishes. The interior floor finishes consist of vinyl tile, concrete, tile, and carpet. Existing construction documents indicated there may potentially be asbestos in some of the vinyl floor tiles. An ATC 2 x 4 grid system is used for the ceiling in most spaces. Some spaces ceilings' are painted gypsum wall board or are open to the building structure. Both wood and metal doors are used on the interior.

- **Exterior:**

The site slopes significantly from the northeast up to the southwest and is landscaped with grass and tress. White concrete columns, along with a combination of precast concrete "T" panels and exposed aggregate concrete panels, compose the exterior of the building. These elements of the exterior skin appear to be in good condition. The buildings metal doors and windows also seem to be in good condition. The roof is a built-up roof system with ballast that looks older than 10 years. It is problematic because it leaks. A central courtyard space was formed by the building addition in 1976. This space is a mixture of pavement, grass, and trees.

- **Mechanical:**

The building is heated by baseboard heaters. The emergency operations room and server rooms are the only spaces with air conditioning. The lighting system is mostly recessed or ceiling mounted fluorescent lighting and some round ceiling hung fixtures.

Figure 14: View of Leisy USARC Building 220 South Elevation

Figure 15: View of Leisy USARC Building 220 Assembly Space

Figure16: View of Leisy USARC Building 220 Emergency Operations Room

Building Assessment Summary

Name	Use Description	Year Built	Total Area (Gross sf)	Condition
Leisy USARC Building 220	Offices and Classrooms	1970, 1976	66,401 sf	Good

Figure 17: Leisy USARC Building 220 Main Floor Plan

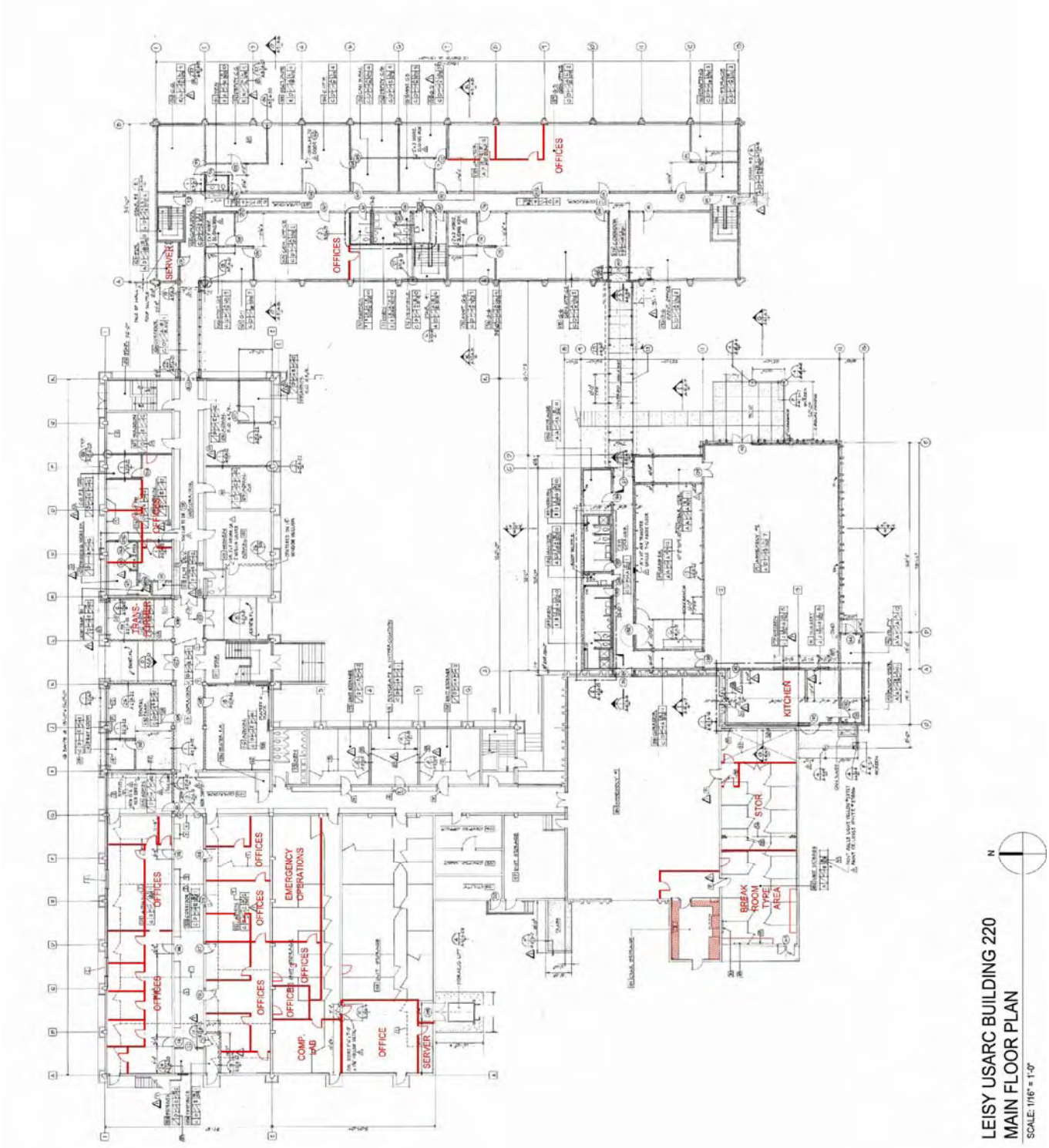
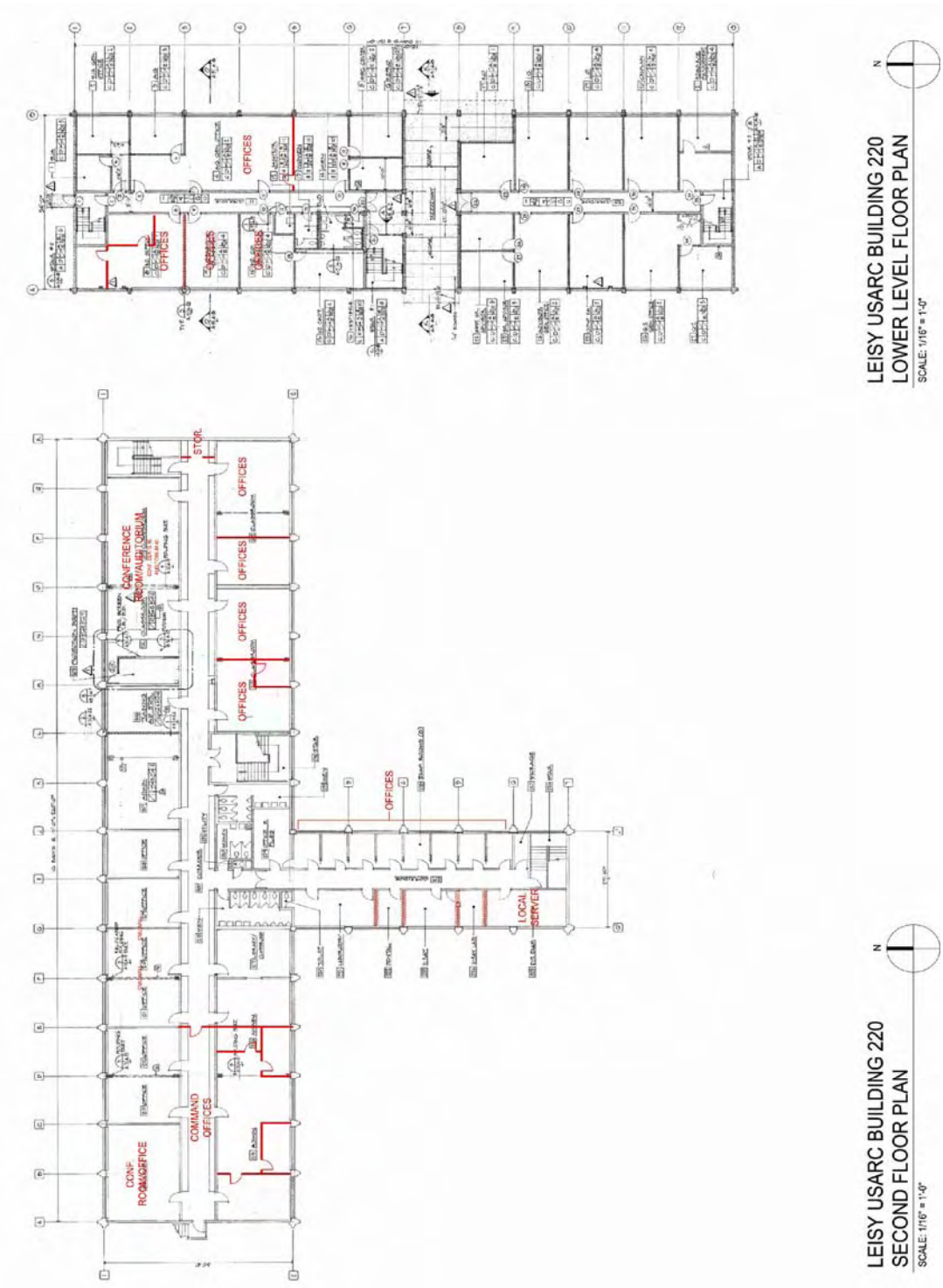


Figure 18: Leisy USARC Building 220 Second Floor Plan



AMSA BUILDING 222 – Maintenance Shop for Vehicles

The AMSA Building 222 is single story precast concrete column and steel joist structure with precast concrete panels that was constructed in 1970. It is exactly the same in appearance and construction as the Leisy USARC Building 220. The building has a footprint of approximately 6,468 sq ft.

- **Interior:**

The interior wall finishes are painted gypsum wall board and painted concrete. Vinyl tile and concrete are used for the interior floor finishes. The ceiling is exposed to the steel joists and metal decking. Both wood and metal doors are used in the interior.

- **Exterior:**

The site slopes from the east up to the west. A large parking lot surrounds the north and west sides of the building. White concrete columns, precast aggregate concrete panels, and a built up roof system with a ballast create the exterior of the building. They appear to be in good condition. The west elevation has a series of roll up metal doors, whereas the east elevation has several clerestory windows. The metal doors and windows seem to be in good condition.

- **Mechanical:**

The building is heated by baseboard and wall mounted heaters. The lighting system is fluorescent lighting strips and ceiling hung fixtures.

Figure 19: View of AMSA Building 222 East and North Elevation

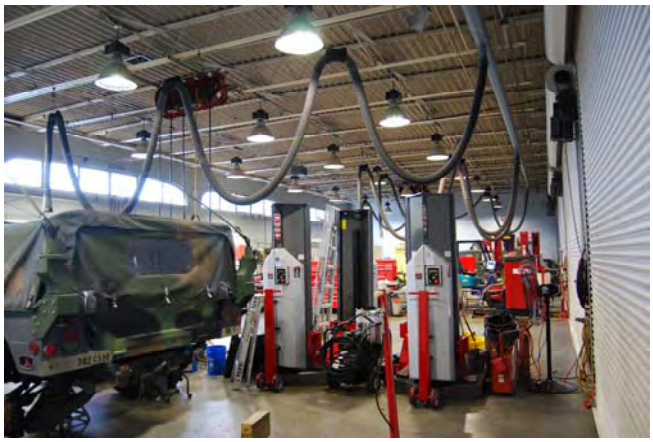


Figure 20: View of AMSA Building 222 Truck Bay

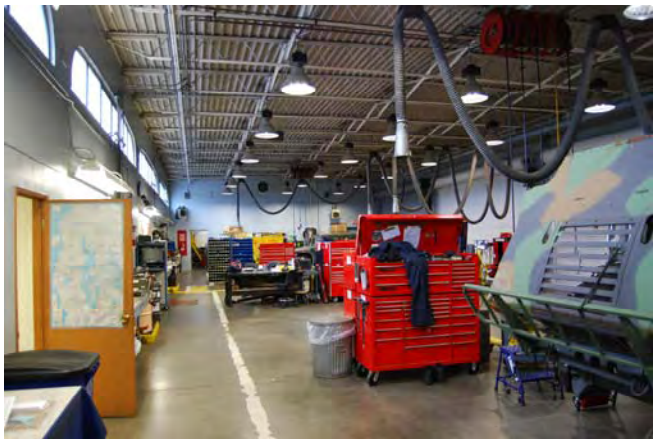
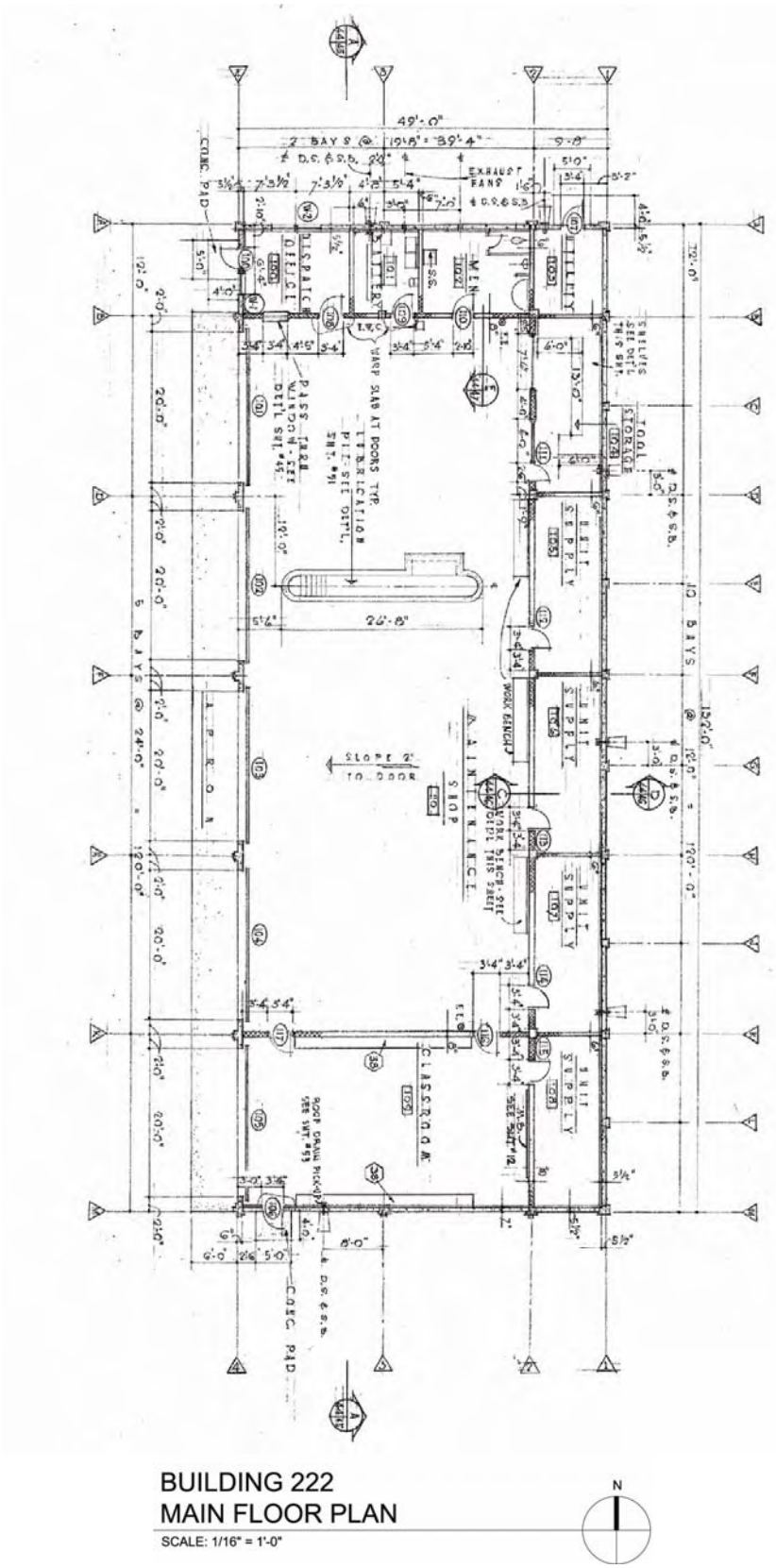


Figure 21: View of AMSA Building 222 Truck Bay

Building Assessment Summary				
Name	Use Description	Year Built	Total Area (Gross sf)	Condition
AMSA Building 222	Maintenance Shop	1970	6,468 sf	Good

Figure 22: AMSA Building 222 Floor Plan



Appendix E
Infrastructure Study

Bush, Roed & Hitchings, Inc.

2009 Minor Avenue East
Seattle, WA 98102
(206) 323-4144
Fax: (206) 323-7135
www.brhinc.com

Memo

To: Rob Lloyd, EDAW, Inc.

From: Max Craddock, P.E.

CC: Jay Decker, P.E.

Date: 6/3/2008

Re: Existing Sewer & Water Capacity Investigation - Fort Lawton, Seattle

---

Mr. Lloyd:

We have completed our capacity investigation of sanitary sewer and water systems currently serving the Fort Lawton property in Seattle, Washington. The results are as follows:

A single 8" sewer currently carries all sanitary flows from the site to a 144" Metro sewer trunk line about 415 feet to the north in Commodore Way. We expect the flow capacity of the 8" sewer to be approximately 2.0 million gallons per day.

We have calculated a hypothetical sewer demand loading based on the development program you provided. The program included 55 senior housing units, a commercial kitchen, 90 three-bedroom townhomes, an 80,000 square foot office building and 150 2-3 bedroom single-family homes. Given these condtions, we calculate a total sewer demand of 0.12 million gallons per day.

We have included a detailed breakdown of our analysis methodolgy in the appendix to this memo.

We are unable to make a determination of the capacity of the the potable water system serving the property without testing the existing system for pressure and flow rate. There is no current record of pressure and flow testing for water mains in the vicinity. The record of recent construction at Fort Lawton indicates that the property is served by a 12" water main which should provide a high level of service given that sufficient water pressure is present.

It has been our pleasure to assist you in this project. Please do not hesitiate to contact either Jay Decker or myself if there is any other way we can be of assistance.

Sincerely,

Max Craddock, P.E.

APPENDIX:

Existing Sanitary Sewer Capacity and Hypothetical Sewer Demand Calculations

Ft. Lawton Existing Sewer Capacity Determination

Bush, Roed & Hitchings, Inc.
May 28, 2008

EXISTING CONDITIONS

8" diameter sewer (assumed concrete) exits sewer manhole 27, SSMH 27, at north side of site and connects to 144" Metro sewer trunk in Commodore Way. This is the only existing sewer drain from the site. To determine available sewer capacity for future development it will be necessary to know the capacity of this single sewer drain. Known details regarding this length of sewer are as follows:

Per 8/14/2000 as-built drawing for Ft. Lawton USARC/OMS
Sheet C3.9 - Sanitary Sewer Plan and Profile:
SSMH 27
Top EL = 101.04
IE 8" N = 85.76
IE 8" S = 85.89

Per City of Seattle Sewer Card 2712-7 after drawing 860-27(?)
SSMH 27
Top EL = 95.6
IE = 81.5

DETERMINATION OF SEWER SLOPE

Due to difference in vertical datum used when SSMH 27 details were recorded, the approximate slope of pipe will be determined based on existing change in surface elevation from SSMH 27 to the 144" Metro sewer trunk and the distance between SSMH 27 and the trunk. Change in elevation will be determined by 2-foot contour mapping of the area created by the Seattle Department of Planning and Development (DPD).

~ Distance D = 415 feet
~ Change in Surface Elevation Δel = 53 feet
~ Slope of pipe S = 53/415 = 0.13 = 13%

CALCULATION OF SEWER CAPACITY

Using Manning's Equation
n = 0.013 (avg. value for concrete pipe)
S = 0.13
A = 0.3526 ft^2
R = 0.1675 feet
Q_{full} = 4.42 cfs
• Q full is adjusted for 70% full pipe, d/D = 0.7 (for sewer dsign Civil Eng. Ref. Manual, 10th Ed.)
Q/Q_{full} = 0.71
0.71*4.42 cfs = 3.14 cfs = 2.0 MGD

BUSH, ROED & HITCHINGS, INC.
CIVIL ENGINEERS & LAND SURVEYORS
2009 Minor Avenue East
Seattle, WA 98102
(206) 323-4144 FAX (206) 323-7135
1-800-935-0508

JOB 2008061 - FT. LAWTON (CDM)
SHEET NO. ____ OF ____
CALCULATED BY KMC DATE 5/28/09
CHECKED BY ____ DATE ____
SCALE ____

8" SANITARY OUTLET CAPACITY ANALYSIS

BY MANNING'S

$$Q = \frac{1.49}{n} A R^{2/3} \sqrt{S}$$

$S = 0.13$

$n = 0.013$ (AVG. FOR CONC PIPE)

$A = \frac{\pi}{4} d^2 = \frac{\pi}{4}(0.67')^2 = 0.3526 \text{ ft}^2$

$R = \frac{A}{P}$, $P = \pi d = \pi(0.67') = 2.105'$

$= \frac{0.3526 \text{ ft}^2}{2.105 \text{ ft}}$

$= 0.1675 \text{ ft}$

$Q = \left(\frac{1.49}{0.013}\right)(0.7526)(0.1675)^{2/3}\sqrt{0.13}$

$= 4.42 \text{ cfs}$ (FULL FLOWING)

70% DEPTH ADJUSTMENT FOR SANITARY CAPACITY ANALYSIS (ASCE)

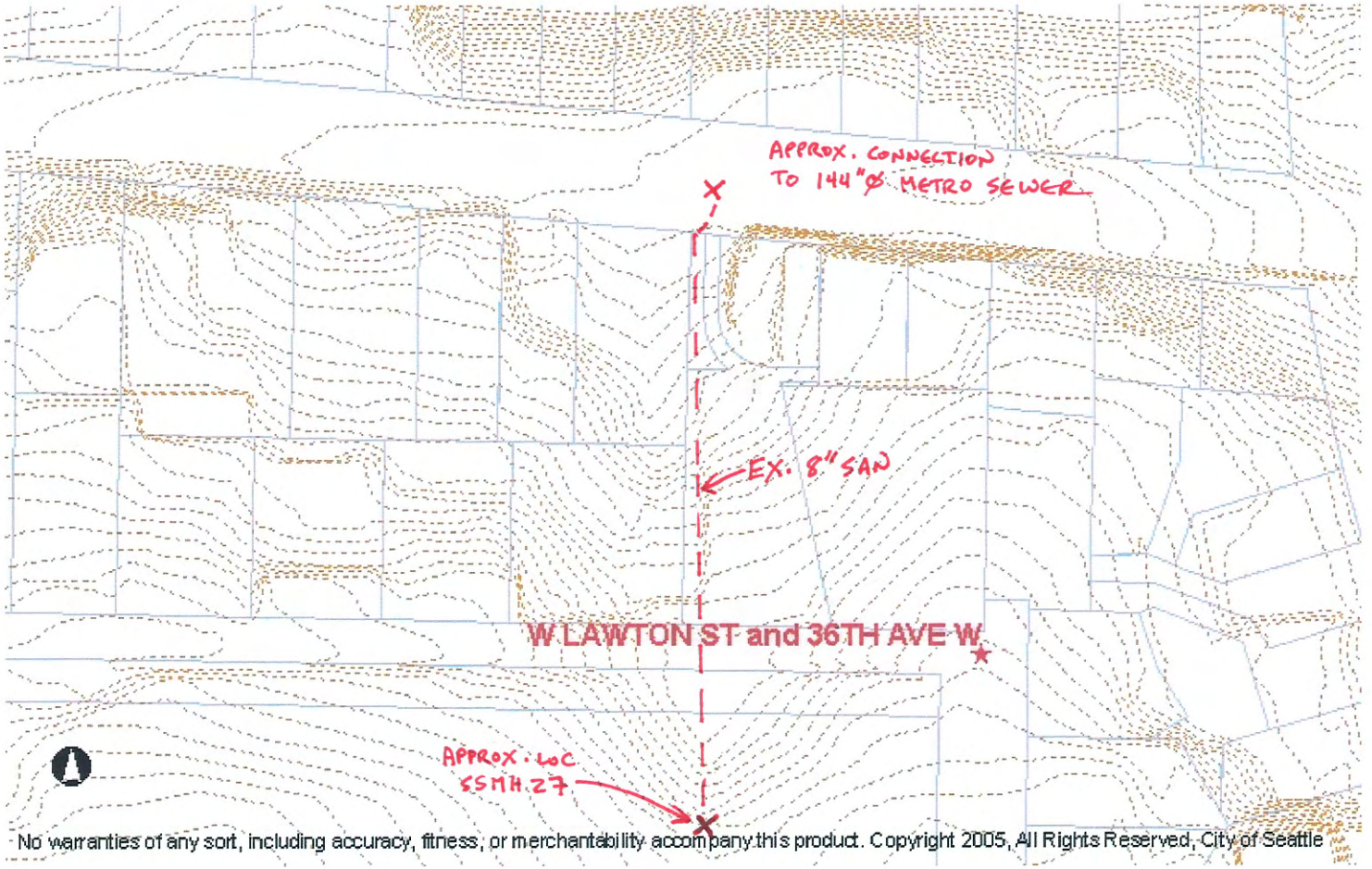
$\frac{d}{D} = 0.7 \rightarrow \frac{Q}{Q_{full}} = 0.71$

$Q = (0.71) Q_{full} = 0.71(4.42 \text{ cfs})$

$= 3.14 \text{ cfs} = \underline{2.0 \text{ MGD}}$

City of Seattle: DPD GIS MAP - 5/28/2008

FT. LAWTON SANITARY OUTLET PIPE SLOPE DETERMINATION



Legend

Two Foot Contours

Parcels

APPROX. LENGTH OF 8" SAN = 415'

" CHANGE IN ELEV. = 53'

PIPE SLOPE = $\frac{53'}{415'}$ = 12.8%

Notes:

SIDE SEWER CARDS & MAPS

3614 W LAWTON ST

Search Again

Side sewer cards from 2001 are available as large JPEG images. A high-speed connection (e.g., cable or DSL), is highly recommended if you wish to download these cards.

The JPEG image displayed in your browser window may be too large to print on 8.5-by-11-inch paper. We recommend that you right-click the image, select **Save Picture As**, and save the image to a location on your local computer. You can then open the card in the image viewer of your choice and resize as necessary. Alternatively, you can choose a larger paper size (11-by-17-inch recommended) in your browser's **Print** dialog box.

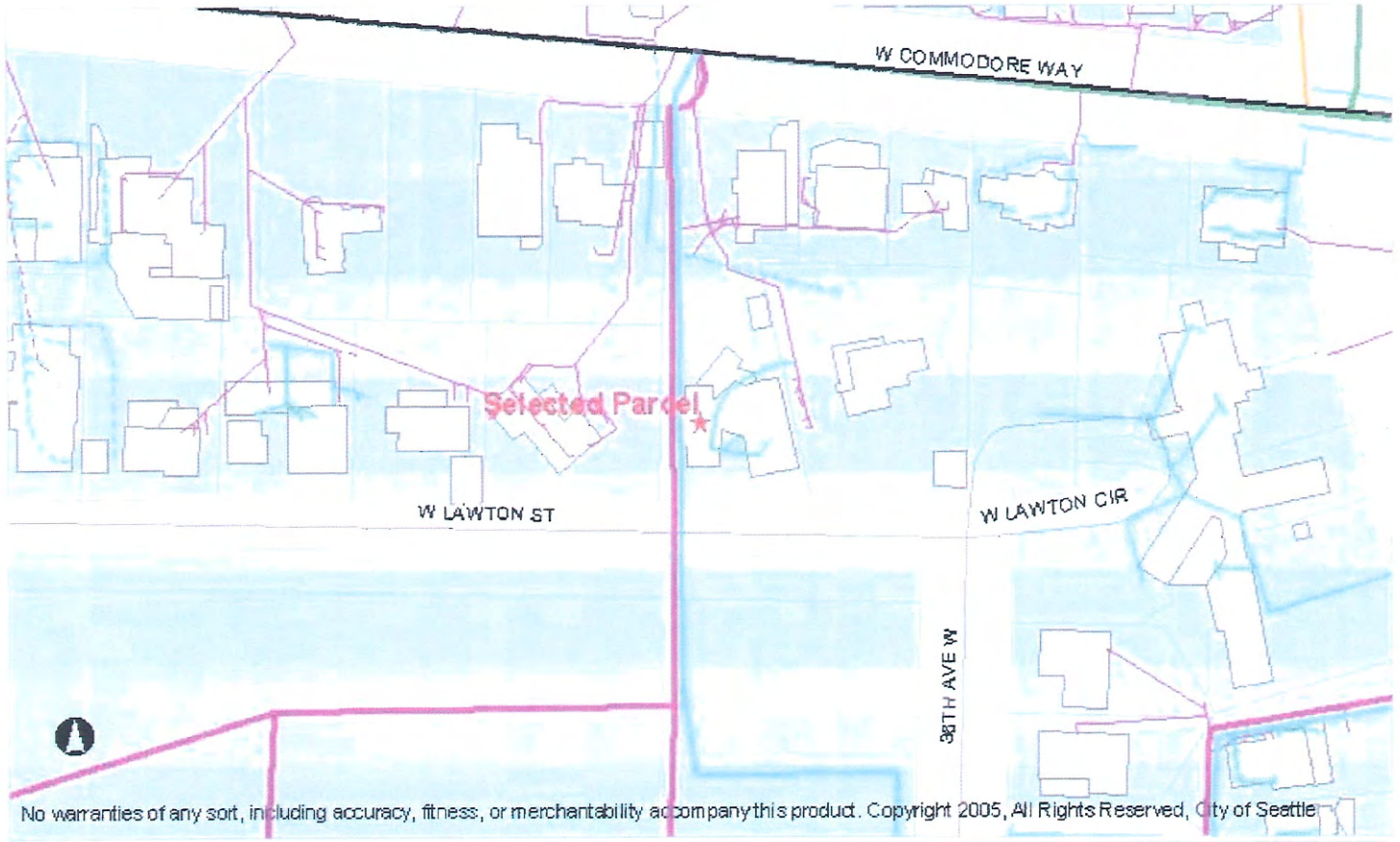
Recommended Side Sewer Card(s):

- Card# 3725-4 View Card Front - Back
- Card# 3725-2 View Card Front - Back

Other Side Sewer Cards That May Be Related To Your Search (may include repeated data from above results):

- Card# 2712-7 View Card Front - Back
- Card# 3725-4 View Card Front - Back
- Card# 3725-2 View Card Front - Back
- Card# 3725-3 View Card Front - Back

Search Again



Department of Planning and Development (DPD)

CARD NO. 3725-4

End

5-12-93 (S

See 3725-3

W. Commodore Way

For Conns. this side see card # 3725-3

144" (Submit to Metro for approval)

144"

DRAIN ENTERS METRO MAIN 12' WEST OF MH AS PLOTTED BY SEWER UTILITY 10-30-73.

8" Repair P5146

18" ct. Repair P-4057

8" PVC

6" PVC

ABS

3719

3718 NO PERMIT

3704 W. LAWTON NO SIDE LINES

3653

3641

3627

3621

A

B KEEP 9701953

C

3700 W. LAWTON

3720 W. LAWTON 11-19-97 SFC

3648

GAR.

3642

3634

3626

3614

20" CMP

This info subject to error due to very poor as-built info

ARMY 60" STORM

12" DRAIN

W. Lawton St.

	GRAD.	Trunk SEWERS	C.W.	PAV.
PLAN NOS		782-10		
L. I. D.'s		1537		
BOOK				

CARD NO. 2712-7
End

A

KC Short Plat 83-601

City of Seattle 2712-1 11/08/01

LAWTON LANE ADD. S 5-12-95 9

LAWTON LANE W.

36TH AVE. W.

W. LAWTON ST.

19

20

W. LAWTON ST.

133 MH

12" storm (U.S. Army)

344 MH

U.S. Army

18" storm

MH

U.S. Army

Inlet

8" Army SAN.

81.5
75.6
(Ord 360-27)

Army storm

8" Army SAN

109.6
113.2
(Ord 360-27)

MH

8" Army SAN.

GRAD. SEWERS C.W. PAV.

PLAN NOS .....

L. I. D.'s .....

BOOK .....

FORT LAWTON
See Dwg. # 360-27

Sewer Demand for Ft. Lawton Hypothetical Development Program

Bush, Roed & Hitchings, Inc.
May 23, 2008

PROGRAM CHARACTERISTICS (EDAW)

- 55 senior housing apartments, 1 bath each
- Commercial kitchen, 3 meals/day for 65 persons
- Ninety(90) 3 bdrm townhomes, 1800 sf, avg. 2 bath
- 80k sf office building (FLARC)
- 150 2-3 bedroom single-family homes, avg. 3 bath

TOTAL PROGRAM SEWER DEMAND = 117,250 GPD

CALCULATIONS:

SINGLE –FAMILY RESIDENTIAL SEWER DEMAND

- WAC 246-272A-0230
- King County Board of Health Code Title 13: On-Site Sewage

Design flow Q_{design} for single family residences from King County
= 150 gal/ bdrm·day up to 3 bdrms (add'l bdrms at 120 gal/ bdrm·day)
(Flow rate used exceeds WAC flow rate with Washington State added surge factor of 0.33)

Single-Family Home Demand
= (150 units)(2.5 bdrm)(150 gal/bdrm·day), avg. value used for bedrooms per unit
= **56,250 GPD**

Total Single-Family Residential Demand
= **56,250 GPD**

NON SINGLE-FAMILY RESIDENTIAL SEWER DEMAND

- WAC 246-272A-0230
- "Onsite Wastewater Treatment Systems Manual", EPA/625/R-00/008 – Chapter 3, February 2002
- King County Board of Health Code Title 13: On-Site Sewage

Senior Housing Apartment Demand
Per EPA (80 gal/unit·day is upper range of observed values):
= (55 units)(80 gal/unit·day)
= **4,400 GPD**

Commercial Kitchen Demand
Per King County:
= (65 seats)(50 gal/seat·day)
= **3,250 GPD**

Townhome Demand
Per King County:
= (90 units)(3 bdrm)(2 person/bdrm)(75 gal/ person·day)
= **40,500 GPD**

Office Building Demand
Per EPA
= (80,000 sq. ft.)(assuming 1 employee/100 sq. ft.)(16 gal/ employee·day)
= **12,800 GPD**

Total = 60,950 GPD

TOTAL PROGRAM SEWER DEMAND

Single Family Residential Demand	56,250 GPD
Non Single Family Residential Demand	60,950 GPD
	117,200 GPD

Jay D. Decker

From: Lloyd, Rob [Rob.Lloyd@edaw.com]
Sent: Tuesday, May 20, 2008 12:11 PM
To: Jay D. Decker
Subject: Fort Lawton Sewer capacity

Jay,

Following up on our phone call I am sending a hypothetical program for Fort Lawton Housing Units.

Just to test capacity, use the following mix of program:

- A. 55 Senior housing apartments, one bathroom each, common commercial kitchen producing 3 meals/day for 65 people
- B. 90 3 br townhomes 1800sf each, avg. 2 bath
- C. 80k sf existing office building (FLARC)
- D. 150 2-3 bedroom homes, avg. 3 bath.

We would be interested in knowing what the major capacity thresholds would be in terms of numbers which would trigger major upgrades.

Please let me know if you have questions about this.

Regards,

Rob

Rob Lloyd
Associate
Urban Designer, LEED AP

EDAW Inc
815 Western Avenue, Suite 300 Seattle, WA 98104
T 206.622.1176 F 206.343.9809
Direct 206.267.7758

SF RES DESIGN FLOW RATES W/ REFERENCE TO EPA FOR NON SF-RES DESIGN FLOWS.

WAC 246-272A-0230

Design requirements — General.

(1) On-site sewage systems may only be designed by professional engineers, licensed under chapter 18.43 RCW or on-site sewage treatment system designers, licensed under chapter 18.210 RCW, except:

(a) If at the discretion of the local health officer, a resident owner of a single-family residence not adjacent to a marine shoreline is allowed to design a system for that residence; or

(b) If the local health officer performs the soil and site evaluation, the health officer is allowed to design a system.

(2) The designer shall use the following criteria when developing a design for an OSS:

(a) All sewage from the building served is directed to the OSS;

(b) Sewage tanks have been reviewed and approved by the department;

(c) Drainage from the surface, footing drains, roof drains, subsurface stormwater infiltration systems, and other nonsewage drains is prevented from entering the OSS, the area where the OSS is located, and the reserve area;

(d) The OSS is designed to treat and disperse the sewage volume as follows:

(i) For single-family residences:

(A) The operating capacity is based on 45 gpd per capita with two people per bedroom.

(B) The minimum design flow per bedroom per day is the operating capacity of ninety gallons multiplied by 1.33. This results in a minimum design flow of one hundred twenty gallons per bedroom per day. ←

(C) A factor greater than 0.33 to account for surge capacity may be required by the local health officer. ←

(D) The local health officer may require an increase of the design flow for dwellings with anticipated greater flows, such as larger dwellings. ←

(E) The minimum design flow is two hundred forty gallons per day.

(ii) For other facilities, the design flows noted in "*On-site Wastewater Treatment Systems Manual*," USEPA, EPA-625/R-00/008, February 2002 (available upon request to the department) shall be used. Sewage flows from other sources of information may be used in determining system design flows if they incorporate both an operating capacity and a surge capacity.

(e) The OSS is designed to address sewage quality as follows:

(i) For all systems, the designer shall consider:

(A) $CBOD_5$, TSS, and O&G;

(B) Other parameters that can adversely affect treatment anywhere along the treatment sequence. Examples include pH, temperature and dissolved oxygen;

(C) The sensitivity of the site where the OSS will be installed. Examples include areas where fecal coliform constituents can result in public health concerns, such as shellfish growing areas, designated swimming areas, and other areas identified by the local management plan required in WAC 246-272A-0015.

(D) Nitrogen contributions. Where nitrogen has been identified as a contaminant of concern by the local management plan required in WAC 246-272A-0015, it shall be addressed through lot size and/or treatment.

(ii) For OSS treating sewage from a nonresidential source, the designer shall provide the following information:

(A) Information to show the sewage is not industrial wastewater;

(B) Information regarding the sewage quality and identifying chemicals found in the sewage that are not found in sewage from a residential source; and

(C) A site-specific design providing the treatment level equal to that required of sewage from a residential source;

(f) The vertical separation to be used to establish the treatment levels and application rates. The selected vertical separation shall be used consistently throughout the design process.

(g) Treatment levels:

(i) Requirements for matching treatment component and method of distribution with soil conditions of the soil dispersal component are listed in Table VI. The treatment levels correspond with those established for treatment components under the product performance testing requirements in Table III of WAC 246-272A-0110. The method of distribution applies to the soil dispersal component.

(ii) Disinfection may not be used to achieve the fecal coliform requirements to meet:

(A) Treatment levels A or B in Type 1 soils; or

(B) Treatment level C.

B. Where marginal soil conditions exist, the health officer may require that additional investigation be conducted.

C. Where there is evidence of high winter water table or shallow restrictive layer, the health officer may require that additional testing or monitoring be conducted to verify water table levels. The applicant's plan for conducting such testing shall be specified in a water table monitoring plan which shall be submitted no later than January first, to allow adequate time to monitor and evaluate the seasonal water table. If not a part of a full site design application submission the plan shall be accompanied by a fee as specified in the fee table. The health officer shall render a decision on the acceptability of the results of the seasonal high water table testing or monitoring within twelve (12) months of receiving the application, contingent upon presence of precipitation conditions typical for the region.
(R&R No. 99-01 § 2 (part), 3-19-99: R&R No. 3 Part 4 § 6, 12-19-86)

13.28.070 Required absorption area.

A. Single-family Dwellings. For design purposes one hundred fifty (150) gallons/bedroom/day shall be utilized in determining unit volume with a minimum of three (3) bedrooms. For each additional bedroom OSS designs must use at least an additional one hundred twenty (120) gallons/bedroom/day. Loading rates shall be determined according to soil texture type as outlined in Table 13.28-4.

Table 13.28-4
Maximum Hydraulic Loading Rate For Residential Sewage [1]

Soil Type	Soil Textural Classification Description	Loading Rate gal./sq. ft./day
1A	Very gravelly [2] coarse sands or coarser, extremely gravelly [3] soils	1.2 [4]
1B	Very gravelly medium sands, very gravelly fine sands, very gravelly very fine sands, very gravelly loamy sands	Varies according to soil type of the non-gravel portion [5]
2A	Coarse sands	1.2
2B	Medium sands	1.0
3	Fine sands, loamy coarse sands, loamy medium sands	0.8
4	Very fine sands, loamy fine sands, loamy very fine sands, sandy loams, loams	0.6 [6]
5	Silt loams that are porous and have well developed structure	0.45 [6,7]

[Table 13.28-4 Explanatory Notes Follow on Next Page]

Table 13.28-4
Explanatory Notes

1. Compacted soils, cemented soils, and/or poor soil structure may require a reduction of the loading rate or render the soil unsuitable for OSS.

2. Very Gravelly = >35% and <60% gravel and coarse fragments, by volume.

3. Extremely Gravelly = >60% gravel and coarse fragments, by volume.

4. Due to the highly permeable nature of type 1A soil, only alternative systems which meet or exceed treatment standard 2 may be installed.

5. The loading rate listed for the soil type present in the non-gravel portion is to be used for calculating the minimum absorption area required. The value is to be determined from this table.

6. OSS installed in soil texture type 4 and type 5 shall be constructed during dry weather and dry soil conditions to minimize compaction and smearing during excavation.

7. SSAS in soil type 5 must utilize pressure distribution.

B. Buildings Other than Single-family Residences.

1. The owner shall file a covenant agreeing that the property will remain under one (1) ownership for all commercial developments not classified as community systems.

2. Required absorption area must be determined by using one of the following methods:

a. By using the figures given in Table 13.28-5, then using the appropriate application rate from Table 13.28-4; or

b. By determining average water meter readings for one (1) year from at least three (3) similar establishments and adding a minimum safety factor of fifty percent (50%).

3. The minimum SAS area must be two hundred (200) square feet.

Table 13.28-5

Type of Establishment [1]	Gallons Per Person Per Day
Multiple Family Dwelling (per person – 2 per bedroom – Minimum of 2 bedrooms per unit)	75
Factories, office buildings, etc. (add 100 gallons/day for each utility sink per shift; food service not included)	20
Food Service Establishments – with food preparation	50 (gallons per seat)
Taverns – no food preparation (estimate patrons per day and add 15 gallons/employee)	5

[Table continues on Next Page]

Table 13.28-5 (Continued)

Type of Establishment [1]	Gallons Per Person Per Day
Mobile Home Parks (figure minimum 3 bedrooms, 2 people per bedroom)	75
Resort Camps	50
Work or Construction Camps	50
Day Camps (no meals served)	15
Swimming Pools and Bathhouse (sanitary facilities only)	15
Country Clubs (per member present, add 15 gallons/day per employee)	130
Motels with kitchen (figure 2 persons per bed space)	50
Motels (figure 2 persons per bed space)	40
Drive-in Theaters (per car space)	10
Theaters (per auditorium seat)	5
Airports (per passenger)	5
Retail Stores (per toilet room for customer use)	650
Retail Stores (per employee per shift – add 100 gallons/day for each utility sink)	15
Service Stations (per vehicle served)	15
Churches without kitchen (seating capacity)	5
Churches with kitchen (seating capacity)	15
Recreational Vehicle Parks (without sewer and water hookups – with central toilets and showers – per space)	50
Recreational Vehicle Parks (with sewer and water hookups – with central toilets and showers – per space)	100
Boarding Houses	50
Campgrounds (with central comfort station – with flush toilets and showers – per space)	50
Campground (with central comfort station – without showers – per space)	25
Picnic Parks (flush toilets only – per person)	5
Picnic Parks (with flush toilets – bathhouse and showers – per person)	10

[Table continues on Next Page]

Table 13.28-5 (Continued)

Type of Establishment [1]	Gallons Per Person Per Day
For uses not listed in this table, the upper range values in *Design Manual: On-Site wastewater Treatment and Disposal Systems*, United States Environmental Protection Agency, EPA-625/1-80-012, October, 1980 shall be used. If the type of facility is not listed in the EPA design manual, design flows from one of the following shall be used:	
(A) *Design Standards for Large On-site Sewage Systems*, 1993, Washington State Department of Health (available upon request to the department); or	
(B) *Criteria for Sewage Works Design*, revised October 1985, Washington State Department of Ecology (available upon written request to the department of ecology).	

1. For buildings other than single-family residences the requirements of Section 13.28.020(B) shall be met.

(R&R No. 99-01 § 2 (part), 3-19-99: R&R No. 3 Part 4 § 7, 12-19-86)

Chapter 13.32

BUILDING SEWERS

Sections:

13.32.010 General.

Construction, materials, distance separations and other specifications shall be as set out in this chapter.
(R&R No. 99-01 § 2 (part), 3-19-99: R&R No. 3 Part 5 § 1(A), 12-19-86)

13.32.020 Pipe specifications.

Pipe for constructing the building sewer shall be a minimum of four inches (4") inside diameter and be cast-iron or plastic composition which complies with the current King County Plumbing Code. Polyvinyl chloride pipe shall comply with American Society of Testing Materials (ASTM) specification D-3034 as a minimum.
(R&R No. 99-01 § 2 (part), 3-19-99: R&R No. 3 Part 5 § 1(A)(1), 12-19-86)

One of the more important wastewater-generating flows identified in this study was water leakage from plumbing fixtures. The average per capita leakage measured in the REUWS was 9.5 gallons/ person/day (35.0 liters/person/day). However, this value was the result of high leakage rates at a relatively small percentage of homes. For example, the average daily leakage per household was 21.9 gallons (82.9 liters) with a standard deviation of 54.1 gallons (204.8 liters), while the median leakage rate was only 4.2 gallons/house/day (15.9 liters/house/day). Nearly 67 percent of the homes in the study had average leakage rates of less than 10 gallons/day (37.8 liters/day), but 5.5 percent of the study homes had leakage rates that averaged more than 100 gallons (378.5 liters) per day. Faulty toilet flapper valves and leaking faucets were the primary sources of leaks in these high-leakage-rate homes. Ten percent of the homes monitored accounted for 58 percent of the leakage measured. This result agrees with a previous end use study where average leakage rates of 4 to 8 gallons/ person/day (15.1 to 30.3 liters/person/day) were measured (Brown and Caldwell, 1984). These data point out the importance of leak detection and repair during maintenance or repair of onsite systems. Leakage rates like those measured in the REUWS could significantly increase the hydraulic load to an onsite wastewater system and might reduce performance.

Maximum daily and peak flows

Maximum and minimum flows and instantaneous peak flow variations are necessary factors in properly sizing and designing system components. For example, most of the hydraulic load from a home occurs over several relatively short periods of time (Bennett and Lindstedt, 1975; Mayer et al., 1999; University of Wisconsin, 1978). The system should be capable of accepting and treating normal peak events without compromising performance. For further discussion of flow variations, see section 3.3.3.

3.3.2 Nonresidential wastewater flows

For nonresidential establishments typical daily flows from a variety of commercial, institutional, and recreational establishments are shown in tables 3-4 to 3-6 (Crites and Tchobanoglous, 1998; Tchobanoglous and Burton, 1991). The typical values presented are not necessarily an average of the range of values but rather are weighted values based on the type of establishment and expected use. Actual monitoring of specific wastewater flow and characteristics for nonresidential establishments is strongly recommended. Alternatively, a similar establishment located in the area might provide good information. If this approach is not feasible, state and local regulatory agencies should be consulted for approved design flow guidelines for nonresidential establishments. Most design flows provided by regulatory agencies are very conservative estimates based on peak rather than average daily flows. These agencies might accept only their established flow values and therefore should be contacted before design work begins.

Table 3-4. Typical wastewater flow rates from commercial sources[a,b]

Facility	Unit	Flow, gallons/unit/day		Flow, liters/unit/day	
		Range	Typical	Range	Typical
Airport	Passenger	2-4	3	8-15	11
Apartment house	Person	40-80	50	150-300	190
Automobile service station[c]	Vehicle served Employees	8-15 9-15	12 13	30-57 34-57	45 49
Bar	Customer Employees	1-5 10-16	3 13	4-19 38-61	11 49
Boarding house	Person	25-60	40	95-230	150
Department store	Toilet room Employee	400-600 8-15	500 10	1,500-2,300 30-57	1,900 38
Hotel	Guest Employee	40-60 8-13	50 10	150-230 30-49	190 38
Industrial building (sanitary waste only)	Employee	7-16	13	26-61	49
Laundry (self-service)	Machine Wash	450-650 45-55	550 50	1,700-2,500 170-210	2,100 190
Office	Employee	7-16	13	26-61	49
Public lavatory	User	3-6	5	11-23	19
Restaurant (with toilet) Conventional Short order Bar/cocktail	Meal Customer Customer Customer	2-4 8-10 3-8 2-4	3 9 6 3	8-15 30-38 11-30 8-15	11 34 23 11

lounge					
Shopping center	Employee Parking Space	7-13 1-3	10 2	26-49 4-11	38 8
Theater	Seat	2-4	3	8-15	11

[a]Some systems serving more than 20 people might be regulated under USEPA's Class V Underground Injection Control (UIC) Program. See http://www.epa.gov/safewater/uic.html for more information.

[b]These data incorporate the effect of fixtures complying with the U.S. Energy Policy Act (EPACT) of 1994.

[c]Disposal of automotive wastes via subsurface wastewater infiltration systems is banned by Class V UIC regulations to protect ground water. See http://www.epa.gov/safewater/uic.html for more information.

Source: Crites and Tchobanoglous, 1998.

Table 3-5. Typical wastewater flow rates from institutional sources[a]

Facility	Unit	Flow, gallons/unit/day		Flow, liters/unit/day	
		Range	Typical	Range	Typical
Assembly hall	Seat	2-4	3	8-15	11
Hospital, medical	Bed Employee	125-240 5-15	165 10	470-910 19-57	630 38
Hospital, mental	Bed Employee	75-140 5-15	100 10	280-530 19-57	380 38
Prison	Inmate Employee	80-150 5-15	120 10	300-570 19-57	450 38
Rest home	Resident Employee	50-120 5-15	90 10	190-450 19-57	340 38
School, day-only:					

With cafeteria, gym, showers With cafeteria only Without cafeteria, gym, or showers	Student Student Student	15-30 10-20 5-17	25 15 11	57-110 38-76 19-64	95 57 42
School, boarding	Student	50-100	75	190-380	280

[a]Systems serving more than 20 people might be regulated under USEPA's Class V UIC Program. See http://www.epa.gov/safewater/uic.html for more information.

Source: Crites and Tchobanoglous, 1998.

Table 3-6. Typical wastewater flow rates from recreational facilities[a]

Facility	Unit	Flow, gallons/unit/day		Flow, liters/unit/day	
		Range	Typical	Range	Typical
Apartment, resort	Person	50-70	60	190-280	230
Bowling alley	Alley	150-250	200	570-950	780
Cabin, resort	Person	8-50	40	80-190	150
Cafeteria	Customer Employee	1-3 8-12	2 10	4-11 30-45	8 38
Camps: Pioneer type Children's, with central toilet/bath Day, with meals Day, without meals Luxury, private bath Trailer camp	 Person Person Person Person Person Trailer	 15-30 35-50 10-20 10-15 75-100 75-150	 25 45 15 13 90 125	 57-110 130-190 38-76 38-57 280-380 280-570	 95 170 57 49 340 470
Campground-developed	Person	20-40	30	76-150	110

Appendix F
Transportation Study

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M E M O R A N D U M

To: Brian Scott, Michael Schuler and Rob Lloyd, EDAW

From: Becca Aue and Thomas Brennan

Date: July 18, 2008

Subject: Fort Lawton Transportation and Circulation – Preferred Site Development Alternative

This memorandum provides a brief analysis of the transportation and circulation aspects of the preferred site development alternative for Fort Lawton in Seattle, Washington. The discussion is framed in the context of the guiding transportation and circulation principles outlined by the City of Seattle and the design team early in the process, and how the preferred alternative meets those goals.

Goal 1: Create Pedestrian Friendly and Safe Streets

Goal 2: Increase Connections to Local and Pedestrian Trails

Goal 3: Minimize Negative Traffic Impact of New Development on Existing Neighborhood Streets

Goal 4: Improve Government Way Entry to Site and Discovery Park

Goal 5: Improve Public Transit Service

Site Layout and Pedestrian Orientation

Today pedestrian access within and around Fort Lawton is somewhat challenged by grades and design aimed at restricting pedestrian access, such as intermittent sidewalks in and around the site and chain link fencing parallel to 36th Ave. W. Yet walking in the area is comfortable due to low traffic volumes and connectivity with the Discovery Park trail system.

The preferred option is oriented around a primary north-south spine road bisecting the site; and creates new east-west links through the site, organizing the street grid in a traditional pattern well understood by motorists and pedestrians. Added sidewalks will fill in the gaps on W. Texas Way and on the west side of 36th Ave W., creating a seamless sidewalk network and eliminating the "blank wall" conditions that exist today on 36th Ave. W. encouraging drivers to speed. The option also makes use of alleyways to allow rear entry to residential parking, contributing to pedestrian safety by eliminating driveway crossings on street sidewalks, where back-up accidents are a common cause of pedestrian and child fatalities. The addition of new neighborhood parks and connected green streets will further enhance the pedestrian environment and provide gathering points for new and existing residents.

As a basic principal, all new streets will be designed to be safe and comfortable for pedestrians and cyclists.

Recreational Access

The preferred site design provides improved access for neighborhoods east of the site to Discovery Park. The plan provides for new off-site trail connections should they be seen as a benefit to the Park. The addition of east-west streets will provide pedestrians safe and comfortable access to trails accessible from W. Texas Way. Improved sidewalks on W. Texas Way south of the site should be a priority as well, providing better pedestrian access to trailheads in the vicinity of W. Texas Way and W. Government Way.

Fort Lawton today is well-connected to the existing bicycle network. Bicycle lanes on W. Government Way and Gilman Ave. W. and shared roadways on other streets connect the site to the rest of Magnolia and Seattle and integrate into the larger city network of bike lanes and trails.

Traffic Circulation and Impacts

Today vehicles access Fort Lawton primarily via W. Government Way and W. Texas Way. Access to Fort Lawton is segregated from adjacent neighborhoods to the east, which are accessible from 36th Ave W. Vehicular access is also possible, albeit less directly, via W. Texas Way and 40th Ave. W., which connects to residential areas to the north and W. Commodore Way.

Despite an east-west street grid connected to 36th Ave W., the preferred site option forces traffic accessing FLARC and the Fort Lawton redevelopment site to use W. Texas Way, effectively eliminating cut through traffic impacts on the neighborhood to the east. A new north-south street bisects the site and is designed for low-speed traffic, pedestrians and bicycles. The street is intended to provide internal access and circulation and appropriate design features should be used to discourage use by drivers traveling the full length of the site. Internal circulation is also enhanced over current conditions with the creation of new east-west connections between 36th Ave W. and Texas Way. New connected streets on the north of the site would allow local circulation from the new development and existing neighborhoods to use W. Texas Way to access W. Commodore, distributing traffic more evenly and minimizing negative traffic impacts of the new development on Government Way.

Although no official traffic counts are available from the City of Seattle for the major intersections surrounding the Fort Lawton site, the consultant team conducted two spot counts during the PM peak hour (4:30-5:30 PM), which estimated traffic volumes in the range of 1,600 to 2,000 vehicles daily.[1] Park uses accessed by W. Government Way suggest dramatic variations in traffic volumes occur based on day and time of year.

The preferred site option plans 194 to 216 new housing units. Adjusted estimates from the *Institute of Transportation Engineers Trip Generation Manual* were used to estimate the net change in traffic volumes at master plan build out compared to current conditions due to housing development, planned utilization of the Fort Lawton Army Reserve Center and the removal of military housing at Capehart. These estimates show that combined activities would lead to a net increase of 100 to 115 vehicle trips per PM peak hour. This equates to roughly an additional 1.5 to 2 cars per minute passing through the intersection at W. Texas Way/36th Ave NW and Government Way during this period. Realistically however, a small percentage of these new trips will enter and exit the site via the new connection to the north, decentralizing the impact of new generated traffic.

[1] Assumes PM peak hour represents 10% of daily traffic volume.

Site Access from Government Way

The current five-point configuration of Government Way, Texas Way and 36th Ave W. creates an inefficient and confusing intersection. While low volumes today minimize safety or traffic issues related to the design, future growth in traffic could increase conflicts. The preferred site option improves the safety and function of this intersection by removing the connection to 36th Ave. W. This provides an opportunity to realign this intersection as a four-point intersection with streets meeting at 90 degree angles. This could be achieved by realigning 36th Ave W. south of Government Way to the west.

Public Transit Service

Current public transit service to the site is very good given the relatively low level of residential density and site activity at Fort Lawton and FLARC. Added sidewalks along W. Texas Way and 36th Ave. W. will improve neighborhood access to nearby transit service. Buses currently run as frequently as every 15 minutes (peak times) on weekdays and customers in the area have optimal access to seats as the inbound King County Metro Route 33 initiates its run in the area. The projected increases in residential units and employee and visitor activity at the FLARC are not likely to merit additional peak hour service based solely on King County Metro service expansion standards. However, the overall site plan and uses, including projected FLARC expansion, may merit further investment in transit service frequency during off peak times.

Appendix G

Market Demand Study

FORT LAWTON REDEVELOPMENT. MAGNOLIA NEIGHBORHOOD CITY OF SEATTLE, WASHINGTON

Prepared for:

EDAW &
CITY OF SEATTLE: OFFICE OF HOUSING

May 27, 2008

DRAFT REPORT
NOT FOR PUBLICATION

Table of Contents

I. Overview/Description (Fort Lawton and Magnolia Neighborhood)

Magnolia Neighborhood Area Overview

Source: King County Assessor

The Magnolia neighborhood, shown above in red, encompasses the 98199 zip code and is the westernmost neighborhood of the Central Seattle area. The Fort Lawton property is shown in white and is part of a Base Realignment and Closure (BRAC) program being conducted by the Department of Defense and the City of Seattle.

Magnolia is one of the oldest and most well established neighborhoods in the city of Seattle; its landscape primarily contains single family residential structures which house some of the highest household incomes in Puget Sound.

The Fort Lawton Area is located to the East side of Discovery Park and is surrounded by single family dwellings which are typical of the area. The impetus for the following market study is surrounded by the question of which residential housing products could best fit within the market rate housing component of the BRAC. The following information represents Gardner Johnson's analysis for future plans at the subject property.

II. EXECUTIVE SUMMARY OF FINDINGS

SUMMARY OF RECOMMENDATIONS
Fort Lawton Redevelopment

SUMMARY OF EXISTING STOCK

Price/Sqft Comparable Currently Selling Attached	$ 363.00
Price/Sqft <2000Sqft	$ 326.00
Price/Sqft>2000Sqft	$ 285.00
Average Single Family All Sizes	$ 313.00
Average lot Square Foot Townhouse	1400
Average lot Square Foot units <2000 Sqft	5400
Average lot Square Foot Units >2000 Sqft	6700

Recommendations

Approximate Unit Size Range		Price	$/Sqft	% of total project	Lot Size Per Unit	Product Type
600	1200	$ 405,000	$ 450.00	0%	N/A	Stacked Flat
900	1700	$ 471,900	$ 363.00	10%	1000 - 1500	Townhome
1500	2200	$ 603,100	$ 326.00	2%	1000 - 1500	Luxury Townhome
1500	1900	$ 554,200	$ 326.00	20%	2200 - 3500	Small Lot Single Family
2000	2500	$ 733,500	$ 326.00	45%	5000 - 5500	Single Family 2 Story
2500	2800	$ 829,450	$ 313.00	23%	5500 - 6000	Larger Lot Single Family 2 or 3 Story

Source: New Home Trends, King County Assessor, Northwest Multiple Listing Service, Gardner Johnson LLC

The chart above reflects Gardner Johnson's recommended prices, sizes and mix for units for the Fort Lawton redevelopment plan. The rational for our unit mix and suggested pricing comes from our analysis of the Magnolia Neighborhood, its prices and unit composition.

The recommendation for a small percentage of multifamily units, both townhomes and some luxury townhomes, comes from our analysis of the market area. Multifamily product has not traditionally been a strong feature of the Magnolia neighborhood and, as a result, our recommendation for attached units makes up only 12% of the total proposed unit mix for the subject site.

From an historical perspective, multifamily units delivered between 1999 and today total only 225 units in buildings containing five or more units. This number represents a mere fraction of the total units in Magnolia, making multifamily one of the most underrepresented product types in the area. Because of a relative lack of supply, the conclusion could be drawn that opportunities for multifamily development could draw unexpected demand from the surrounding neighborhood. However, when one looks at the average absorption of multifamily product over time, demand for the small number of units which have been delivered has been sluggish. The average monthly

absorption for all of the multifamily units in the past nine or so years has been around one unit per month, per development. Because of the lack of sales velocity for these products, it seems that the development of a large number of multifamily units at the subject property would experience a similar trend in terms of relative demand. In other words, multifamily product has not sold quickly near the subject property showing a lack of demand in the face of relatively limited supply.

Further recommendations for small lot single family product represent a more progressive portion of the total unit mix. Magnolia homes have an average size of 2,600 square feet. This is due to dated housing stock in an established neighborhood, as well as requirements from zoning. Opportunities for density present themselves with product that pushes the boundaries of the current housing makeup. Small lot single family homes between 1,500 and 1,900 square feet represent a product which is seldom seen in a neighborhood of medium sized single family homes. This product type presents an opportunity to increase density in a way that maintains neighborhood character and still provides single family options at lower square footages than are typically seen in the market. Seattle trends for new construction housing must, and will continue to, decrease in terms of square footage. This trend will naturally occur as population increases push even the most established neighborhoods toward smaller products with which to accommodate increasing density.

Homes sized between 2,000 and 2,800 square feet make up the majority of the recommended development size. Homes of this size reflect the character of the current neighborhood and conform to more traditional zoning requirements. Lot sizes for homes in these categories range from 5,000 to 6000 square feet as a function of current residential makeup as well as zoning code requirements.

The recommendations found in the matrix on the previous page conform to the neighborhood's current character. The conformation of new product to existing neighborhood character is one of the many reasons why current zoning exists and, as a result, our recommendations do not veer too far from the existing makeup of Magnolia.

Pricing for the subject property represents a strategy which also conforms to prices found within Magnolia. The prices set out in the matrix represent typical square foot prices found at properties surrounding the property as well as properties throughout the Magnolia neighborhood. An argument in favor of a higher pricing strategy might take into account sales within Magnolia which have shown higher values in price per square foot with regard to recent sales. Because many variables affect prices, our recommendations represent a baseline pricing strategy by which to value the land for potential future developers. Without knowledge of the product which will be delivered, its finishes and the developer who will eventually build such product, it is our considered opinion that the prices found within our matrix represent reasonable assumptions based on current market conditions.

III. MACROECONOMIC OUTLOOK (U.S.)

The bruised economy limped through the first quarter of 2008, growing at just a 0.6 percent pace as housing and credit problems forced people and businesses alike to hunker down In as much as we were expecting a decline from the breathtaking pave shown in the third quarter, this rate of growth was weaker than expected. The country's economic growth during January through March was the same as in the final three months of last year. The statistic did not meet what we consider the definition of a recession, which is a contraction of the economy. This means that although the economy is stuck in a rut, it is still managing to grow, albeit slightly.

The increase in real GDP in the first quarter primarily reflected positive contributions from personal consumption expenditures (PCE) for services, private inventory investment, exports of goods and services, and federal government spending that were partly offset by negative contributions from residential fixed investment and PCE for durable goods. Imports, which are a subtraction in the calculation of GDP, increased.

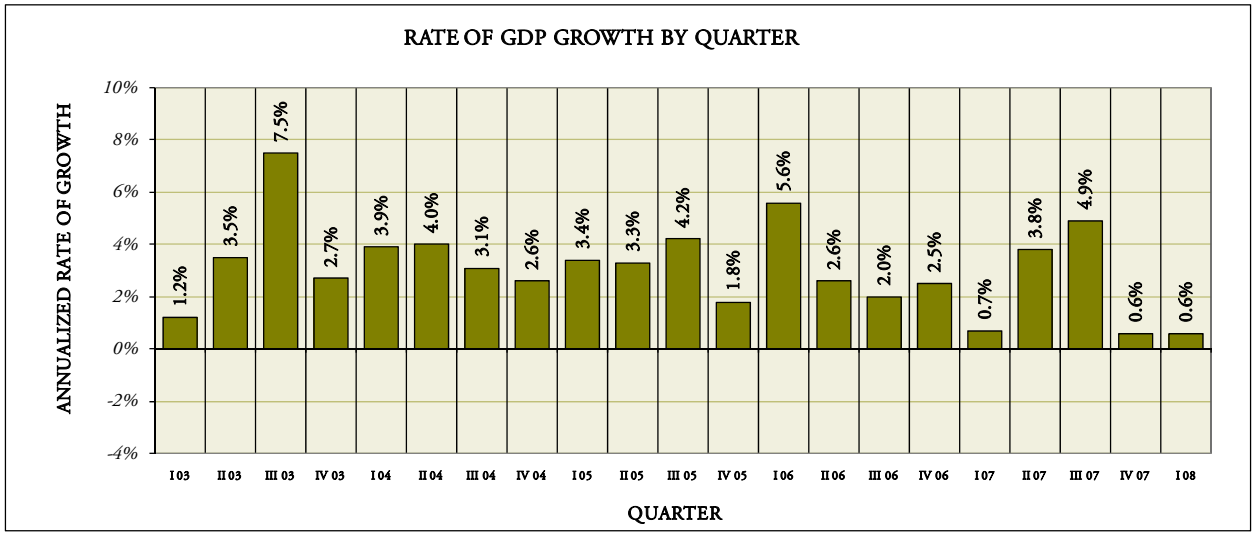
NATIONAL ECONOMY AT A GLANCE: FOURTH QUARTER OF 2007

	1Q08	4Q07	
G.D.P.	0.6%	0.6%	
Components			*Highlights*
Consumer Expenditure	1.0%	2.3%	Consumers turned much more cautious, also restraining overall economic growth in the first quarter. Shoppers did cut spending on such things as cars, furniture, household appliances, food and clothes.
Private Investment	-4.7%	-14.6%	We continue to be weighed down by real residential fixed investment whose numbers declined by 26.7 percent
Government Expenditure	2.0%	2.0%	Spending by the government was another factor helping out GDP in the first quarter. That spending rose at a 2 percent pace for the second quarter in a row.
Exports	5.5%	6.5%	U.S. exports are being helped by the falling value of the U.S. dollar, which continue to make U.S. made goods and services less expensive to foreign buyers.
Imports	2.5%	-1.4%	

The estimate was three times the mean expected rate of 0.2% growth, and economists seemed to agree the difference was due to the unexpected growth in inventories in the month of March. Analysts were quick to warn that if domestic companies do not sell through the current inventory backlog, it could mean weakness in the coming quarters.

Positive GDP for the first quarter might mean the United States hasn't fallen into a textbook recession, but many economists feel the financial environment continues to deteriorate. We may not

be formally in a recession based on the preliminary GDP data (but) there should be no doubt this country is struggling within a recessionary environment. Indeed, while the economy produced more goods and services in the first quarter, many of those goods ended up in warehouses without translating into sales. It's unlikely we'll see a similar buildup of inventory in the second quarter, which would translate into lower or negative GDP growth for the quarter ended June 30.



SOURCE: BEA & Gardner-Johnson LLC

The one thing that could boost second quarter GDP are the economic stimulus checks being sent out to over 130 million U.S. households. If consumers spend that money, rather than using it to pay down debt or pad their savings, it could turn into a nice shot of growth for GDP in the second quarter. If households keep spending, even modestly, it is likely that growth in the second quarter will be positive as well,"

In U.S. Real Estate related news:

- New Housing Starts – we have not seen the bottom of the national market. Starts dropped to an annual pace of 947,000 in March from a revised 1.075 million rate in February. This is 11.9 percent decline from the prior month and a 36.5 percent decline year-over-year.

  Building permits in March were at a seasonally adjusted annual rate of 927,000. This is 5.8 percent below the revised February number of 984,000 and is 40.9 percent below that of a year ago. Single family permits declined by 6.2 percent from the prior month while multifamily permits[1] declined to 286,000 from 298,000 in February. Overall, permit issuance has declined by 40.9 percent from a year ago.

- New Home Sales – Sales of new one-family houses in March was at a seasonally adjusted annual rate of 526,000. This is 8.5 percent below the revised February rate of 575,000, and

[1] 5 or more units

is 36.6 percent below that of one year ago when sales totaled 830,000. The median price of a new home sold in March was $227,600; the average price was $262,200.

- Existing Home Sales – Sales of existing homes fell 2.0 percent in March to a seasonally adjusted annual rate of 4.93 million from a pace of 5.03 million in February and are 19.3 percent below that of a year ago. A rise in condo sales in March was offset by a drop in single-family sales. Regionally, sales rose in the Northeast and West but fell in the Midwest and South.

- The national median existing-home price for all housing types was $200,700 in March, down 7.7 percent from a year ago when the median was $217,400. Because the slowdown in sales from a year ago is greater in high-cost areas, there is a downward pull to the national median with relatively higher sales activity in low-cost markets.

- Total housing inventory rose 1.0 percent at the end of March percent to 4.06 million existing homes available for sale, which represents a 9.9-month supply at the current sales pace, up from a 9.6-month supply in February.

- Single-family home sales fell 2.7 percent to a seasonally adjusted annual rate of 4.35 million in March from 4.47 million in February, and are 18.4 percent below the 5.33 million-unit pace in March 2007. The median existing single-family home price was $198,200 in March, down 8.3 percent from a year ago.

- Existing condominium and co-op sales rose 3.6 percent to a seasonally adjusted annual rate of 580,000 units in March from 560,000 in February, but are 25.5 percent below the 779,000-unit level a year ago. The median existing condo price4 was $219,400 in March, which is 2.8 percent lower than March 2007.

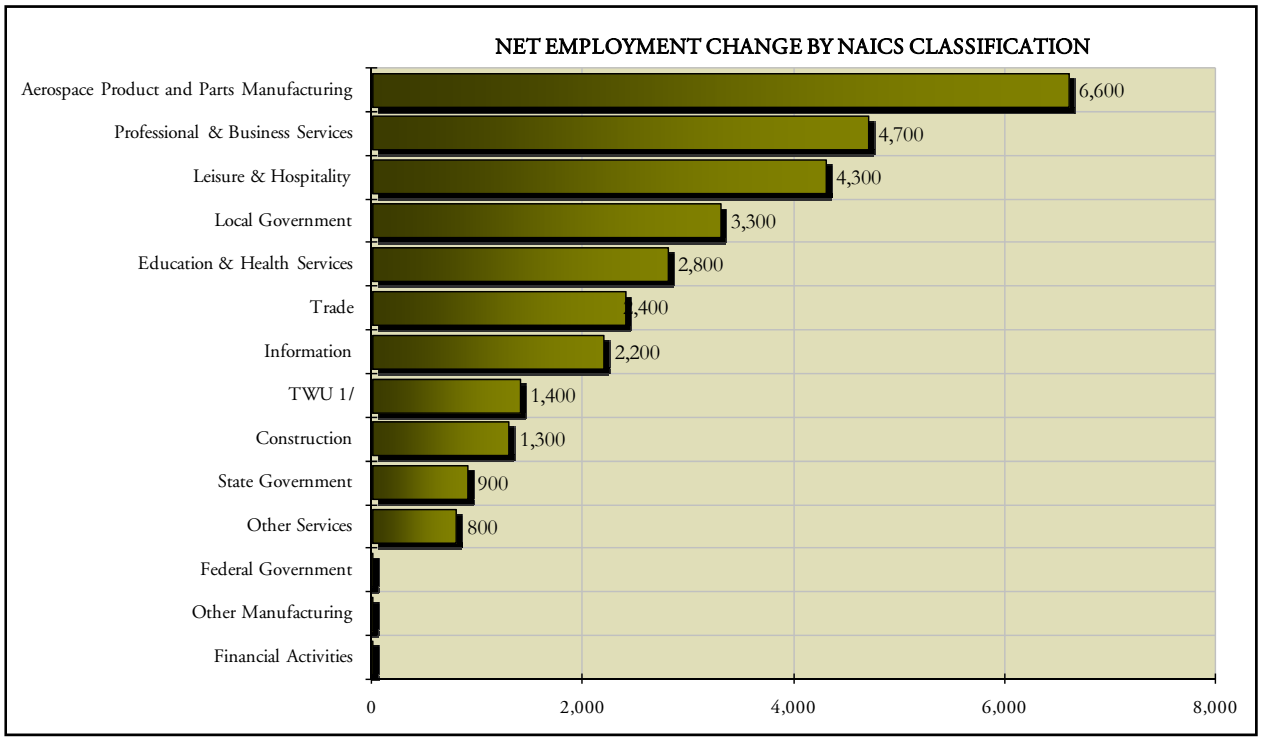
IV. MICROECONOMIC OUTLOOK (SEATTLE/BELLEVUE/EVERETT MSA)

March nonfarm employment levels in the Seattle-Bellevue-Everett Metropolitan Division (MD) rose to 1,466,300; 3,400 more than February 2008, and 27,700 more than March 2007. This month's data indicated all sectors gained jobs, such as *Professional and Business Services* (+900), *Construction*, (+1,300), and *Retail Trade* and *Wholesale Trade* (+100 each). *Government* lost 1,200 jobs.

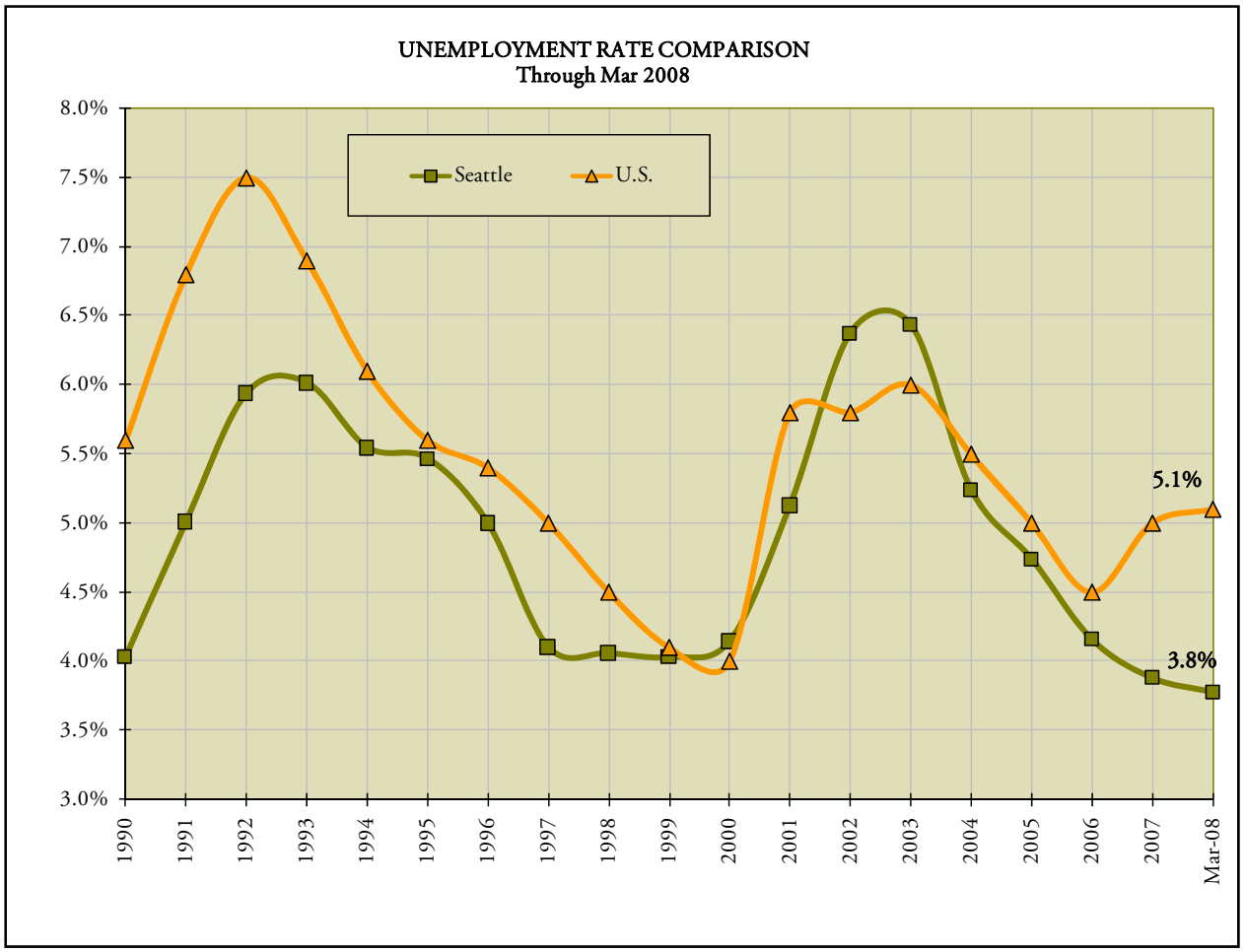
The manufacturing sector gained 200 jobs, mostly in durable goods. Nondurable goods manufacturing remained unchanged from last month. There were no losses the subsectors under durable goods. Aerospace product and parts manufacturing gained 400 positions, and the lowest gain of 100 jobs was in fabricated metal product manufacturing. The rest remained unchanged.

Financial activities remained unchanged over last month. Real estate and rental leasing gained 100 jobs, while credit intermediation and related activities lost 300 positions.

March unemployment rate was unchanged from February's 3.8 percent. The nonfarm payroll employment for March still indicated a healthy and upward climbing labor market in the Seattle-Bellevue-Everett metropolitan area.



SEATTLE MSA UNEMPLOYMENT RATE VERSUS THE U.S.



Focus on Boeing

The Boeing Company's first quarter 2008 net income increased 38 percent to $1.2 billion, or $1.62 per share from $2.2 billion, or $2.85 per share in 2006. Quarterly revenue rose 4 percent to $16 billion, while the operating cash flow more than doubled to $1.9 billion reflecting the strong operating earnings and higher commercial airplanes orders.

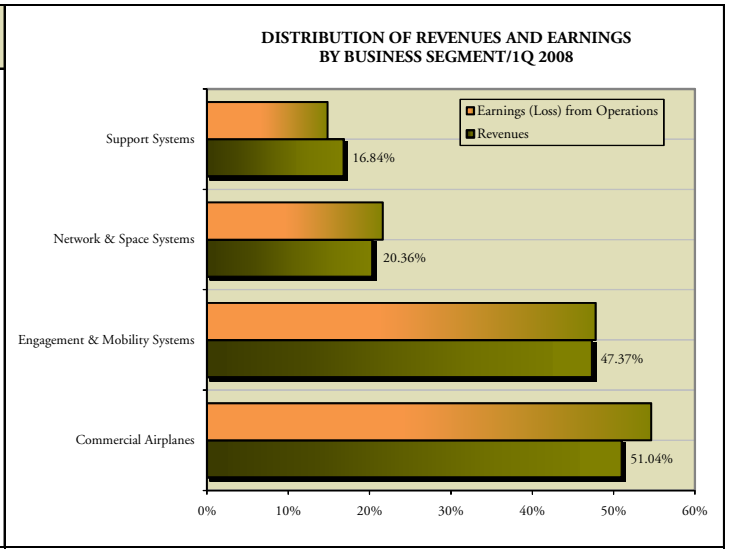
The total company backlog at quarter end reached a record $346 billion, up 32 percent in the last year, with quarterly growth driven by both commercial airplane and V-22 multi –year orders.

Full-year operating cash flow grew 28 percent to a record $9.6 billion, reflecting strong operating earnings, higher commercial airplane orders, and a decrease in working capital requirements.

Boeing Commercial Airplanes (BCA) first-quarter revenues rose to $8.2 billion on an 8 percent increase in airplane deliveries and higher services volume, partially offset by lower aircraft trading volume. Operating earnings grew 39 percent to $983 million while margins expanded to 12.0 percent, driven by higher delivery volume and services sales and lower R&D spending. During the quarter, the company delivered its 1,400th 747 airplane and its 700th 777 airplane.

DISTRIBUTION OF REVENUES AND EARNINGS

Quarterly Financial Results (millions $)	Mar-08	Mar-07	% Δ
Revenues			
Commercial Airplanes	$8,161	$7,555	8.0%
Integrated Defense Systems Total	$7,575	$7,717	-1.8%
Engagement & Mobility Systems	$3,256	$3,327	-2.1%
Network & Space Systems	$2,693	$2,778	-3.1%
Support Systems	$1,626	$1,612	0.9%
Capital Corp Less Acct. Differences	$254	$93	173.1%
Operating Revenues	$15,990	$15,365	4.1%
Earnings (Loss) from Operations			
Commercial Airplanes	$983	$706	39.2%
Integrated Defense Systems Total	$860	$784	9.7%
Engagement & Mobility Systems	$389	$433	-10.2%
Network & Space Systems	$267	$148	80.4%
Support Systems	$204	$203	0.5%
Capital Corp & Acct. Adjust.	($44)	($181)	-75.7%
Earnings from Operations	$1,799	$1,309	37.4%
Net Earnings			
Overall	$1,211	$877	38.1%



Software & Technology

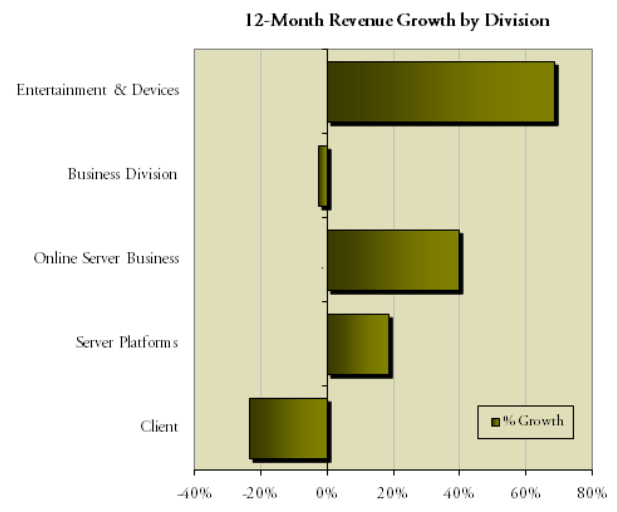
Microsoft's third quarter results for revenue showed operating income and diluted earnings per share of $14.45 billion, $4.41 billion and $0.47, respectively. Operating income and earnings per share results included a charge of $1.42 billion, or $0.15 per share, for the European Commission fine. Income taxes were reduced by $0.15 per share for the resolution of a tax audit.

Entertainment and Devices revenue for the quarter grew 68% over the comparable period last year driven by robust demand for Xbox 360 consoles. Cumulative console sales surpassed 19 million during the quarter, up 74% from a year ago. Server and Tools revenue growth of 18% added to its string of consecutive double-digit revenue growth quarters, which now stands at 23.

The third quarter also kicked off the largest enterprise platform launch in the company history, which highlights Windows Server 2008, SQL Server 2008 and Visual Studio 2008.

	Three Months Ended		
	Mar-08	Mar-07	% Δ
Revenues			
Client	$4,025	$5,274	-23.7%
Server Platforms	$3,255	$2,748	18.4%
Online Server Business	$843	$603	39.8%
Business Division	$4,745	$4,872	-2.6%
Entertainment & Devices	$1,576	$936	68.4%
Unallocated & Other	$10	$10	-
Total	$14,454	$14,443	-0.1%
Operating Expenses	$10,045	$7,854	-21.8%
Operating Income	$4,409	$6,589	49.4%
Other Income or Loss	($21)	($1,627)	n/a
Net Earnings			
Overall	$4,388	$4,962	13.1%
Per Share (Diluted)	$0.47	$0.50	6.4%

($ millions except per share data)



Detailed Employment Forecast

GARDNER JOHNSON has further refined its detailed employment growth forecast as a function of above expected growth. Details are as follows:

Seattle Metro Area Employment Sector	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Construction	72,100	77,800	86,600	93,600	103,800	106,645	109,167	111,337	113,550	115,808
Manufacturing	152,900	147,600	156,500	164,200	170,000	174,834	178,756	181,693	184,681	187,721
Wholesale Trade	67,900	70,100	70,700	72,200	73,600	74,514	75,447	76,398	77,361	78,337
Retail Trade	138,300	150,700	153,900	153,300	156,700	158,905	160,937	162,788	164,660	166,555
Transportation, Warehousing & Utilities	49,900	51,200	49,800	52,000	52,500	53,269	54,166	55,196	56,246	57,317
Information	70,900	73,000	75,400	80,300	83,600	85,797	87,873	89,817	91,807	93,843
Financial Activities	89,700	90,700	90,800	90,400	92,200	93,086	93,924	94,712	95,507	96,309
Professional & Business Services	178,500	187,100	199,600	208,800	215,700	222,812	230,021	237,320	244,851	252,621
Educational & Health Services	134,500	141,900	146,100	149,400	153,600	156,435	159,190	161,857	164,570	167,329
Leisure & Hospitality	114,900	124,000	129,000	132,100	135,600	137,958	140,212	142,355	144,531	146,740
Other Services	47,900	49,400	50,500	50,300	51,000	51,795	52,586	53,375	54,175	54,987
Government	199,800	200,200	199,400	199,500	204,200	206,646	209,061	211,441	213,849	216,284
Total	**1,317,300**	**1,363,700**	**1,408,300**	**1,446,100**	**1,492,500**	**1,522,696**	**1,551,337**	**1,578,289**	**1,605,789**	**1,633,849**
Rate		*3.5%*	*3.3%*	*2.7%*	*3.2%*	*2.0%*	*1.9%*	*1.7%*	*1.7%*	*1.7%*

We now expect that growth in the Puget Sound region will be headed by *Professional & Business Services* (3.3%), followed by *Construction*, *Manufacturing*, and *Information*, all with an average growth rate of 2.5%.

Slowest growth will come in *Financial Activities* (0.9%), *Government* and *Wholesale Trade* (1.2%), and *Retail Trade* (1.3%).

V. DEMOGRAPHIC COMPOSITION & PROJECTIONS (CENTRAL SEATTLE, MAGNOLIA)

The population statistics below come from the geographic area of Central Seattle. Central Seattle is bound to the North by 85th Street to the South by the Rainier Valley. Between 2000 and 2007, the population in the Central Seattle Area increased by 0.7% annually or 13,881 persons. During this period, the number of households increased by 11,326 or 1.1% annually. Declining Household size, from 2.02 persons per households to 1.97 persons per household, contributed a higher percentage increase in households than population during the period from 2000 to 2007.

Projections for the period from 2007 to 2012 show positive annual increases in both population and household growth, with increases of 0.8% and 1.1% respectively. Population is expected to increase by 12,050 persons and household growth is expected to increase by 8,776 households during the period from 2007 to 2012. Household size is expected to decline from 1.97 persons per household in 2007 to 1.94 persons per household in 2012.

CITY OF SEATTLE POPULATION GROWTH: 2000 - 2012

	2000 (Census)	2007 (Est.)	Annual Growth Rate 00-07	2012 (Proj.)	Annual Growth Rate 07-12
Population	294,657	308,538	0.7%	320,588	0.8%
Households	145,555	156,881	1.1%	165,657	1.1%
Male	149,364	157,354	0.7%	163,820	0.8%
Female	145,293	151,184	0.6%	156,767	0.7%
Household Size	2.02	1.97		1.94	

Source: Demographics Now

Income

Incomes are expected to increase over the next 5 years at a more tempered pace than was experienced between 2000 and 2007 where per capita incomes increased at an annual rate of 4.5%. Per capita income growth between 2007 and 2012 is projected to occur at an annual rate of 2.8% and median incomes are projected to increase at an annual rate of 2.9%. These figures have not been adjusted for inflation meaning that 2012 projected income figures will not be representative of actual dollars available relative to an increased cost of goods and services.

CITY OF SEATTLE INCOME GROWTH: 2000 - 2012

	2000 (Census)	2007 (Est.)	Annual Growth Rate 00-07	2012 (Proj.)	Annual Growth Rate 07-12
Per Capita ($)	$33,458	$45,449	4.5%	$52,198	2.8%
Average HH ($)	$67,731	$82,913	2.9%	$94,415	2.6%
Median HH ($)	$45,331	$61,887	4.5%	$71,483	2.9%

Source: Demographics Now, Gardner Johnson, LLC

Magnolia Population (Zip Code 98199)

The population statistics for the Magnolia neighborhood come from the zip code area 98199 which can be viewed on page 3 of this document. Between 2000 and 2007, the population of Magnolia increased by 0.5% annually or 616 persons. During this period, the number of households increased by 494 or 0.8% annually. Declining Household size, from 2.12 persons per households to 2.07 persons per household, contributed a higher percentage increase in households than population during the period from 2000 to 2007.

Projections for the period from 2007 to 2012 show positive annual increases in both population and household growth, with increases of 0.7% and 0.9% respectively. Population is expected to increase by 677 persons and household growth is expected to increase by 447 households during the period from 2007 to 2012. Household size is expected to decline from 2.07 persons per household in 2007 to 2.05 persons per household in 2012

MAGNOLIA POPULATION GROWTH: 2000 – 2012

	2000 (Census)	2007 (Est.)	Annual Growth Rate 00-07	2012 (Proj.)	Annual Growth Rate 07-12
Population	18,881	19,497	0.5%	20,174	0.7%
Households	8,911	9,405	0.8%	9,852	0.9%
Male	9,147	9,476	0.5%	9,845	0.8%
Female	9,734	10,022	0.4%	10,329	0.6%
Household Size	2.12	2.07		2.05	

Source: Demographics Now, Gardner Johnson, LLC

Income

Incomes are expected to increase over the next 5 years at a more tempered pace than was experienced between 2000 and 2007 where per capita incomes increased at an annual rate of 4.4%. Per capita income growth between 2007 and 2012 is projected to occur at an annual rate of 2.5% and median incomes are projected to increase at an annual rate of 2.8%. These figures have not been adjusted for inflation meaning that 2012 projected income figures will not be representative of actual dollars available relative to an increased cost of goods and services.

Not surprisingly, Magnolia's incomes are significantly higher than those of the entire Central Seattle Area with current estimates placing Magnolia's median household income roughly 22% above Central Seattle. Magnolia's population is made up of larger household sizes and slower population growth which can be credited to the established and wealthy nature of the neighborhood.

MAGNOLIA INCOME GROWTH: 2000 - 2012

	2000 (Census)	2007 (Est.)	Annual Growth Rate 00-07	2012 (Proj.)	Annual Growth Rate 07-12
Per Capita ($)	$37,285	$50,557	4.4%	$57,135	2.5%
Average HH ($)	$79,000	$104,171	4.0%	$116,352	2.2%
Median HH ($)	$60,281	$78,563	3.9%	$90,197	2.8%

Source: Demographics Now, Gardner Johnson, LLC

VI. Land Use Composition Analysis (Magnolia)

The chart to the right and the graph below represent the total unit makeup of the Magnolia neighborhood. Magnolia is a primarily single family neighborhood with over 6000 units of single family housing and a total residential unit count of 8,803. Apartments make up the next largest land use with 1,577 units. Because of Magnolias proximity to downtown, as well as its many waterfront view lots, condominiums and townhouses have not seen the same market acceptance as in other areas of Seattle such as Belltown and Capitol Hill. Condominium units make up just over 700 units of the neighborhoods residential stock and townhouses make up less than 200 units.

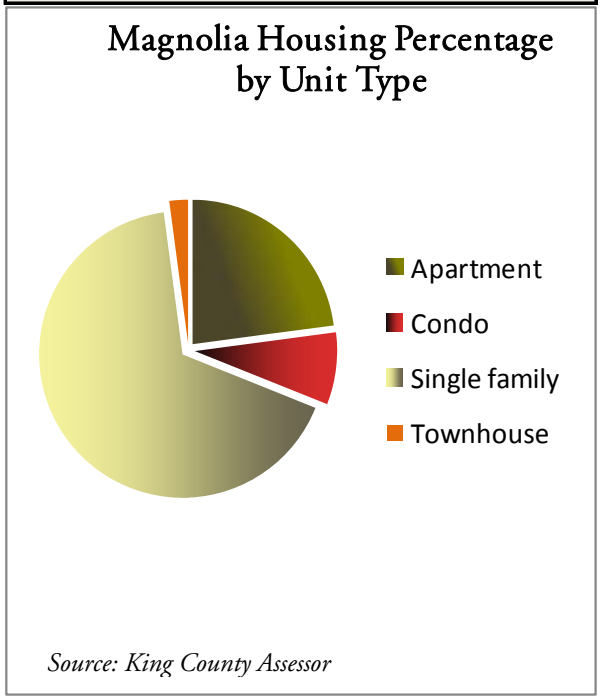
The Pie chart shown to the right breaks down the composition of Magnolia by land use type. Apartment uses are made up of all rentable units and represent 23% of the total land use makeup of the Magnolia neighborhood. 67% of all residential product in Magnolia, as reported by the King County Assessor's Office, is shown to be single family dwelling units. These percentages show a more general picture of the neighborhood than the previously, more detailed, breakdown by unit type.

Condominiums and Townhouses represent 10.1% of the total unit makeup of the neighborhood making residential multifamily the most marginal land use in the Magnolia neighborhood. The details of each of these land uses will be further broken down throughout the rest of the document including age, price range, location, and in some cases proximity to the Fort Lawton site.

Magnolia Unit Composition

Unit type	Number of Units
4-Plex	188
Apartment	1429
Apartment(Mixed Use)	48
Condominium(Mixed Use)	62
Condominium(Residential)	654
Duplex	216
Single Family(C/I Zone)	44
Single Family(Res Use/Zone	5840
Townhouse Plat	187
Triplex	135
Grand Total	**8803**

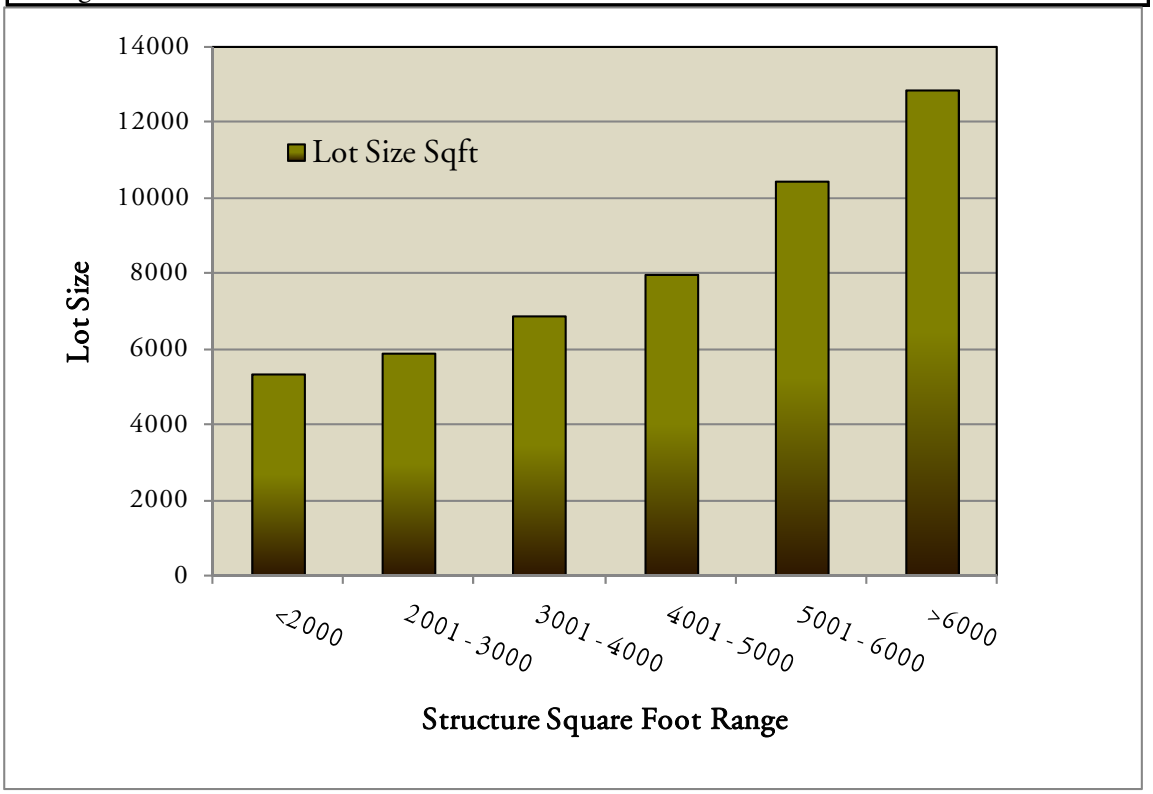
MAGNOLIA	
Apartment	**23%**
Condo	8%
Single family	67%
Townhouse	2.1%



Source: King County Assessor

AVERAGE LOT SIZES ASSOCIATED WITH AVERAGE SINGLE FAMILY STRUCTURE SIZES
SINGLE FAMILY SALES FROM 2000 – 2007
MAGNOLIA NEIGHBORHOOD, SEATTLE WA

Structure Size Square FT	<2000	2001 - 3000	3001 - 4000	4001 - 5000	5001 - 6000	>6000
Lot Size Sqft	5337	5915	6849	7990	10445	12847
Average Sales/Yr	74	120	62	21	5	2



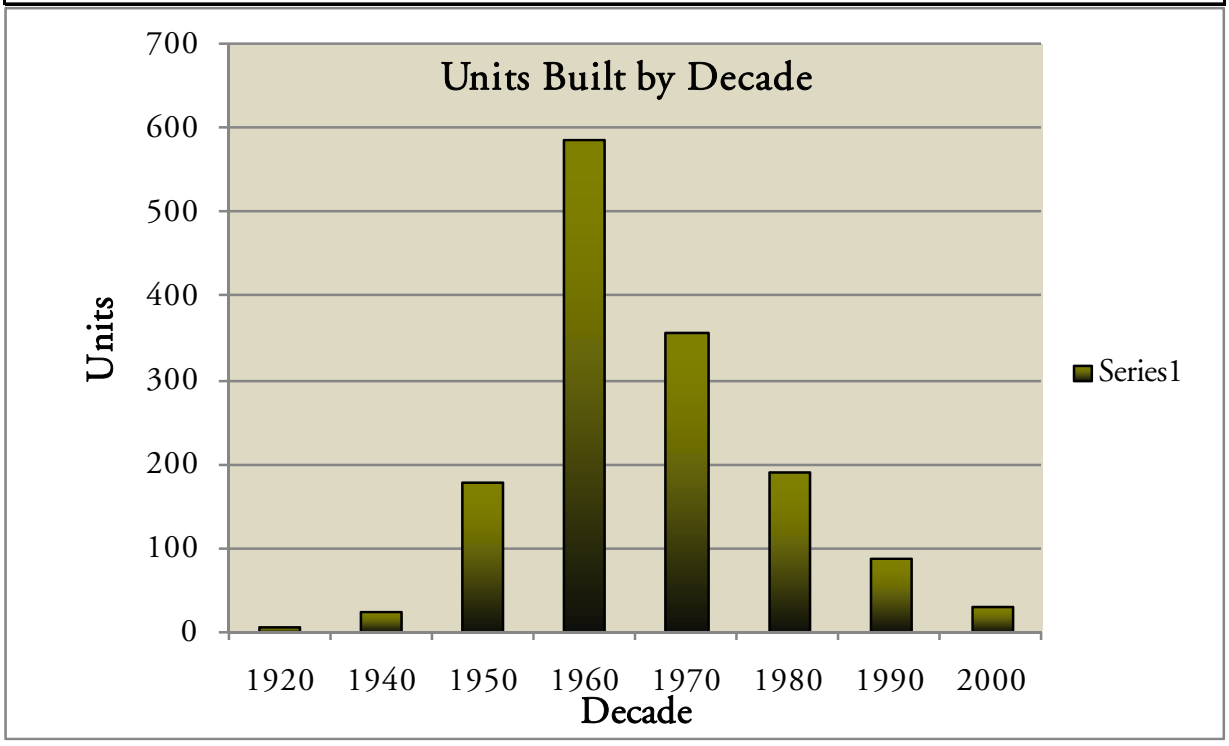
Source: King County Assessor

The Magnolia neighborhood's single family composition averages 2,600 square feet per single family dwelling. The chart above breaks down the single family composition of Magnolia by square foot ranges--shown in thousand square foot increments--and the bars in the graph represent lot sizes which are associated with each square foot range. For example: all single family homes with square footage falling between 2001 and 3,000 square feet, show an average lot size of 5,915 square feet.

Unsurprisingly, as the square footage of the single family house increases, the average lot size also increases. As shown in the table above, the largest square foot categories show an exponential increase in average lot size with homes over 6000 square feet averaging 12,847 square feet in lot size. The average number of sales for each square foot category is also reflected in the second line of the chart above the graph. The greatest average sales number for the years 2000 – 2007 comes from single family homes which fall into the 2,001 – 3,000 square foot range.

RENTAL UNITS BUILT BY DECADE
MAGNOLIA NEIGHBORHOOD

RENTAL UNITS BY DECADE								
1920	1940	1950	1960	1970	1980	1990	2000	Grand Total
7	24	180	588	356	190	87	32	1464

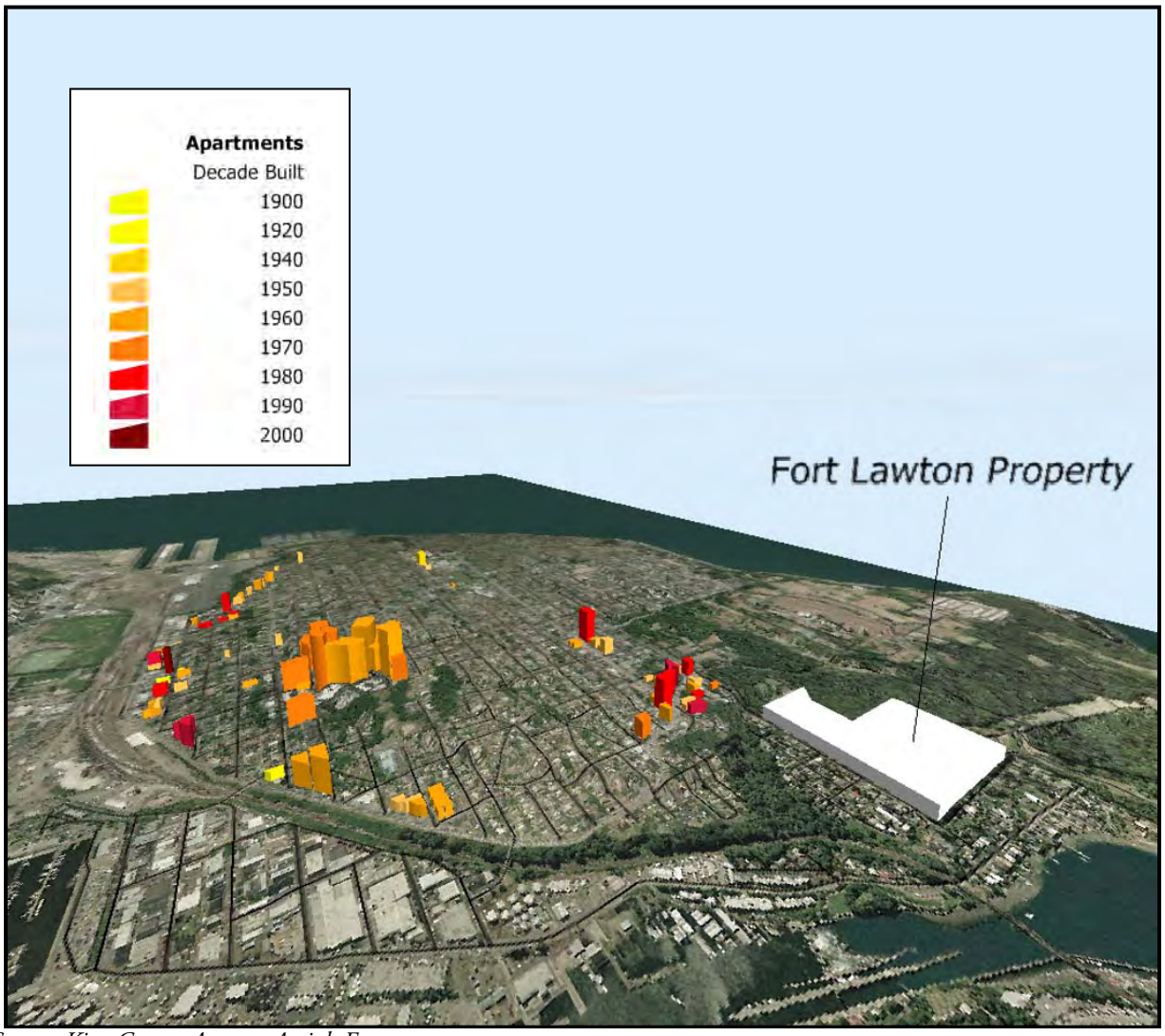


The chart above shows a breakdown of Magnolia apartment units and the decade in which they were built. The rental stock in Magnolia is dated, with most of the apartment units built before 1990 and very few--in fact only a single development--built after 2000. The apartment market is very much like the rest of the Magnolia area in that it is located in an area that is land poor with limited multifamily zoning. There are few places in Magnolia on which to build new construction rental apartments and, as such, very few new construction apartment projects will be brought to Magnolia.

The single new construction apartment project is a "luxury" apartment project named the Tres J's. Luxury apartments expect high rental rates and might be considered, in the context of the Magnolia neighborhood, a niche product. Because land costs are driven by scarcity as well as prices for finished residential products, apartment rents must be set at the top of the market for new construction apartment buildings in order to justify higher costs for land in areas with high housing prices such as Magnolia.

The following map displays the location of the subject property and its relationship to the apartment buildings located within the subject area. Each of the parcels (shown in color) has been extruded by height, so the tallest shapes represent the buildings with the highest number of units. The apartment buildings are color coded to represent the decade in which they were built with the lightest yellow representing buildings built during the early 1900's and the darkest reds representing the buildings built during the most recent decades.

SPATIAL ANALYSIS OF MAGNOLIA APARTMENT MARKET



Source: King County Assessor, Aerials Express

The majority of apartments built in Magnolia are located around more central retail areas and transportation corridors. No apartment buildings have been built near the subject property since before 1990. This again shows that as land values in Magnolia have seen increases in value, feasibility for apartments has begun to diminish.

VII. RESIDENTIAL/CONDOMINIUM MARKET ANALYSIS (CENTRAL SEATTLE & MAGNOLIA)

Central Seattle

The following chart highlights the Central Seattle single family sales market. Central Seattle is primarily a resale market as can be seen in the discrepancy between new construction and resale statistics from the first quarter of 2008. Central Seattle is an established urban area with little room for the sizeable single family developments, developments which typically occur where land is available in larger quantities such as suburban locations surrounding urban centers.

This trend explains the first quarter of 2008 sales records which show only 86 new construction sales for all of Central Seattle. This number is relatively small when compared to the 589 resale homes sold in the same market area over the same time period. The trend is even more pronounced in a neighborhood such as Magnolia with even higher resale prices than Central Seattle and one of the most well established single family markets in the city.

Premiums associated with new construction single family sales are also harder to gauge in a market area such as Central Seattle. As can be seen in the single family sales chart on the following page, sales prices for new construction single family homes were significantly higher than resale home prices. The average price for a new construction single family home was $858,896 compared to an average resale price of $633,395. This premium is a function of various costs associated with building a single new construction home on a single lot. Many new construction single family homes in Central Seattle are built as custom homes, tailored to suit the buyer who may have had to pay a high price for the lot. Acquiring a lot can be expensive because of existing structures which may have to be torn down in order to build the new construction home.

Because of the many variables associated with new construction homes in Central Seattle, the premium for a new construction home is in reality driven by costs rather than by value. To be sure, there is value in having a new structure in which to live, but many of the new construction home prices in both Central Seattle and Magnolia are driven by the costs associated with bringing a new construction home to an already established single family market.

CENTRAL SEATTLE SINGLE FAMILY HOME SALES FIRST QUARTER, 2008

Single Family Home Sales	1Q08		YTD Total Sales	
Price Range	New	Resales	New	Resales
Under $124,999	0	0	0	0
$124,999 - $149,999	0	0	0	0
$150,000 - $174,999	0	0	0	0
$175,000 - $199,999	0	0	0	0
$200,000 - $224,999	0	1	0	1
$225,000 - $249,999	0	4	0	4
$250,000 - $274,999	0	8	0	8
$275,000 - $299,999	0	7	0	7
$300,000 - $324,999	2	12	2	12
$325,000 - $349,999	0	25	0	25
$350,000 - $374,999	1	31	1	31
$375,000 - $399,999	5	31	5	31
$400,000 - $449,999	7	77	7	77
$450,000 - $499,999	12	69	12	69
$500,000 - $549,999	11	64	11	64
$550,000 - $599,999	6	46	6	46
$600,000 - $699,999	6	74	6	74
$700,000 - $799,999	5	44	5	44
$800,000 - $899,999	7	26	7	26
$900,000 - $999,999	10	16	10	16
$1,000,000 - & Over	14	54	14	54
Total	86	589	86	589
Average Sales Price (All Sales)			$633,395	
Average Sales Price (New Construction)			*$858,896*	

Source: Northwest Multiple Listing Service, Gardner Johnson, LLC.

Central Seattle attached home sales have been sluggish through the first quarter of 2008 with an average resale price of $394,090 and an average new construction price of $408,549. The total sales for new construction during this time period were 277 units and resale units totaled 464. New construction multifamily is more available than single family as the Central Seattle area takes on more population with a limited supply of residential land.

CENTRAL SEATTLE ATTACHED HOME SALES FIRST QUARTER, 2008

Attached Home Sales	1Q08		YTD Total Sales	
Price Range	New	Resales	New	Resales
Under $124,999	0	0	0	0
$125,000 - $149,999	0	0	0	0
$150,000 - $174,999	0	4	0	4
$175,000 - $199,999	0	14	0	14
$200,000 - $224,999	0	34	0	34
$225,000 - $249,999	6	45	6	45
$250,000 - $274,999	13	44	13	44
$275,000 - $299,999	10	31	10	31
$300,000 - $324,999	24	37	24	37
$325,000 - $349,999	9	42	9	42
$350,000 - $374,999	22	31	22	31
$375,000 - $399,999	32	32	32	32
$400,000 - $449,999	56	48	56	48
$450,000 - $499,999	40	34	40	34
$500,000 - $549,999	12	16	12	16
$550,000 - $599,999	17	13	17	13
$600,000 - $699,999	17	13	17	13
$700,000 - $799,999	6	8	6	8
$800,000 $899,999	4	3	4	3
$900,000 $999,999	0	3	0	3
$1,000,000 & Over	9	12	9	12
Total	277	464	277	464
Average Sales Price (All Sales)			*$394,090*	
Average Sales Price (New Construction)			*$408,549*	

Source: Northwest Multiple Listing Service, Gardner Johnson, LLC.

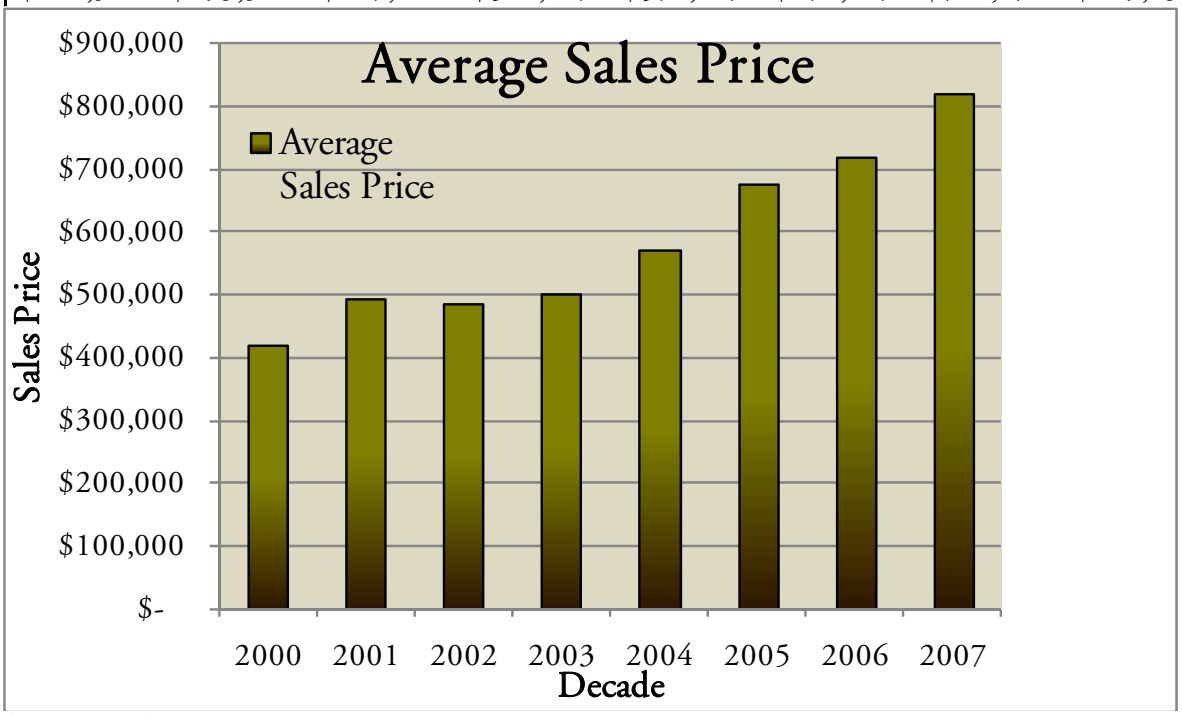
Magnolia Single Family

Magnolia single family sales have seen a 100% increase in value from the year 2000 through 2007. Magnolia is a well established residential neighborhood with limited supply and very little new construction product. Because of its proximity to downtown and ample waterfront property, Magnolia will continue to see prices which are above those of the Central Seattle market area. In 2007, the average price for a single family home in Magnolia was $819,130. This price point is well above the current resale price of $633,395 for all of Central Seattle.

Most of the sales reflected in the table below are resale units. The Fort Lawton property represents one of the few opportunities for larger scale development of multiple single family units. New construction statistics for true single family product are nearly nonexistent, with a few sales reflected in the statistics below coming from a limited supply of custom homes on single lots throughout the neighborhood. The same principles apply to Magnolia as they do to the entire Central Seattle Market. With a limited supply of vacant land for single family development, costs associated with tear downs and land acquisition are difficult to quantify in the realm of new construction home prices in this established market area.

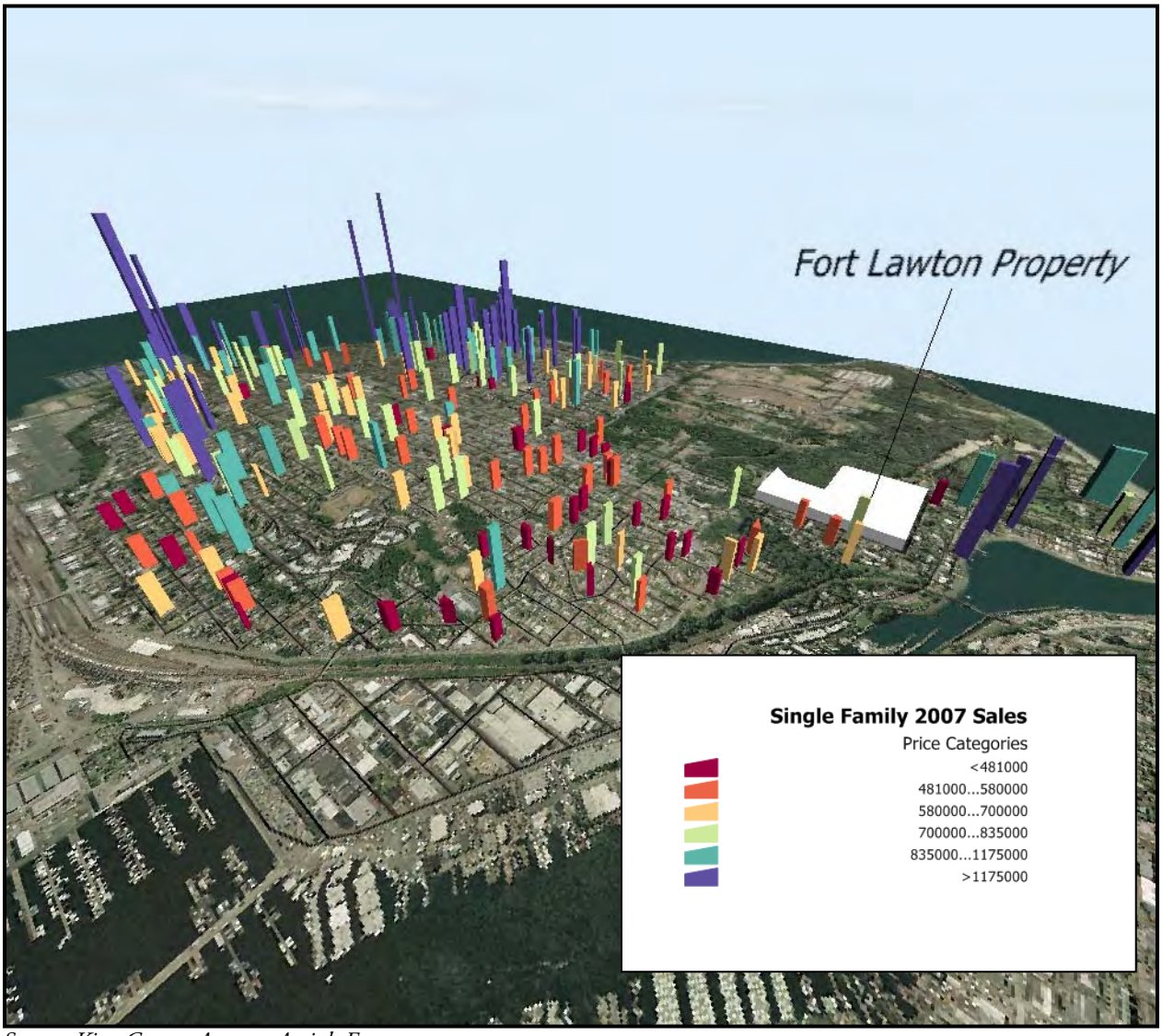
AVERAGE SINGLE FAMILY SALES PRICES: 2000 - 2007
MAGNOLIA

2000	2001	2002	2003	2004	2005	2006	2007
$420,318	$493,348	$487,101	$504,047	$572,427	$676,267	$721,474	$819,130



Source: King County Assessor

MAGNOLIA NEIGHBORHOOD
MAP OF SINGLE FAMILY HOME SALES: 2007



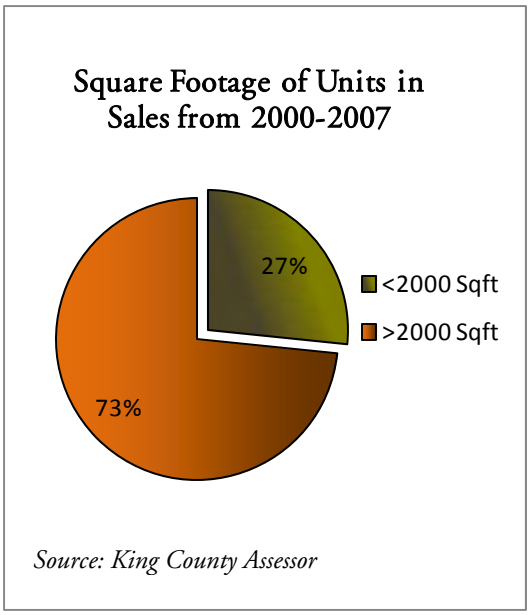
Source: King County Assessor, Aerials Express

The map above shows single family home sales in Magnolia during the year 2007. Each of the colored extrusions represents a single family sale. The height of these parcel extrusions is dictated by the sales price of the single family home contained within that parcel; so the tallest extrusions represent the highest prices and the shortest represent the lowest. The various colors of each extrusion represent various price categories and are shown in the legend by color and category. Maroon represents all houses under $481,000 and orange denotes houses selling between 481 and 580 thousand…all the way through purple which reflects single family sales of more than 1.17 million dollars.

This "heat map" paints an easily understood breakdown of the market area and prices associated with various geographic locations throughout Magnolia. Not surprisingly, the more expensive homes are located along the waterfront and the least expensive homes are centrally located close to transit corridors and retail areas. Middle range prices are located in more central residential areas away from the waterfront areas.

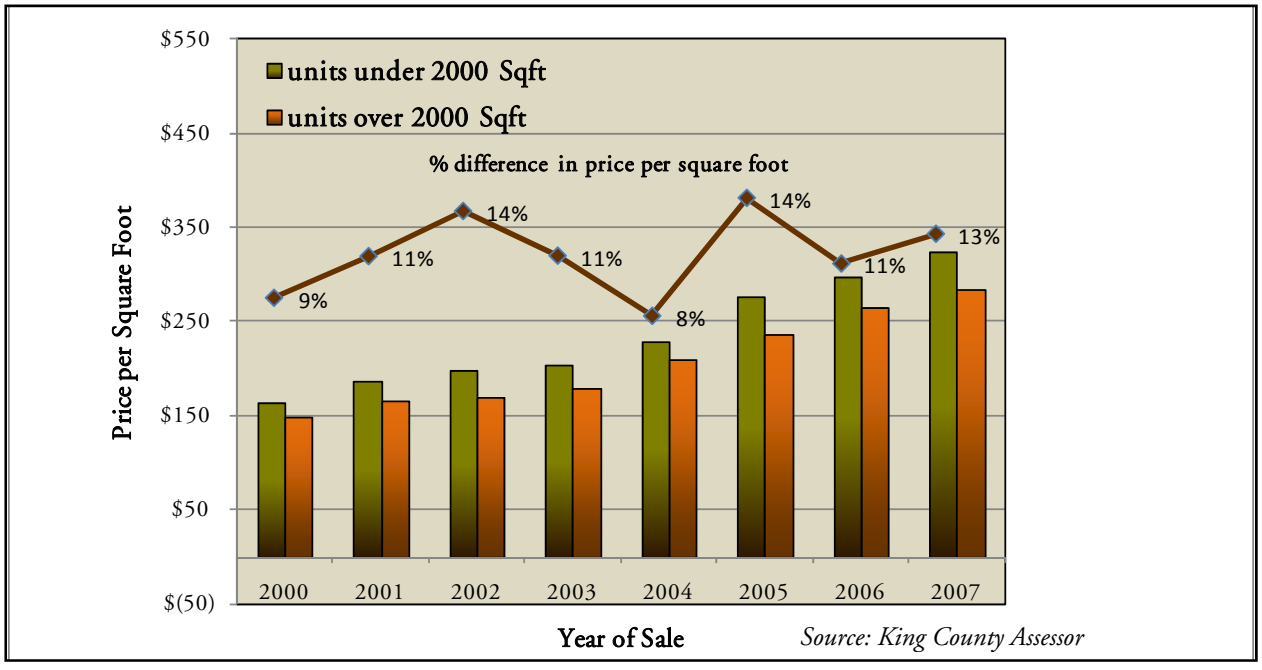
Homes sales which were adjacent to the subject property ranged between $500,000 and $800,000 to the South and East of Fort Lawton. Properties located to the North of the subject property saw prices above $800,000 with some sales reaching over one million dollars due primarily to the proximity to, or location along, the waterfront.

A further breakdown of the Magnolia single family market is shown in the chart on this page which compare smaller single family product vs. larger single family product on a price per square foot basis. Median prices were calculated for all single family units sold by year for two categories. These categories are segregated by units above and below 2,000 square feet. As a general rule, price per square foot tends to rise as the size of the unit declines and Magnolia is no exception.



Source: King County Assessor

SINGLE FAMILY SQUARE FOOTAGE PRICE COMPARISON
MAGNOLIA



Source: King County Assessor

Homes under 2,000 square feet are priced, on average, at 13% more per square foot than homes above 2,000 square feet. Median prices were used to calculate the difference in these two categories because of some natural overlap of products which are in close proximity to one another on a square foot basis.

One area of opportunity in the Magnolia neighborhood comes in the form of the discrepancy between large and small houses within the neighborhood. Most of Magnolia's housing stock was designed around the semi-suburban, single family neighborhood of the mid 20th century. As a result, smaller homes with smaller floor plans are not available to families who may want to move to Magnolia but can't afford a 3,000 square foot waterfront property. With only 27% of all of Magnolia's housing stock at less than 2,000 square feet, small lot single family units may represent a market segment which may not contain the supply with which to meet its demand.

PLANNED AND PROPOSED SINGLE FAMILY DEVELOPMENTS
MAGNOLIA NEIGHBORHOOD

Development Name	Location	Units	Dwelling Type	Status	App. Date	Ownership
2215 32nd Ave W 2215 32nd Ave W	Seattle	15	Single Family	In for Permit	6/5/2007	Single Family
3901 W Dravus St 3901 W Dravus St	Seattle	39	Single Family	In for Permit	2/2/2007	Single Family
Totals/Averages		54				

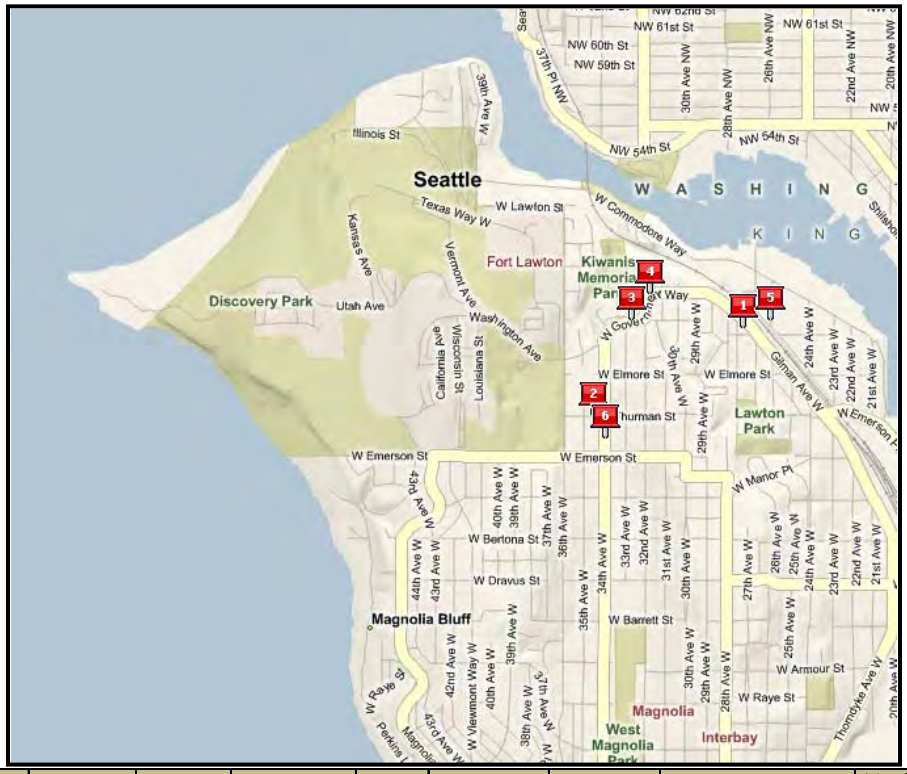
Source: New Home Trends

The table above shows planned and proposed single family developments in Magnolia. The largest of these developments is located to the South of the subject property at 3901 W. Dravus Street. Lexington Fine Homes is planning a thirty nine unit development at the site of an old elementary school and has been attempting to navigate the permitting and neighborhood process for the better part of four years. The difficulty Lexington has experienced is due to push back from the community regarding density and traffic which certain groups feels will cause an undue burden on traffic and quality of life surrounding the sight.

These two new construction developments have not completed the permitting process and as such cannot be guaranteed to come to market. Attempts by developers to build planned single family homes within the subject market area have been met with resistance from the surrounding community and therefore any planned and proposed housing developments will not necessarily be brought to market.

Magnolia Multifamily

Map of Comparable Multifamily Developments



Map #	Development	Location	Status	Dwelling Type	Total # of Units	Start of Sales	Monthly Abs. Rates	Total Price Range		Total Sq. Ft. Range		Total $/Sq. Ft. Range		Est. Sellout
								Min.	Max.	Min.	Max.	Min.	Max.	
1	2715 W Jameson St 2715 W Jameson St	2914 E. Madison St.	Selling Homes	Townhome	9	4/1/2007	0.38	399000	475000	1150	1450	293	375	3/1/2009
2	3841 34th Ave W 3841 34th Ave W	1810 11th Ave.	Not Yet Selling	Townhome	5	--	--	--	--	--	--	--	--	--
3	4266 33rd Ave W 4266 33rd Ave W	1707 Boylston Ave.	Sold Out	Townhome	5	7/14/2006	1.16	449000	499000	1760	1760	255	284	
4	Blue Heron 3150 W GovernmentWay	1426 E. Madison St.	Selling Homes	Mid Rise	30	5/31/2007	1.21	274990	549990	639	1058	368	603	9/1/2008
5	Candyce (Conversion) 4269 Gilman Ave W	530 Broadway E.	Selling Homes	Low Rise	10	7/13/2007	0.73	189950	275000	475	768	331	420	1/1/2011
6	Promenade at the Park (Conversion) 3855 34th Ave	1530 Eastlake Ave. E.	Selling Homes	Low Rise	19	2/27/2008	0.56	387000	387000	539	962	351	351	12/1/2008
	Totals/Averages				78	--	0.8	$339,988	$437,198	913	1200	$320	$407	

Source: New Home Trends, Northwest Multiple Listing Service

The map on the previous page, along with the accompanying table, shows the comparable multifamily developments in proximity to the subject property. The comparable property set includes a number of townhome developments as well as two low rise conversion properties and one new construction mid-rise condominium development (The Blue Heron). The smallest units contained within these developments average 913 square feet and the largest units average 1,200 square feet. The total number of units surveyed was 78, weighted heavily by The Blue Heron which is made up of 30 condominium units.

The average price per square foot for these multifamily units is between $320.00 and $407.00 with an average price per square foot of $363.00. The average absorption for these comparable products is 0.8 units per month. The lethargic absorption rate can be attributed to Magnolia's lack of acceptance of multifamily product as well as a slowing residential market throughout the region. With townhome developments of between 5 and 10 units, lower absorption poses less of a problem because these developments have fewer units to sell. In this regard, as multifamily projects increase the number of units per development, absorption plays an increasingly larger role in the success of the project.

PLANNED AND PROPOSED MULTIFAMILY UNITS
MAGNOLIA

Development Name	Location	Units	Dwelling Type	Status	App. Date	Ownership
2200 32nd Ave W 2200 32nd Ave W	Seattle	10	Townhome	In for Permit	6/5/2007	Condominium
2316 W Crockett St 2316 W Crockett St	Seattle	7	Townhome	In for Permit	2/2/2007	Unknown
Totals/Averages		17				

Source: New Home Trends

Planned and proposed multifamily units in Magnolia total seventeen units according to New Home Trends. The trend, or lack thereof, in multifamily development in Magnolia begs the question of why buyers in Seattle choose multifamily and in what locations these buyers expect to find such product. Availability of land and zoning must be cited in the case of Magnolia as being barriers to multifamily development, with little zoning for high density product and a lack of concentrated mixed use development, both the for sale and apartment multifamily markets in Magnolia lack feasibility. This can be seen in the relative lack of development in the market area through one of the biggest residential booms in Seattle's history. From 1999 to present, Magnolia has added around 225 multifamily units in projects containing five or more units. While this number does not include infill townhomes containing four or less units, it is a fairly accurate picture of the development history of Magnolia over the past eight and a half years. With roughly 25 units per year being brought to the Magnolia multifamily market, any larger scale development could face barriers to acceptance in a multifamily market which is neither deep nor robust.

MAGNOLIA AND CAPITOL HILL MARKET COMPARISON

	Multi Family			Single Family		
Neighborhood	Average Size (Square Feet)	Average Price	Price/Square Foot	Average Size (Square Feet)	Average Price	Price/Square Foot
Magnolia	921	$ 300,310.00	$ 326.07	2610	$ 819,000.00	$ 313.79
Capitol Hill	801	$ 342,309.00	$ 427.35	2410	$ 757,000.00	$ 314.11

Source: King County Assessor, Northwest Multiple Listing Service

The table above shows a price comparison between the Magnolia and Capitol Hill neighborhoods. The Magnolia Neighborhood includes zip code 98199 and Capitol Hill contains zip codes 98122 and 98102. These neighborhoods are very different in terms of their unit composition with Capitol Hill representing a strong multifamily composition and Magnolia a very strong single family composition. The prices for units located within Capitol Hill show an average unit price of $342,309 while Magnolia's prices are closer to the $300,000 mark.

This comparison also shows a distinct difference in unit size and a significant difference in price per square foot for multifamily units in both market areas. The average price per square foot in Capitol Hill is $427.35 and the average price per square foot in Magnolia is $326.07. The average single family price per square foot between the two neighborhoods is roughly equivalent and Magnolia's single family homes prices average approximately $60,000 more than Capitol Hill's. Clearly the price of Magnolia's multifamily units as well as its market acceptance is not driven solely by the lack of affordability of its single family prices.

Home buyers choose multifamily living as a more affordable alternative to single family development, but they also choose multifamily living for its proximity to job centers and retail, entertainment and service amenities. Magnolia lacks these amenities in whole or in part and the difference can be seen in the numbers between Magnolia and Capitol Hill where market acceptance and the value of multifamily development is driven by many of the amenities which are not found in Magnolia.

For the reasons detailed above, our recommendations strongly support a unit mix which primarily consists of detached units with a smaller percentage of multifamily townhome products making up the remainder of the recommended unit mix.

VIII. General Limiting Conditions

This report has been prepared to answer specific questions, based on background information and assumptions provided by you, concerning a specific development or project. Use of this report should therefore be limited to the purpose you identified, as recited in the Executive Summary. You are warned NOT to rely on this report, or the data contained therein, to analyze other developments or projects not identified in the Executive Summary, as the specific factual contexts and assumptions may differ.

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EXHIBITS

EXHIBIT 1.01

REAL GROSS DOMESTIC PRODUCT AND RELATED MEASURES
PERCENT CHANGE FROM PRECEDING PERIOD
SEASONALLY ADJUSTED ANNUAL RATES

	PERIOD																								
	2001	2002	2003	2004	I 03	II 03	III 03	IV 03	I 04	II 04	III 04	IV 04	I 05	II 05	III 05	IV 05	I 06	II 06	III 06	IV 06	I 07	II 07	III 07	IV 07	I 08
Gross domestic product (GDP)	0.8	1.6	2.5	3.9	1.2	3.5	7.5	2.7	3.9	4.0	3.1	2.6	3.4	3.3	4.2	1.8	5.6	2.6	2.0	2.5	0.7	3.8	4.9	0.6	**0.6**
Personal consumption expenditures	2.5	2.7	2.8	3.9	2.1	3.6	5.8	2.3	4.7	2.9	3.9	4.3	2.7	4.2	3.9	0.8	4.8	2.6	2.8	4.2	4.2	1.4	2.8	2.3	**1.0**
Durable goods	4.3	7.1	5.8	6.4	0.4	16.8	16.7	0.7	6.1	1.7	8.7	6.1	2.4	12.8	9.0	-12.3	19.8	-0.1	6.4	4.4	8.7	1.7	4.5	2.0	**-6.1**
Nondurable goods	2.0	2.5	3.2	3.6	3.8	2.3	7.7	1.8	4.3	1.7	3.7	5.4	5.2	4.9	3.4	3.9	5.9	1.4	1.5	5.9	3.2	-0.5	2.2	1.2	**-1.3**
Services	2.4	1.9	1.9	3.5	1.5	1.8	2.9	2.8	4.6	3.8	3.1	3.4	1.6	2.3	3.2	2.0	1.6	3.7	2.8	3.4	3.8	2.3	2.8	2.8	**3.4**
Gross private domestic investment	-7.9	-2.6	3.6	9.8	-1.3	3.3	17.7	9.3	4.8	21.7	2.0	5.1	8.2	-3.6	5.2	16.2	7.8	1.0	-0.8	-15.2	-9.6	4.6	5.0	-14.6	**-4.7**
Fixed investment	-3.0	-5.2	3.4	7.3	-0.4	10.6	13.6	5.5	2.2	11.7	7.6	4.9	7.8	10.5	6.3	2.8	8.2	-1.6	-1.2	-9.1	-3.9	3.2	-0.7	-4.0	**-9.7**
Nonresidential	-4.2	-9.2	1.0	5.9	-2.6	10.7	9.4	2.8	1.7	7.2	10.3	8.3	6.0	5.2	5.9	5.2	13.7	4.4	10.0	-3.1	2.6	11.0	9.3	6.0	**-2.5**
Structures	-2.3	-17.1	-4.1	2.2	-6.9	14.7	-0.8	-4.7	3.3	6.9	3.1	-2.0	5.3	-2.0	-7.0	12.0	8.7	20.3	15.7	-0.8	4.8	26.2	16.4	12.4	**-6.2**
Equipment and software	-4.9	-6.2	2.8	7.3	-1.0	9.3	13.2	5.6	1.2	7.3	13.0	12.3	6.3	7.9	11.0	2.8	15.6	-1.4	7.7	-4.8	1.7	4.7	6.2	3.1	**-0.7**
Residential	0.4	4.8	8.4	9.9	4.1	10.5	22.2	10.6	3.1	19.8	3.2	-0.6	11.1	20.0	7.1	-0.9	-0.3	-11.1	-18.7	-19.8	-15.8	-11.8	-20.5	-25.2	**-26.7**
Net exports of goods and services																									
Exports	-5.4	-2.3	1.3	9.2	-5.3	-1.7	11.4	20.8	7.2	6.2	4.8	9.9	4.7	9.4	3.2	9.6	14.0	6.2	6.8	10.6	0.7	7.5	19.1	6.5	**5.5**
Goods	-6.1	-4.0	1.8	9.0	2.0	-1.2	8.8	19.8	7.1	6.4	8.3	6.1	5.5	12.8	3.7	11.5	17.3	6.0	9.4	8.4	0.2	6.6	26.2	3.9	**5.2**
Services	-3.7	1.9	0.0	9.7	-20.0	-2.8	17.5	23.1	7.5	5.6	-2.8	19.2	2.9	2.0	2.1	5.5	6.7	6.7	0.8	16.3	1.9	9.6	4.0	13.2	**6.1**
Imports	-2.7	3.4	4.1	10.8	-5.0	4.1	3.7	17.6	10.2	16.0	4.4	12.0	4.1	1.4	2.5	13.2	9.1	1.4	5.6	-2.6	5.5	-2.7	4.4	-1.4	**2.5**
Goods	-3.2	3.7	4.9	10.9	-3.9	8.6	0.6	17.2	10.1	17.7	4.7	12.6	4.9	2.0	2.7	14.1	9.4	-0.1	7.1	-4.1	6.0	-2.9	4.8	-2.6	**2.4**
Services	-0.3	2.1	0.0	10.0	-10.6	-15.7	21.2	19.6	10.9	7.6	3.1	9.0	-0.2	-1.5	1.2	8.3	7.4	9.9	-2.6	6.2	2.8	-1.7	1.7	5.5	**3.5**
Government consumption expenditures and gross investment	3.4	4.4	2.5	1.9	-1.4	6.1	1.5	0.7	2.9	2.2	1.3	-1.9	1.6	1.1	3.4	-1.1	4.9	0.8	1.7	3.4	1.0	4.1	3.8	2.0	**2.0**
Federal	3.9	7.0	6.8	4.3	0.1	19.7	0.4	3.1	7.2	2.5	5.0	-5.2	3.4	0.4	9.6	-4.6	8.8	-4.5	1.3	4.6	-3.9	6.0	7.1	0.5	**4.6**
National defense	3.9	7.4	8.7	5.9	-4.4	36.3	-5.3	8.1	9.1	2.0	9.1	-9.1	4.5	2.9	11.2	-9.9	8.9	-2.0	-1.2	12.3	-7.4	8.5	10.1	-0.5	**6.0**
Non-defense	3.9	6.3	3.4	1.2	9.0	-6.4	12.4	-6.0	3.6	3.5	-2.9	3.4	1.2	-4.4	6.2	7.1	8.5	-9.3	6.5	-9.6	3.6	0.9	1.1	2.8	**1.8**
State and local	3.2	3.1	0.2	0.5	-2.2	-0.8	2.1	-0.6	0.5	2.1	-0.9	0.1	0.6	1.5	-0.1	1.0	2.7	4.0	1.9	2.7	3.9	3.0	1.9	2.8	**0.5**

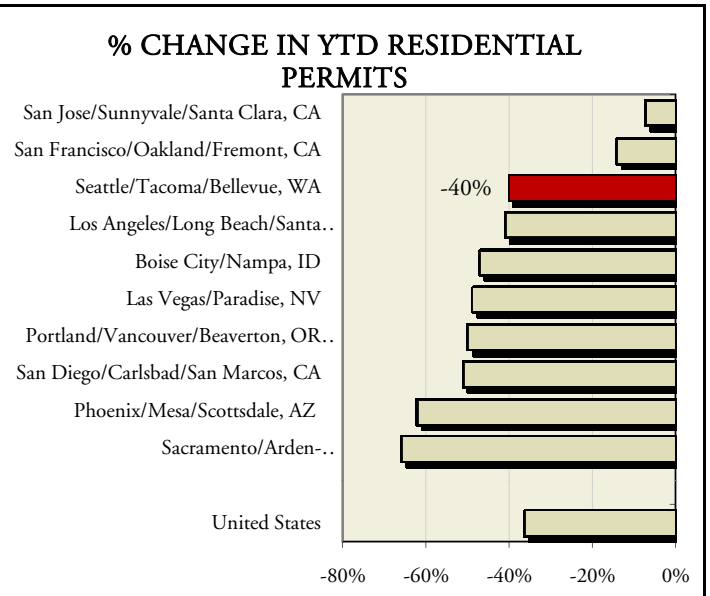
SOURCE: BEA

EXHIBIT 1.02

EMPLOYMENT AND DEVELOPMENT TRENDS
MAJOR WESTERN METROPOLITAN AREAS

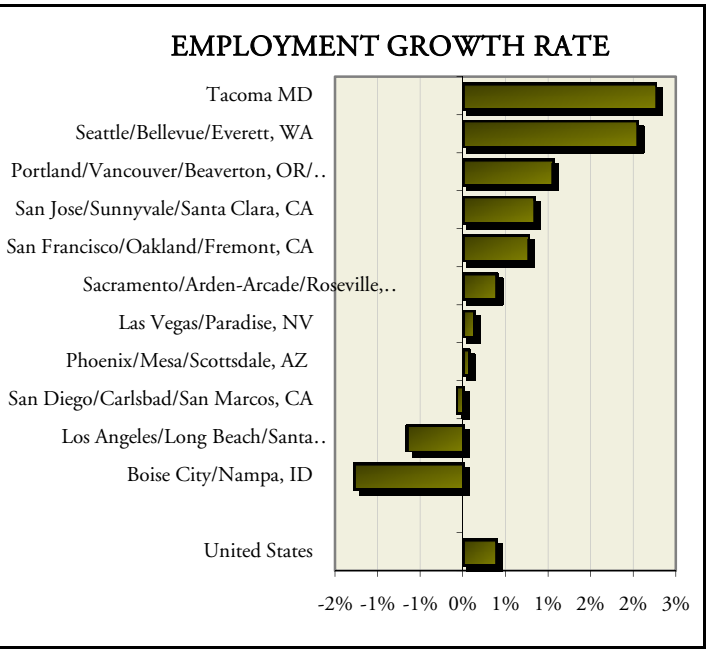
BUILDING PERMITS (SF & MF) Metropolitan Area	YTD Mar 2008	YTD % Change
Boise City/Nampa, ID	0.89	-47%
Las Vegas/Paradise, NV	2.52	-49%
Los Angeles/Long Beach/Santa Ana, CA	4.22	-41%
Phoenix/Mesa/Scottsdale, AZ	4.76	-62%
Portland/Vancouver/Beaverton, OR/WA	2.15	-50%
Sacramento/Arden-Arcade/Roseville, CA	0.93	-66%
San Diego/Carlsbad/San Marcos, CA	1.29	-51%
San Francisco/Oakland/Fremont, CA	2.01	-14%
San Jose/Sunnyvale/Santa Clara, CA	0.81	-7%
Seattle/Tacoma/Bellevue, WA	**4.26**	**-40%**
United States	**230.90**	**-36%**

*= Data in 000's



NON-AG EMPLOYMENT Metropolitan Area	Growth Rate Mar-Mar	Net Growth 000's
Boise City/Nampa, ID	-1.7%	-4.6
Las Vegas/Paradise, NV	-0.3%	-2.6
Los Angeles/Long Beach/Santa Ana, CA	-0.6%	-31.9
Phoenix/Mesa/Scottsdale, AZ	-0.3%	-4.8
Portland/Vancouver/Beaverton, OR/WA	0.8%	8.6
Sacramento/Arden-Arcade/Roseville, CA	0.0%	0.4
San Diego/Carlsbad/San Marcos, CA	-0.1%	-1.1
San Francisco/Oakland/Fremont, CA	0.6%	12.3
San Jose/Sunnyvale/Santa Clara, CA	0.8%	7.1
Seattle/Bellevue/Everett, WA	**2.0%**	**29.4**
Tacoma MD	2.3%	6.4
United States	**0.4%**	**536.0**

*= Data in 000's

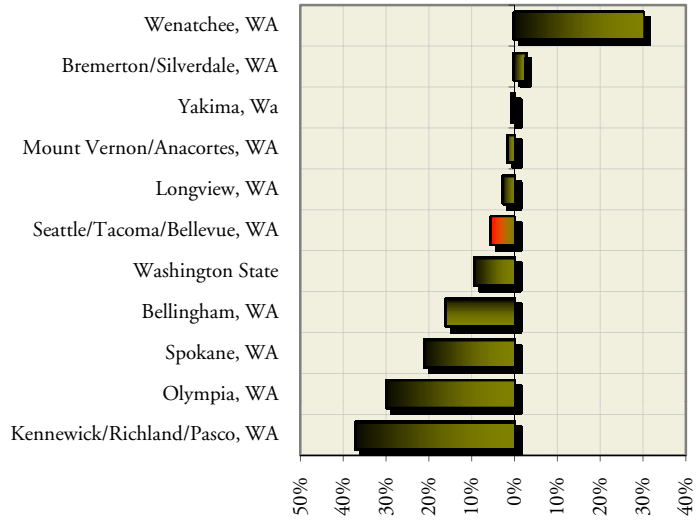


SOURCES: NAHB & BLS

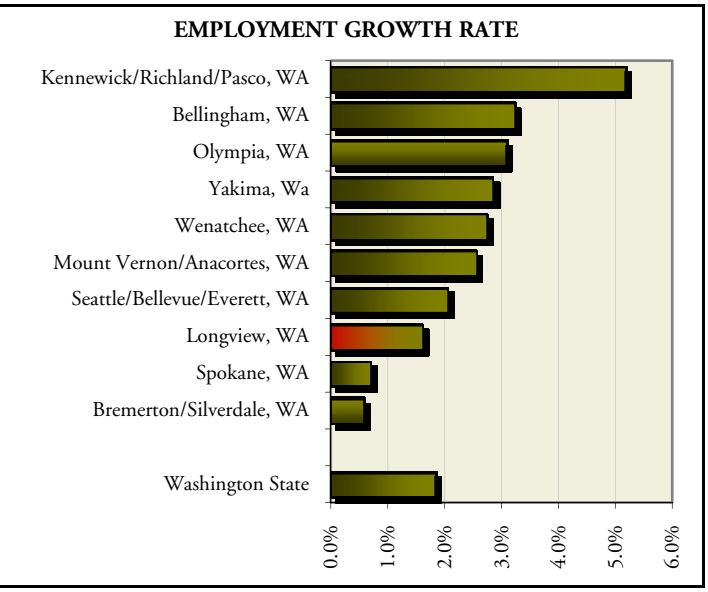
EXHIBIT 1.02, Cont.

EMPLOYMENT AND DEVELOPMENT TRENDS
WASHINGTON METROPOLITAN AREAS

BUILDING PERMITS (SF & MF) Metropolitan Area	YTD Mar 2007	YTD % Change
Bellingham, WA	160	-43.3%
Bremerton/Silverdale, WA	186	-31.6%
Kennewick/Richland/Pasco, WA	174	-53.1%
Longview, WA	74	-5.1%
Mount Vernon/Anacortes, WA	112	-26.3%
Olympia, WA	267	-59.9%
Seattle/Tacoma/Bellevue, WA	**4,262**	**-40.2%**
Spokane, WA	242	-56.9%
Wenatchee, WA	80	-40.3%
Yakima, Wa	47	-2.5%
Washington State	**7,170**	**-40.9%**



NON-AG EMPLOYMENT Metropolitan Area	Growth Rate Mar-Mar	Net Growth 000's
Bellingham, WA	3.2%	2.7
Bremerton/Silverdale, WA	0.6%	0.5
Kennewick/Richland/Pasco, WA	5.2%	4.6
Longview, WA	-100.0%	-38.1
Mount Vernon/Anacortes, WA	-100.0%	-47.1
Olympia, WA	3.1%	3.1
Seattle/Bellevue/Everett, WA	**2.0%**	**29.4**
Spokane, WA	0.7%	1.5
Wenatchee, WA	-100.0%	-39.7
Yakima, Wa	2.8%	2.2
Washington State	1.8%	53.3



SOURCES: NAHB & BLS

EXHIBIT 1.03

DOMESTIC MORTGAGE AND MARKET DATA
FREDDIE MAC'S PRIMARY MORTGAGE MARKET SURVEY

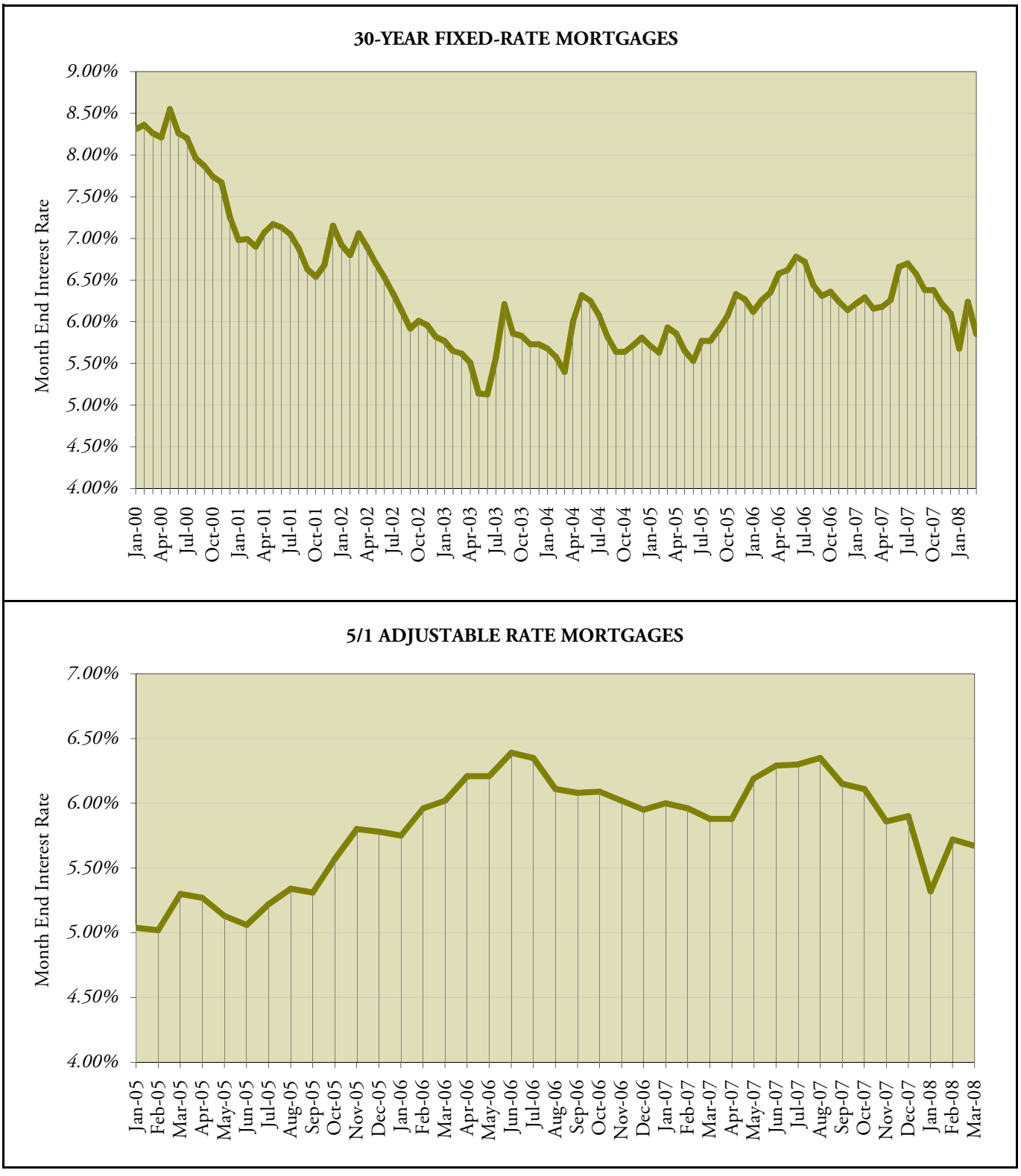


EXHIBIT 1.04

HOUSING OPPORTUNITY INDEX
WESTERN REGION METROPOLITAN AREAS
Ranked by Affordability

Metropolitan Area	HOI 2008 1Q Share of Homes Affordable for Median Income	Median Family Income	2008 1Q Median Sales Price	2008 1Q Affordability Rank	
				National	Regional
Bellingham, WA	42.4	$63,000	$247,000	173	31
Bend, OR	30.1	$58,200	$268,000	199	49
Boise City-Nampa, ID	47.9	$60,900	$225,000	157	21
Bremerton-Silverdale, WA	43.4	$69,900	$263,000	169	29
Denver-Aurora, CO	65.5	$71,800	$211,000	95	7
Las Vegas, NV	46.2	$63,900	$245,000	163	26
Los Angeles-Long Beach, CA	10.5	$59,800	$412,000	223	68
Mount Vernon, WA	29.4	$59,500	$275,000	200	50
Olympia, WA	47.0	$66,300	$240,000	159	23
Phoenix, AZ	60.1	$64,200	$210,000	113	11
Portland-Vancouver, OR	28.8	$63,800	$270,000	177	33
Reno-Sparks, NV	47.6	$69,500	$261,000	158	22
Riverside-San Bernadino, CA	26.9	$62,000	$288,000	205	53
Sacramento, CA	49.7	$71,000	$262,000	148	18
Salt Lake City, UT	46.5	$65,300	$256,000	160	24
San Diego, CA	25.2	$72,100	$368,000	208	56
San Francisco-Oakland, CA	12.7	$94,300	$680,000	221	67
San Jose, CA	23.1	$97,800	$544,000	210	58
Seattle-Tacoma-Bellevue, WA	**32.9**	**$81,400**	**$367,000**	**193**	**44**
Spokane WA	64.6	$56,700	$165,000	99	8
Tacoma, WA	44.1	$66,200	$250,000	167	28
NATIONAL	53.8	$61,500	$219,000	--	--

Note - The NAHB/Wells Fargo HOI is a measure of the percentage of homes sold in a given area that are affordable to families earning that area's median income during a specific quarter

'Source: NAHB Economics; First American Real Estate Solutions & Gardner Johnson LLC.

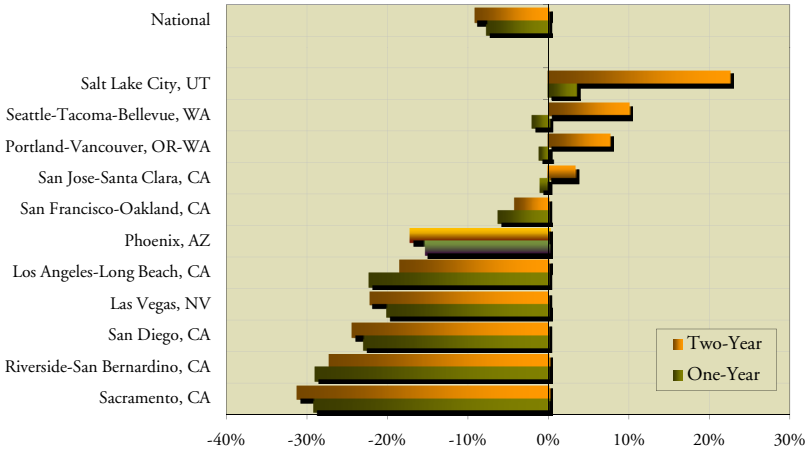
EXHIBIT 1.05

RELATIVE EXISTING SINGLE-FAMILY HOME PRICE TRENDS
MAJOR WEST COAST MARKETS
First Quarter, 2008

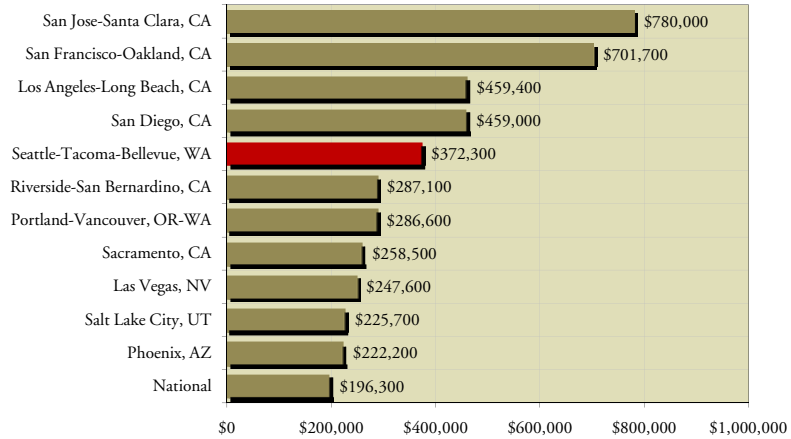
Metropolitan Area	Median Price	Home Price Escalation		
		Quarter	1-Yr.*	2-Yr.*
Las Vegas, NV	$247,600	-9.5%	-20.1%	-22.2%
Los Angeles-Long Beach, CA	$459,400	-9.9%	-22.3%	-18.5%
Phoenix, AZ	$222,200	-8.1%	-15.4%	-17.2%
Portland-Vancouver, OR-WA	$286,600	-1.3%	-1.1%	7.6%
Riverside-San Bernardino, CA	$287,100	-15.1%	-29.0%	-27.3%
Sacramento, CA	$258,500	-13.1%	-29.3%	-31.2%
Salt Lake City, UT	$225,700	-1.5%	3.5%	22.5%
San Diego, CA	$459,000	-12.2%	-22.9%	-24.4%
San Francisco-Oakland, CA	$701,700	-9.7%	-6.2%	-4.1%
San Jose-Santa Clara, CA	$780,000	-7.7%	-1.0%	3.3%
Seattle-Tacoma-Bellevue, WA	$372,300	**-1.4%**	**-2.1%**	**10.0%**
National	$196,300	-4.8%	-7.7%	-9.2%

* Year over year from most recent quarter surveyed

MEDIAN SINGLE-FAMILY HOME PRICE ESCALATION RATE



MEDIAN SINGLE-FAMILY HOME PRICE



SOURCE: National Association of Realtors & Washington Center for Real Estate Research

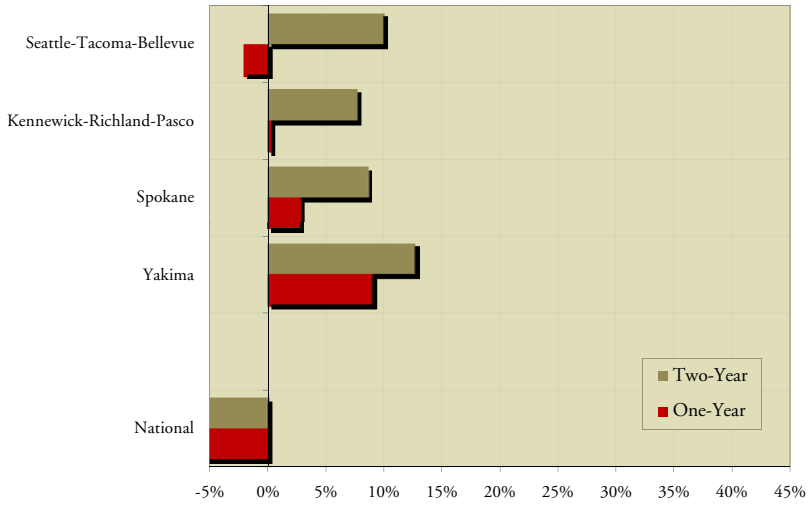
EXHIBIT 1.05

RELATIVE EXISTING SINGLE-FAMILY HOME PRICE TRENDS
MAJOR WEST COAST MARKETS
First Quarter, 2008

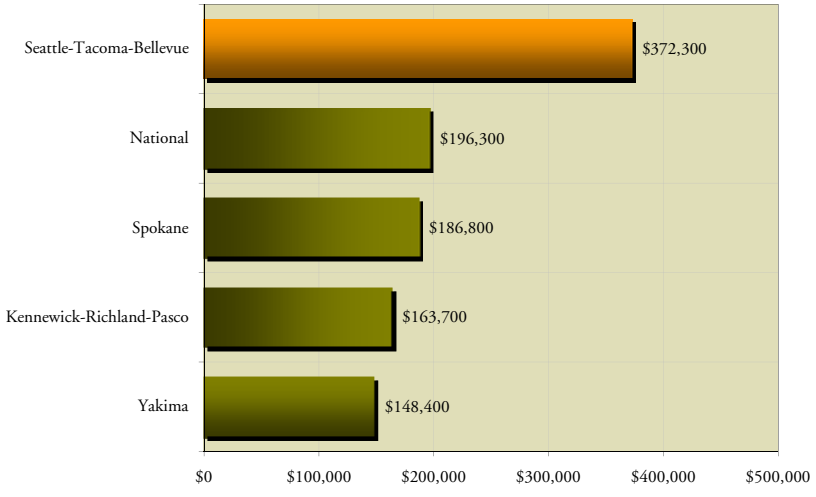
Metropolitan Area	Median Price	Home Price Escalation Quarter	1-Yr.*	2-Yr.**
Kennewick-Richland-Pasco	$163,700	-5.0%	0.2%	7.7%
Seattle-Tacoma-Bellevue	$372,300	-1.4%	-2.1%	10.0%
Spokane	$186,800	-3.8%	2.8%	8.5%
Yakima	$148,400	-13.0%	9.0%	12.7%
National	**$196,300**	**-4.8%**	**-7.5%**	**-9.2%**

* Year over year from most recent quarter surveyed

MEDIAN SINGLE-FAMILY HOME PRICE ESCALATION RATE



MEDIAN SINGLE-FAMILY HOME PRICE



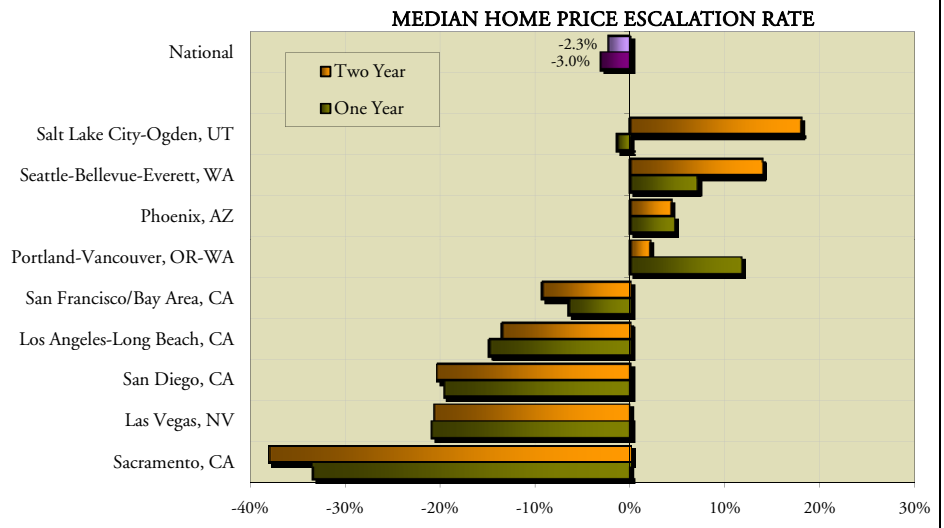
SOURCE: National Association of Realtors and Washington Center for Real Estate Research

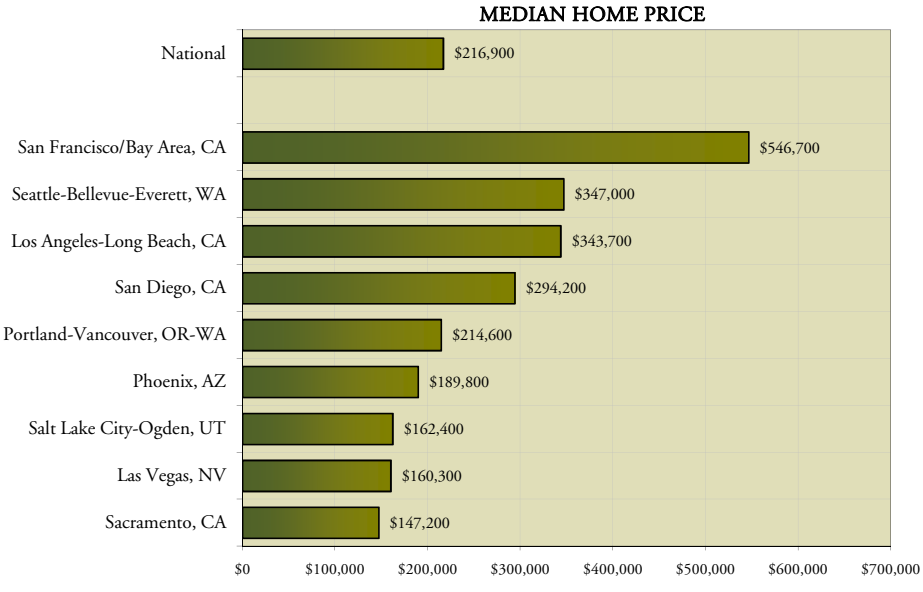
SOURCE: National Association of Realtors & Washington Center for Real Estate Research

EXHIBIT 1.06

RELATIVE CONDOMINIUM HOME PRICE TRENDS
MAJOR WEST COAST MARKETS
First Quarter, 2008

Metropolitan Area	Median Price	Home Price Escalation Quarter	1-Yr.	2-Yr.
Las Vegas, NV	$160,300	-10.2%	-20.8%	-20.6%
Los Angeles-Long Beach, CA	$343,700	-5.3%	-14.8%	-13.5%
Phoenix, AZ	$189,800	3.7%	4.6%	4.3%
Portland-Vancouver, OR-WA	$214,600	3.5%	11.7%	2.0%
Sacramento, CA	$147,200	-31.3%	-33.4%	-38.0%
Salt Lake City-Ogden, UT	$162,400	-0.6%	-1.3%	18.0%
San Diego, CA	$294,200	-10.0%	-19.5%	-20.3%
San Francisco/Bay Area, CA	$546,700	-8.2%	-6.5%	-9.3%
Seattle-Bellevue-Everett, WA	**$347,000**	**3.9%**	**7.0%**	**13.9%**
National	**$216,900**	**-1.9%**	**-3.0%**	**-2.3%**



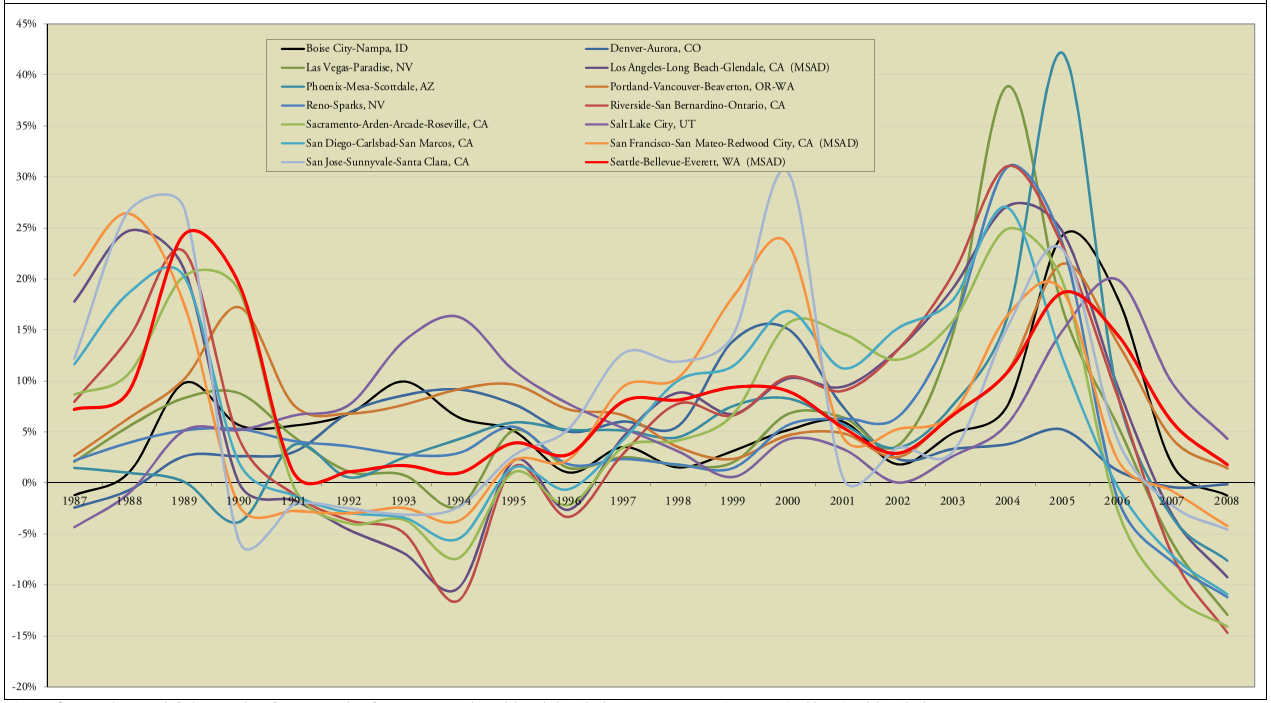


SOURCE: NAR

EXHIBIT 1.07a

SINGLE FAMILY HOUSE APPRECIATION TREND 1/
OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT
WEST COAST METROPOLITAN AREAS
FIRST QUARTER 2008

Year	Boise City-Nampa, ID	Denver-Aurora, CO	Las Vegas-Paradise, NV	Los Angeles-Long Beach-Glendale, CA (MSAD)	Phoenix-Mesa-Scottdale, AZ	Portland-Vancouver-Beaverton, OR-WA	Reno-Sparks, NV	Riverside-San Bernardino-Ontario, CA	Sacramento-Arden-Arcade-Roseville, CA	Salt Lake City, UT	San Diego-Carlsbad-San Marcos, CA	San Francisco-San Mateo-Redwood City, CA (MSAD)	San Jose-Sunnyvale-Santa Clara, CA	Seattle-Bellevue-Everett, WA (MSAD)
1987	-1.2%	-2.4%	2.1%	17.8%	1.5%	2.7%	2.2%	8.0%	8.7%	-4.3%	11.6%	20.4%	12.2%	7.2%
1988	1.1%	-0.7%	5.6%	24.7%	1.0%	6.4%	4.0%	14.3%	10.8%	-1.0%	18.7%	26.4%	26.8%	9.1%
1989	9.8%	2.6%	8.3%	20.9%	0.1%	10.2%	5.1%	22.7%	20.3%	5.1%	20.2%	17.5%	26.9%	24.4%
1990	5.7%	2.6%	8.8%	0.0%	-3.8%	17.2%	5.3%	4.3%	18.8%	5.2%	2.0%	-2.2%	-5.7%	19.5%
1991	5.6%	3.0%	4.5%	-1.7%	3.7%	7.6%	4.1%	-1.1%	-0.4%	6.6%	-1.2%	-2.7%	-2.1%	0.9%
1992	6.8%	6.9%	1.1%	-4.6%	0.5%	6.8%	3.6%	-3.7%	-4.0%	7.6%	-2.9%	-3.0%	-2.5%	1.1%
1993	10.0%	8.6%	0.8%	-6.9%	2.5%	7.7%	2.8%	-4.9%	-3.6%	13.9%	-3.4%	-2.4%	-3.1%	1.7%
1994	6.4%	9.2%	-2.3%	-10.3%	4.3%	9.2%	2.9%	-11.5%	-7.4%	16.3%	-5.5%	-3.7%	-2.4%	1.0%
1995	5.1%	7.7%	5.2%	2.2%	5.9%	9.6%	5.5%	1.6%	1.0%	11.0%	1.5%	2.2%	2.7%	3.9%
1996	1.0%	5.0%	1.5%	-2.6%	5.2%	7.2%	1.8%	-3.3%	-2.2%	7.7%	-0.6%	2.3%	5.3%	2.8%
1997	3.5%	6.0%	2.5%	4.5%	5.2%	6.6%	2.3%	2.9%	3.5%	5.4%	4.2%	9.5%	12.7%	8.0%
1998	1.5%	5.6%	1.7%	8.8%	4.5%	3.5%	1.8%	7.8%	4.2%	3.1%	10.0%	10.3%	11.9%	8.1%
1999	3.2%	13.9%	2.0%	6.8%	7.5%	2.3%	1.5%	6.6%	6.7%	0.6%	11.5%	18.3%	14.5%	9.4%
2000	5.2%	15.1%	6.8%	10.2%	8.3%	4.7%	5.7%	10.4%	15.6%	4.3%	16.9%	23.4%	30.5%	9.0%
2001	6.0%	7.5%	6.4%	9.4%	5.7%	4.9%	6.3%	9.0%	14.6%	3.3%	11.2%	4.5%	0.5%	5.4%
2002	1.8%	2.4%	3.7%	13.1%	3.4%	2.5%	6.5%	13.0%	12.1%	0.0%	15.2%	5.3%	3.5%	2.9%
2003	4.9%	3.3%	14.6%	19.1%	7.6%	6.8%	15.4%	20.5%	15.9%	2.6%	17.9%	6.8%	3.0%	6.6%
2004	7.6%	3.8%	38.9%	27.2%	16.4%	11.0%	31.0%	31.1%	24.9%	5.8%	27.0%	16.4%	15.3%	10.9%
2005	24.3%	5.2%	17.1%	24.6%	42.1%	21.5%	23.5%	23.2%	19.7%	14.9%	12.2%	18.8%	22.9%	18.7%
2006	18.2%	1.2%	5.6%	9.5%	8.8%	13.7%	-1.5%	8.5%	-2.7%	19.9%	-0.4%	2.3%	4.2%	14.5%
2007	1.8%	-0.4%	-5.9%	-3.2%	-3.4%	4.3%	-7.8%	-7.1%	-11.0%	9.8%	-7.1%	-0.8%	-2.2%	5.9%
2008	-1.2%	-0.1%	-12.9%	-9.2%	-7.6%	1.4%	-11.2%	-14.7%	-14.1%	4.3%	-10.9%	-4.2%	-4.6%	1.8%



1/ Data reflects same home trends for homes applying for conventional conforming mortgages obtained through the Federal Home Loan Mortgage Corporation (Freddi Mac) and the Federal National Mortgage Association (Fannie Mae).

2/ Year over year appreciation compared to prior year's index value at the end of the same period

National Mortgage Association (Fannie Mae). This data is is a weighted, repeat-sales index, meaning that it measures average price changes in repeat sales or refinancings on the same properties.

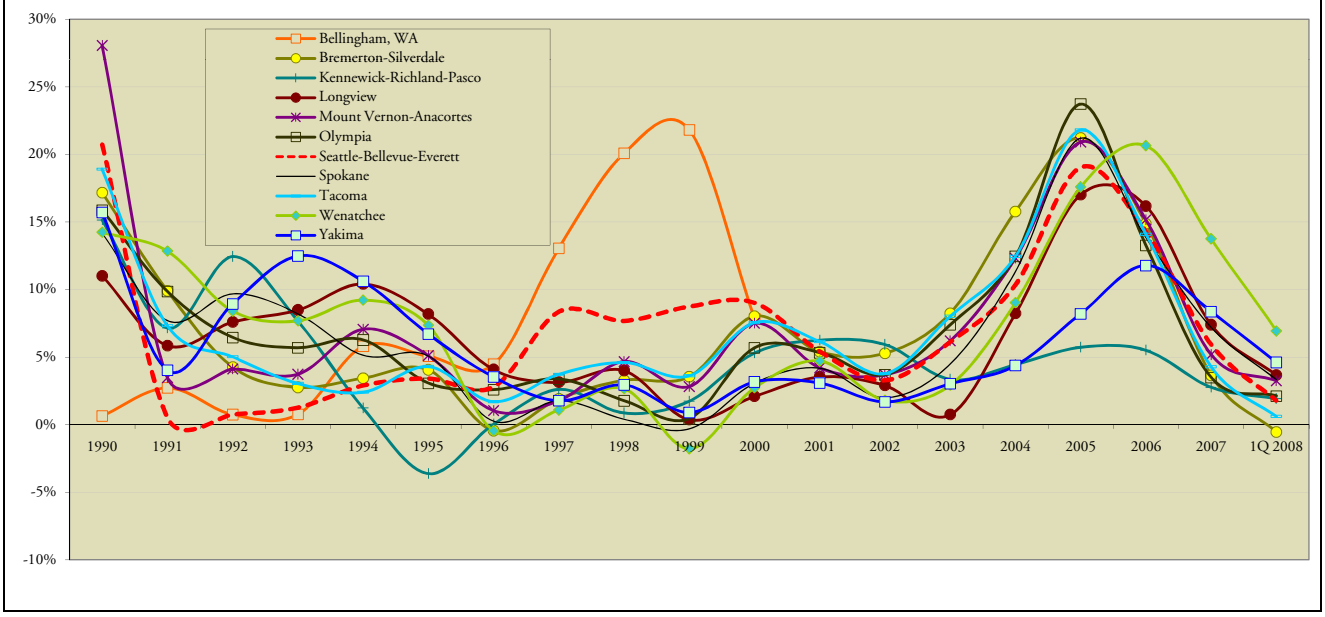
SOURCE: Office of Federal Housing Enterprise Oversight

SOURCE: Office of Federal Housing Enterprise Oversight

EXHIBIT 1.07b

SINGLE FAMILY HOUSE APPRECIATION TREND 1/
OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT
WASHINGTON STATE
FIRST QUARTER 2008

Year	Bellingham	Bremerton-Silverdale	Kennewick-Richland-Pasco	Longview	Mount Vernon-Anacortes	Olympia	Seattle-Bellevue-Everett	Spokane	Tacoma	Wenatchee	Yakima
1987	2.6%	2.3%	-0.4%	0.0%	3.2%	5.7%	7.6%	-0.8%	2.9%	1.7%	4.3%
1988	12.6%	2.5%	-6.1%	13.2%	4.8%	2.8%	8.9%	2.5%	7.0%	-0.2%	-0.2%
1989	22.3%	18.0%	27.3%	11.2%	25.0%	13.5%	25.3%	9.1%	13.9%	6.1%	4.8%
1990	26.8%	17.2%	15.2%	11.0%	28.1%	15.9%	20.7%	14.1%	18.9%	14.2%	15.7%
1991	3.3%	9.9%	7.2%	5.8%	3.5%	9.9%	0.5%	7.7%	7.3%	12.8%	4.0%
1992	8.5%	4.3%	12.4%	7.6%	4.1%	6.5%	0.8%	9.7%	5.0%	8.4%	8.9%
1993	4.7%	2.8%	7.7%	8.5%	3.7%	5.7%	1.3%	8.2%	3.1%	7.7%	12.5%
1994	2.6%	3.4%	1.2%	10.4%	7.1%	6.3%	2.9%	5.1%	2.4%	9.2%	10.6%
1995	4.9%	4.1%	-3.6%	8.2%	5.1%	3.1%	3.4%	5.1%	4.3%	7.3%	6.7%
1996	0.6%	-0.4%	0.0%	4.1%	1.0%	2.6%	2.8%	0.3%	1.7%	-0.5%	3.5%
1997	2.7%	1.9%	2.6%	3.1%	1.8%	3.4%	8.4%	1.8%	3.7%	1.1%	1.8%
1998	0.7%	3.3%	0.9%	4.0%	4.7%	1.8%	7.7%	0.4%	4.6%	2.6%	2.9%
1999	0.8%	3.6%	1.7%	0.4%	2.8%	0.4%	8.7%	-0.3%	3.6%	-1.8%	0.9%
2000	5.8%	8.0%	5.3%	2.1%	7.5%	5.7%	9.0%	3.1%	7.6%	2.7%	3.2%
2001	5.1%	5.4%	6.2%	3.5%	4.2%	5.3%	5.4%	4.2%	6.2%	4.7%	3.1%
2002	4.5%	5.3%	5.9%	2.9%	3.7%	3.7%	3.3%	2.0%	3.8%	1.8%	1.7%
2003	13.1%	8.2%	3.3%	0.7%	6.2%	7.4%	6.1%	4.5%	8.0%	2.9%	3.0%
2004	20.1%	15.8%	4.4%	8.2%	12.3%	12.5%	10.3%	11.3%	12.5%	9.0%	4.4%
2005	21.8%	21.2%	5.7%	17.0%	20.9%	23.7%	19.0%	21.2%	21.8%	17.6%	8.2%
2006	7.8%	14.9%	5.5%	16.2%	15.2%	13.3%	14.3%	13.8%	14.1%	20.6%	11.8%
2007	4.6%	3.6%	2.8%	7.4%	5.2%	3.5%	5.9%	7.2%	4.3%	13.7%	8.4%
1Q 2008	1.4%	-0.5%	1.9%	3.7%	3.2%	2.1%	1.8%	3.3%	0.6%	6.9%	4.6%



1/ Data reflects same home trends for homes applying for conventional conforming mortgages obtained through the Federal Home Loan Mortgage Corporation (Freddi Mac) and the Federal National Mortgage Association (Fannie Mae).

2/ Year over year appreciation compared to prior year's index value at the end of the same period

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SOURCE: Office of Federal Housing Enterprise Oversight

EXHIBIT 1.08

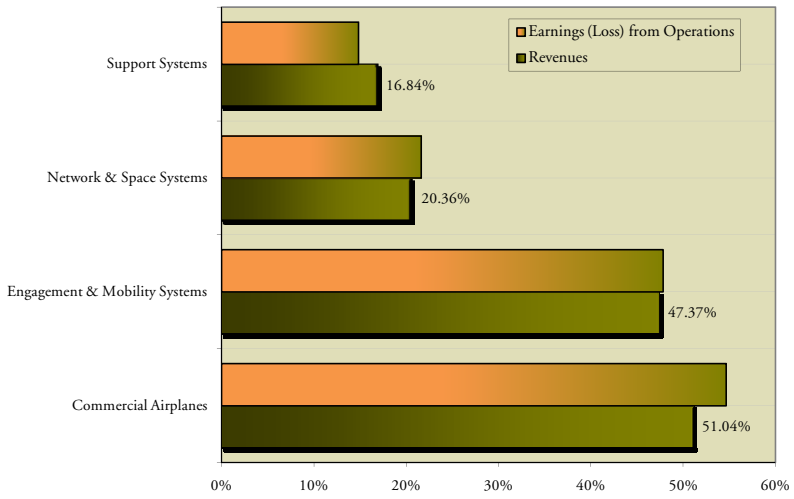
BOEING EARNINGS, DELIVERIES AND EMPLOYMENT

First Quarter, 2008

Quarterly Financial Results (millions $)

	Mar-08	Mar-07	% Δ
Revenues			
Commercial Airplanes	$8,161	$7,555	8.0%
Integrated Defense Systems Total	$7,575	$7,717	-1.8%
Engagement & Mobility Systems	$3,256	$3,327	-2.1%
Network & Space Systems	$2,693	$2,778	-3.1%
Support Systems	$1,626	$1,612	0.9%
Capital Corp Less Acct. Differences	$254	$93	173.1%
Operating Revenues	$15,990	$15,365	4.1%
Earnings (Loss) from Operations			
Commercial Airplanes	$983	$706	39.2%
Integrated Defense Systems Total	$860	$784	9.7%
Engagement & Mobility Systems	$389	$433	-10.2%
Network & Space Systems	$267	$148	80.4%
Support Systems	$204	$203	0.5%
Capital Corp & Acct. Adjust.	($44)	($181)	-75.7%
Earnings from Operations	$1,799	$1,309	37.4%
Net Earnings			
Overall	$1,211	$877	38.1%

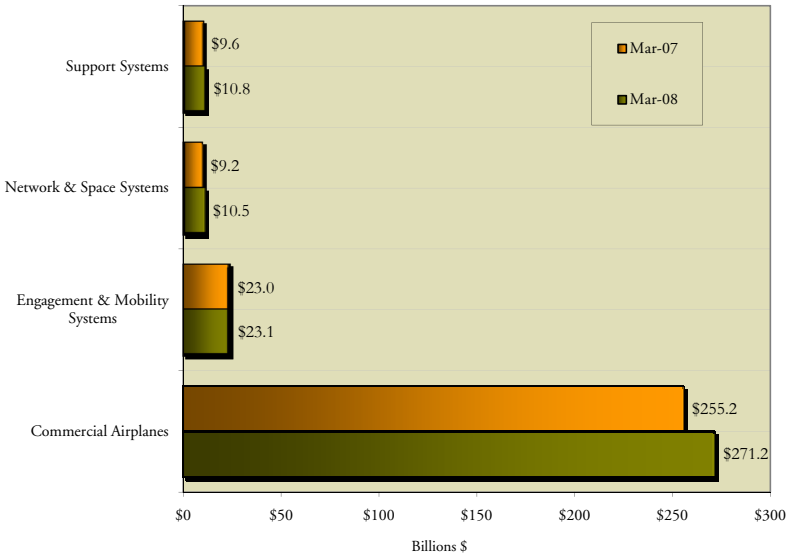
DISTRIBUTION OF REVENUES AND EARNINGS BY BUSINESS SEGMENT/1Q 2008



Contractual Backlog (billions $)

	Mar-08	Mar-07	% Change
Commercial Airplanes	$271.2	$255.2	6.3%
Integrated Defense Systems Total	$44.4	$41.8	6.2%
Engagement & Mobility Systems	$23.1	$23.0	0.4%
Network & Space Systems	$10.5	$9.2	14.1%
Support Systems	$10.8	$9.6	12.5%
Total Contractual Backlog	$315.6	$297.0	6.3%
Unobligated Backlog	$30.6	$30.2	1.3%
Total Backlog	$346.2	$327.2	5.8%
Workforce	161,500	159,300	1.4%

CONTRACTUAL BACKLOG BY BUSINESS SEGMENT



Commercial Jet Deliveries	3nd 2005	4th 2005	1st 2006	2nd 2006	3rd 2006	4th 2006	1st 2007	2nd 2007	3rd 2007	4th 2007	1st 2008
717	3	4	2	3	0	0	0	0	0	0	0
737 - Next Generation	47	52	72	70	81	79	83	86	81	80	87
747	2	4	4	4	3	3	3	4	5	4	4
767	2	3	3	3	3	3	3	3	3	3	3
777	8	10	17	17	13	18	17	21	20	25	21
Total	**62**	**73**	**98**	**97**	**100**	**103**	**106**	**114**	**109**	**112**	**115**

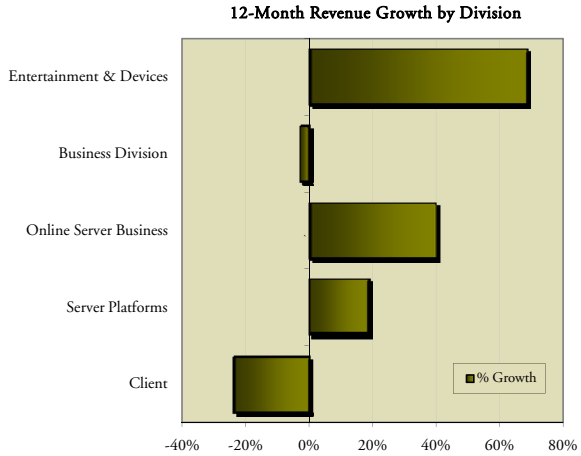
SOURCE: Boeing

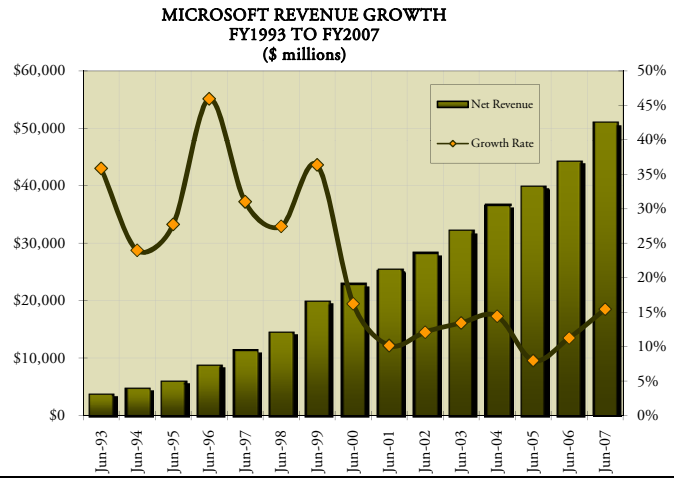
EXHIBIT 1.09

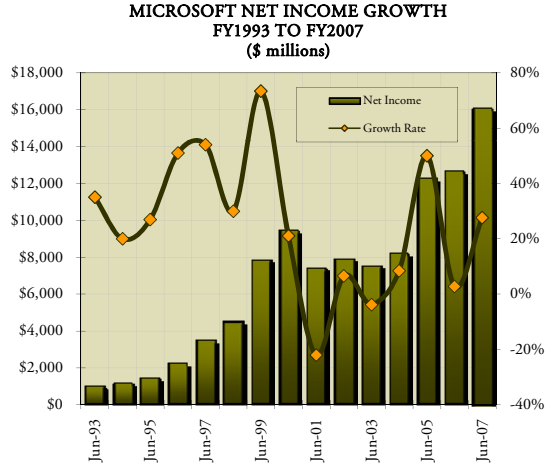
MICROSOFT EARNINGS and EMPLOYMENT
4th Quarter 2007

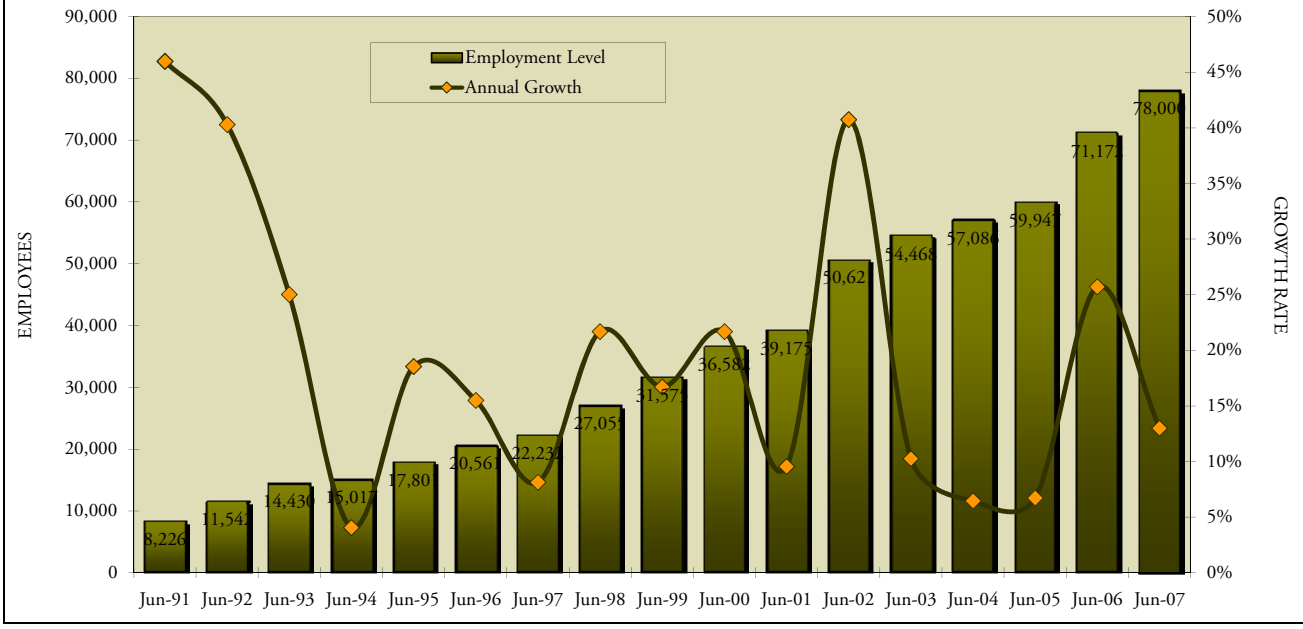
	Three Months Ended Mar-08	Mar-07	% Δ
Revenues			
Client	$4,025	$5,274	-23.7%
Server Platforms	$3,255	$2,748	18.4%
Online Server Business	$843	$603	39.8%
Business Division	$4,745	$4,872	-2.6%
Entertainment & Devices	$1,576	$936	68.4%
Unallocated & Other	$10	$10	-
Total	$14,454	$14,443	-0.1%
Operating Expenses	$10,045	$7,854	-21.8%
Operating Income	$4,409	$6,589	49.4%
Other Income or Loss	($21)	($1,627)	n/a
Net Earnings			
Overall	$4,388	$4,962	13.1%
Per Share (Diluted)	$0.47	$0.50	6.4%

($ millions except per share data)





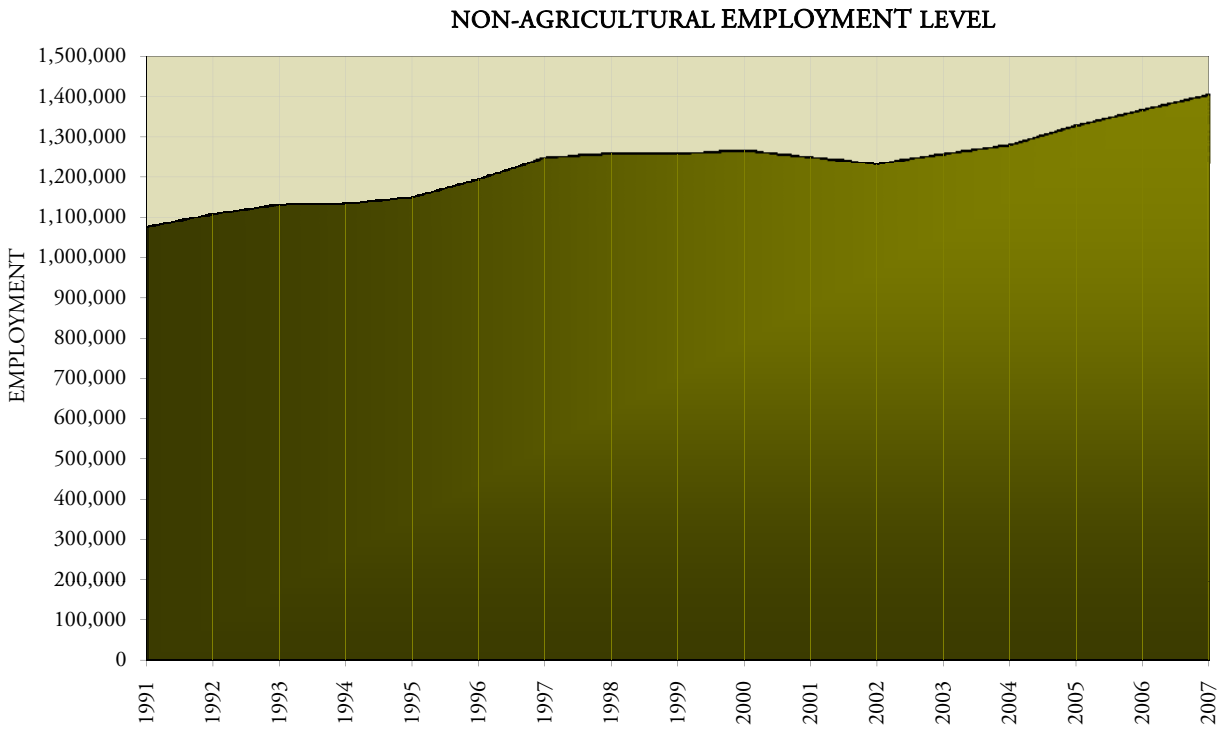




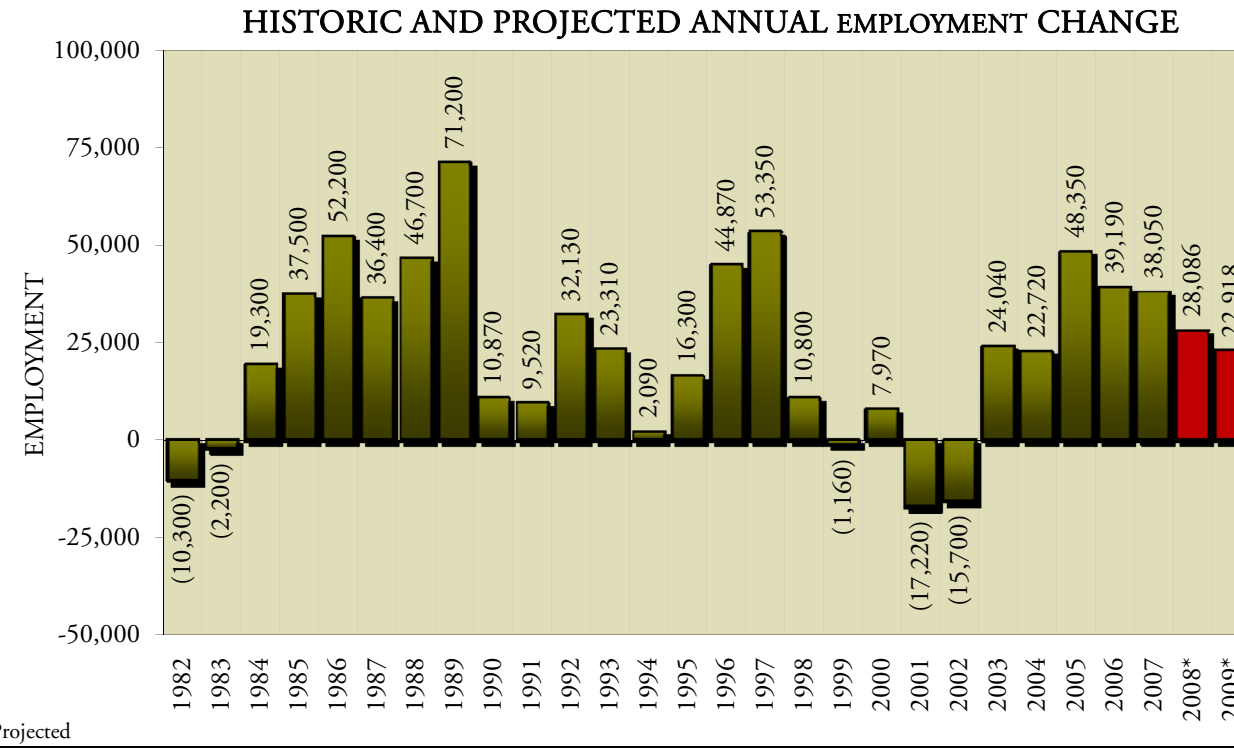
SOURCE: Microsoft Corp.

EXHIBIT 1.10

EMPLOYMENT GROWTH PATTERNS
SEATTLE/BELLEVUE/EVERETT METROPOLITAN AREA
Seattle-Bellevue-Everett MSA



Not Seasonally Adjusted

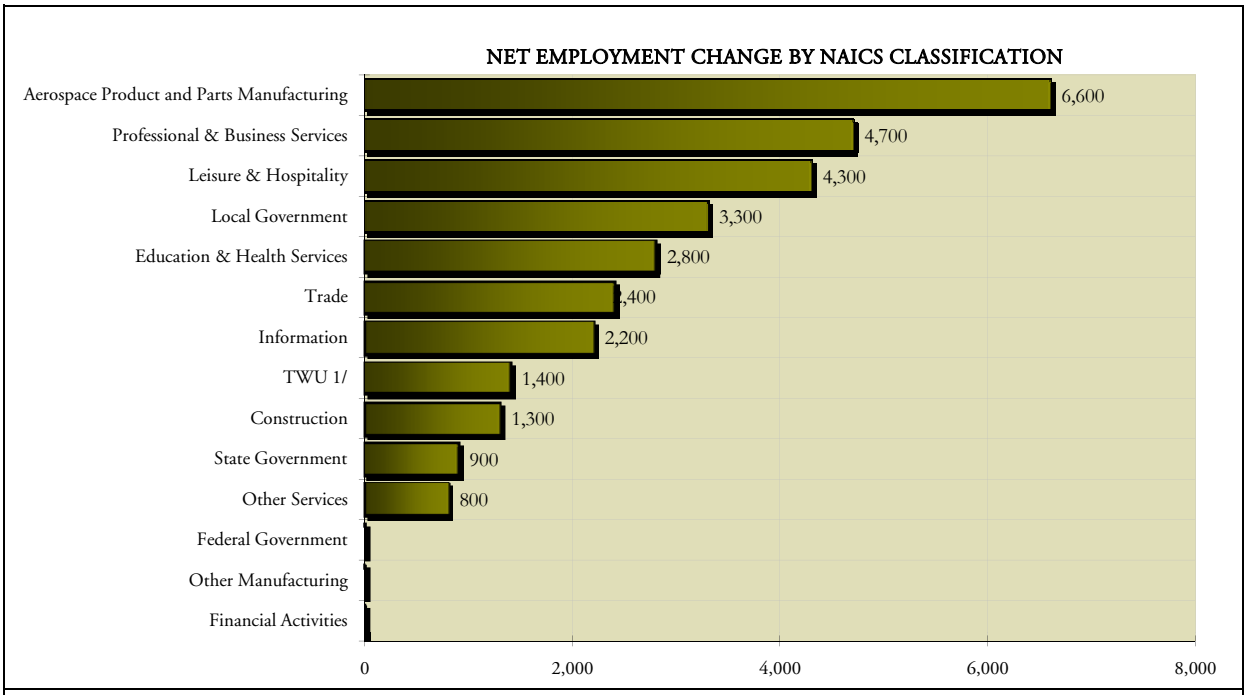


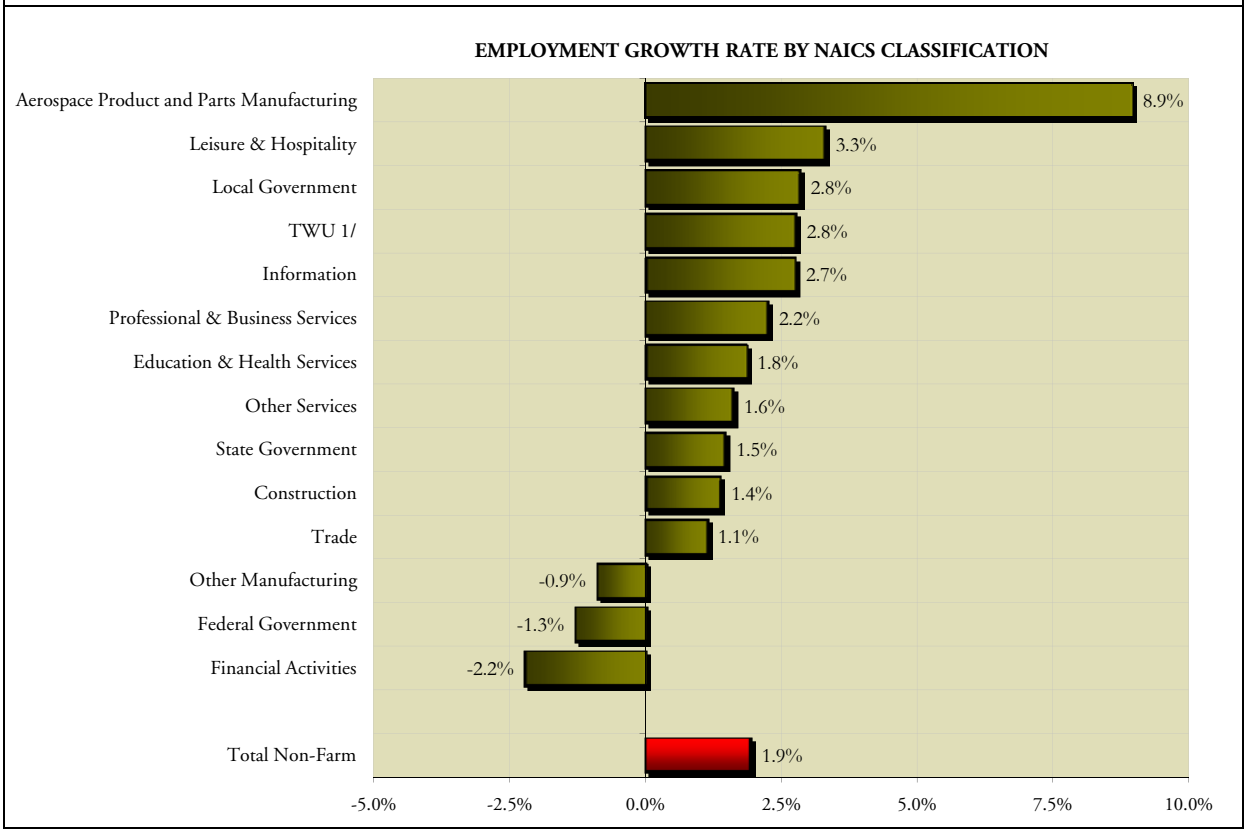
* Projected

SOURCE: State of Washington

EXHIBIT 1.11

DISTRIBUTION OF EMPLOYMENT BY BROAD SECTOR
Seattle MSA
(Mar 2007 to Mar 2008)



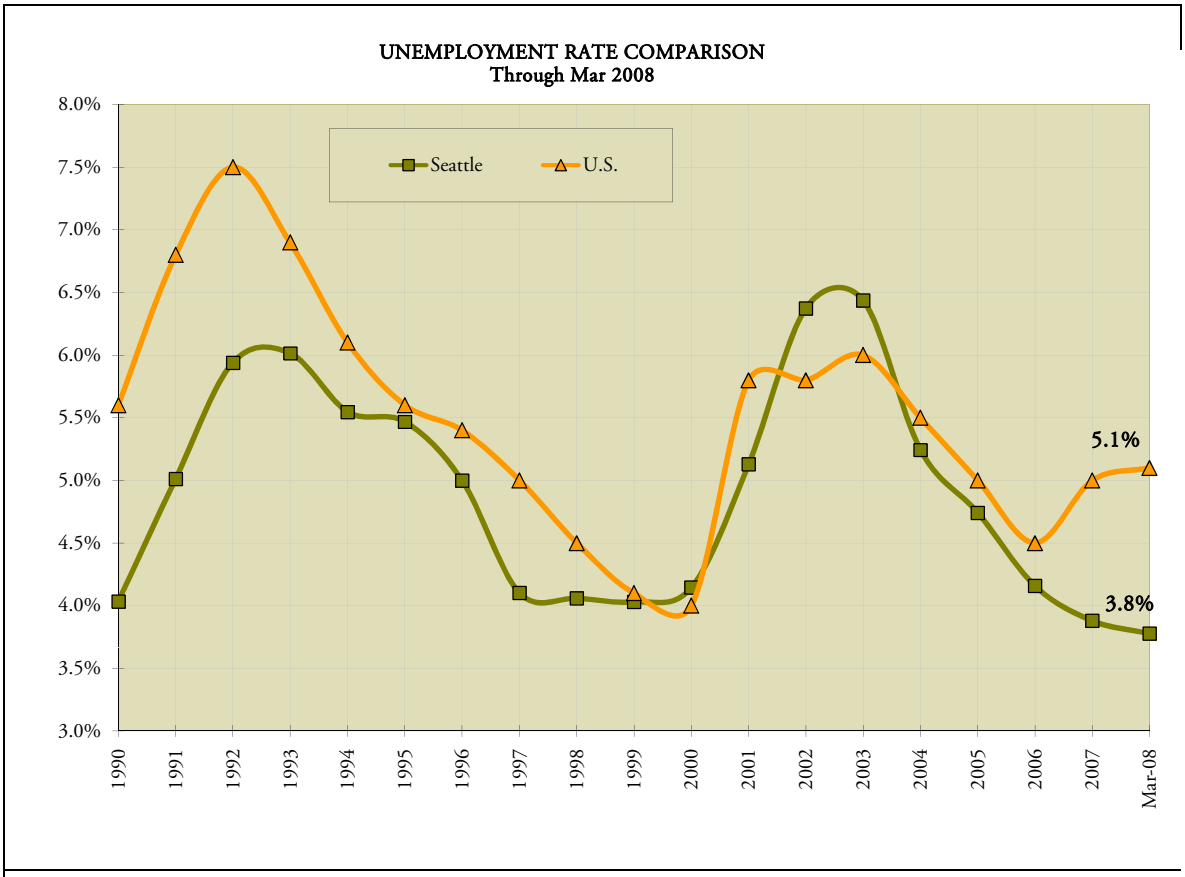


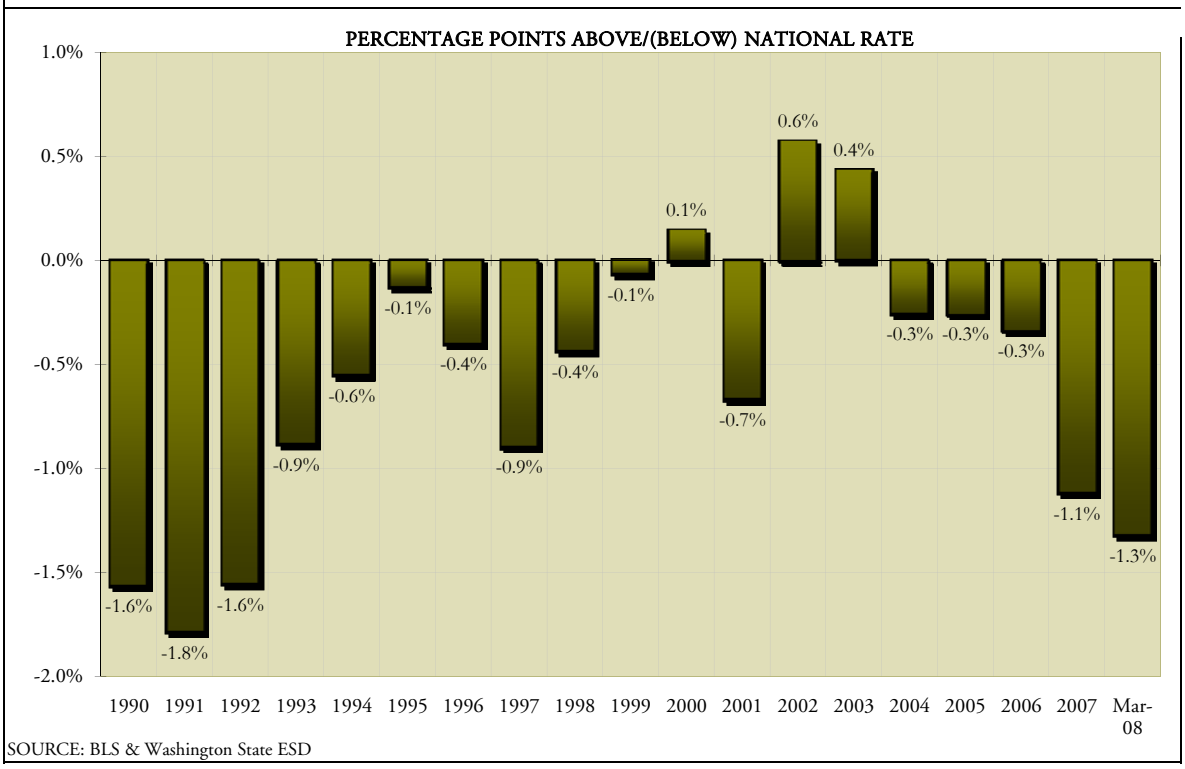
1/ Transportation, Warehousing and Utilities

SOURCE: State of Washington Employment Security and Gardner Johnson

EXHIBIT 1.12

HISTORICAL UNEMPLOYMENT RATE TRENDS
SEATTLE-BELLEVUE-EVERETT PMSA





SOURCE: BLS & Washington State ESD

EXHIBIT 1.13

EMPLOYMENT GROWTH FORECASTS BY SECTOR
SEATTLE-BELLEVUE-EVERETT METROPOLITAN AREA

Metropolitan Area Forecast

Seattle Metro Area Employment Sector	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Construction	72,100	77,800	86,600	93,600	103,800	106,645	109,167	111,337	113,550	115,808
Manufacturing	152,900	147,600	156,500	164,200	170,000	174,834	178,756	181,693	184,681	187,721
Wholesale Trade	67,900	70,100	70,700	72,200	73,600	74,514	75,447	76,398	77,361	78,337
Retail Trade	138,300	150,700	153,900	153,300	156,700	158,905	160,937	162,788	164,660	166,555
Transportation, Warehousing & Utilities	49,900	51,200	49,800	52,000	52,500	53,269	54,166	55,196	56,246	57,317
Information	70,900	73,000	75,400	80,300	83,600	85,797	87,873	89,817	91,807	93,843
Financial Activities	89,700	90,700	90,800	90,400	92,200	93,086	93,924	94,712	95,507	96,309
Professional & Business Services	178,500	187,100	199,600	208,800	215,700	222,812	230,021	237,320	244,851	252,621
Educational & Health Services	134,500	141,900	146,100	149,400	153,600	156,435	159,190	161,857	164,570	167,329
Leisure & Hospitality	114,900	124,000	129,000	132,100	135,600	137,958	140,212	142,355	144,531	146,740
Other Services	47,900	49,400	50,500	50,300	51,000	51,795	52,586	53,375	54,175	54,987
Government	199,800	200,200	199,400	199,500	204,200	206,646	209,061	211,441	213,849	216,284
Total	**1,317,300**	**1,363,700**	**1,408,300**	**1,446,100**	**1,492,500**	**1,522,696**	**1,551,337**	**1,578,289**	**1,605,789**	**1,633,849**
Rate		*3.5%*	*3.3%*	*2.7%*	*3.2%*	*2.0%*	*1.9%*	*1.7%*	*1.7%*	*1.7%*

King County Forecast

Employment Sector	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Construction	55,000	60,900	66,700	72,000	78,700	80,792	82,681	84,349	86,050	87,786
Manufacturing	108,100	104,400	109,900	114,100	112,300	115,340	118,005	120,264	122,566	124,913
Wholesale Trade	61,900	63,500	63,900	64,700	64,900	65,708	66,542	67,401	68,272	69,153
Retail Trade	111,900	121,600	123,000	120,900	123,500	125,187	126,750	128,184	129,635	131,102
Transportation, Warehousing & Utilities	46,700	47,500	46,000	47,900	48,000	48,702	49,527	50,480	51,451	52,441
Information	67,300	68,900	71,200	75,100	77,400	79,515	81,543	83,472	85,447	87,468
Financial Activities	77,500	78,000	77,800	77,400	79,400	80,137	80,851	81,543	82,241	82,944
Professional & Business Services	162,100	168,700	179,600	187,500	192,400	198,736	205,174	211,711	218,456	225,416
Educational & Health Services	113,900	120,800	124,500	126,700	128,900	131,231	133,477	135,634	137,826	140,054
Leisure & Hospitality	96,800	104,300	108,000	110,100	112,500	114,497	116,402	118,207	120,040	121,902
Other Services	39,500	40,800	41,900	42,100	42,300	42,962	43,627	44,294	44,972	45,660
Government	164,300	163,800	162,600	163,200	165,200	167,126	169,046	170,960	172,895	174,852
Total	**1,105,000**	**1,143,200**	**1,175,100**	**1,201,700**	**1,225,500**	**1,249,933**	**1,273,625**	**1,296,499**	**1,319,851**	**1,343,691**
Rate		*3.5%*	*2.8%*	*2.3%*	*2.0%*	*2.0%*	*1.9%*	*1.8%*	*1.8%*	*1.8%*

Snohomish County Forecast

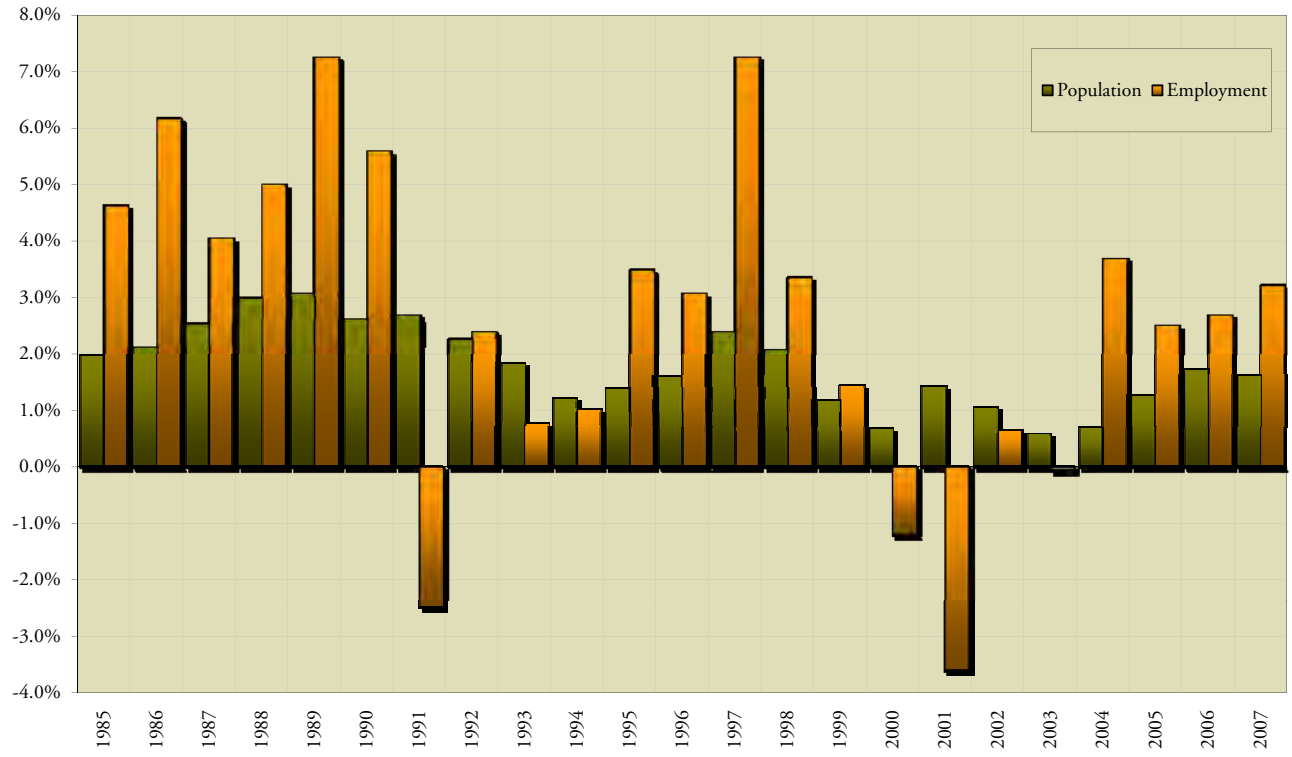
Employment Sector	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Construction	17,000	16,900	19,900	21,600	25,100	25,853	26,486	26,988	27,500	28,022
Manufacturing	41,400	43,200	46,600	50,100	57,700	59,494	60,750	61,429	62,115	62,808
Wholesale Trade	6,200	6,600	6,800	7,500	8,700	8,806	8,905	8,997	9,090	9,184
Retail Trade	28,500	29,100	30,900	32,400	33,200	33,718	34,187	34,604	35,026	35,453
Transportation, Warehousing & Utilities	3,300	3,700	3,800	4,100	4,500	4,567	4,639	4,717	4,795	4,876
Information	3,300	4,100	4,200	5,200	6,200	6,282	6,330	6,345	6,360	6,375
Financial Activities	12,300	12,700	13,000	13,000	12,800	12,950	13,073	13,169	13,267	13,364
Professional & Business Services	17,600	18,400	20,000	21,300	23,300	24,077	24,847	25,610	26,395	27,205
Educational & Health Services	20,400	21,100	21,600	22,700	24,700	25,205	25,712	26,223	26,744	27,275
Leisure & Hospitality	18,600	19,700	21,000	22,000	23,100	23,460	23,810	24,148	24,491	24,838
Other Services	8,600	8,600	8,600	8,200	8,700	8,833	8,959	9,080	9,203	9,327
Government	36,200	36,400	36,800	36,300	39,000	39,520	40,014	40,481	40,954	41,431
Total	**213,400**	**220,500**	**233,200**	**244,400**	**267,000**	**272,762**	**277,713**	**281,790**	**285,938**	**290,158**
Rate		3.3%	5.8%	*4.8%*	*9.2%*	*2.2%*	*1.8%*	*1.5%*	*1.5%*	*1.5%*

SOURCE: Gardner Johnson LLC

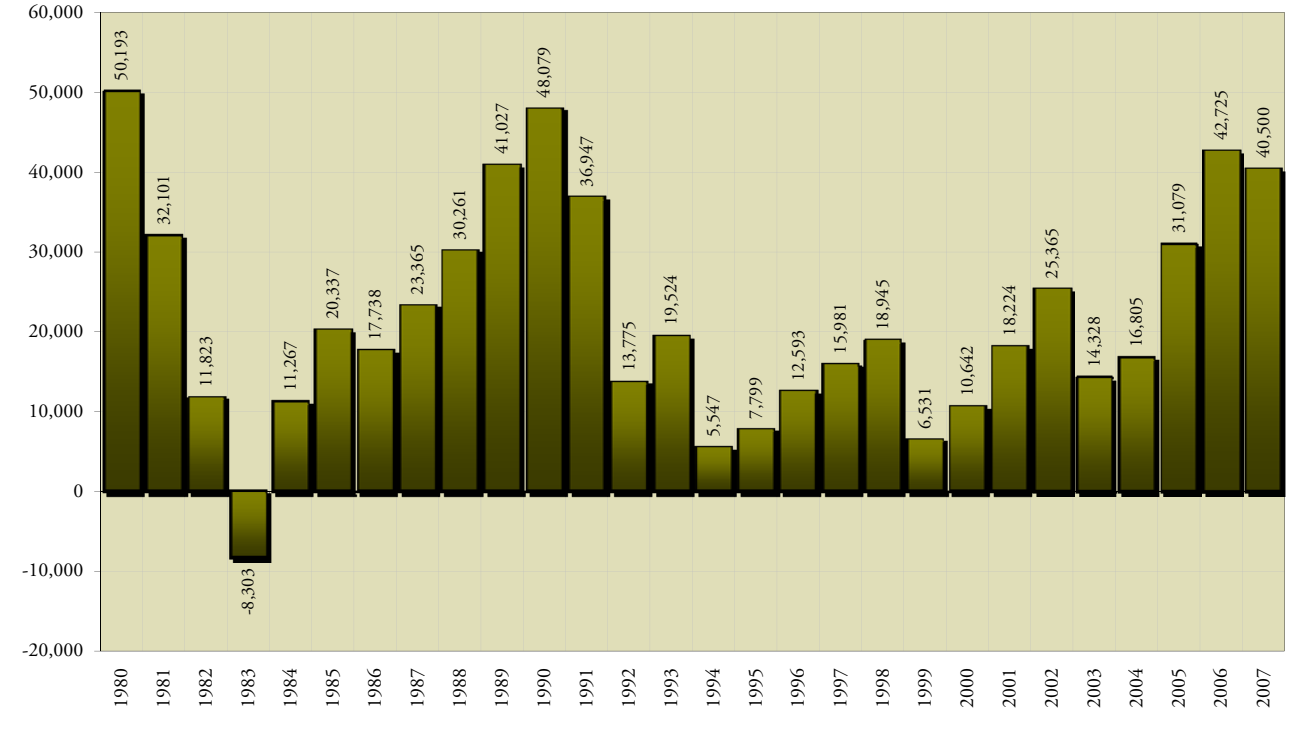
EXHIBIT 1.14

SUMMARY OF RECENT AND PROJECTED POPULATION TRENDS
SEATTLE-BELLEVUE-EVERETT PMSA
1980-2007 Projected

POPULATION v. EMPLOYMENT GROWTH



NET IN-MIGRATION



SOURCE: Washington State Employment Security, State of Washington Office of Financial Management

EXHIBIT 1.15

DISTRIBUTION OF POPULATION GROWTH
1982 - 2007

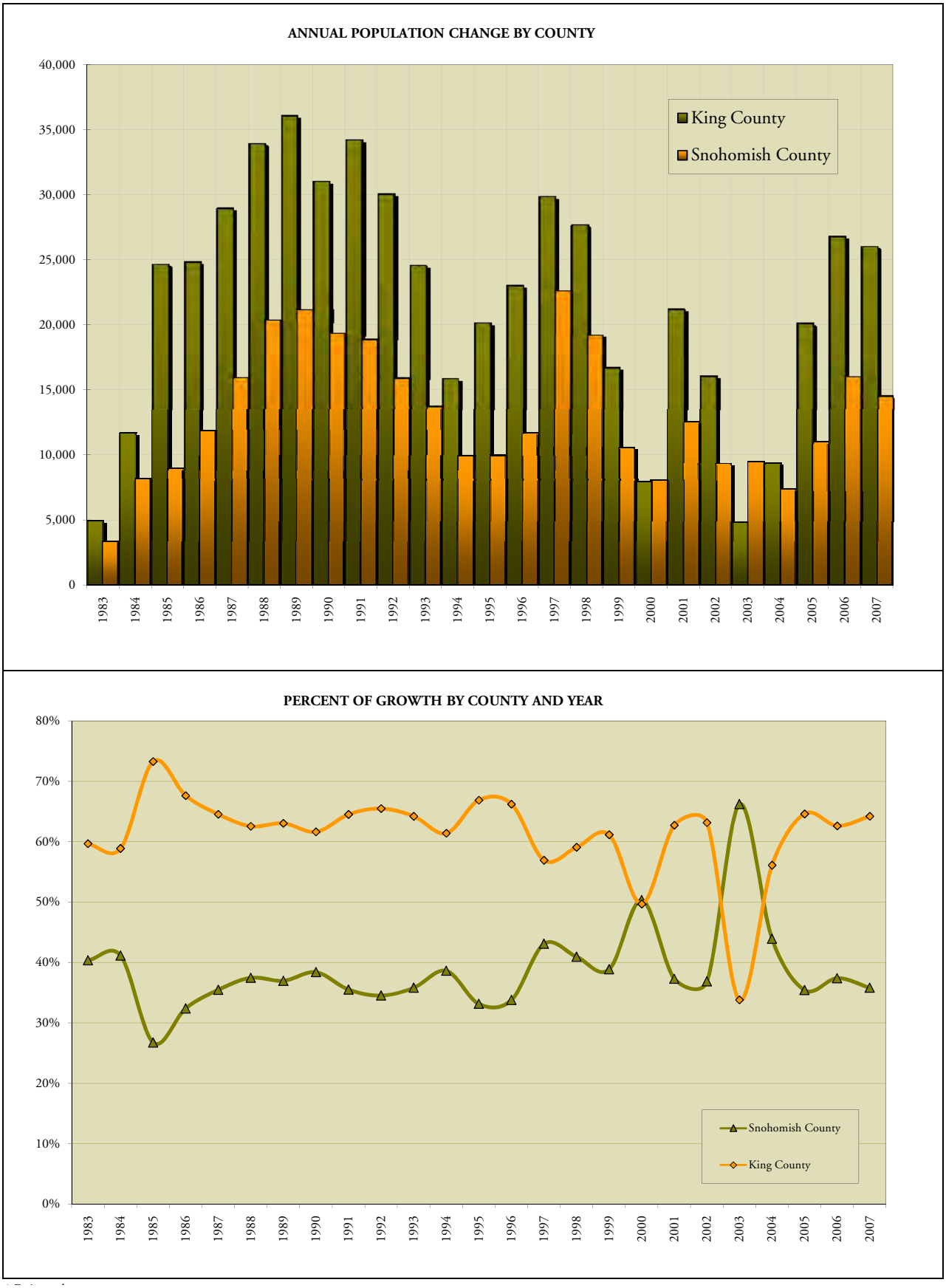
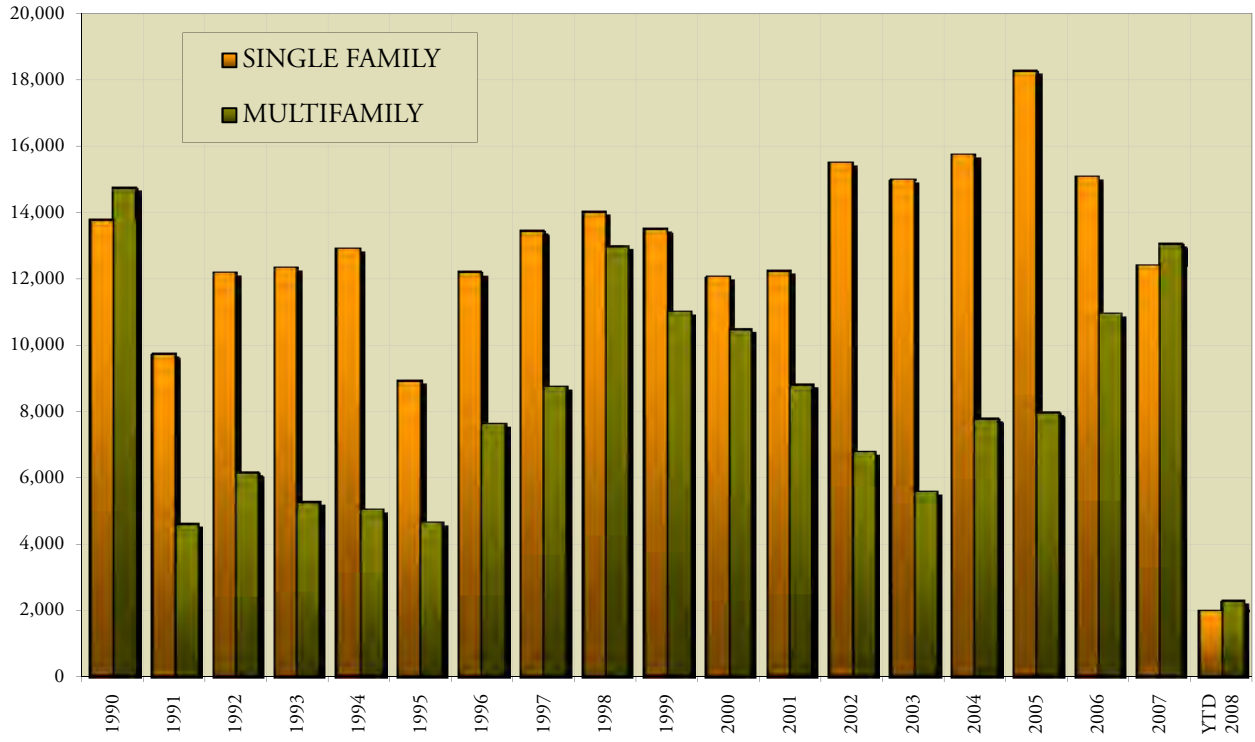


EXHIBIT 1.16

RESIDENTIAL BUILDING PERMIT TRENDS
SEATTLE-BELLEVUE-EVERETT PMSA
1984 through March 2008

	King County		Snohomish County		Pierce County		Greater Metro Area	
Year	Single	Multi	Single	Multi	Single	Multi	Single	Multi
1984	6,172	7,371	2,898	1,634	2,705	708	11,775	9,713
1985	6,252	8,943	3,425	2,969	1,789	2,486	11,466	14,398
1986	7,199	8,381	3,548	2,513	3,058	2,330	13,805	13,224
1987	6,890	10,797	3,911	1,739	3,536	1,693	14,337	14,229
1988	7,003	11,138	4,232	4,505	2,583	2,312	13,818	17,955
1989	8,594	10,845	4,792	4,747	4,273	2,356	17,659	17,948
1990	6,515	9,274	3,356	3,874	3,912	1,601	13,783	14,749
1991	4,518	2,736	2,288	604	2,939	1,263	9,745	4,603
1992	5,242	3,759	3,024	902	3,909	1,471	12,175	6,132
1993	4,688	3,081	3,361	1,058	4,280	1,130	12,329	5,269
1994	4,479	2,554	4,384	1,103	4,058	1,389	12,921	5,046
1995	2,784	2,439	2,961	986	3,180	1,233	8,925	4,658
1996	4,496	5,682	3,968	947	3,727	989	12,191	7,618
1997	5,347	6,359	4,162	1,401	3,931	995	13,440	8,755
1998	5,294	8,132	4,314	3,553	4,433	1,302	14,041	12,987
1999	4,635	7,043	4,384	3,025	4,512	966	13,531	11,034
2000	4,483	7,243	3,821	2,290	3,753	935	12,057	10,468
2001	4,352	5,615	3,787	1,609	4,103	1,588	12,242	8,812
2002	5,783	4,768	4,973	1,071	4,750	941	15,506	6,780
2003	6,354	3,503	4,249	1,343	4,400	755	15,003	5,601
2004	6,435	4,972	4,921	1,243	4,383	1,563	15,739	7,778
2005	7,047	5,715	5,719	940	5,515	1,311	18,281	7,966
2006	5,771	8,456	4,557	1,105	4,763	1,396	15,091	10,957
2007	5,220	10,252	3,619	1,241	3,567	1,561	12,406	13,054
YTD 2008	**890**	**1,896**	**584**	**193**	**512**	**187**	**1,986**	**2,276**
Average Annual	***5,648***	***6,627***	***3,944***	***1,933***	***3,836***	***1,428***	***13,428***	***9,989***

RESIDENTIAL PERMITS BY YEAR



SOURCE: U.S. Census Bureau

SOURCE: U.S. Census Bureau

EXHIBIT 1.17

SHARE OF RESIDENTIAL PERMIT ACTIVITY
BY COUNTY AND YEAR
1990 through Mar 2008

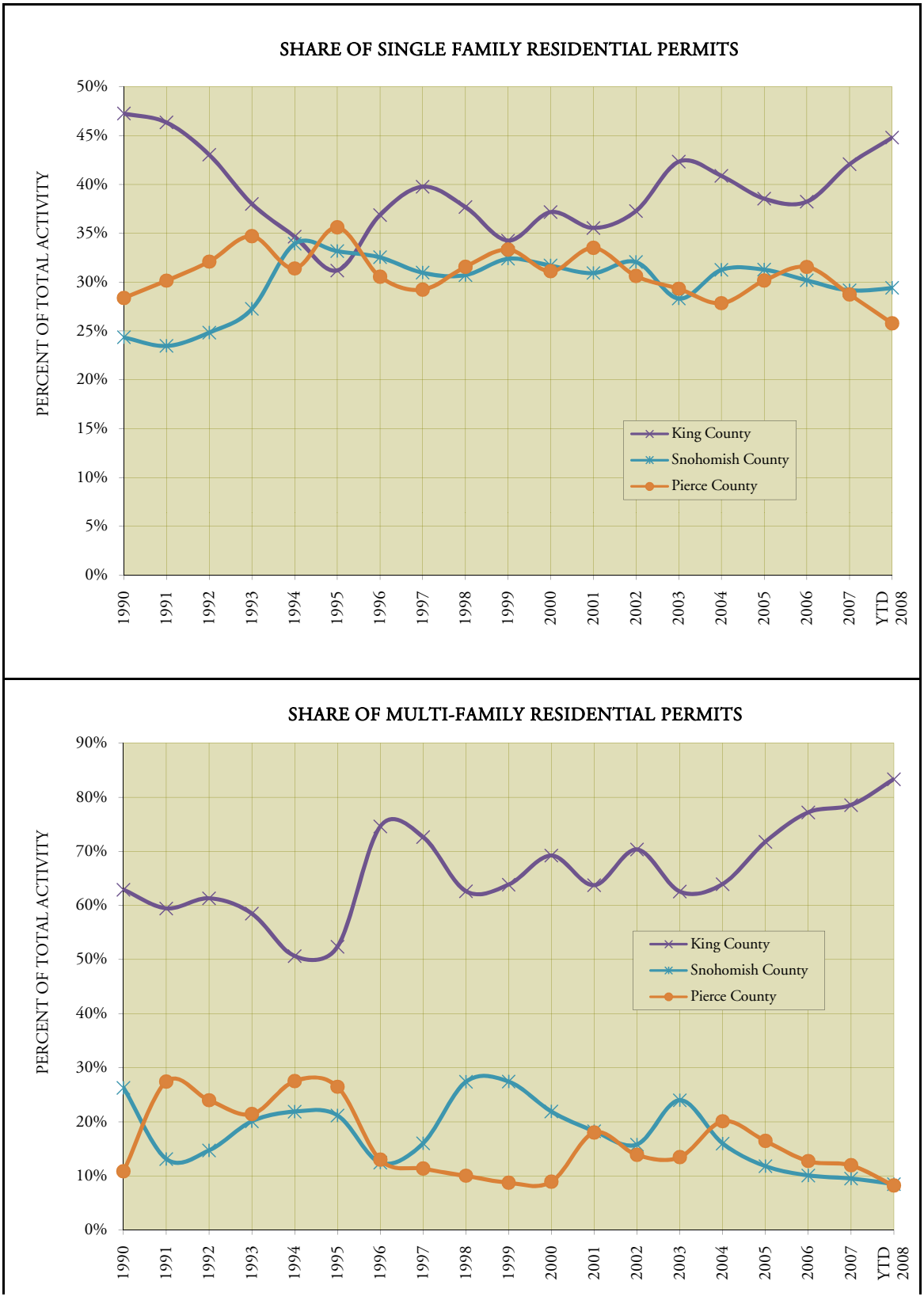


EXHIBIT 1.18

SUMMARY OF RESIDENTIAL UNITS PERMITTED BY YEAR
KING COUNTY, WASHINGTON
2001 through Dec. 2007

	2000		2001		2002		2003		2004		2005		2006		2007		YTD 2008	
Jurisdiction	**Single**	**Multi**	**Single**	**Multi**	**Single**	**Multi**	**Single**	**Multi**	**Single**	**Multi**	**Single**	**Multi**	**Single**	**Multi**	**Single**	**Multi**	**Single**	**Multi**
Algona	13	0	10	0	42	0	28	0	11	0	15	0	13	0	16	0	**1**	**0**
Auburn	214	144	141	198	244	0	243	56	405	653	288	376	138	250	234	89	**41**	**23**
Beaux Arts Village	0	0	0	0	1	0	0	0	1	0	0	0	0	0	2	0	**1**	**0**
Bellevue	188	219	120	343	150	268	121	0	130	61	171	367	238	805	165	998	**31**	**455**
Black Diamond	14	0	5	0	6	0	15	0	7	0	3	0	9	0	33	0	**1**	**0**
Bothell	41	202	44	4	79	40	121	90	42	136	138	45	322	0	203	5	**23**	**6**
Burien	33	0	28	0	15	8	28	11	22	0	38	99	106	0	38	124	**4**	**0**
Carnation	1	0	1	0	2	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**
Clyde Hill	16	0	10	0	15	0	11	0	17	0	12	0	17	0	19	0	**1**	**0**
Covington	49	0	227	0	159	200	356	0	269	0	97	0	30	0	81	120	**21**	**0**
Des Moines	0	0	19	0	19	0	31	0	57	0	83	0	30	0	23	3	**8**	**0**
Duvall	97	0	120	88	81	0	43	0	33	0	51	0	36	2	30	0	**5**	**0**
Enumclaw	15	0	23	0	24	6	19	13	8	2	10	12	26	6	28	0	**4**	**0**
Federal Way	41	28	22	15	152	50	115	12	112	0	278	0	192	0	128	112	**10**	**8**
Hunts Point	4	0	3	0	3	0	3	0	3	0	2	0	2	0	3	0	**1**	**0**
Issaquah	81	21	46	462	132	59	501	18	692	152	486	178	324	337	165	332	**18**	**0**
Kenmore	33	115	0	0	77	27	145	72	99	41	147	0	190	2	78	2	**20**	**0**
Kent	302	251	320	126	346	0	301	0	254	24	266	320	325	0	254	2	**46**	**0**
King Co. Unincorp	1,525	1,148	1,392	359	2,051	410	1,966	1,000	2,275	342	1,889	512	1,572	195	1,355	433	**218**	**0**
Kirkland	75	106	163	248	137	154	172	18	191	76	227	23	236	160	221	141	**35**	**7**
Lake Forest Park	8	0	15	0	6	0	11	0	33	0	13	0	16	0	5	0	**0**	**0**
Medina	16	0	11	0	10	0	9	0	15	0	16	0	20	0	21	0	**3**	**0**
Mercer Island	74	78	62	23	30	96	31	0	55	295	66	159	57	112	57	195	**8**	**0**
Newcastle	110	167	69	0	96	21	131	0	95	42	113	0	79	0	62	24	**5**	**0**
Normandy Park	7	0	6	0	8	0	5	0	8	0	13	0	2	0	38	0	**6**	**0**
North Bend	4	0	2	0	0	0	4	0	5	0	6	0	2	0	2	0	**0**	**0**
Pacific	2	0	20	0	26	10	24	0	43	0	47	0	58	0	44	0	**7**	**0**
Redmond	118	61	146	287	177	292	268	181	203	143	323	24	206	87	237	135	**52**	**168**
Renton	417	468	446	291	470	178	552	115	474	120	518	371	439	258	362	957	**56**	**248**
Seatac	23	0	29	0	28	0	29	156	36	0	45	32	68	85	45	197	**8**	**7**
Seattle	449	4,403	484	3,162	886	2,884	914	1,791	754	2790	533	3,185	482	6,149	775	5,939	**205**	**974**
Shoreline	72	12	62	3	81	2	68	0	39	136	55	0	108	8	68	0	**11**	**0**
Skykomish	0	0	0	0	2	0	0	0	1	0	0	0	0	0	0	0	**0**	**0**
Snoqualmie	167	68	69	0	155	60	194	40	366	0	267	0	330	0	329	0	**31**	**0**
Tukwila	63	0	55	0	62	0	35	0	40	0	40	0	47	0	45	0	**3**	**0**
Woodinville	14	0	0	0	0	0	0	0	148	0	71	0	44	0	40	444	**1**	**0**
Yarrow Point	4	0	2	0	4	0	5	0	8	0	4	0	7	0	14	0	**5**	**0**
KING COUNTY TOTALS:	**4,290**	**7,491**	**4,172**	**5,609**	**5,776**	**4,765**	**6,499**	**3,573**	**6,951**	**5,013**	**7,047**	**5,715**	**5,771**	**8,456**	**5,220**	**10,252**	**890**	**1,896**

EXHIBIT 1.18 Cont.

SUMMARY OF RESIDENTIAL UNITS PERMITTED BY YEAR
SNOHOMISH COUNTY AREA
2001 through Dec. 2007

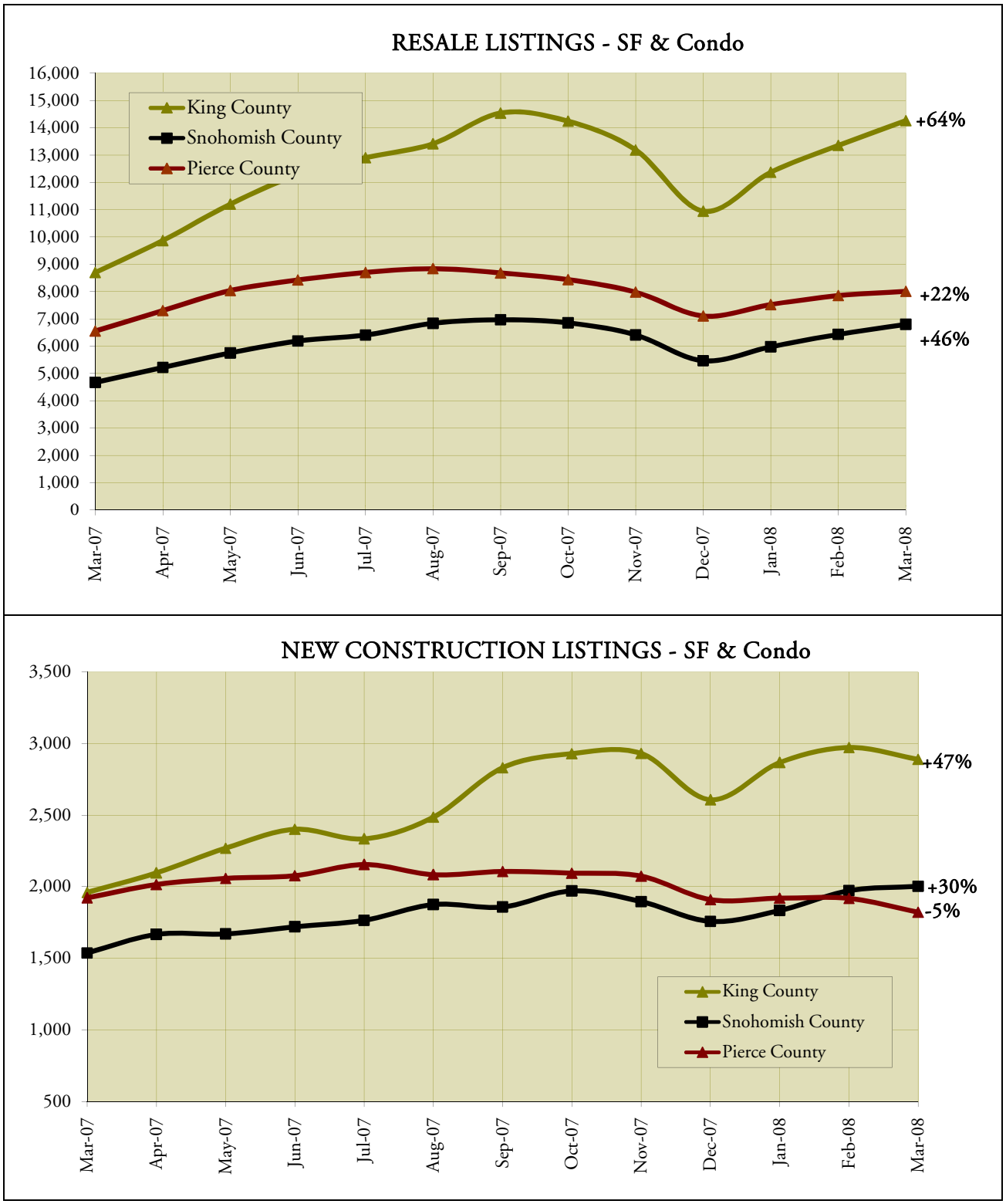
	2000		2001		2002		2003		2004		2005		2006		2007		YTD 2008	
Jurisdiction	Single	Multi	Single	Multi	Single	Multi	Single	Multi	Single	Multi	Single	Multi	Single	Multi	Single	Multi	Single	Multi
Arlington	161	6	233	12	258	19	287	20	320	33	323	26	231	18	154	14	**20**	**2**
Brier	35	0	15	0	16	0	18	0	21	0	22	0	16	0	12	0	**1**	**0**
Darrington	20	0	6	0	8	0	7	0	10	0	9	0	8	0	7	0	**0**	**0**
Edmonds	70	91	74	92	80	78	91	89	121	175	99	71	72	102	59	114	**2**	**8**
Everett	116	697	112	499	133	150	199	146	167	336	175	283	126	307	86	276	**12**	**47**
Gold Bar	24	0	24	0	26	0	30	0	32	0	30	0	20	0	11	0	**1**	**0**
Granite Falls	42	0	41	0	46	0	51	0	50	0	15	0	44	0	45	13	**2**	**0**
Lake Stevens	75	12	75	12	82	14	93	22	105	26	105	22	76	18	51	20	**7**	**2**
Lynnwood	146	85	66	25	64	20	73	35	80	40	80	60	59	67	37	67	**6**	**16**
Marysville	383	21	388	20	419	30	357	39	376	50	354	10	195	2	372	52	**52**	**6**
Mill Creek	14	0	63	226	12	167	60	306	13	14	54	0	50	0	117	36	**18**	**0**
Monroe	188	19	156	4	167	4	188	6	209	8	210	10	151	4	105	6	**13**	**0**
Mountlake Terrace	34	74	37	73	38	70	15	10	16	10	17	10	11	10	6	5	**1**	**0**
Mukilteo	122	77	111	88	121	66	136	71	150	69	149	70	109	74	73	81	**9**	**15**
Snohomish	24	20	5	3	3	3	2	45	1	24	8	29	5	27	3	20	**0**	**4**
Sno. Co. Unincorp	2,359	1,149	2,261	513	2,454	467	2,492	482	3,087	387	3,907	274	3,263	390	2,403	454	**430**	**77**
Stanwood	78	62	52	43	57	47	65	66	71	61	69	67	52	80	34	77	**4**	**16**
Sultan	43	4	44	2	50	6	57	6	63	10	64	8	46	6	30	6	**4**	**0**
Woodway	15	0	24	0	27	0	28	0	29	0	29	0	23	0	14	0	**2**	**0**
SNOHOMISH COUNTY TOTALS:	**3,949**	**2,317**	**3,787**	**1,612**	**4,061**	**1,141**	**4,249**	**1,343**	**4,921**	**1,243**	**5,719**	**940**	**4,557**	**1,105**	**3,619**	**1,241**	**584**	**193**

SUMMARY OF RESIDENTIAL UNITS PERMITTED BY YEAR
PIERCE COUNTY AREA
2001 through Dec. 2007

	2000		2001		2002		2003		2004		2005		2006		2007		YTD 2008	
Jurisdiction	Single	Multi	Single	Multi	Single	Multi	Single	Multi	Single	Multi	Single	Multi	Single	Multi	Single	Multi	Single	Multi
Bonney Lake	83	16	297	0	346	2	291	76	217	4	190	16	262	16	248	10	**40**	**0**
Buckley	84	7	33	7	14	0	6	0	9	2	4	0	7	2	25	0	**1**	**0**
Carbonado	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	**0**	**0**
DuPont	64	15	149	32	161	12	218	0	271	296	246	27	143	108	163	28	**47**	**0**
Eatonville	27	8	12	0	32	0	19	0	47	2	34	0	28	0	17	2	**1**	**0**
Edgewood	0	0	0	0	0	0	24	0	28	0	38	0	36	0	22	0	**6**	**2**
Fife	38	0	4	0	4	42	33	0	104	210	367	82	514	190	189	0	**6**	**0**
Fircrest	4	20	3	14	15	8	29	18	43	14	94	0	25	0	10	0	**0**	**0**
Gig Harbor	23	0	4	0	41	4	24	2	38	0	21	0	8	0	74	141	**2**	**0**
Lakewood	55	0	44	3	185	0	48	8	46	6	32	46	30	35	31	88	**11**	**28**
Milton	34	47	13	2	18	26	11	112	11	118	10	107	6	115	27	0	**5**	**0**
Orting	14	0	53	0	116	0	36	9	78	3	267	0	210	4	116	2	**0**	**0**
Pierce Co. Unincorp	2,621	469	2,709	434	3,112	237	3,168	318	2,797	357	3,442	371	2,711	415	2,124	393	**326**	**30**
Puyallup	48	279	87	393	171	80	51	16	62	226	141	240	50	24	62	21	**16**	**0**
Roy	4	0	1	0	1	0	2	0	0	0	1	0	1	0	8	0	**0**	**0**
Ruston	5	0	1	0	3	0	1	0	4	0	0	60	5	6	8	0	**2**	**0**
South Prairie	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	**0**	**0**
Steilacoom	19	6	24	0	15	0	18	4	19	4	16	0	15	0	10	0	**1**	**0**
Sumner	60	0	57	0	81	0	90	0	100	0	101	0	42	60	24	71	**4**	**8**
Tacoma	478	54	486	713	331	200	277	180	404	321	391	340	603	413	362	781	**39**	**119**
University Place	70	14	124	8	103	16	52	12	127	0	118	22	63	8	44	24	**5**	**0**
Wilkeson	1	3	2	0	1	0	2	0	4	0	0	0	4	0	3	0	**0**	**0**
PIERCE COUNTY TOTALS:	**3,732**	**938**	**4,103**	**1,606**	**4,750**	**627**	**4,400**	**755**	**4,411**	**1,563**	**5,515**	**1,311**	**4,763**	**1,396**	**3,567**	**1,561**	**512**	**187**

EXHIBIT 1.19

STANDING INVENTORY BY COUNTY

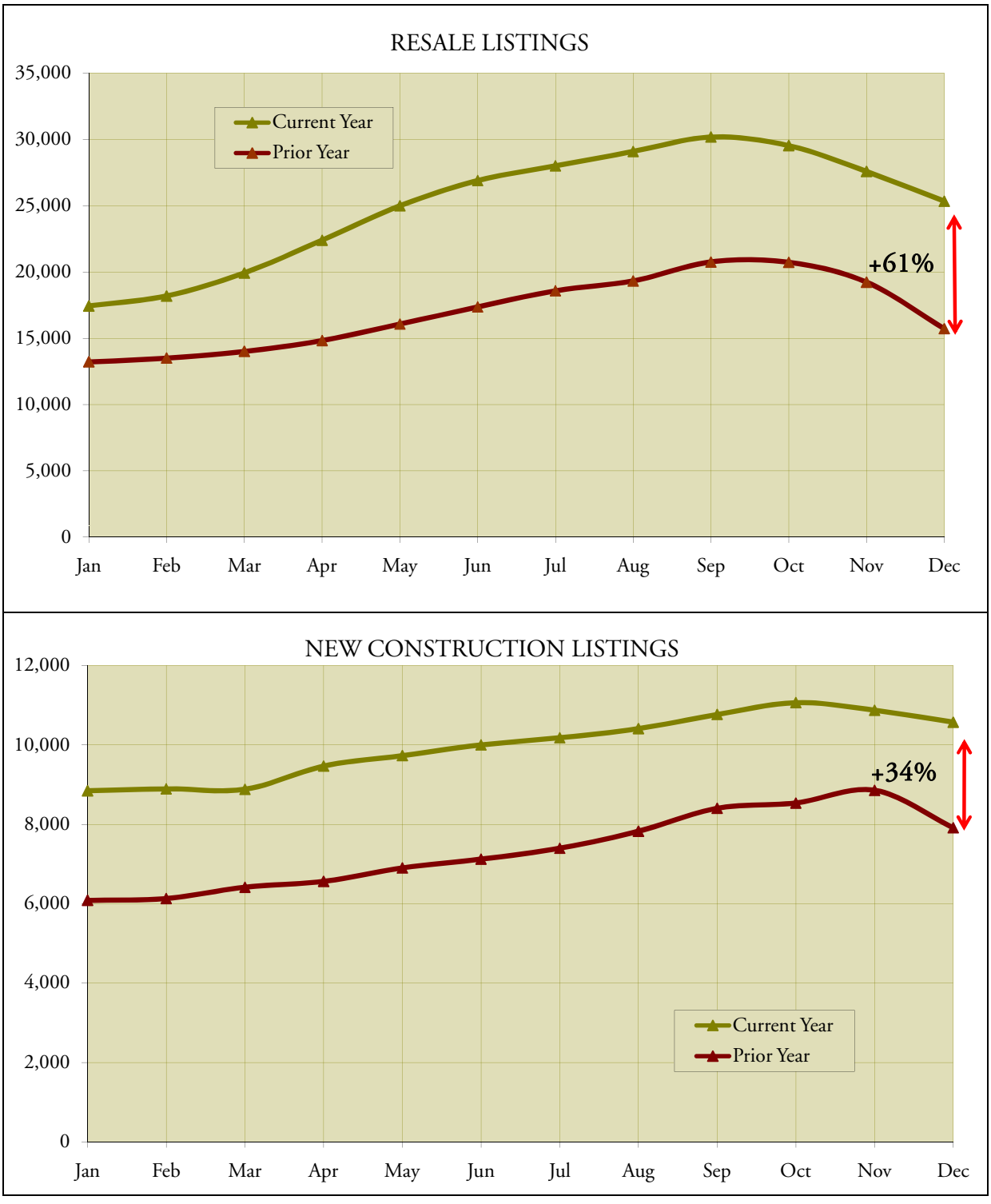


Note: Typically not all new construction listings are added to the NWMLS, specifically condominiums. Data, therefore may be somewhat skewed.
Percentages represent YOY change in inventory.

SOURCE: NWMLS

EXHIBIT 1.20

STANDING INVENTORY
BY METRO AREA



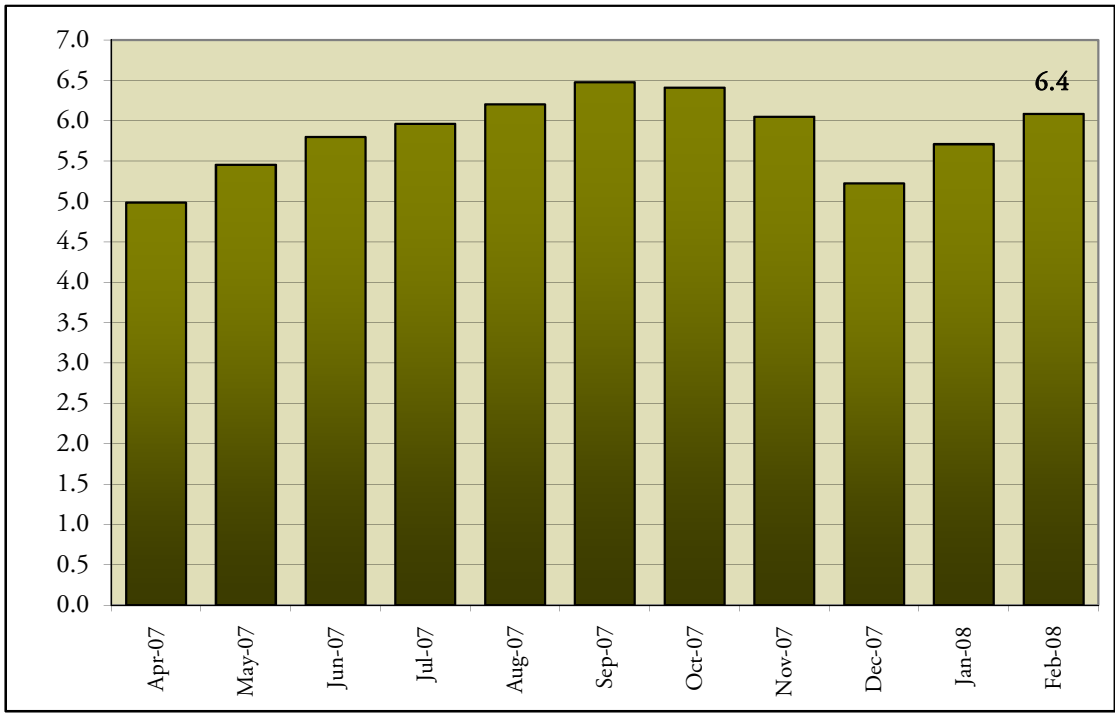
Note: Typically not all new construction listings are added to the NWMLS, specifically condominiums. Data, therefore may be somewhat skewed.

SOURCE: NWMLS

EXHIBIT 1.21

MONTHS OF INVENTORY
BY METRO AREA

	King County	Snohomish County	Pierce County	Metro Area
April-07	4.5	4.8	6.0	5.0
May-07	5.0	5.2	6.4	5.5
June-07	5.4	5.5	6.6	5.8
July-07	5.6	5.6	6.8	6.0
August-07	5.9	6.0	6.8	6.2
September-07	6.5	6.1	6.8	6.5
October-07	6.4	6.1	6.6	6.4
November-07	6.0	5.7	6.5	6.1
December-07	5.1	5.0	5.7	5.2
January-08	5.7	5.4	6.0	5.7
February-08	6.1	5.8	6.3	6.1
March-08	**6.5**	**6.1**	**6.4**	**6.4**

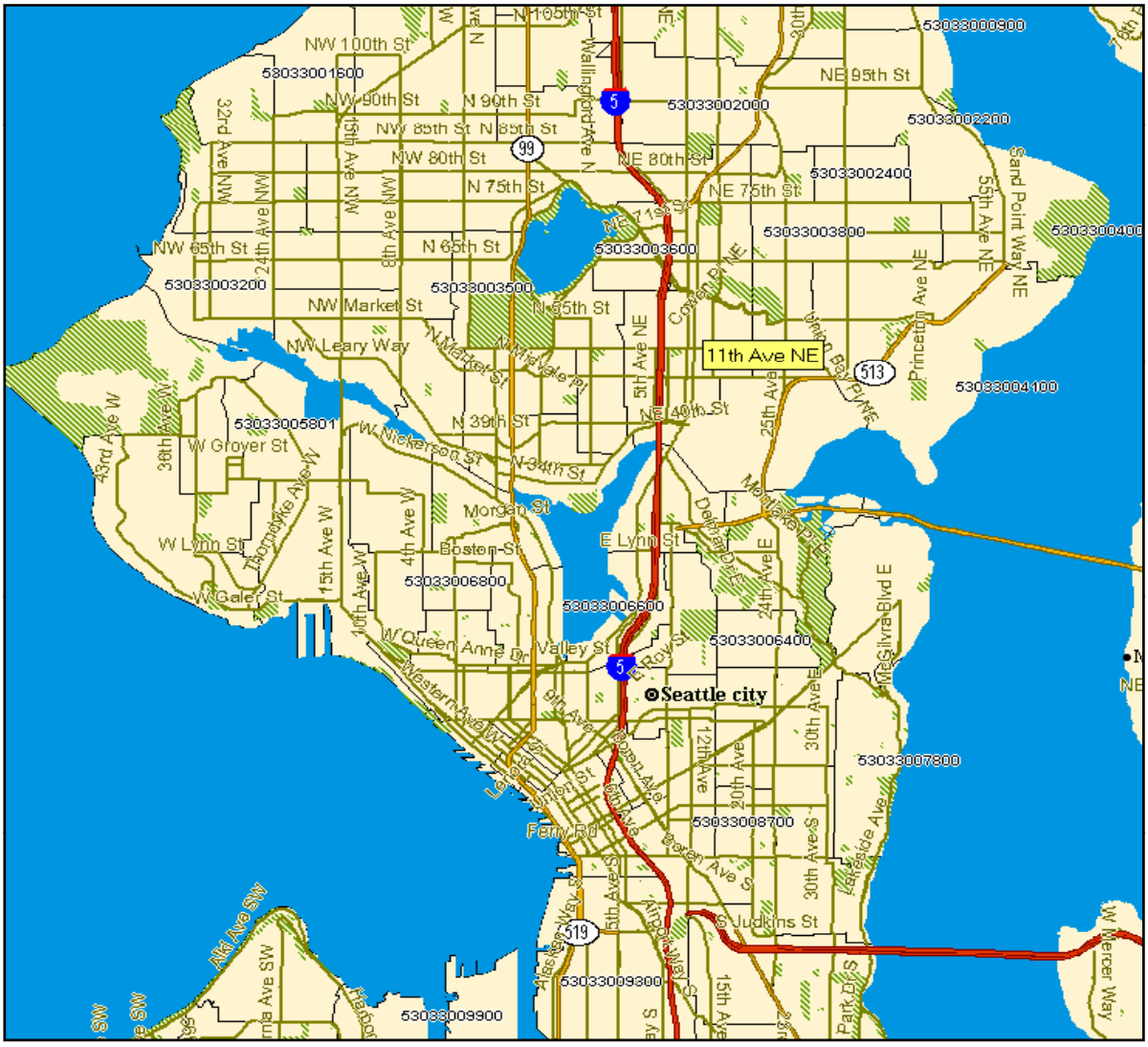


Note: Typically not all new construction listings are added to the NWMLS, specifically condominiums. Data, therefore may be somewhat skewed.

SOURCE: NWMLS

SOURCE: NWMLS

Exhibit 2.01
AREA USED FOR SUBJECT MARKET AREA DEMOGRAPHIC ANALYSIS
Central Seattle



Source: Demographics Now, Gardner Johnson

EXHIBIT 2.02

GENERAL DEMOGRAPHIC PROFILE
CENTRAL SEATTLE

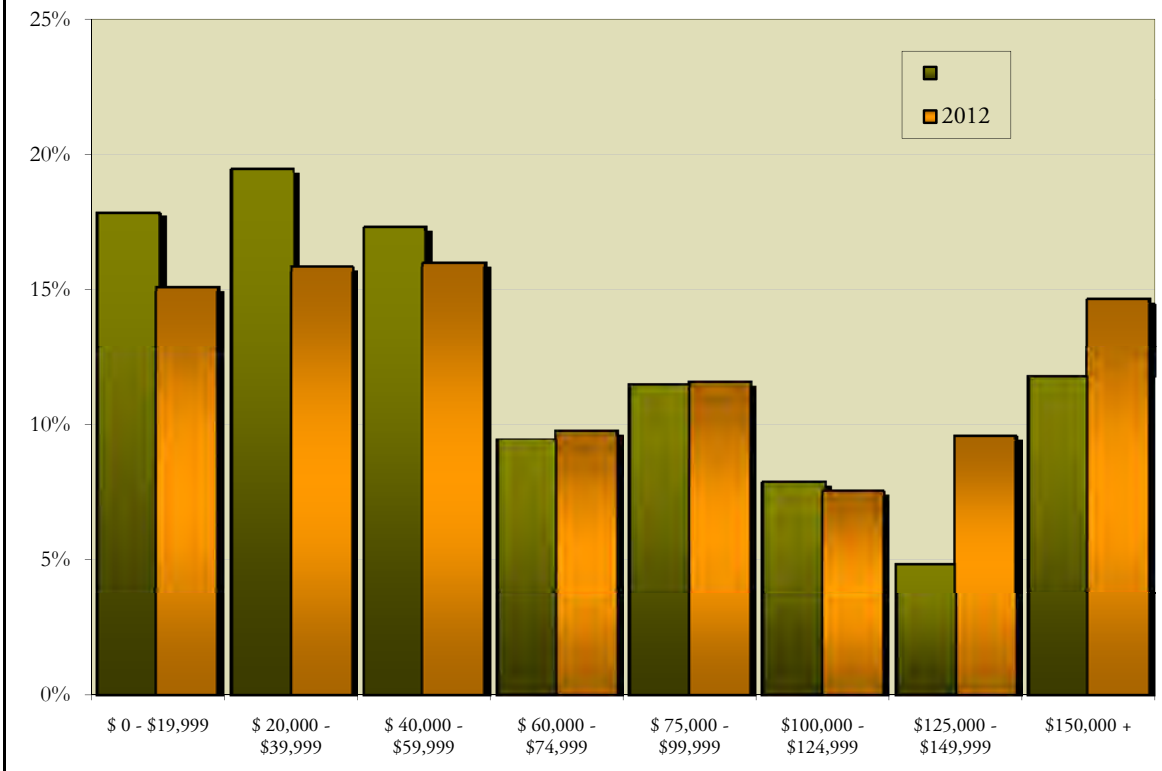
Population, Households, and Population Makeup

	2000 (Census)	2007 (Est.)	Annual Growth Rate 00-07	2012 (Proj.)	Annual Growth Rate 07-12
Population	294,657	308,538	0.7%	320,588	0.8%
Households	145,555	156,881	1.1%	165,657	1.1%
Male	149,364	157,354	0.7%	163,820	0.8%
Female	145,293	151,184	0.6%	156,767	0.7%
Household Size	2.02	1.97		1.94	

*Income**

Per Capita ($)	$33,458	$45,449	4.5%	$52,198	2.8%
Average HH ($)	$67,731	$82,913	2.9%	$94,415	2.6%
Median HH ($)	$45,331	$61,887	4.5%	$71,483	2.9%

Distribution of Households by Annual Income 2007, 2012



Source: Demographics Now, Gardner Johnson

EXHIBIT 2.03

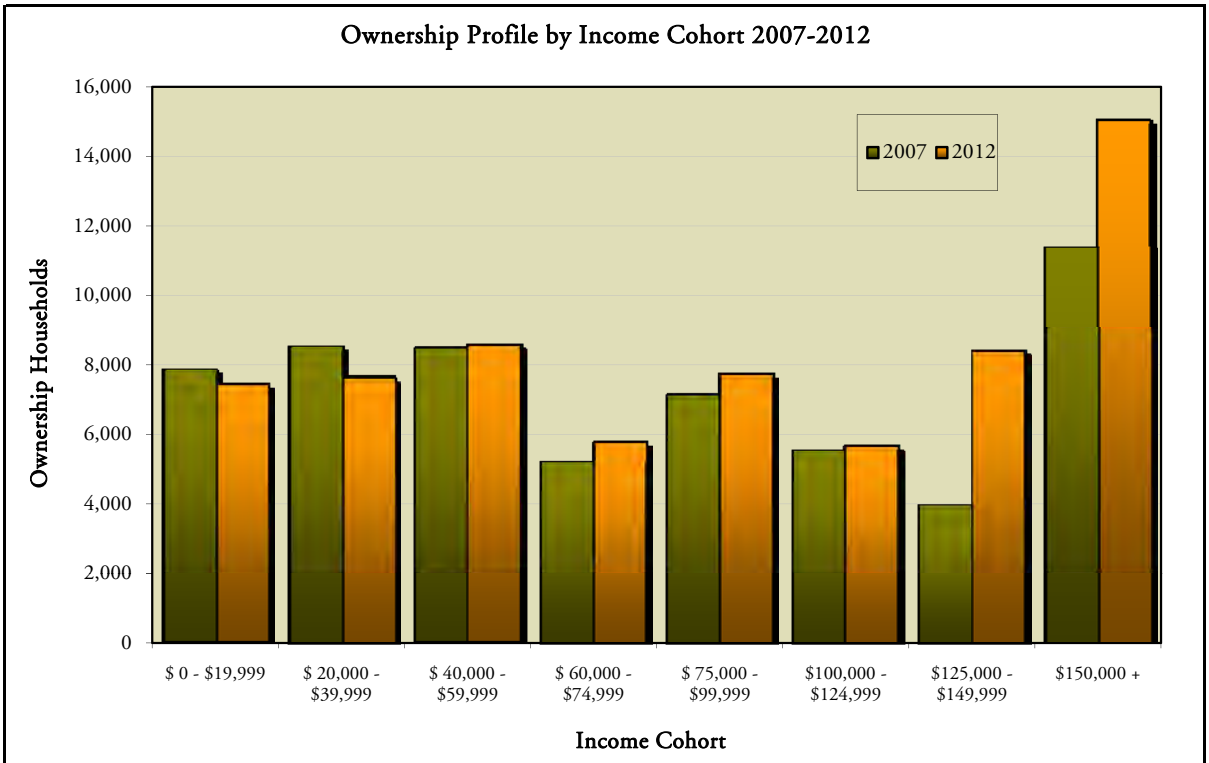
AGE BY INCOME DISTRIBUTION OF HOUSEHOLDS AND PROJECTED OWNERSHIP HOUSING DEMAND
CENTRAL SEATTLE
2007-2012

Household Income Range[1]	Total	Age of Householder						
		15 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 +
2007								
$ 0 - $19,999	28,007	4,257	5,068	4,152	4,359	4,068	2,772	3,331
$ 20,000 - $39,999	30,474	3,889	7,913	5,433	5,031	3,345	2,127	2,735
$ 40,000 - $59,999	27,157	2,250	7,167	5,571	4,852	3,398	1,811	2,108
$ 60,000 - $74,999	14,895	889	3,951	3,029	3,046	1,922	1,054	1,005
$ 75,000 - $99,999	18,026	893	4,342	3,833	3,937	2,595	1,139	1,287
$100,000 - $124,999	12,365	506	2,688	2,636	2,923	1,720	940	953
$125,000 - $149,999	7,518	317	1,358	1,725	1,943	1,164	456	556
$150,000 +	18,437	643	3,051	3,754	4,599	3,483	1,387	1,520
Overall	**156,881**	**13,645**	**35,538**	**30,132**	**30,692**	**21,693**	**11,686**	**13,494**
2012								
$ 0 - $19,999	25,014	3,559	3,756	3,301	3,903	4,361	3,362	2,772
$ 20,000 - $39,999	26,212	3,409	5,982	4,246	4,379	3,440	2,495	2,261
$ 40,000 - $59,999	26,463	2,328	6,081	5,002	4,663	3,921	2,399	2,069
$ 60,000 - $74,999	16,225	1,078	4,000	2,964	3,193	2,369	1,592	1,029
$ 75,000 - $99,999	19,174	1,079	4,195	3,682	4,071	3,255	1,609	1,282
$100,000 - $124,999	12,484	596	2,582	2,291	2,818	1,932	1,342	923
$125,000 - $149,999	15,839	724	2,627	3,241	4,013	2,776	1,345	1,114
$150,000 +	24,247	965	3,606	4,440	5,807	5,039	2,423	1,967
Overall	**165,657**	**13,738**	**32,828**	**29,168**	**32,848**	**27,092**	**16,567**	**13,416**
NET CHANGE								
$ 0 - $19,999	-2,993	-698	-1,312	-851	-456	293	590	-559
$ 20,000 - $39,999	-4,263	-480	-1,931	-1,186	-653	94	368	-474
$ 40,000 - $59,999	-694	78	-1,086	-569	-189	523	588	-39
$ 60,000 - $74,999	1,329	189	49	-65	147	448	538	24
$ 75,000 - $99,999	1,148	186	-147	-150	134	660	470	-5
$100,000 - $124,999	118	90	-106	-345	-105	212	402	-30
$125,000 - $149,999	8,321	407	1,268	1,517	2,070	1,612	890	557
$150,000 +	5,810	322	555	686	1,208	1,556	1,036	447
Overall	**8,776**	**94**	**-2,711**	**-964**	**2,155**	**5,399**	**4,881**	**-78**

Source: Demographics Now, Gardner Johnson

EXHIBIT 2.04

PROJECTED HOUSING DEMAND BY INCOME COHORTS
DEMAND FOR FOR-SALE PRODUCT
CENTRAL SEATTLE
2007-2012



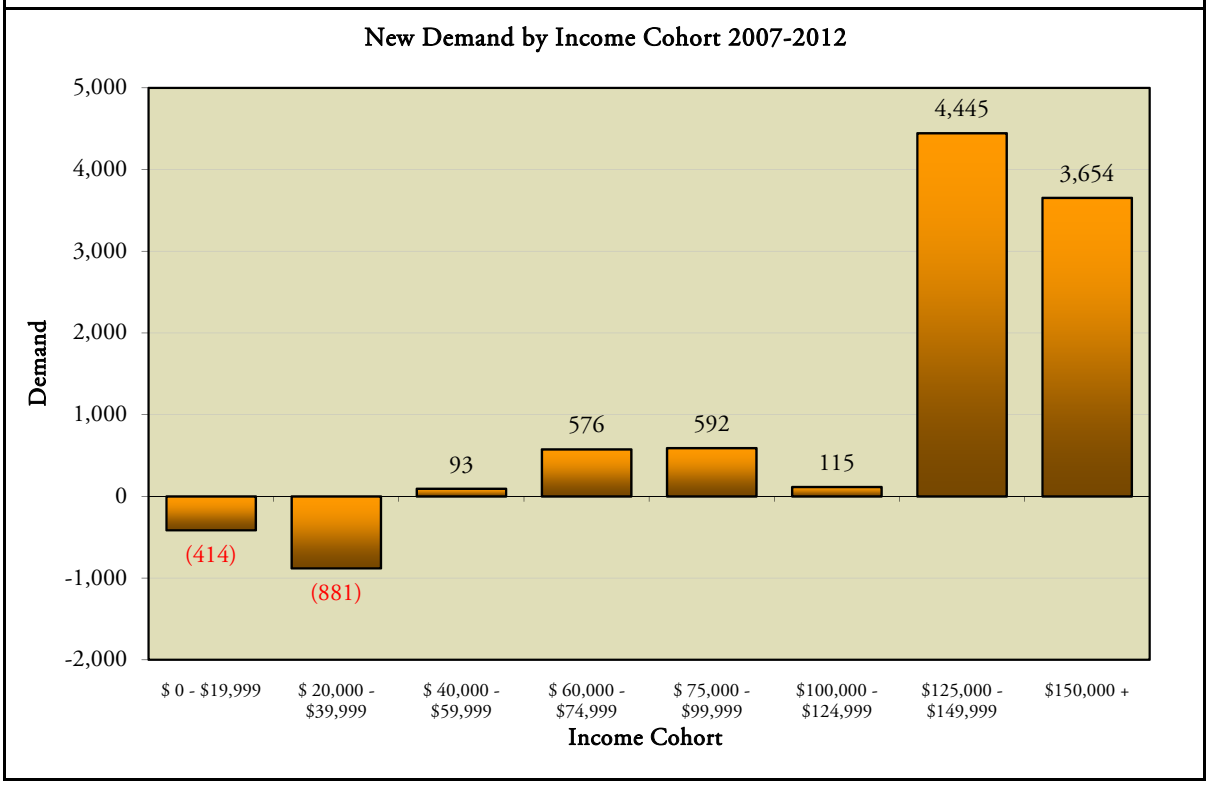


EXHIBIT 2.05

PROJECTED HOUSING DEMAND BY AGE COHORTS
DEMAND FOR FOR-SALE PRODUCT
CENTRAL SEATTLE
2007-2012

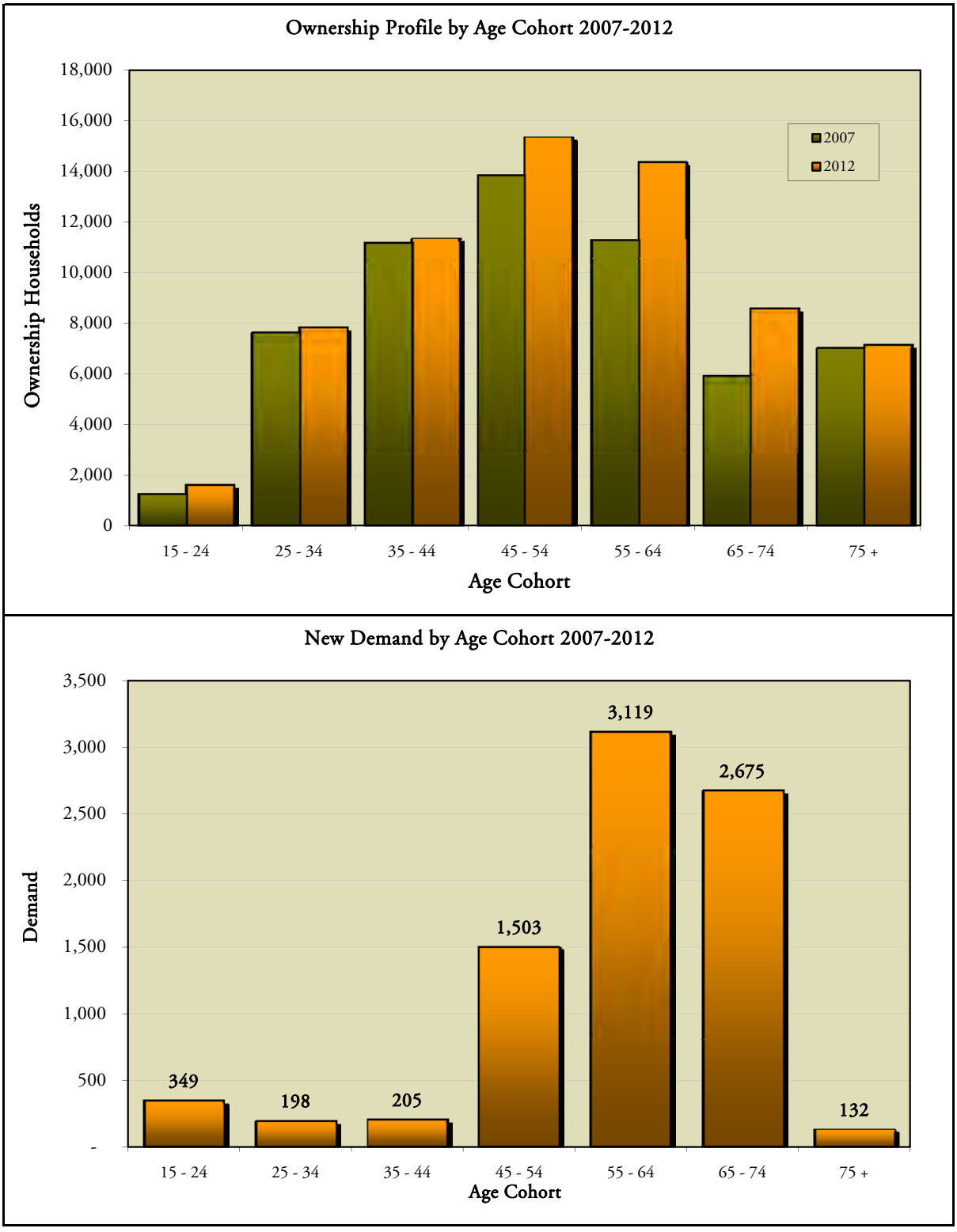


EXHIBIT 2.06

AGE BY INCOME DISTRIBUTION OF HOUSEHOLDS AND PROJECTED RENTAL HOUSING DEMAND
CENTRAL SEATTLE
2007-2012

Household Income Range[1]	Total	Age of Householder						
		15 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 +
2007								
$ 0 - $19,999	28,007	4,257	5,068	4,152	4,359	4,068	2,772	3,331
$ 20,000 - $39,999	30,474	3,889	7,913	5,433	5,031	3,345	2,127	2,735
$ 40,000 - $59,999	27,157	2,250	7,167	5,571	4,852	3,398	1,811	2,108
$ 60,000 - $74,999	14,895	889	3,951	3,029	3,046	1,922	1,054	1,005
$ 75,000 - $99,999	18,026	893	4,342	3,833	3,937	2,595	1,139	1,287
$100,000 - $124,999	12,365	506	2,688	2,636	2,923	1,720	940	953
$125,000 - $149,999	7,518	317	1,358	1,725	1,943	1,164	456	556
$150,000 +	18,437	643	3,051	3,754	4,599	3,483	1,387	1,520
Overall	**156,881**	**13,645**	**35,538**	**30,132**	**30,692**	**21,693**	**11,686**	**13,494**
2012								
$ 0 - $19,999	25,014	3,559	3,756	3,301	3,903	4,361	3,362	2,772
$ 20,000 - $39,999	26,212	3,409	5,982	4,246	4,379	3,440	2,495	2,261
$ 40,000 - $59,999	26,463	2,328	6,081	5,002	4,663	3,921	2,399	2,069
$ 60,000 - $74,999	16,225	1,078	4,000	2,964	3,193	2,369	1,592	1,029
$ 75,000 - $99,999	19,174	1,079	4,195	3,682	4,071	3,255	1,609	1,282
$100,000 - $124,999	12,484	596	2,582	2,291	2,818	1,932	1,342	923
$125,000 - $149,999	15,839	724	2,627	3,241	4,013	2,776	1,345	1,114
$150,000 +	24,247	965	3,606	4,440	5,807	5,039	2,423	1,967
Overall	**165,657**	**13,738**	**32,828**	**29,168**	**32,848**	**27,092**	**16,567**	**13,416**
NET CHANGE								
$ 0 - $19,999	-2,993	-698	-1,312	-851	-456	293	590	-559
$ 20,000 - $39,999	-4,263	-480	-1,931	-1,186	-653	94	368	-474
$ 40,000 - $59,999	-694	78	-1,086	-569	-189	523	588	-39
$ 60,000 - $74,999	1,329	189	49	-65	147	448	538	24
$ 75,000 - $99,999	1,148	186	-147	-150	134	660	470	-5
$100,000 - $124,999	118	90	-106	-345	-105	212	402	-30
$125,000 - $149,999	8,321	407	1,268	1,517	2,070	1,612	890	557
$150,000 +	5,810	322	555	686	1,208	1,556	1,036	447
Overall	**8,776**	**94**	**-2,711**	**-964**	**2,155**	**5,399**	**4,881**	**-78**

Source: Demographics Now, Gardner Johnson

EXHIBIT 2.07

PROJECTED HOUSING DEMAND BY INCOME COHORTS
DEMAND FOR RENTAL PRODUCT
CENTRAL SEATTLE
2007-2012

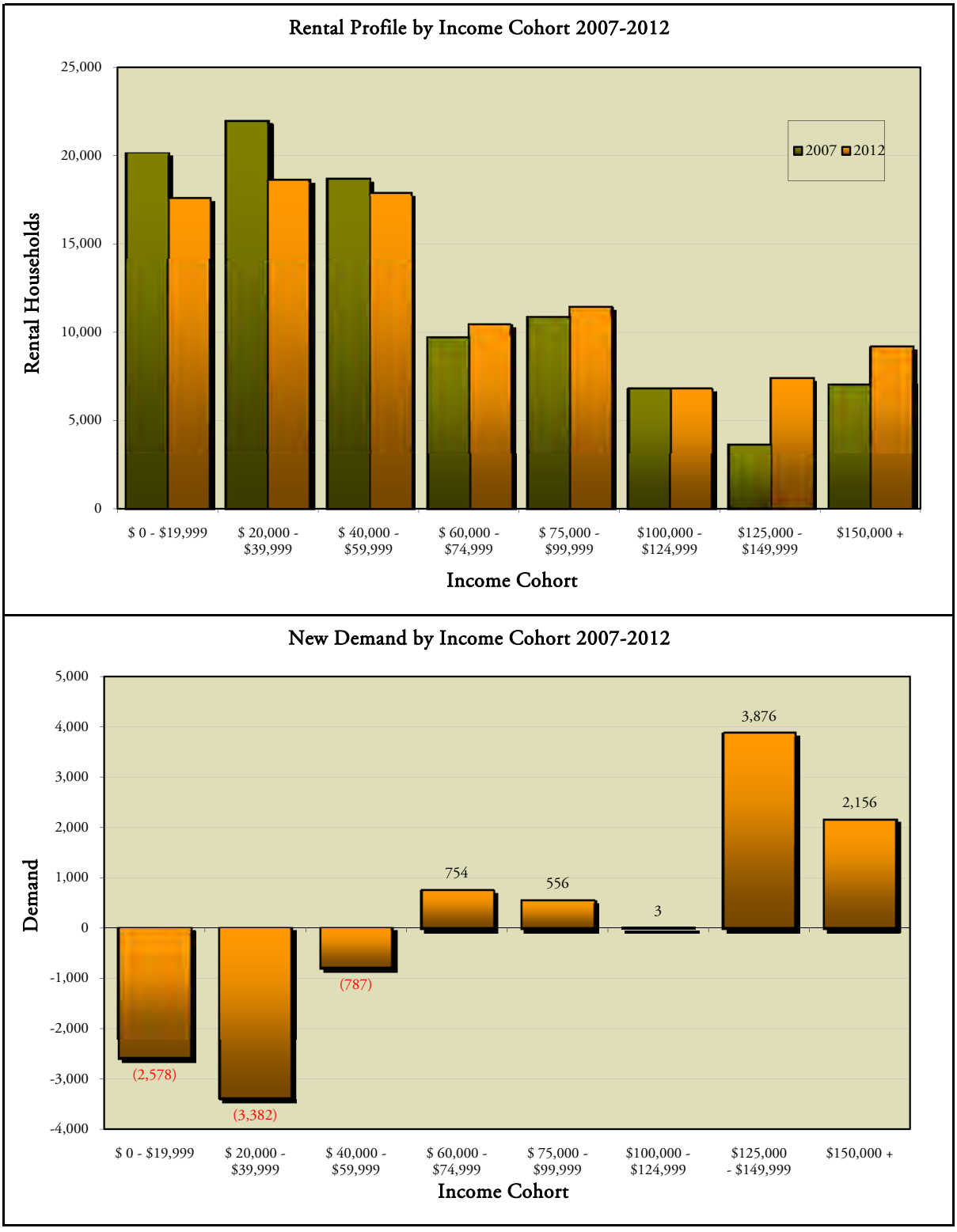


EXHIBIT 2.08

PROJECTED HOUSING DEMAND BY AGE COHORTS
DEMAND FOR RENTAL PRODUCT
CENTRAL SEATTLE
2007-2012

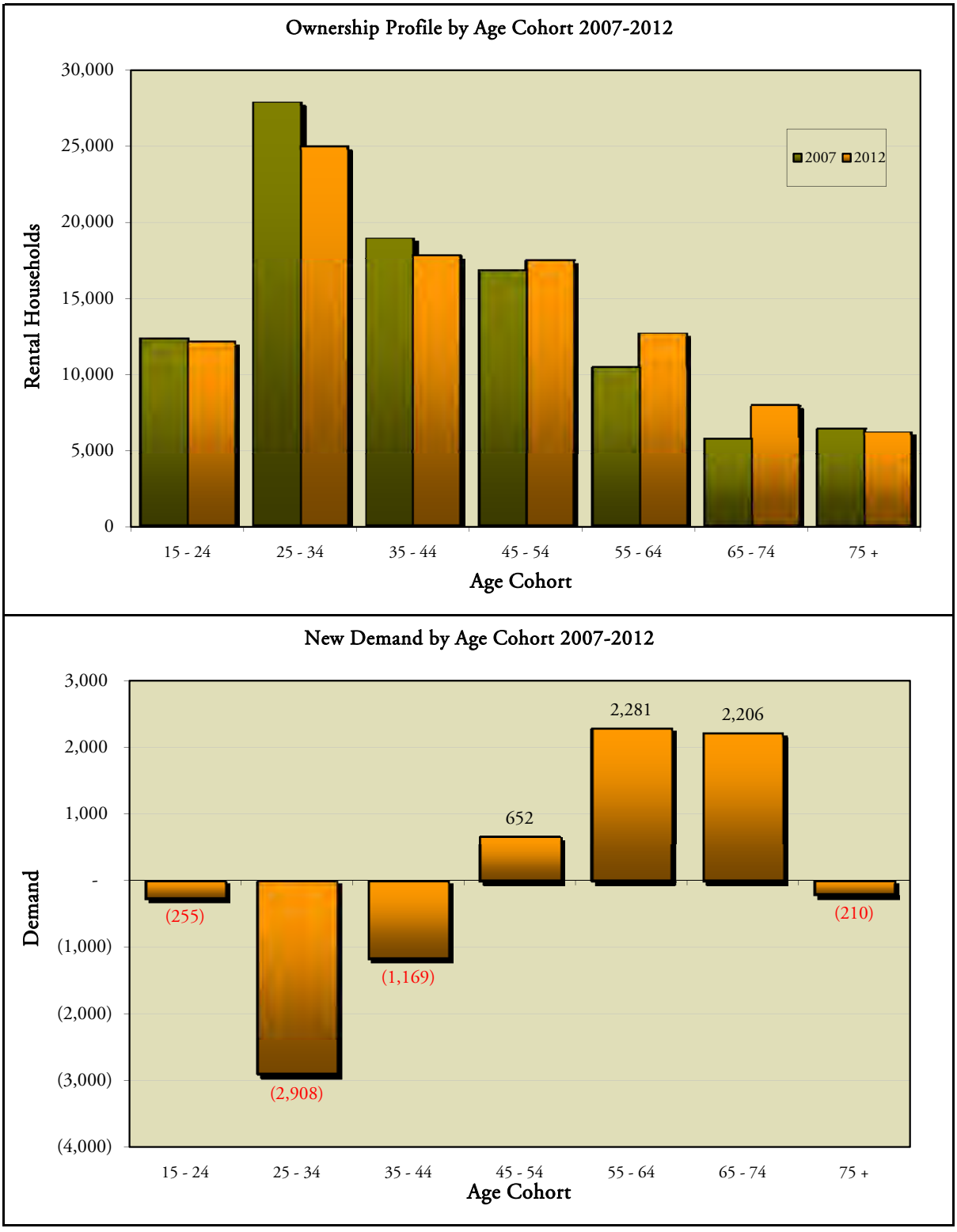


EXHIBIT 2.09

AREA USED FOR SUBJECT MARKET AREA DEMOGRAPHIC ANALYSIS
Competitive Market Area

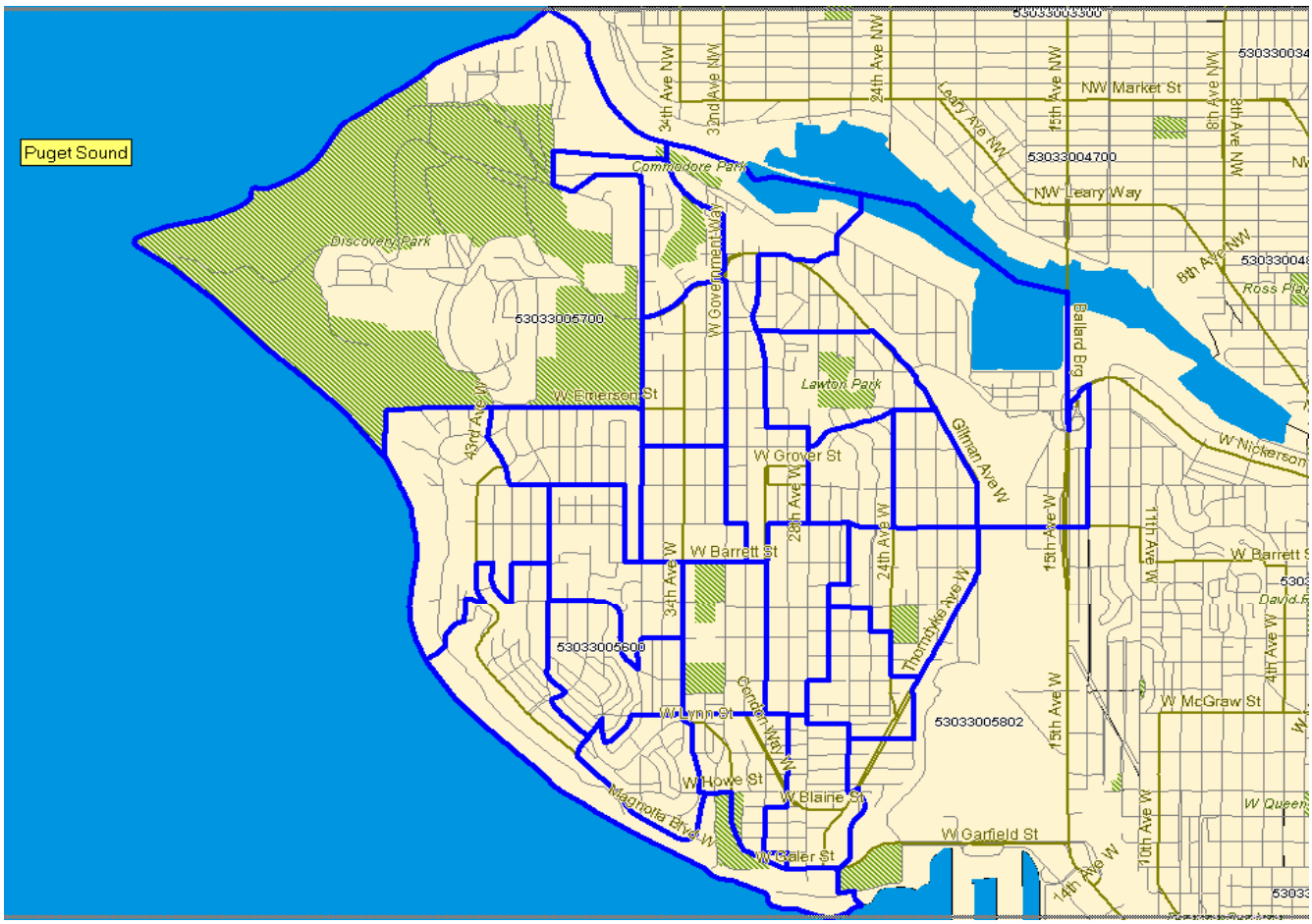


EXHIBIT 2.10

GENERAL DEMOGRAPHIC PROFILE
MAGNOLIA

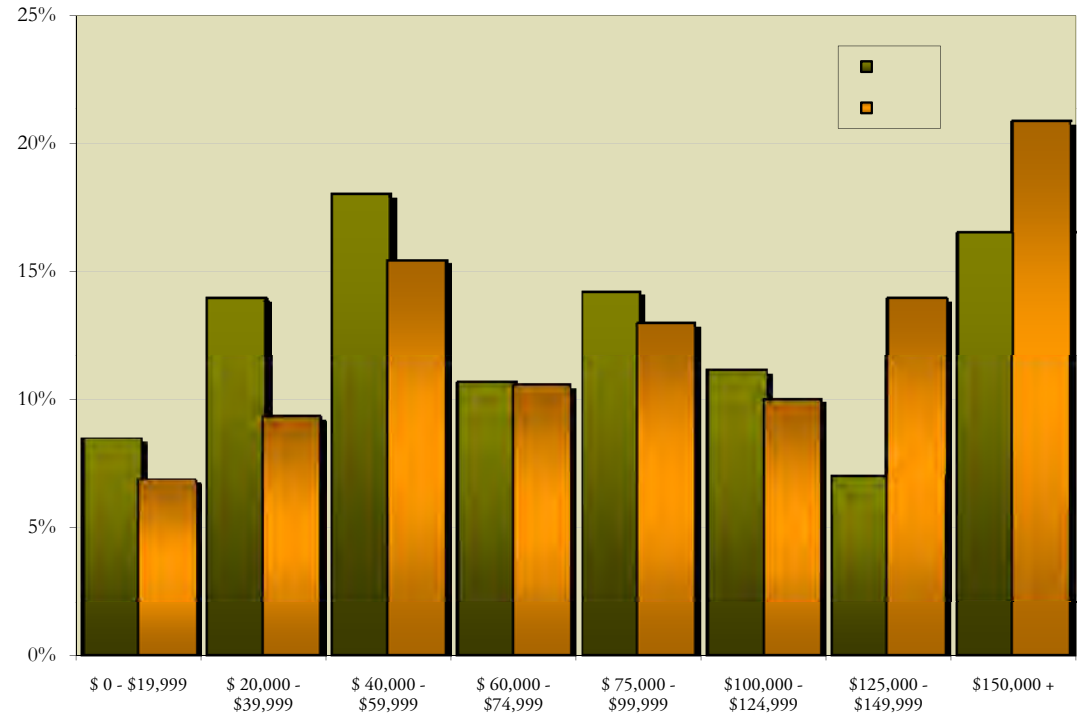
Population, Households, and Population Makeup

	2000 (Census)	2007 (Est.)	Annual Growth Rate 00-07	2012 (Proj.)	Annual Growth Rate 07-12
Population	18,881	19,497	0.5%	20,174	0.7%
Households	8,911	9,405	0.8%	9,852	0.9%
Male	9,147	9,476	0.5%	9,845	0.8%
Female	9,734	10,022	0.4%	10,329	0.6%
Household Size	2.12	2.07		2.05	

*Income**

Per Capita ($)	$37,285	$50,557	4.4%	$57,135	2.5%
Average HH ($)	$79,000	$104,171	4.0%	$116,352	2.2%
Median HH ($)	$60,281	$78,563	3.9%	$90,197	2.8%

Distribution of Households by Annual Income 2007, 2012



Source: Demographics Now, Gardner Johnson

EXHIBIT 2.11

AGE BY INCOME DISTRIBUTION OF HOUSEHOLDS AND PROJECTED OWNERSHIP HOUSING DEMAND
MAGNOLIA
2007-2012

Household Income Range[1]	Total	Age of Householder						
		15 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 +
2007								
$ 0 - $19,999	796	57	128	133	145	109	77	148
$ 20,000 - $39,999	1,311	95	216	230	200	223	158	188
$ 40,000 - $59,999	1,699	108	301	317	347	268	159	198
$ 60,000 - $74,999	1,004	41	179	193	227	172	99	93
$ 75,000 - $99,999	1,337	35	231	273	352	230	110	107
$100,000 - $124,999	1,049	24	168	235	257	182	88	94
$125,000 - $149,999	655	17	58	156	160	166	48	50
$150,000 +	1,555	14	139	295	421	342	179	166
Overall	**9,405**	**390**	**1,420**	**1,831**	**2,109**	**1,692**	**919**	**1,044**
2012								
$ 0 - $19,999	674	43	94	95	130	114	76	122
$ 20,000 - $39,999	917	65	114	149	126	192	145	125
$ 40,000 - $59,999	1,523	100	252	250	289	278	187	167
$ 60,000 - $74,999	1,041	55	157	178	211	195	139	106
$ 75,000 - $99,999	1,278	45	213	206	337	242	146	90
$100,000 - $124,999	985	28	180	200	244	151	94	88
$125,000 - $149,999	1,376	33	111	297	318	384	137	96
$150,000 +	2,057	32	198	346	524	457	299	201
Overall	**9,852**	**402**	**1,318**	**1,720**	**2,179**	**2,013**	**1,223**	**996**
NET CHANGE								
$ 0 - $19,999	-122	-14	-34	-38	-14	5	0	-26
$ 20,000 - $39,999	-394	-30	-102	-81	-74	-31	-13	-62
$ 40,000 - $59,999	-175	-8	-49	-67	-58	10	27	-31
$ 60,000 - $74,999	38	14	-22	-15	-15	23	41	13
$ 75,000 - $99,999	-59	11	-18	-67	-16	12	36	-17
$100,000 - $124,999	-64	4	12	-35	-12	-31	6	-6
$125,000 - $149,999	720	16	53	141	158	218	88	46
$150,000 +	502	18	58	51	103	116	120	35
Overall	**446**	**12**	**-102**	**-111**	**71**	**321**	**305**	**-48**

Source: Demographics Now, Gardner Johnson

EXHIBIT 2.12

PROJECTED HOUSING DEMAND BY INCOME COHORTS
DEMAND FOR FOR-SALE PRODUCT
MAGNOLIA
2007-2012

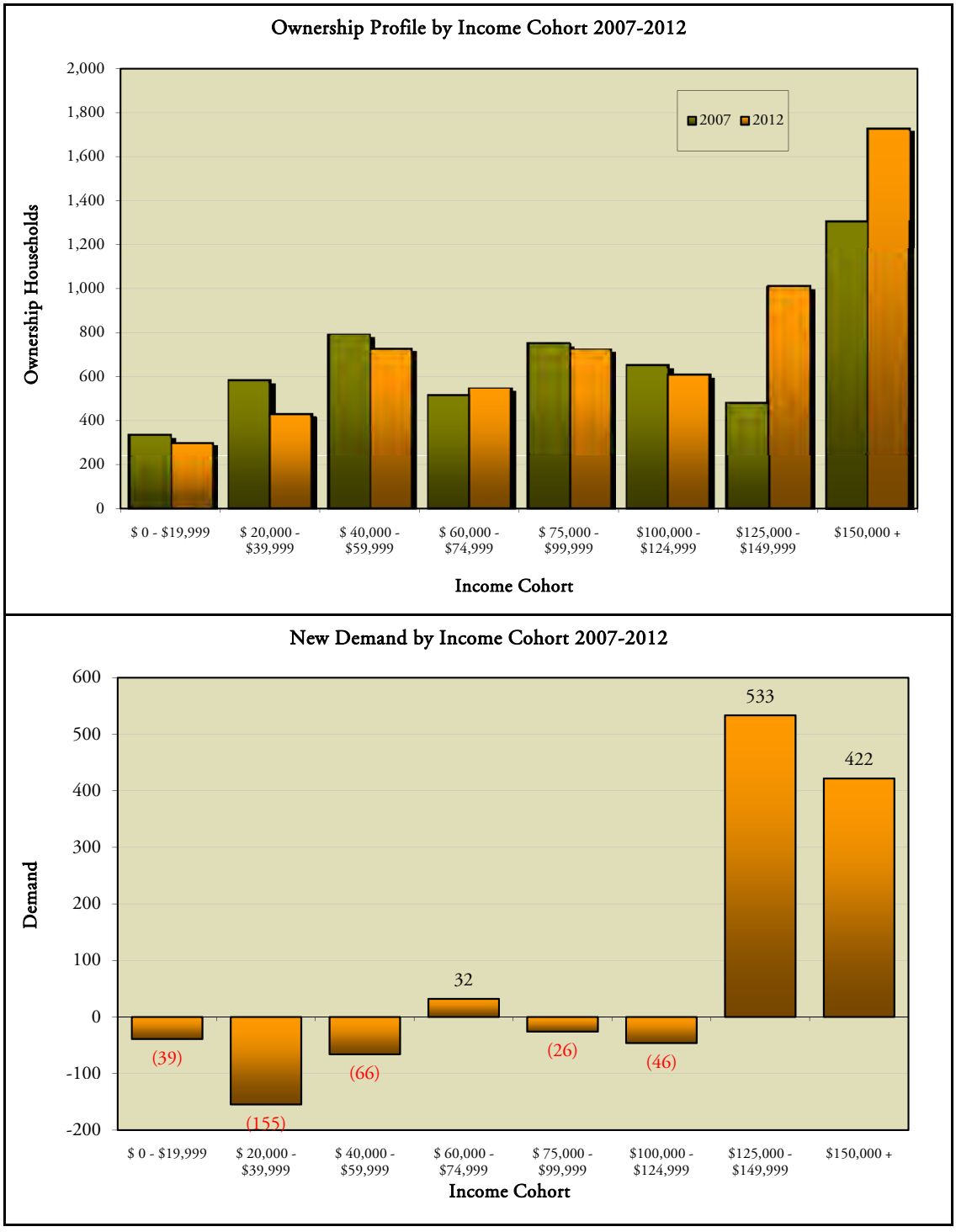


EXHIBIT 2.13

PROJECTED HOUSING DEMAND BY AGE COHORTS
DEMAND FOR FOR-SALE PRODUCT
MAGNOLIA
2007-2012

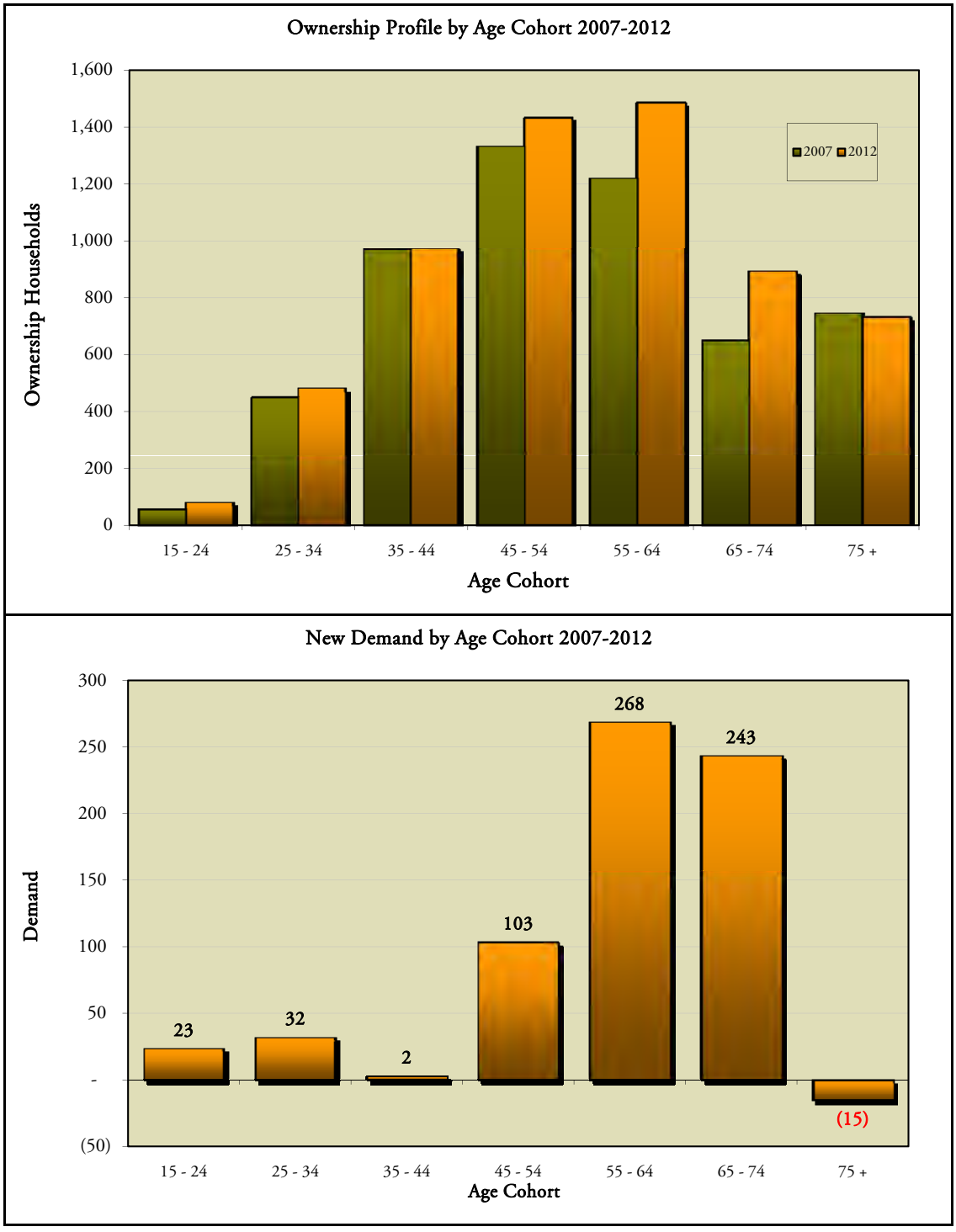


EXHIBIT 2.14

AGE BY INCOME DISTRIBUTION OF HOUSEHOLDS AND PROJECTED RENTAL HOUSING DEMAND
MAGNOLIA
2007-2012

Household Income Range[1]	Total	Age of Householder						
		15 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 +
2007								
$ 0 - $19,999	796	57	128	133	145	109	77	148
$ 20,000 - $39,999	1,311	95	216	230	200	223	158	188
$ 40,000 - $59,999	1,699	108	301	317	347	268	159	198
$ 60,000 - $74,999	1,004	41	179	193	227	172	99	93
$ 75,000 - $99,999	1,337	35	231	273	352	230	110	107
$100,000 - $124,999	1,049	24	168	235	257	182	88	94
$125,000 - $149,999	655	17	58	156	160	166	48	50
$150,000 +	1,555	14	139	295	421	342	179	166
Overall	**9,405**	**390**	**1,420**	**1,831**	**2,109**	**1,692**	**919**	**1,044**
2012								
$ 0 - $19,999	674	43	94	95	130	114	76	122
$ 20,000 - $39,999	917	65	114	149	126	192	145	125
$ 40,000 - $59,999	1,523	100	252	250	289	278	187	167
$ 60,000 - $74,999	1,041	55	157	178	211	195	139	106
$ 75,000 - $99,999	1,278	45	213	206	337	242	146	90
$100,000 - $124,999	985	28	180	200	244	151	94	88
$125,000 - $149,999	1,376	33	111	297	318	384	137	96
$150,000 +	2,057	32	198	346	524	457	299	201
Overall	**9,852**	**402**	**1,318**	**1,720**	**2,179**	**2,013**	**1,223**	**996**
NET CHANGE								
$ 0 - $19,999	-122	-14	-34	-38	-14	5	0	-26
$ 20,000 - $39,999	-394	-30	-102	-81	-74	-31	-13	-62
$ 40,000 - $59,999	-175	-8	-49	-67	-58	10	27	-31
$ 60,000 - $74,999	38	14	-22	-15	-15	23	41	13
$ 75,000 - $99,999	-59	11	-18	-67	-16	12	36	-17
$100,000 - $124,999	-64	4	12	-35	-12	-31	6	-6
$125,000 - $149,999	720	16	53	141	158	218	88	46
$150,000 +	502	18	58	51	103	116	120	35
Overall	**446**	**12**	**-102**	**-111**	**71**	**321**	**305**	**-48**

Source: Demographics Now, Gardner Johnson

EXHIBIT 2.15

PROJECTED HOUSING DEMAND BY INCOME COHORTS
DEMAND FOR RENTAL PRODUCT
MAGNOLIA
2007-2012

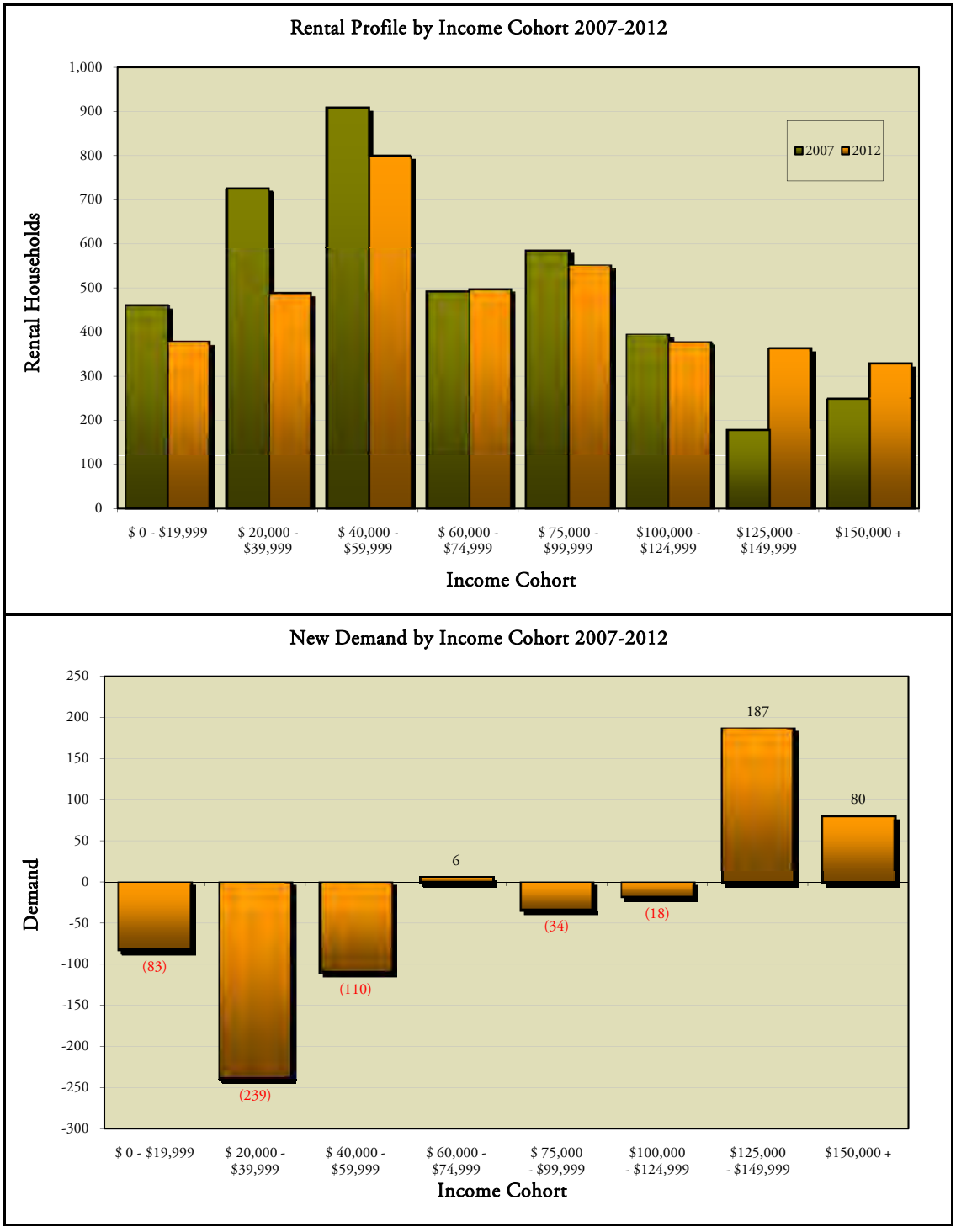


EXHIBIT 2.16

PROJECTED HOUSING DEMAND BY AGE COHORTS
DEMAND FOR RENTAL PRODUCT
MAGNOLIA
2007-2012

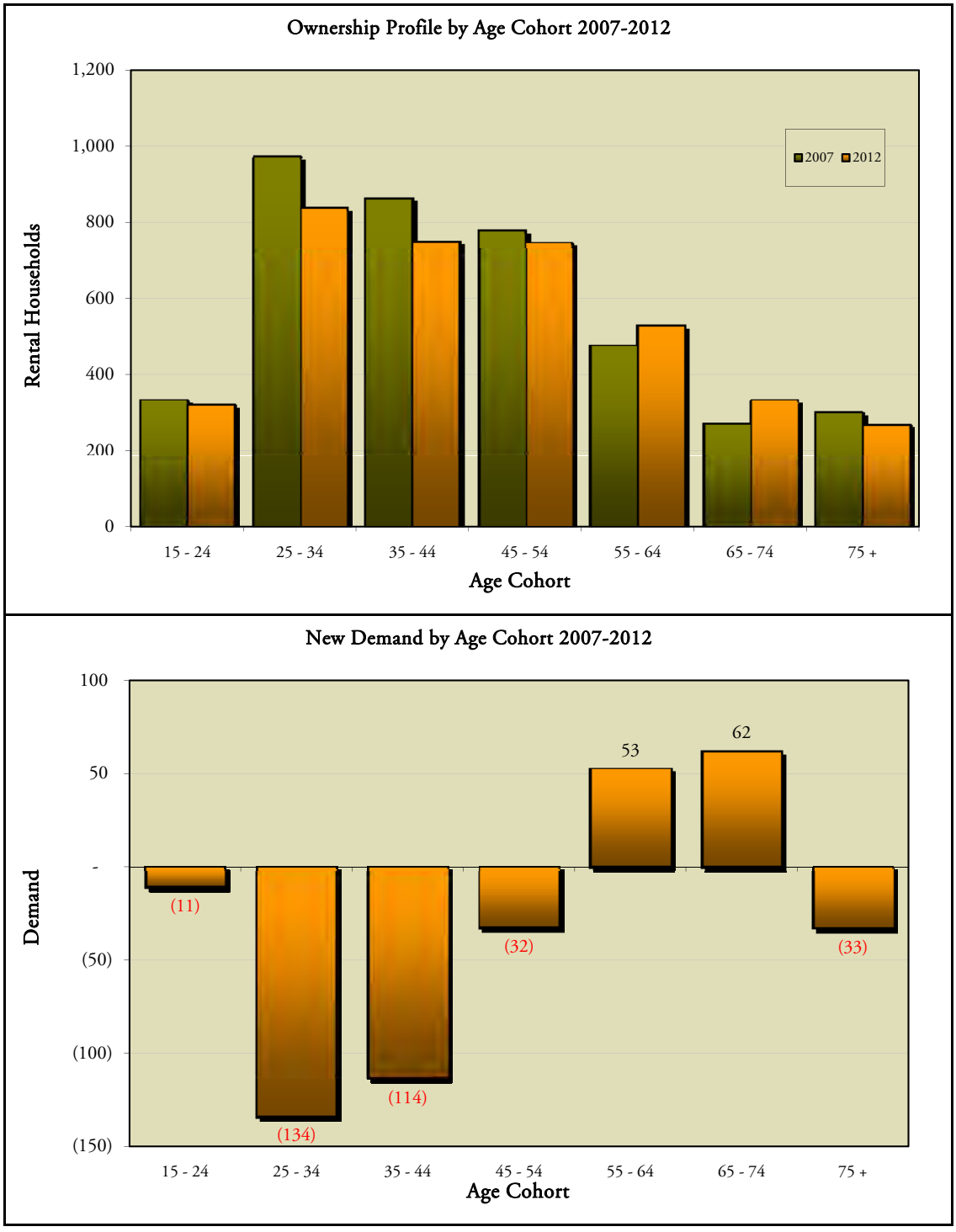


EXHIBIT 3.01

SUMMARY OF RECENT SALES ACTIVITY
OWNERSHIP RESIDENTIAL MARKET
SEATTLE/BELLEVUE/EVERETT PMSA
Third Quarter, 2006 through First Quarter, 2008

Price Range	Total Sales 1/ Detached	Total Sales 1/ Attached	Distribution
Under $124,999	9	25	0.4%
$125,000 - $149,999	3	61	0.8%
$150,000 - $174,999	9	149	1.9%
$175,000 - $199,999	26	188	2.5%
$200,000 - $224,999	72	215	3.4%
$225,000 - $249,999	161	235	4.7%
$250,000 - $274,999	281	214	5.9%
$275,000 - $299,999	379	194	6.8%
$300,000 - $324,999	441	164	7.2%
$325,000 - $349,999	572	140	8.5%
$350,000 - $374,999	471	90	6.7%
$375,000 - $399,999	449	74	6.2%
$400,000 - $449,999	726	99	9.8%
$450,000 - $499,999	560	88	7.7%
$500,000 - $549,999	443	54	5.9%
$550,000 - $599,999	320	36	4.2%
$600,000 - $699,999	456	48	6.0%
$700,000 - $799,999	270	30	3.6%
$800,000 $899,999	168	20	2.2%
$900,000 $999,999	99	11	1.3%
$1M & Over	325	34	4.3%
Total	6,240	2,169	100%

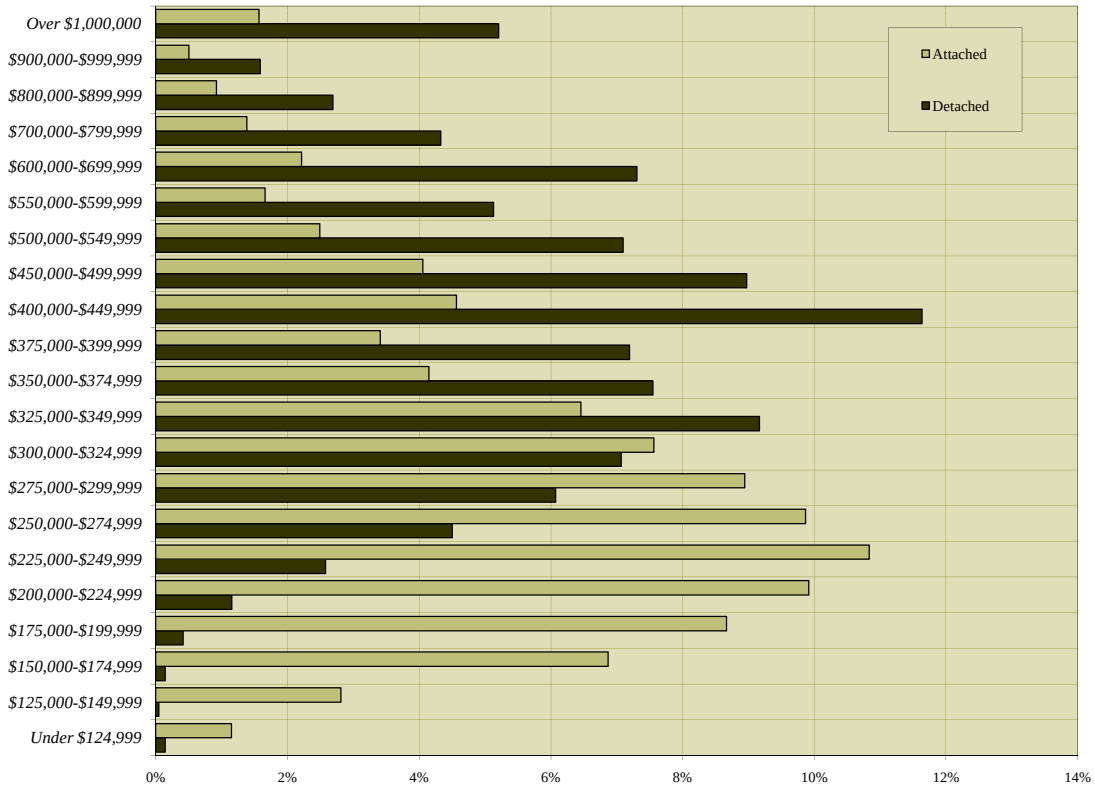
Total Sales Volume 2/

	Detached	Attached	Total
1st Quarter-08	6,240	2,169	8,409
3nd Quarter-07	8,578	4,033	12,611
2nd Quarter-07	11,398	4,438	15,836
1st Quarter-07	7,838	3498	11336
4th Quarter-06	9,865	3,316	13,181
3rd Quarter-06	13,186	4,942	18,128
Annual Percent Increase (Decrease)	***-36.7%***	***-34.6%***	***-36.2%***

Average Sales Price -- New Construction

	1Q08	1Q-07	% Change
King County 3/			
Detached	$618,719	$577,632	***7.1%***
Attached	$462,659	$429,875	***7.6%***
Snohomish County			
Detached	$467,075	454,072	***2.9%***
Attached	$454,669	242,831	***87.2%***

DISTRIBUTION OF SALES BY PRICE RANGE



1/ Total of all sales, New Construction and Resales.

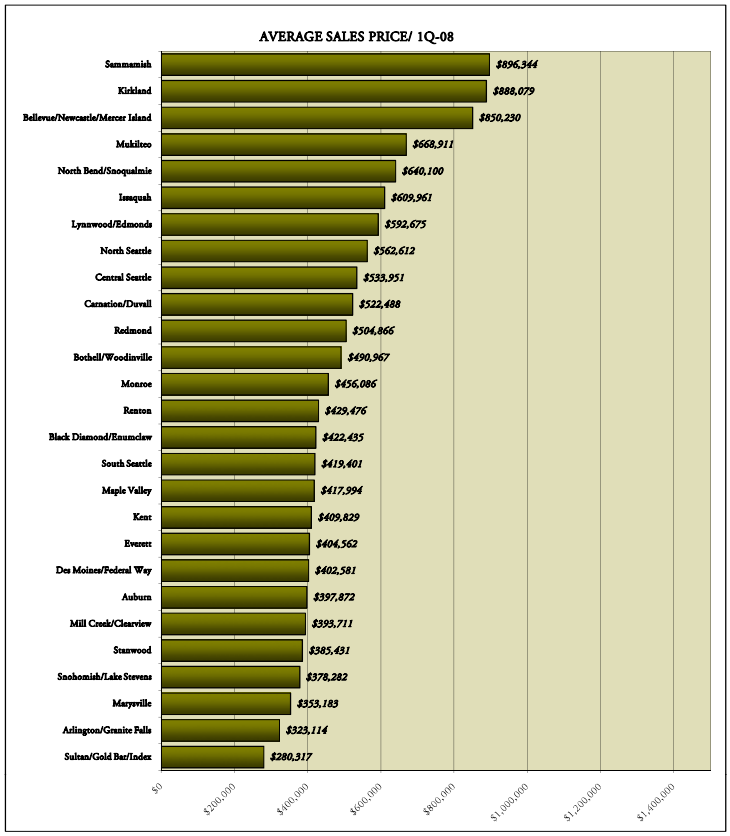
2/ Total of all sales, New Construction and Resales, for King and Snohomish County subregions only.

3/ Mountlake Terrace is included in King County, as part of the North Seattle subregion.

SOURCE: Gardner Johnson LLC.

EXHIBIT 3.02

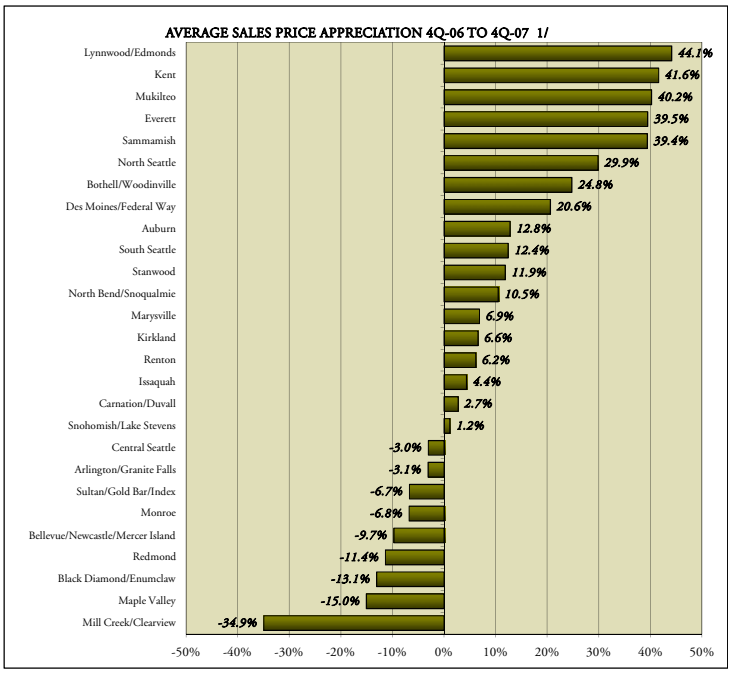
NEW CONSTRUCTION RESIDENTIAL SALES PRICE TRENDS
BY SUBREGION



SOURCE: NWMLS and Gardner Johnson LLC.

EXHIBIT 3.03 (cont.)

RESIDENTIAL SALES PRICE TRENDS
BY SUBREGION



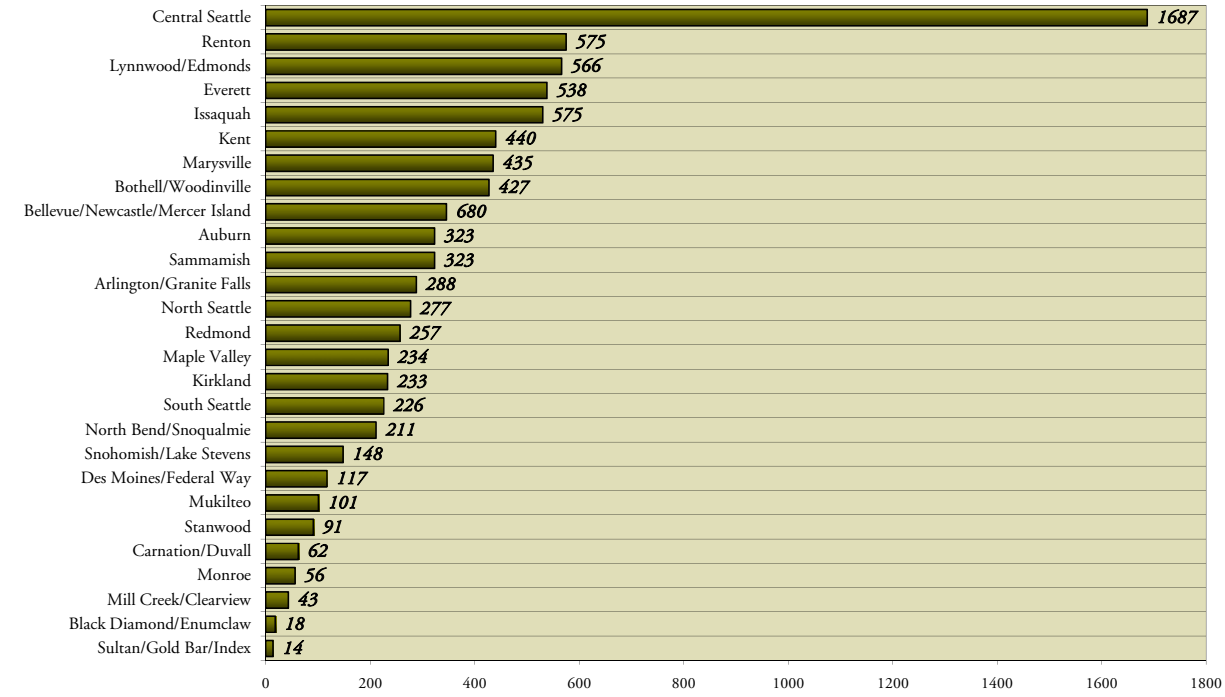
SOURCE: NWMLS and Gardner Johnson LLC.

EXHIBIT 3.04

PROJECTED DISTRIBUTION OF OWNERSHIP DEMAND
BY AFFORDABLE PRICE RANGE AND SUBREGION
SEATTLE/BELLEVUE/EVERETT PMSA
Second Quarter, 2008 through First Quarter, 2009

Geographic Subregion	Projected Net New Demand	Percent of Total	Demand by Price Range					
			Under $150,000	$150,000 - $249,999	$250,000 - $399,999	$400,000 - $599,999	$600,000 - $799,999	Over $800,000
Seattle								
Central Seattle	1,687	19.7%	68	245	669	464	94	147
South Seattle	226	2.6%	10	49	91	60	11	5
Northend								
North Seattle	277	3.2%	11	48	131	43	25	19
Eastside								
Bellevue/Newcastle/Mercer Island	346	4.0%	8	30	103	53	29	123
Kirkland	233	2.7%	6	25	74	26	25	77
Redmond	257	3.0%	7	28	62	30	75	55
Sammamish	323	3.8%	8	65	45	20	58	127
Bothell/Woodinville	427	5.0%	13	67	81	187	56	23
Issaquah	530	6.2%	18	92	120	140	88	72
Carnation/Duvall	62	0.7%	1	4	6	37	5	9
North Bend/Snoqualmie	211	2.5%	9	45	24	84	26	23
Southend								
Auburn	323	3.8%	9	32	110	54	15	6
Black Diamond/Enumclaw	18	0.2%	0	0	9	5	1	3
Des Moines/Federal Way	117	1.4%	6	58	17	29	2	5
Kent	440	5.1%	19	52	198	151	11	9
Maple Valley	234	2.7%	4	8	78	103	19	22
Renton	575	6.7%	20	80	105	259	89	22
Snohomish County								
Arlington/Granite Falls	288	3.4%	16	45	130	81	15	1
Everett	538	6.3%	35	126	278	87	7	5
Lynnwood/Edmonds	566	6.6%	19	52	244	174	47	30
Marysville	435	5.1%	23	49	249	84	21	8
Mill Creek/Clearview	43	0.5%	1	7	10	16	3	6
Monroe	56	0.7%	3	16	11	20	6	0
Mukilteo	101	1.2%	4	26	24	6	30	11
Snohomish/Lake Stevens	148	1.7%	7	14	46	55	20	6
Stanwood	91	1.1%	4	8	49	26	3	1
Sultan/Gold Bar/Index	14	0.2%	1	2	11	0	0	0
Total-Metropolitan Area	**8,566**		330	1,273	2,975	2,294	781	815

DISTRIBUTION OF OWNERSHIP DEMAND BY SUBREGION



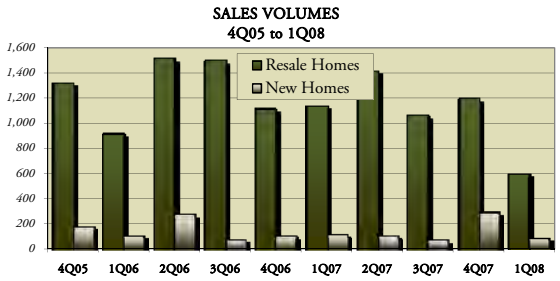
SOURCE: Gardner Johnson LLC

EXHIBIT 3.04

SINGLE FAMILY HOME SALES TRENDS
CENTRAL SEATTLE SUBREGION
First Quarter, 2008 through Fourth Quarter, 2008

Sales Volume Trends

Quarter	Sales Volume New	Sales Volume Resale	Rate of Change New	Rate of Change Resale
4Q05	175	1,314	90%	12%
1Q06	102	915	-50%	-12%
2Q06	272	1,511	16%	-14%
3Q06	75	1,503	-65%	-11%
4Q06	100	1,111	-43%	-15%
1Q07	113	1,130	11%	23%
2Q07	105	1,412	-61%	-7%
3Q07	69	1,064	-8%	-29%
4Q07	289	1,194	189%	7%
1Q08	86	589	-24%	-48%

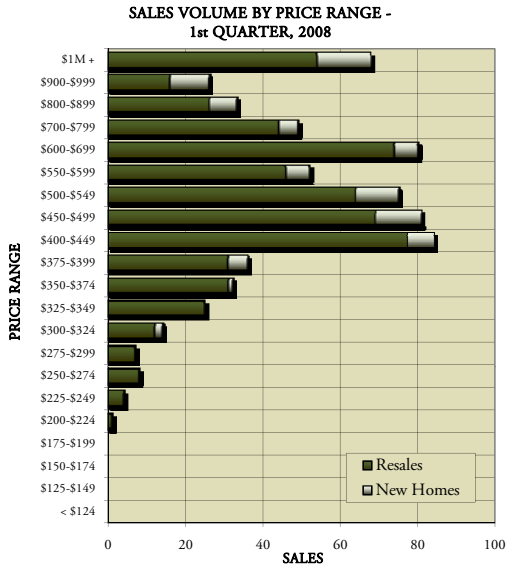


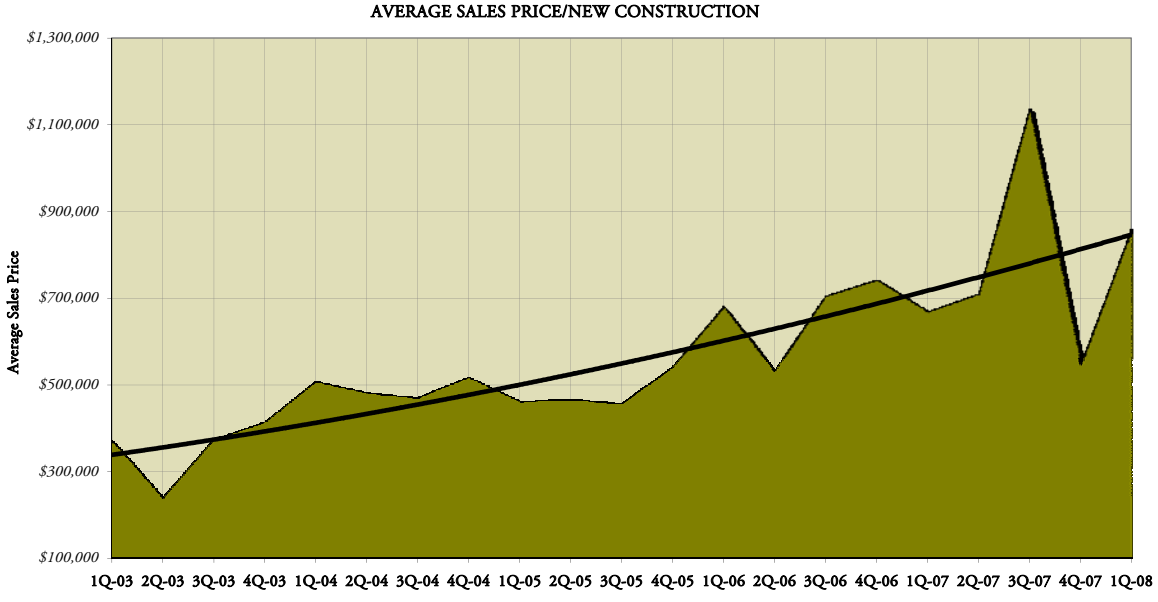
Single Family Home Sales

Price Range	1Q08 New	1Q08 Resales	YTD Total Sales New	YTD Total Sales Resales
Under $124,999	0	0	0	0
$124,999 - $149,999	0	0	0	0
$150,000 - $174,999	0	0	0	0
$175,000 - $199,999	0	0	0	0
$200,000 - $224,999	0	1	0	1
$225,000 - $249,999	0	4	0	4
$250,000 - $274,999	0	8	0	8
$275,000 - $299,999	0	7	0	7
$300,000 - $324,999	2	12	2	12
$325,000 - $349,999	0	25	0	25
$350,000 - $374,999	1	31	1	31
$375,000 - $399,999	5	31	5	31
$400,000 - $449,999	7	77	7	77
$450,000 - $499,999	12	69	12	69
$500,000 - $549,999	11	64	11	64
$550,000 - $599,999	6	46	6	46
$600,000 - $699,999	6	74	6	74
$700,000 - $799,999	5	44	5	44
$800,000 - $899,999	7	26	7	26
$900,000 - $999,999	10	16	10	16
$1,000,000 - & Over	14	54	14	54
Total	86	589	86	589

Average Sales Price (All Sales) $633,395

Average Sales Price (New Construction) $858,896





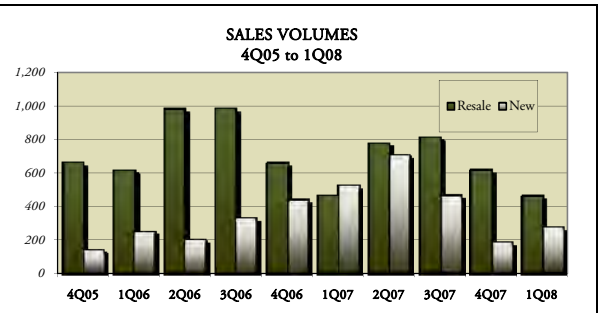
SOURCE: NWMLS and Gardner Johnson LLC

EXHIBIT 3.05

ATTACHED FOR-SALE HOME SALES TRENDS
CENTRAL SEATTLE SUBREGION
First Quarter, 2008 through Fourth Quarter, 2008

Sales Volume Trends

	Sales Volume		Rate of Change	
Quarter	New	Resale	New	Resale
4Q05	143	666	-37%	2%
1Q06	250	615	66%	12%
2Q06	202	982	34%	18%
3Q06	330	986	271%	21%
4Q06	444	661	210%	-1%
1Q07	529	468	112%	-24%
2Q07	702	777	248%	-21%
3Q07	463	810	40%	-18%
4Q07	185	618	-58%	-7%
1Q08	277	464	-48%	-1%

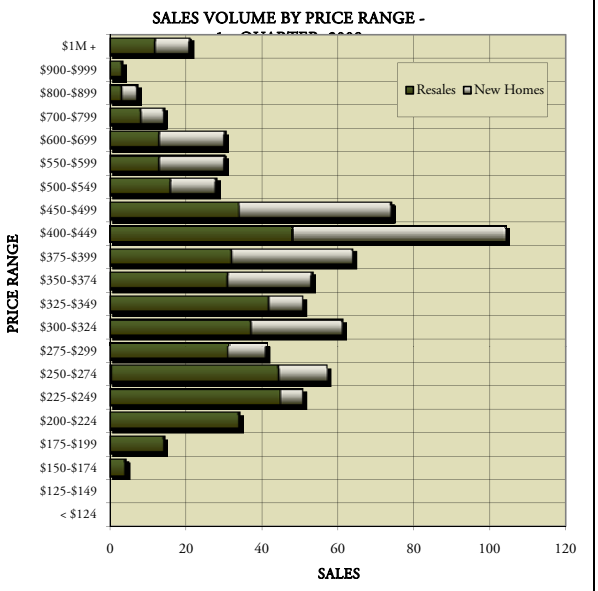


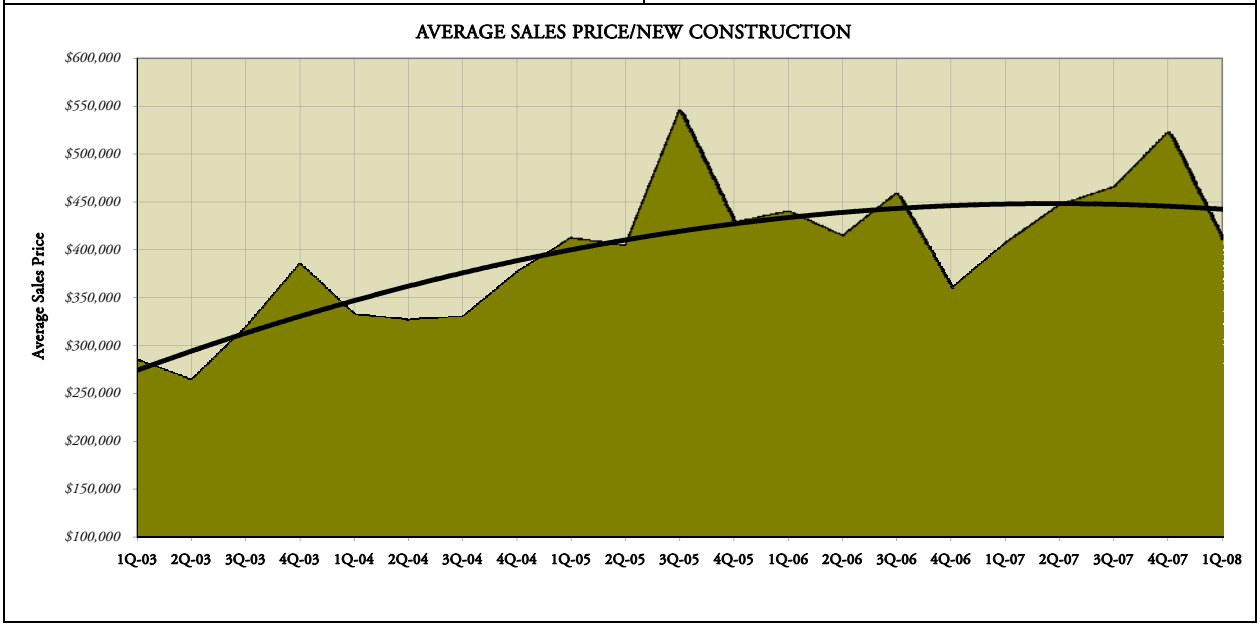
Attached Home Sales

	1Q08		YTD Total Sales	
Price Range	New	Resales	New	Resales
Under $124,999	0	0	0	0
$125,000 - $149,999	0	0	0	0
$150,000 - $174,999	0	4	0	4
$175,000 - $199,999	0	14	0	14
$200,000 - $224,999	0	34	0	34
$225,000 - $249,999	6	45	6	45
$250,000 - $274,999	13	44	13	44
$275,000 - $299,999	10	31	10	31
$300,000 - $324,999	24	37	24	37
$325,000 - $349,999	9	42	9	42
$350,000 - $374,999	22	31	22	31
$375,000 - $399,999	32	32	32	32
$400,000 - $449,999	56	48	56	48
$450,000 - $499,999	40	34	40	34
$500,000 - $549,999	12	16	12	16
$550,000 - $599,999	17	13	17	13
$600,000 - $699,999	17	13	17	13
$700,000 - $799,999	6	8	6	8
$800,000 $899,999	4	3	4	3
$900,000 $999,999	0	3	0	3
$1,000,000 & Over	9	12	9	12
Total	277	464	277	464

Average Sales Price (All Sales) *$394,090*

Average Sales Price (New Construction) *$408,549*





SOURCE: NWMLS and Gardner Johnson LLC

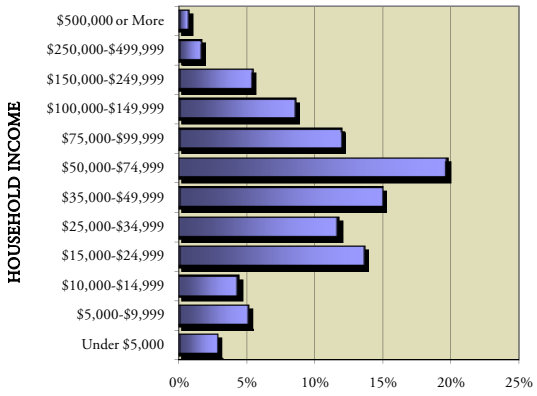
EXHIBIT 3.06

PROJECTED DEMAND FOR OWNERSHIP HOUSING
CENTRAL SEATTLE SUBREGION
Second Quarter, 2008 through First Quarter, 2009

Profile of Demand by Household Income

Household Income	Net Growth	Turnover Demand	Demand Profile Total	Demand Profile %
Under $5,000	42	89	131	2.9%
$5,000-$9,999	66	166	232	5.1%
$10,000-$14,999	67	131	198	4.4%
$15,000-$24,999	175	440	615	13.5%
$25,000-$34,999	158	373	531	11.7%
$35,000-$49,999	201	476	677	14.9%
$50,000-$74,999	265	627	892	19.6%
$75,000-$99,999	160	379	539	11.9%
$100,000-$149,999	115	272	387	8.5%
$150,000-$249,999	71	171	242	5.3%
$250,000-$499,999	22	50	72	1.6%
$500,000 or More	9	21	30	0.7%
Total	1,350	3,195	4,545	100.0%

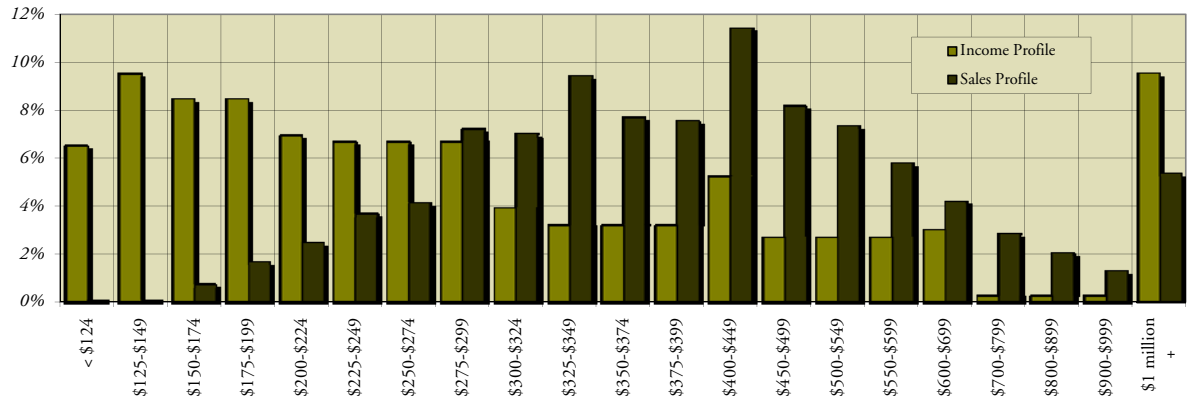
DISTRIBUTION OF DEMAND



Projected Demand for New Housing by Price Range

Price Range ($000s)	Previous Volume Detached	Previous Volume Attached	Previous Volume Total	Projected Volume Detached	Projected Volume Attached	Projected Volume Total	% Change from Previous Year Detached	% Change from Previous Year Attached	% Change from Previous Year Total
< $124	0	1	1	8	14	22	---	1,330%	2,100%
$125-$149	0	1	1	11	21	32	---	1,980%	3,100%
$150-$174	0	18	18	13	23	36	---	30%	100%
$175-$199	0	41	41	16	29	45	---	(29%)	10%
$200-$224	0	61	61	17	32	49	---	(48%)	(20%)
$225-$249	6	84	90	24	36	60	293%	(57%)	(33%)
$250-$274	6	95	101	25	39	64	317%	(59%)	(37%)
$275-$299	20	157	177	41	55	96	104%	(65%)	(46%)
$300-$324	37	135	172	41	43	84	11%	(68%)	(51%)
$325-$349	45	186	231	51	55	106	13%	(70%)	(54%)
$350-$374	30	159	189	40	49	89	34%	(69%)	(53%)
$375-$399	32	153	185	40	47	87	26%	(69%)	(53%)
$400-$449	61	219	280	65	68	133	7%	(69%)	(53%)
$450-$499	62	138	200	51	41	92	(18%)	(70%)	(54%)
$500-$549	75	105	180	52	31	83	(31%)	(70%)	(54%)
$550-$599	33	109	142	34	34	68	4%	(69%)	(52%)
$600-$699	21	82	103	26	27	53	22%	(67%)	(49%)
$700-$799	36	34	70	20	10	30	(44%)	(71%)	(57%)
$800-$899	24	26	50	14	7	21	(42%)	(73%)	(58%)
$900-$999	19	13	32	10	4	14	(47%)	(70%)	(56%)
$1 million +	69	62	131	59	27	86	(14%)	(57%)	(34%)
Total	576	1,879	2,455	658	692	1,350	14%	(63%)	(45%)

PROFILE OF INCOME-DRIVEN DEMAND AND HISTORICAL SALES



1/ Based upon sales volume over the previous twelve months and demand projections for the next twelve months.

SOURCE: Gardner Johnson LLC

EXHIBIT 3.07

NEW CONSTRUCTION CONDOMINIUM MARKET AREA EVALUATED

City of Seattle Zip Code Areas: 98199

SOURCE: Aerials Express/Gardner-Johnson, LLC

EXHIBIT 3.08

CURRENTLY SELLING/UNDER CONSTRUCTION NOT YET SELLING NEW CONSTRUCTION CONDOMIUM PROJECTS
City of Seattle Zip Code Area: 98199

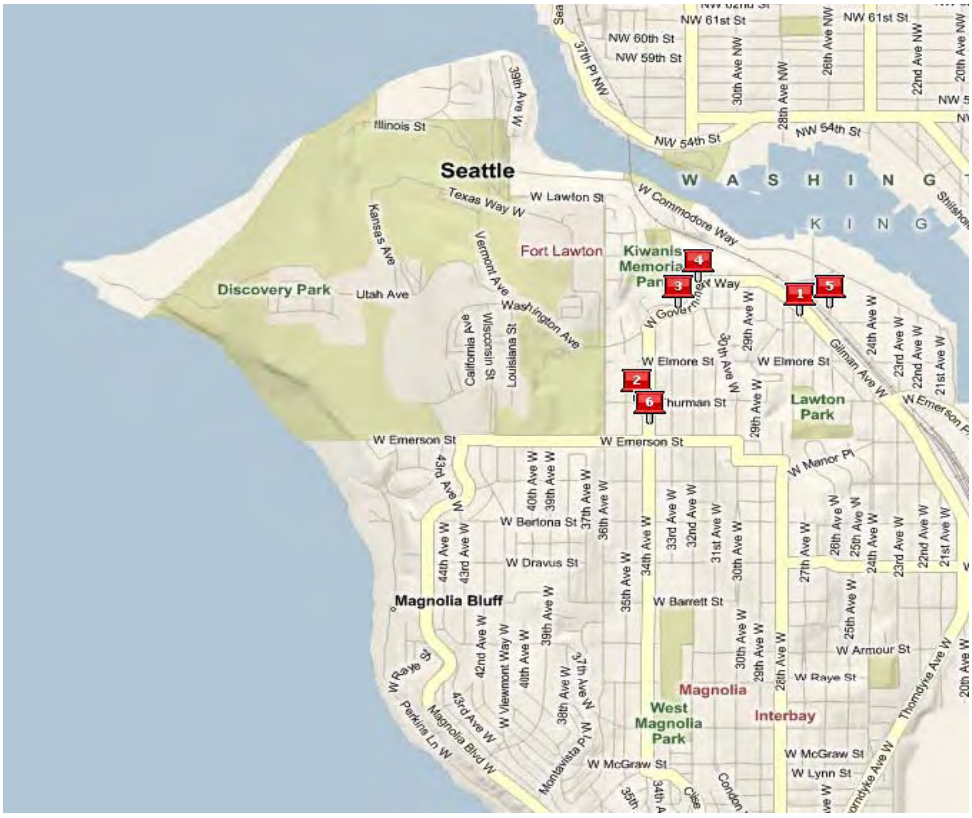
Map #	Development	Location	Status	Dwelling Type	Total # of Units	Start of Sales	Monthly Abs. Rates	Total Price Range		Total Sq. Ft. Range		Total $/Sq. Ft. Range		Est. Sellout
								Min.	Max.	Min.	Max.	Min.	Max.	
1	2715 W Jameson St 2715 W Jameson St Aerial Plat	2914 E. Madison St.	Selling Homes	Townhome	9	4/1/2007	0.38	399000	475000	1150	1450	293	375	3/1/2009
2	3841 34th Ave W 3841 34th Ave W Aerial	1810 11th Ave.	Not Yet Selling	Townhome	5	--	--	--	--	--	--	--	--	--
3	4266 33rd Ave W 4266 33rd Ave W Aerial	1707 Boylston Ave.	Sold Out	Townhome	5	7/14/2006	1.16	449000	499000	1760	1760	255	284	
4	Blue Heron 3150 W Government Way Aerial Plat	1426 E. Madison St.	Selling Homes	Mid Rise	30	5/31/2007	1.21	274990	549990	639	1058	368	603	9/1/2008
5	Candyce (Conversion) 4269 Gilman Ave W Aerial Plat	530 Broadway E.	Selling Homes	Low Rise	10	7/13/2007	0.73	189950	275000	475	768	331	420	1/1/2011
6	Promenade at the Park (Conversion) 3855 34th Ave W Aerial Plat	1530 Eastlake Ave. E.	Selling Homes	Low Rise	19	2/27/2008	0.56	387000	387000	539	962	351	351	12/1/2008
	Totals/Averages				78	--	0.8	$339,988	$437,198	913	1200	$320	$407	

SOURCE: New Home Trends/Northwest Multiple Listing Service

EXHIBIT 3.09

CURRENTLY SELLING/UNDER CONSTRUCTION NOT YET SELLING NEW CONSTRUCTION CONDOMIUM PROJECTS

City of Seattle Zip Code Area: 98199



SOURCE: Microsoft/Gardner-Johnson, LLC

EXHIBIT 3.10

PROPOSED CONDOMINIUM PROJECTS
City of Seattle Zip Code Area: 98199

Development Name	Location	Units	Dwelling Type	Status	App. Date	Ownership
2200 32nd Ave W 2200 32nd Ave W	Seattle	10	Townhome	In for Permit	6/5/2007	Condominium
2316 W Crockett St 2316 W Crockett St	Seattle	7	Townhome	In for Permit	2/2/2007	Unknown
Totals/Averages		17				

SOURCE: New Home Trends/Applicable City Department of Planning

EXHIBIT 3.11

PROPOSED SINGLE FAMILY PROJECTS
City of Seattle Zip Code Area: 98199

Development Name	Location	Units	Dwelling Type	Status	App. Date	Ownership
2215 32nd Ave W 2215 32nd Ave W Aerial	Seattle	15	Single Family	In for Permit	6/5/2007	Single Family
3901 W Dravus St 3901 W Dravus St Aerial	Seattle	39	Single Family	In for Permit	2/2/2007	Single Family
Totals/Averages		54				

SOURCE: New Home Trends/Applicable City Department of Planning

Exhibit 3.12

Neighborhood Comparison of Single Family and Condominium Prices
Magnolia and Capitol Hill (January, 2007 - Present)

	Multi Family			Single Family		
Neighborhood	Average Size (Square Feet)	Average Price	Price/Square Foot	Average Size (Square Feet)	Average Price	Price/Square Foot
Magnolia	921	$ 300,310.00	$ 326.07	2610	$ 819,000.00	$ 313.79
Capitol Hill	801	$ 342,309.00	$ 427.35	2410	$ 757,000.00	$ 314.11

Source: King County Assessor, Northwest Multiple Listing Service

EXHIBIT 3.13

SUMMARY OF RECOMMENDATIONS
Fort Lawton Redevelopment

SUMMARY OF EXISTING STOCK

Price/Sqft Comparable Currently Selling Attached	$	363.00
Price/Sqft <2000Sqft	$	326.00
Price/Sqft>2000Sqft	$	285.00
Average Single Family All Sizes	$	313.00
Average lot Square Foot Townhouse		1400
Average lot Square Foot units <2000 Sqft		5400
Average lot Square Foot Units >2000 Sqft		6700

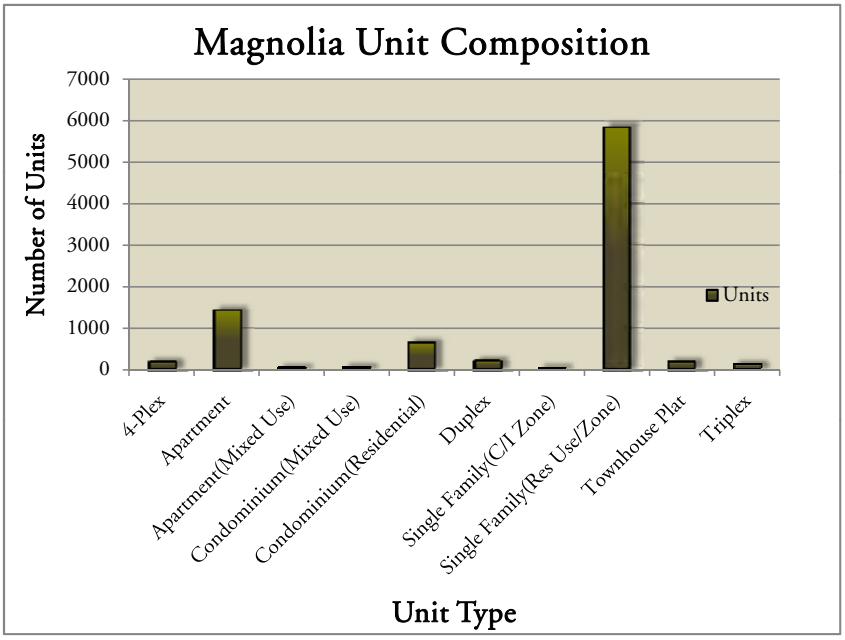
Recommendations

Approximate Unit Size Range		Price	$/Sqft	% of total project	Lot Size Per Unit	Product Type
600	1200	$ 405,000	$ 450.00	0%	N/A	Stacked Flat
900	1700	$ 471,900	$ 363.00	10%	1000 - 1500	Townhome
1500	2200	$ 603,100	$ 326.00	2%	1000 - 1500	Luxury Townhome
1500	1900	$ 554,200	$ 326.00	20%	2200 - 3500	Small Lot Single Family
2000	2500	$ 733,500	$ 326.00	45%	5000 - 5500	Single Family 2 Story
2500	2800	$ 829,450	$ 313.00	23%	5500 - 6000	Larger Lot Single Family 2 or 3 Story

Souarce: King County Aseessor, New Home Trends, Northwest Multiple Listing Service

Exhibit 4.01
TOTAL NUMBER OF UNITS BY TYPE
MAGNOLIA

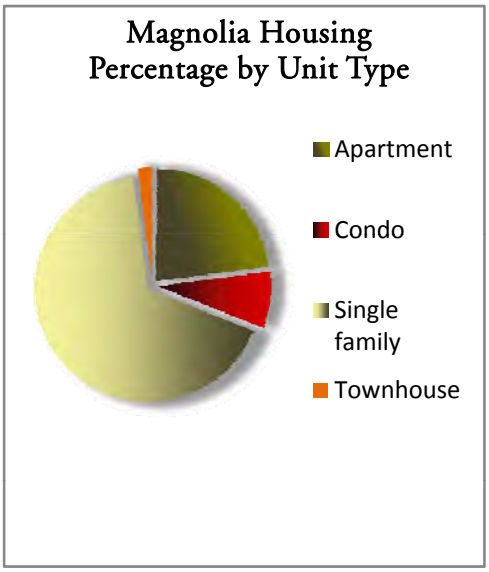
Unit type	Number of Units
4-Plex	188
Apartment	1429
Apartment(Mixed Use)	48
Condominium(Mixed Use)	62
Condominium(Residential)	654
Duplex	216
Single Family(C/I Zone)	44
Single Family(Res Use/Zone	5840
Townhouse Plat	187
Triplex	135
Grand Total	**8803**



Source: King County Assessor

Exhibit 4.02
LAND USE PERCENTAGES

MAGNOLIA	
Apartment	**23%**
Condo	8%
Single family	67%
Townhouse	2.1%

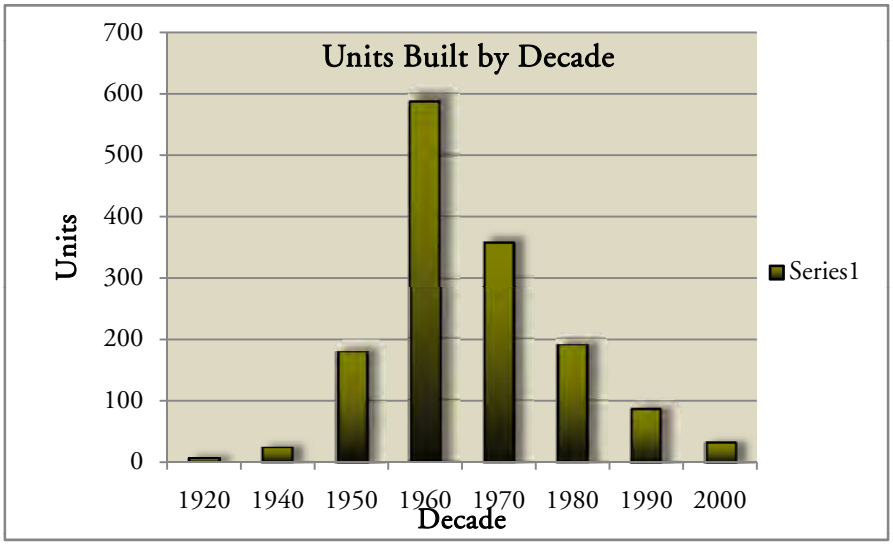


Source: King County Assessor

Exhibit 4.03

RENTAL UNITS BY DECADE

1920	1940	1950	1960	1970	1980	1990	2000	Grand Total
7	24	180	588	356	190	87	32	1464

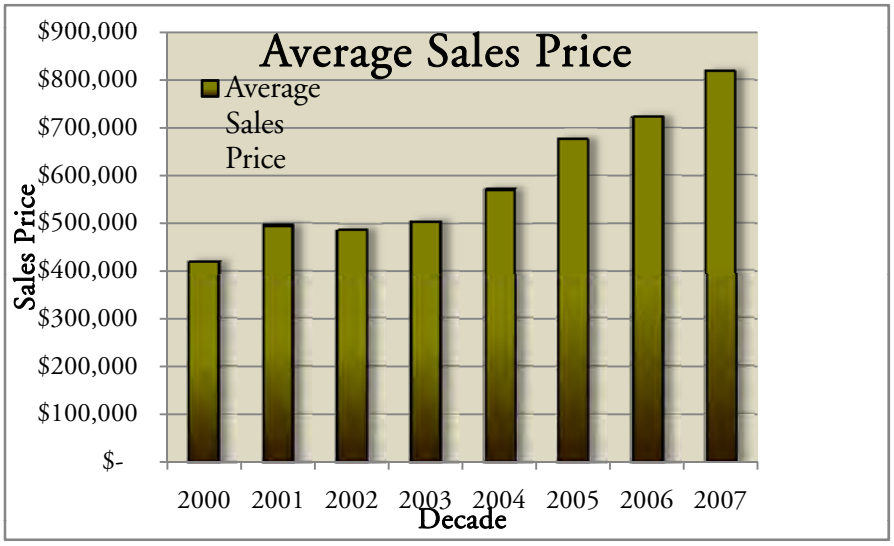


Source: King County Assessor

Exhibit 4.04

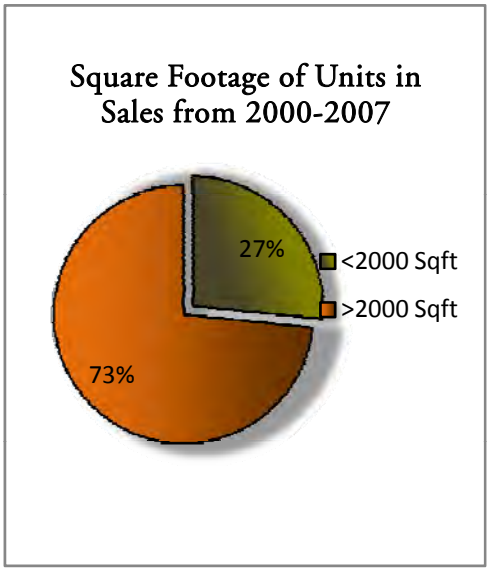
Average Single Family Sales Price, Magnolia: 2000 - 2007

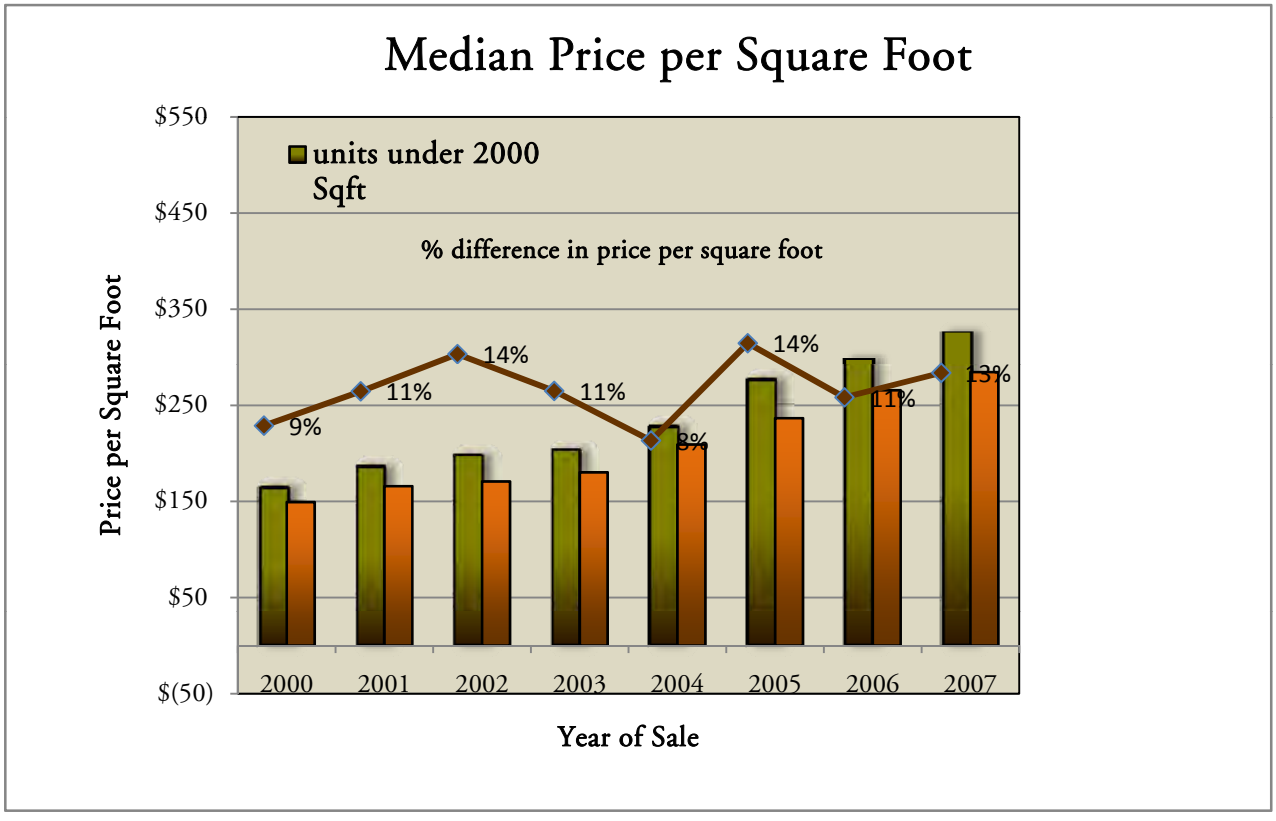
2000	2001	2002	2003	2004	2005	2006	2007
$420,318	$493,348	$487,101	$504,047	$572,427	$676,267	$721,474	$819,130



Source: King County Assessor

Exhibit 4.05
Single Family Square Footage Price Comparison
Magnolia





Source: King County Assessor

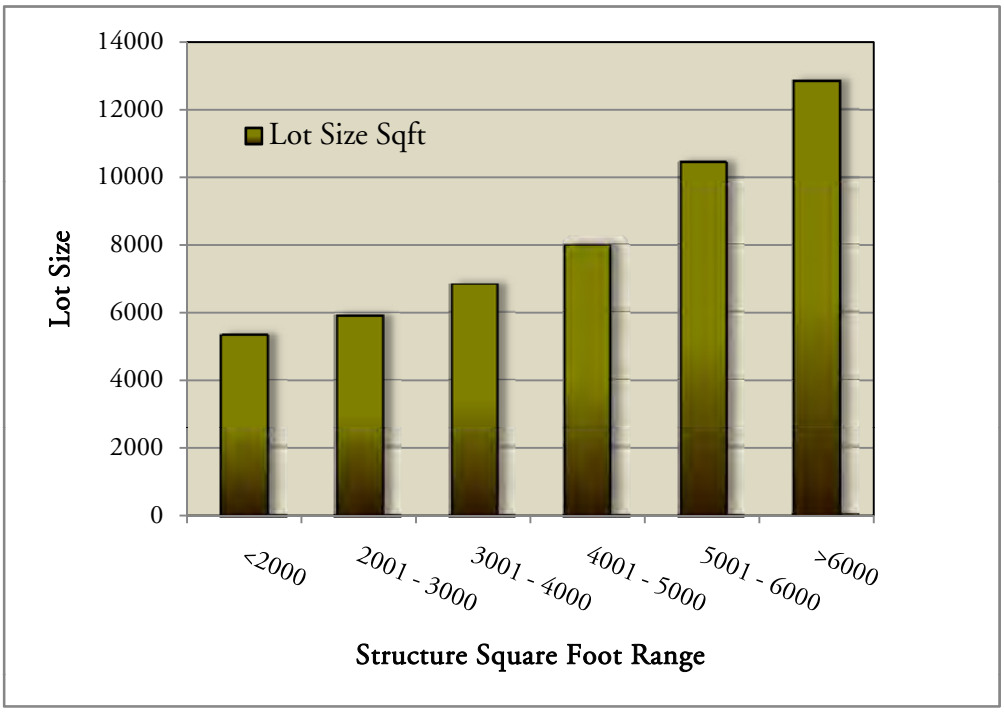
Exhibit 4.06

LOT SIZES ASSOCIATED WITH STURCTURE SIZES

Single Family Sales from 2000 - 2007

Magnolia Neighborhood, Seattle WA

Structure Size Square FT	<2000	2001 - 3000	3001 - 4000	4001 - 5000	5001 - 6000	>6000
Lot Size Sqft	5337	5915	6849	7990	10445	12847
Average Sales/Yr	74	120	62	21	5	2



Source: King County Assessor

Appendix H
Financial Model

Appendix H: Financial Model

Key Assumptions	Number of Units: Single Family Focus	Number of Units: Townhouse Focus	Avg Unit Size (a)	Avg Unit Sale Price (a)	Percent To Lot Dev (a)
Single Family Large Lot	14	6	2,650	$ 829,450	32.0%
Single Family Medium Lot	15	10	2,250	$ 733,500	32.0%
Single Family Small Lot	50	50	1,800	$ 575,000	32.0%
Townhouse - Large	17	42	1,800	$ 525,000	25.0%
Townhouse - Standard	12	17	1,300	$ 471,900	25.0%
Total Market Rate	***108***	***125***			
Affordable Townhouses	36	36	NA	NA	
Affordable - Stacked Flats	55	55	NA	NA	
Total Affordable	***91***	***91***			
Total All Units	**199**	**216**			

a) Source: SHA

Return @ $2 M Land Cost	Single Family Focus	Townhouse Focus
Low Lot Pricing		
ROI	Not Feasible	Not Feasible
IRR	Not Feasible	Not Feasible
Med Lot Pricing		
ROI	17%	42%
IRR	5%	12%
High Lot Pricing		
ROI	81%	109%
IRR	20%	27%

Return @ $2.5 M Land Cost	Single Family Focus	Townhouse Focus
Low Lot Pricing		
ROI	Not Feasible	Not Feasible
IRR	Not Feasible	Not Feasible
Med Lot Pricing		
ROI	Not Feasible	23%
IRR	Not Feasible	7%
High Lot Pricing		
ROI	57%	85%
IRR	15%	22%

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