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Vulcan Real Estate Wraps Up 2007 on High Note

*Vulcan leases more than 1.8 million square feet to new office and retail tenants in 2007;
Development momentum in South Lake Union expected to continue in year ahead*

SEATTLE — February 29, 2008 — Vulcan Real Estate today announced that 2007 marked a banner year for the company, which is working to redevelop more than 60 acres in Seattle’s rapidly growing South Lake Union neighborhood. Vulcan Real Estate is a division of Vulcan Inc., the project and investment management company founded by Paul G. Allen.

“The momentum underway in this neighborhood is unmistakable – South Lake Union has arrived! New world-class employers, a diversity of new residents and an array of destination shops and restaurants continue to join the neighborhood on a regular basis,” said Ada M. Healey, vice president of real estate at Vulcan Inc. “We remain bullish on this marketplace, and look forward to making further progress towards creating a vibrant and sustainable community in South Lake Union in the coming year.”

In 2007 alone, the company announced plans to build up to 1.6 million square feet of new office space for Amazon.com’s new corporate headquarters, leased an additional 140,000 square feet to other new office tenants and leased 40,000 square feet of retail space.

Vulcan’s efforts in the South Lake Union neighborhood represent one of the largest urban redevelopment projects in the country, and will consist of more than 10 million square feet of new housing, offices and life sciences research space, retail shops, open green space and improved public transportation once completed.

To date, Vulcan has delivered 1.7 million square feet in nine new commercial/biotech, residential and mixed-use projects in South Lake Union, bringing Vulcan’s entire real estate portfolio to 2.6 million square feet. The company also has nearly 2.8 million square feet currently under construction and/or planned for delivery through 2011.

Vulcan Real Estate’s 2007 highlights include:

- Leased up to 1.6 million square feet to Amazon.com for new headquarters, which will include up to 11 new buildings on six blocks in the heart of South Lake Union.
- Supported the opening of the South Lake Union line of the Seattle Streetcar, a 2.6-mile (round-trip) route that connects Westlake Center to the South Lake Union neighborhood. Nearly 80,000 riders boarded the streetcar in its first three weeks of operation.
- Continued longstanding leadership in sustainable development that is bearing significant fruit for the neighborhood’s tenants, residents and greater community; South Lake Union is one of 238 communities from across the country accepted in the U.S. Green Building Council’s LEED Neighborhood Development national pilot program.

- Completed the 317,400-square-foot, two-building Westlake/Terry complex in South Lake Union that now serves as Group Health Cooperative's new headquarters and houses nearly 700 administrative staff.
- Announced that Microsoft leased approximately 126,000 square feet of office space in South Lake Union's Westlake/Terry Building, creating workspace for up to 550 Microsoft employees.
- Started construction on Veer Lofts and Rollin Street, two new condominium projects that include a combined total of 307 units or 312,500 square feet and 26,500 square feet of retail amenities. Veer Lofts is expected to open by mid-2008, and Rollin Street will open in early spring 2009.
- Started construction on Borealis Apartments, a 33,000-square-foot for-rent residential development with 2,500 square feet of retail, providing 53 apartments priced to be affordable for families earning 80 percent of median household income for King County.
- Leased 9,000 square feet to Propel Biofuels to construct and operate Seattle's first biodiesel station on the southwest corner of Westlake Avenue and Valley Street, expected to open in March 2008.
- Leased more than 40,000 square feet of space to new retail tenants in South Lake Union, including Portage Bay Café, Great Northwest Soup Company, Tutta Bella, Vida Wellness Spa, Opal clothing boutique, Clover House gift shop, GolfTEC, Velocity Art & Design, Starbucks, Cajetan Bakery & Deli, and FedEx, among others.

Local and national industry organizations have recognized Vulcan Real Estate as a leader in real estate development. In 2007, the company received numerous industry awards including:

- 2008 winner of four National Association of Home Builders (NAHB) The Nationals Silver Awards for Veer Lofts, two Nationals Silver Awards for Enso, and one Nationals Silver Award for the South Lake Union Discover Center.
- 2007 Urban Land Institute (ULI) National Awards for Excellence winner (2200).
- 2007 NAIOP Washington chapter Best Mixed-Use Development of the Year Award (2200) and Best Sustainable Development of the Year Award (Westlake/Terry Building).
- 2007 Gold Nugget Grand Award winner for Best Attached Urban Residential Project of the Year (2200).
- McGraw Hill Construction's Best of 2007 Awards for Best Private Building Project (2200) and Best Green Building Project (Westlake/Terry Building).
- 2007 Downtown Seattle Association's Downtown Champion Award finalist (2200).
- Northwest Energy Efficiency Alliance's 2007 BetterBricks Award finalist for Sustainable Leadership in Developer Category for Vulcan.
- 2007 Society of Industrial and Office Realtors (SIOR) Washington chapter Best Office Development of the Year Award finalist (Alley24).

The company has also played an active role within the community, and sponsored popular community programs in 2007 including:

- South Lake Union Cinema on the Lawn — an outdoor film series benefiting local non-profits.
- South Lake Union Block Party — an outdoor arts/crafts and music festival for all ages.
- Build The Streetcar's retail passport and sticker promotional programs for the opening of the Seattle Streetcar.
- Supported the groundbreaking efforts and construction of the new Lake Union Park.
- Cascade Holiday Tree Lighting Ceremony in Cascade Park.

- Hosted several local arts groups at the Discovery Center including Intiman Theatre's opening night party for "Light in the Piazza," *Iphigenia In Tauris* performers for Seattle Opera's Bravo Club, ArtsFund's summer Associate event, Seattle Lesbian and Gay Film Festival Closing Night Gala and the KEXP 90.3 FM BBQ.

About Vulcan Real Estate

Vulcan Real Estate directs all real estate activities for Vulcan Inc., a Paul G. Allen company. The company's experienced, talented team of real estate professionals offers a full range of development services from site selection to build-to-suit construction. Its real estate model is based on quality, sustainable development that builds new value across the entire community. To date, Vulcan has delivered 1.7 million square feet in nine new commercial/biotech, residential and mixed-use projects in South Lake Union, bringing Vulcan's entire real estate portfolio to 2.6 million square feet. For more information, visit www.vulcanrealestate.com.

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