

› Project Spotlight



Fifteen Twenty-One Second Avenue Seattle, Washington

Fifteen Twenty-One Second Avenue, downtown Seattle's newest and most anticipated residential high-rise, broke ground on Aug. 30. Project supporters, city officials and media witnessed this project milestone. This project plays a historic role for Seattle, as it will be the first residential tower to be built under the city's new downtown zoning regulations, which encourage urban density and environmental preservation through taller and more slender buildings.

Fifteen Twenty-One Second Avenue will offer 141 penthouse-quality units with an average size of 2,000 square feet. Ample parking will be available for all residents. Located a half-block from the world-famous Pike Place Market – the longest-running, continually-operated farmers' market in the country – residents will enjoy the sights, sounds and smells of this bustling historic treasure. Fifteen Twenty-One Second Avenue has embraced its Market neighbors by forming a partnership with the Pike Place Market Foundation through a \$25,000 donation to the

Pike Market Childcare and Preschool for general operating costs and scholarship aid.

"Fifteen Twenty-One Second Avenue is unlike any other condominium project in the area," says Andy Taber, real estate director for Opus. "It has a prime downtown Seattle location, a state-of-the-art design and luxurious amenities – and it will have a great historic presence in Seattle."

Design architect Blaine Weber of Weber + Thompson designed Fifteen Twenty-One Second Avenue to meet the Leadership in Energy and Environmental Design (LEED®) Green Building certification. When complete, the 440-foot tall, glass-and-steel building will feature floor-to-ceiling windows offering picturesque views of the Seattle skyline and Puget Sound. Opus Architects & Engineers, Inc. is the architect of record.

For more information on this project, please contact Andy Taber at 425.467.2702 or andy.taber@opusnw.com.

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BUILDING **BEYOND**

SEATTLE/PORTLAND

OCTOBER 2006

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Fifteen Twenty-One Second Avenue

Seattle,
Washington

Spotlight



NATIONAL

NATIONAL

Message from **Mark**

At Opus, we're proud of our ability to be flexible and to customize developments as well as negotiation processes for each and every community and client.

We recognize and respect the importance of maintaining the cultural thread of any community in a real estate development project. For example, The Landing at Evergreen in Vancouver, Wash., is a mixed-use development that will be built on a 50-acre general aviation airport and will incorporate architectural elements reflecting the aviation history of this community.

We also aim to truly connect with and understand our clients and communicate beyond cultural barriers. Our recent partnership with Yokohama Tire Corp., headquartered in Japan, to develop a distribution facility at Rickenbacker V in Columbus, Ohio exemplifies our dedication. See the "National Project Spotlight" on page two for more details.

We continually strive to flexibly "build beyond" for our clients!



Mark Rauenhorst

President & CEO
The Opus Group

A handwritten signature in black ink that reads "Mark".

Opus Northwest **Perspective**

One great fortune of working for Opus is the national network of talented professionals with broad commercial real estate development expertise. Another benefit is readily tapping this expertise so that we can better serve our clients and partners.

Although each community has unique characteristics that influence development, we exchange best practices with team members across Opus Northwest to help create outstanding projects. The team responsible for Seattle's Fifteen Twenty-One Second Avenue luxury multifamily complex will seek Leadership in Energy and Environmental Design (LEED®) certification. This team gained knowledge about sustainable building techniques from consultants and the Opus team that is nearing completion on the Environmental Protection Agency's Region 8 headquarters in Denver, as well as the team that developed the facility for Honda America Motors near Portland, Ore., the first LEED® Gold certified facility of its kind in the United States.

This fall, Minneapolis' retail team completed the latest phase of Arbor Lakes, a 2-million-square-foot lifestyle/mixed-use project with retail, office and multifamily components. Last year, the Portland office completed the award-winning Bridgeport Village lifestyle center. The real estate and construction expertise and insights gained in developing these projects are being shared with the team developing The Landing at Evergreen in Vancouver, Wash. and with other retail teams in the region.

We're proud of this information exchange and look forward to more opportunities to build beyond for our partners!



John Solberg

President & CEO
Opus Northwest, L.L.C.

A handwritten signature in black ink that reads "John".

› Local Projects: **Portland**

- **The Landing at Evergreen** – This 60-acre mixed-use project includes 340,800 square feet of open-air lifestyle retail, two office buildings, a hotel and 210 townhouses. The development is replacing a closed historic airport in fast growing east Vancouver, Wash. The retail portion is set for completion in the spring of 2008 with the office, hotel and residential to follow.

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The Landing at Evergreen
Vancouver, Wash.

- **Ladd Tower** – This 21-story, mixed-use residential tower is located in the cultural district of downtown Portland at SW Park Avenue and Jefferson. The Tower will offer 201 luxury condominiums with floor plan options ranging in size from 600 square feet for urban studios to 3,000 square feet for the penthouses.

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Ladd Tower
Portland, Ore.

- **Fanno Creek Corporate Center** – This office project is 120,000 square feet and located in the south Interstate 5 corridor in Tigard, Ore. The center includes two Class A office buildings utilizing concrete tilt construction enhanced by brick accents and extensive glazing. Fanno Creek's location is uniquely positioned to capitalize on the newly created amenities of Bridgeport Village. Completion is set for the fall of 2007.

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Fanno Creek Corporate Center
Tigard, Ore.

› Local Projects: **Seattle**

- **M Street** – This 17-story mixed-use project, located at the gateway to Seattle’s First Hill neighborhood, will provide 220 high-end apartments, neighborhood retail and more than 39,000 square feet of prime medical office space. The 209,000-square-foot project celebrated its final stages of construction with a Topping Out event in July 2006. First occupancies for M Street are scheduled to commence in March 2007, and the project is expected to be completed ahead of schedule in June 2007.

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M Street
Seattle, Wash.

- **Northpointe Corporate Park** – An 88,000-square-foot office building for Comcast’s regional office and call center is under development at Northpointe Corporate Park, a 90-acre corporate campus located in Lynnwood, Wash. Opus is also developing a 69,000-square-foot speculative office building. Project completion for both offices is expected in spring 2007. In recent years, Opus sold a building in the Northpointe Park to Cypress Semiconductor, a global supplier of high-performance integrated circuits, and sold 16 acres to Berlex as the site for the company’s \$60 million biopharmaceutical manufacturing plant – the first stand-alone commercial biologics manufacturing plant in Washington.

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**Northpointe Corporate Park
Comcast Building**
Lynnwood, Wash.

- **Harbor Square** – Construction on Harbor Square, a 207,000-square-foot condominium and retail project located on Bainbridge Island, Wash., is scheduled to be completed by the end of this year. Located a block from the ferry landing and with views of the Puget Sound and Olympic Mountains, the project has seen strong interest among home buyers, with 176 out of 180 homes sold. The development also will include general retail and office suites. Opus is the developer of the project and Opus Northwest Contractors, L.L.C. is the general contractor.

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Harbor Square
Bainbridge Island, Wash.

N A L

Project Spotlight: **Going the Distance**



Yokohama Tire Corp. Distribution Facility
Rickenbacker V
Columbus, Ohio



Lobby of Yokohama Facility
Rickenbacker V
Columbus, Ohio

Operations are near full speed at Rickenbacker V in Columbus, Ohio, the new home of one of Yokohama Tire Corp.'s largest distribution facilities in the world. Yokohama's 653,270-square-foot operation with 76 loading docks is part of Opus North's 3-million-square-foot development near Rickenbacker, a former air force base that still operates a large cargo-only air facility.

Officials at Yokohama took into consideration Opus' fast work, high quality and sensitivities to cultural differences when making the decision to choose Opus as their developer.

"We learned that Yokohama had a very quick, very immediate need for about 650,000 square feet of industrial space in our area," said Andy Weeks, vice president of real estate for Opus North. "We happened to have a 750,000-square-foot spec building under construction at the time and knew we'd be a perfect fit."

In preparation for a face-to-face meeting with Yokohama officials, Opus worked with their listing agent, CB Richard Ellis, to bring in professionals to translate the Opus proposal into Japanese and had Japanese translators accompany them to a subsequent meeting. "Within 45 days after our initial contact with the Yokohama representatives, Opus had a signed lease," said Weeks.

"Yokohama's standards are high, so they expect their warehouses to be high standard, just like their tires," said Rodney Gibs, Yokohama shift manager at the Rickenbacker V facility. "Everything in this facility is high quality, from the safety features to the lighting to the break facilities. It's just a great place to work."

Opus recently purchased an additional 59 acres of land adjacent to the Yokohama building for future development.

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SEATTLE/PORTLAND

› The Latest: **Seattle**

Welcome to the inaugural Seattle/Portland edition of Opus' *Building Beyond* newsletter. This communication is another way of keeping us in touch with the people that we value.

The Seattle office of Opus Northwest, L.L.C. continues to grow, developing exciting retail, office, industrial and residential projects. In August, we broke ground on Fifteen Twenty-One Second Avenue, the first 38-story, 440-foot tall condominium tower in the heart of downtown Seattle. We are currently under construction on eight projects in the Puget Sound region valued in excess of \$500 million. Featured projects included in this issue are the M Street mixed-use development in Seattle, the Northpointe Corporate Park in Lynnwood, Wash., and the Harbor Square condominium project on beautiful Bainbridge Island, Wash.

We are thrilled to see these projects become a part of the remarkable communities that surround them. I want to recognize our clients, brokers and partners, who play such a huge role in our projects' successes – we couldn't do it without you.

This newsletter will offer quarterly updates on projects, as well as insights into local, regional and national markets and trends. We hope you find it informative.



Tom Parsons
Senior Vice President &
General Manager
Opus Northwest, L.L.C. –
Seattle

› The Latest: **Portland**

Over the past 10 years the growth of Opus Northwest's Portland office has mirrored the growth of The Opus Group. Award winning projects like Southwest Center, Honda's Northwest Regional Facility and Bridgeport Village have helped The Opus Group become one of the nation's top development companies. To maintain that growth we continue to be active in a variety of product types – office, industrial, retail, corporate build-to-suit – and are now launching Ladd Tower, our first residential project in Portland.



John Bartell
Vice President &
General Manager
Opus Northwest, L.L.C. –
Portland

› Industry News

Opus Northwest VS Rising Construction Costs

By John Hendry

The law of supply and demand is alive and well in the building industry. Virtually all construction materials, from concrete to roofing, are more expensive and difficult to get; therefore, our industry has seen significant price increases for key materials. Since July 2005, the overall Producer Price Index (PPI) has risen 4.2 percent, while the construction materials index has climbed twice as fast to 8.3 percent.

The Opus design-build approach helps mitigate some of the increases in the Northwest marketplace. This delivery system allows Opus' design and construction personnel to operate as one team, to provide partners and clients with budget pricing during the project conception stage, which allows for evaluation and incorporation of alternative materials and methods to help lower overall project costs. Because 90 percent of cost savings are realized during the project's design phase, this value engineering process becomes a key element in cost control without compromising quality or design intent.

Because design and construction phases overlap, total design and construction time can be significantly reduced. Material and equipment procurement and construction can begin before the construction documents are fully completed. The resulting time savings translates into lower GCs, interest costs and earlier facility occupancy.



John Hendry

Director of Construction
Opus Northwest, L.L.C. –
Portland

› Profile: Andy Taber

Andy Taber, director of real estate for Opus Northwest, L.L.C., has more than 26 years of experience in real estate development, construction and leasing. Since joining Opus in 1998, Andy has worked on major projects, such as the Sammamish Park Place in Issaquah, Wash., Opus I-90 Industrial Park in Preston, Wash., and the award-winning Dexter on Lake Union in Seattle.

Currently, Andy is working on Harbor Square, a condominium/retail project on Bainbridge Island in Washington, M Street Apartments, a mixed-use project in Seattle, and Fifteen Twenty-One Second Avenue, a high-rise residential project in downtown Seattle.

An avid outdoorsman, Andy enjoys hiking, gardening, fly fishing and skiing in his spare time. While his two sons were growing up, Andy was their Boy Scout troop leader. For the past six years, Andy has gone on church missions to Mexico to build houses for the homeless.

Contact Andy at 425.467.2702 or andy.taber@opusnw.com



Andy Taber

Director of Real Estate
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