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Contact Michelle Poitevin 206.448.5752

TWO-THIRDS OF LEED “SILVER” CONDO TOWER IS NOW CLOSED; HOA DUES DROP 15%

Data Suggests Affordability is Key to Sales Success; In-City Market Fundamentals Improving

SEATTLE, WA. (November 16, 2011) – Executives at RC Hedreen Company announced they’ve closed their 148th sale (with six sales pending in November) marking a new milestone with two-thirds sold and closed at the 229-unit, Olive 8 condominium tower.

“Olive 8 was successfully repositioned in 2011 and our sales momentum continues as buyers realize that the cost of homeownership has been greatly reduced,” says David Thyer, president of RC Hedreen Company, the developer of Olive 8. “Our construction loan is nearly paid off, home values at Olive 8 are stabilized and we saved our best inventory for last.”

Having earned 45 new sales since resetting prices up to 35% below previous list values, Olive 8 represented a significant share of Seattle condo sales in 2011. To maintain momentum, Thyer recently realigned the asking prices of all remaining homes with the selling prices of similar homes that recently closed in the building. Select home plans were further adjusted up to 8% below the most recent list prices.

“We had a strong start to 2011 and we’d like to close out the year in a similar fashion,” says Thyer.

In addition to validated market prices, Thyer confirmed HOA dues will drop 15% (from \$0.54 per foot per month to just \$0.47 per foot per month) given the building’s operational efficiencies shared by the hotel and from lower utility consumption within the LEED (Leadership in Energy and Environmental Design) “Silver” certified building. Additionally, Thyer confirms that 5% down-payment options are now available at Olive 8. Recent sales, appraisals and financings confirm the stabilized values and continued market performance of the development.

“Consumer confidence is returning,” he added. “It also helps that the in-city housing recovery is now more obvious when compared with the broader King County region.”

According to a report by the Northwest Multiple Listing Service, the median home price of condominiums in downtown Seattle (Area #701) year-to-date was \$392,620 as of October 31, 2011, up nearly 5% from \$375,000

over the same period year-to-date in 2010. Similarly, rental rates have trended 3-5% higher in downtown Seattle neighborhoods year-to-date, according to a recent report by Dupre + Scott Apartment Advisors.

“Supply and demand has found greater balance in the city for most housing types and price points,” says Dean Jones, Principal of Realogics Sotheby’s International Realty. “The fact remains half of the total supply of condominiums (new and resale) was absorbed over the past 20 months. There is no new inventory in the pipeline.”

Other market findings can be found on the blog at www.RealogicsSothebysRealty.com in addition to an overview from the Urban Land Institute’s “*Emerging Trends in Real Estate 2012*”, which was held on November 10 in Seattle. The ULI report ranks Seattle one of the “sexy six” real estate investment venues to watch in the US and cites it as a top apartment marketplace.

“We’ve certainly benefitted from good news here at Olive 8 and in the local economy,” says Julie McAvoy, Community Sales Director of Olive 8 and a Director at Realogics Sotheby’s International Realty. “Interestingly, on 1.1.11 we reset prices and by 11.11.11 we reached our goal of \$25 million in sales. Prospective homeowners recognize that waiting too long to buy could now result in fewer options and less affordability overall.”

Recently, the Washington Center for Real Estate Research at Washington State University proclaimed homes in the Seattle area are more affordable than they’ve been since 1994 given higher wages, corrected home prices and record low interest rates. Meanwhile, Lawrence Yun, chief economist of the National Association of Realtors expects mortgage interest rates to gradually rise to around 4.5% by the middle of 2012.

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About Realogics Sotheby’s International Realty: Representing a significant volume of new construction and resale condominium closings in downtown Seattle, Realogics Brokerage, LLC (DBA Realogics Sotheby’s International Realty) has emerged as a leading sales and marketing company in the urban core. Managed by Realogics, Inc., the collective presents a fully-integrated real estate solution comprised of market research, product development, full-service marketing and sales. Visit www.RealogicsSothebysRealty.com.

About RC Hedreen Company: R.C. Hedreen Company is the Manager of Olive 8, LLC; the developer of Olive 8 Condominiums and the Hyatt Hotel at Olive 8. Its affiliates have been involved in the development, ownership and management of world-class investment properties since 1963. The company has shifted its focus primarily to luxury hotels over the past decade, but its portfolio of successful projects includes retail, high-rise office buildings and single and multi-family homes. Visit www.RCHCO.com.

EDITORS NOTE: Color photography of referenced principals or Olive 8 is available upon request - contact Michelle Poitevin at 206.448.5782 or email Michelle@Realogics.com