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## **OLIVE 8 RESET GENERATES 25 NEW SALES; CONDOS NOW 60% SOLD**

### ***New Research Suggests Greater Balance in Supply and Demand for New Construction Condominiums***

**SEATTLE, WA. (May 20, 2011)** – Executives at RC Hedreen Company, the developer of Olive 8 announced 25 new sales have been accepted since resetting prices on January 1, 2011, setting the pace for new home sales in downtown Seattle. Sales representatives say sharper prices, record low interest rates and improving consumer confidence has helped garner the robust sales momentum in downtown Seattle.

“Our success is obviously great news for our community and it suggests the market pendulum is swinging back towards a more balanced marketplace,” said David Thyer, President of RC Hedreen Company. “Brokers and homebuyers are watching the market fundamentals closely. They’re realizing that prices for new construction have largely corrected and that there’s no more inventory anticipated for several years.”

Thyer points to research prepared by Realogics Sotheby’s International Realty that tracks the supply and demand of new construction condo inventory in downtown Seattle. The report released this week indicates 40% of the unsold developer owned inventory sold during the past year resulting in just 342 new condominiums now available for sale within the center city. The trends in the resale marketplace also suggest dwindling inventory with new listings and total supply now at its lowest levels in more than two years.

“It’s significant because there’s no new for-sale product being developed,” says Dean Jones, Principal of Realogics Sotheby’s International Realty and author of the report. “The last development cycle has clearly come to an end so what we see delivered will have to satisfy our market demand for many years to come.”

Jones believes that new construction condo prices have corrected back to “pre-boom” levels but new construction delivery levels are now “pre-millennium”. “There’s simply no new for-sale inventory in the pipeline,” said Jones. “That’s going to have the



same effect on condo values as we're already seeing in the apartment marketplace. Prices are clearly stabilizing and there's even been competition for the most preferred inventory."

As the market improves, the delta between asking prices and selling prices narrows and fewer concessions are being offered.

Likewise, "**The Spring Event**" at Olive 8 is set to expire on May 31, 2011. The incentive program provides for no closing costs and special financing that starts at just 1.25% (2.821% APR) for qualified purchases. Also HOA dues and health club membership fees will be paid by the seller for the first year.

With the Spring Event, one bedrooms start on the 28<sup>th</sup> floor for just \$395,000 and feature total monthly payments of only \$1,556\* per month for the first year and \$2,141\* in later years, including P&I, HOA dues and estimated taxes. Two bedrooms start at just \$825,000 with first year total payments of only \$3,895\* per month. See agent for financing details.

"These types of promotions communicate just how affordable these homes can be on a monthly basis," says Julie McAvoy of Realogics Sotheby's International Realty, Community Sales Director for Olive 8. "This is a housing cycle. A few years from now the conversation will change and we'll be talking about the escalating cost of rental housing, the lack of condo supply and higher interest rates."

Still McAvoy acknowledges that many homebuyers are still trying to determine value in today's marketplace. "Not every offer comes together but we're fortunate to have steady demand and limited supply," says McAvoy. "We're thrilled with our sales progress. I do believe it's a sign we're selling into an improving marketplace."

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**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](http://www.RCHCO.com).

**About Realogics Sotheby's International Realty:** Representing a significant volume of new construction condominium closings in downtown Seattle since 2008, Realogics Brokerage, LLC (DBA Realogics Sotheby's International Realty) has emerged as a leading sales and marketing company in the Seattle area for luxury condominium sales. The Realogics Group of Companies owns a long-term franchise within the Sotheby's International Realty network and has since established a fast-growing resale division. Realogics Sotheby's International Realty is independently owned and operated. Visit [www.RealogicsSothebysRealty.com](http://www.RealogicsSothebysRealty.com).

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**EDITORS NOTE:** Photography of Olive 8 and portraits of David Thyer, Dean Jones and/or Julie McAvoy is available upon request – please contact Michelle Poitevin at 206.448.5752. The Supply and Demand Report is also available.