

THE SPRING DISTRICT ADDS A MULTIFAMILY COMPONENT TO ITS FIRST PHASE

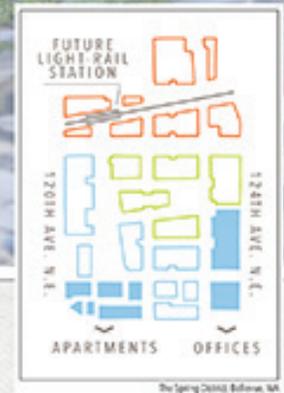
THE SPRING DISTRICT

PHASE ONE MULTIFAMILY



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Security Properties' 316 Unit Project



Wright Runstad & Company announces the selection of Security Properties as the developer of the first residential site in The Spring District

BELLEVUE, WASH. - MARCH 26, 2013

Security Properties has landed the first residential development site in Bellevue's 36-acre mixed-use project, The Spring District. The group was selected by Wright Runstad & Company and Shorenstein Properties to help kick off Phase One of the development. Security Properties will purchase a 2.5-acre parcel at The Spring District's southwest corner, planning a 316-unit multifamily project that will help set the tone for the urban character of the District. Security Properties will also have an option to develop another 225 units on an adjacent parcel.



In addition to Security Property's multifamily development, Phase One of The Spring District will include six office buildings and a two-acre park block. The new neighborhood infrastructure plan – including the first two new office buildings totaling more than 490,000 square feet developed by Wright Runstad & Company – is already in the City's permitting process. Additionally, there are plans to convert some of the existing warehouse areas into spaces suitable for an urban distillery or tap house, along with an ample landing pad and outdoor dining space for food trucks.

Construction of The Spring District will begin this summer with demolition of existing structures and the installation of Phase One utilities and infrastructure. Occupancy for both the Security Properties residential project and Wright Runstad & Company office projects are projected for early 2015.

The Spring District will offer 16 city blocks of walkable, mixed-use urban development, melding the warehouse vibe with a neighborhood feel and leading-edge design features. Crafted to appeal to both urban-hip residents and high-tech companies, it will be an amenity-rich new community that stands out on the Eastside. In addition, The Spring District will offer great freeway access, is a short walk to the Whole Foods Market, and will feature a direct connection to Sound Transit's Eastlink light rail extension.

"We're excited to launch The Spring District and create a new urban extension of downtown Bellevue, much like the Pearl District has extended downtown Portland," said Greg Johnson, the President of Wright Runstad & Company. "Security Properties has done exciting projects in San Francisco, Ballard and Fremont that were specifically tailored to those communities, and we think that experience is a perfect fit for The Spring District." Notes John Marasco of Security Properties, "We plan to work closely with the property owners and the neighborhood, to create something tailored to the location and the people who will live there. We don't do cookie-cutter. Every development is tied to its neighborhood by art and design."

Bellevue-based Broderick Group is the broker responsible for leasing the first two office buildings in Phase One of The Spring District. "This first residential project will speak volumes to knowledge-based companies that want to offer their current and future employees the 24-hour, live/work lifestyle that can only be found in or near an urban core," said Jeff Watson, principal at the Broderick Group. "The ability to attract and retain the best talent is paramount for growing companies who increasingly view real estate as a potential competitive advantage, and The Spring District is well on its way to becoming a hub for innovative companies."

Frank Bosl and Jon Hallgrimson, who represent The Spring District's residential land sales, noted that "...having Security Properties join Wright Runstad & Company and Shorenstein Properties sends a strong signal to the marketplace, because the team's collective reputation for institutional savvy and quality development has tremendous credibility."

Sustainable neighborhood development of The Spring District is reflected in its transit oriented planning, featuring narrow, pedestrian friendly streets that invite activity, and a network of parks connecting all facets of the district. "The Spring District is one of the best sustainable transit-oriented development opportunities in the country, providing the amenities of an emerging first class location for high-tech and software-related companies, while also offering a unique urban neighborhood unlike anything the Eastside has seen before," said John Marasco, Chief Development Officer at Security Properties. "It's great to be part of such an exciting new neighborhood ... think Ballard in Bellevue and you get the picture. ... It's going to surprise a lot of people."

Wright Runstad & Company has developed more than 14 million square feet of office and mixed-use space, mostly in the Pacific Northwest. The Spring District will be Wright Runstad & Company's seventh major project in Bellevue and its third venture with Shorenstein Properties. Shorenstein Properties LLC is one of the country's oldest and most respected real estate organizations active nationally. They currently own and manage a portfolio exceeding 23 million square feet

