



## NEWS RELEASE

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PHOTOS ATTACHED

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### **Harsch Investment Properties Adds Two Industrial Parks in Kent Valley and South Seattle to Seattle Portfolio**

**Portland, Oregon**— Harsch Investment Properties, a privately-held real estate investment, development and management company headquartered in Portland, Oregon, today announced the acquisition of two industrial parks in the Puget Sound market. First, the 126,000 square foot Kenyon Industrial Park located at 121 South Kenyon Street in South Seattle was acquired for the purchase price of \$11,750,000. Jim Honan with Neil Walter Company assisted Harsch in the transaction. The seller was Statewide Mortgage Services Company, Inc. The second is the 113,045 square foot Furniture Factory Direct building located 8240 South 196th Street in Kent Valley for the purchase price of \$7,500,000. Representing the buyer and seller was Craig Wilson, Steve Sutherland, Milt Reimers and Demetry Vyzis of CB Richard Ellis. The seller was Davis 196, LLC.

"We have had our eye on Kenyon for a number of years as it compliments our existing industrial business parks we own at South 93rd, South 96th and South Cloverdale. Quality real estate like this is always in high demand and this purchase increases our total square footage in the South Seattle area to over 600,000 square feet," said Jordan Schnitzer, President and CEO of Harsch Investment Properties. "The Furniture Factory Direct building is our second acquisition in the past 12 months in the Kent Valley market and further entrenches our commitment to the area as a wonderful place for real estate investment." Harsch previously acquired the eight building, 150,000 square-foot multi-tenant Century Commerce Center located off West Valley Highway and S 196th Street in 2007.

"Both of these properties offer a rare combination of high visibility, excellent access and proximity to key markets and we are excited about offering our new tenants the same excellent services that Harsch is known for in the Puget Sound area." said Senior Vice President and Seattle Regional Manager Rob Aigner. "We could have not done these transactions with out the strong and valued relationships we have with the Puget Sound brokerage community and we continue to actively look for additional investment opportunities of all types especially in industrial, office and retail properties as well as land for development"

The four-building, 6.49 acre Kenyon Industrial Park enjoys high visibility from Hwy 509 at the intersection of Hwy 99 and Hwy 509. This strategic location is ideal for serving and supporting the greater metropolitan Seattle region with its over 3.2 million people. The project is 100% leased and include tenants Seattle School District, Sur La Table, Sunfresh Foods, Inc, Second Use Building Materials, Inc., and Flying Fish.

The single-story Furniture Factory Direct industrial building is 100% leased to the named tenant. Located at the "Main and Main" of Kent Valley at East Valley Highway and S 196th, the 4.78 acre site commands high visibility and is within one half mile of two freeway interchanges on SR-167. The property serves the Ports of both Seattle and Tacoma, the cities of Seattle, Bellevue and Tacoma and the rapidly expanding Southend market.

#### About the Market

Kent Valley and South Seattle or Duwamish submarkets are the hub of the region's industrial and distribution markets. There are several major factors driving the strong industrial market in Seattle. First, the Ports of Seattle and Tacoma, which combined form the fourth largest container load center in the U.S., expect container volumes to grow by 120% over the next 12 years. This projected growth is creating enormous demand for modern industrial space in the surrounding areas specifically Kent Valley and South Seattle.

#### About Harsch Investment Properties

Harsch Investment Properties is a privately held real estate company that acquires, manages and develops properties for its own portfolio. Founded in 1950, the company owns and operates 21 million square feet of office, multi-tenant industrial and retail properties in five western states.

Headquartered in Portland Oregon, Harsch has regional offices in Portland, Seattle, San Francisco Bay Area, Sacramento, Las Vegas, and San Diego and will open its seventh Regional office in Phoenix this coming year.

The Company added \$337 million of acquisitions and development projects in 2007 and is currently on track for similar results in 2008. Additionally, the company has almost \$700 million under construction and development and owns and manages more than 1,500 multifamily housing units.

More company information can be found by going to <http://www.harsch.com>.