



NEWS RELEASE

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2 PHOTOS INCLUDED

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HARSCH INVESTMENT PROPERTIES PURCHASES
SEATAC VILLAGE IN FEDERAL WAY

FEDERAL WAY, WASHINGTON – Harsch Investment Properties announces the purchase of SeaTac Village, a 164,369 square-foot shopping center for the purchase price of \$25,450,000. Located at the intersection of South 320th Street and Pacific Highway South, it is directly across from two Harsch-owned shopping centers - the 126,689 square-foot Pavilions II Centre developed by Harsch in 2003, and the 190,000 square-foot Ross Plaza planned for redevelopment in 2005. With this purchase, Harsch now controls three corners of one of the busiest retail intersections, with a traffic count exceeding 92,000 cars per day, for a total of 500,000 square feet of retail.

“We are pleased with this acquisition not only because it increases our regional holdings but does so in one the strongest retail market in the Puget Sound area,” said Jordan Schnitzer, President. “It is 100% leased and has an excellent tenant mix in a superior location.”

Tenants include Linens “N Things, Old Navy, Borders Books, TJ Maxx, Old Country Buffet, Big 5 Sporting Goods, Sterling Savings and the new Rainier Pacific Bank building. Harsch purchased the property from SeaTac Village, LLC. with Steve Daneman of Daneman Realty representing both Parties in the transaction.

Federal Way is the hub of economic activity in the south Puget Sound area and is adjacent to the Port of Seattle, Port of Tacoma as well as SeaTac International Airport. Located in the heart of Federal Way, the 3-mile retail Trade Area for SeaTac Village over the next five years shows a strong population growth rate of 6.6% annually with estimated incomes increasing 17.2%.⁽¹⁾

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“This property increases our Retail commitment in the Seattle/Tacoma area and specifically in the Federal Way marketplace,” said James Pate, Senior Vice President Retail for Harsch. “Synergistically, it works well with our other two shopping centers across the street and allows for future flexibility with all our tenants.” The company’s Retail portfolio now totals in excess of 2.9 million square feet.

Other Harsch Investment Properties in the area include the Medical Dental Building, a 318,000 SF office building located at 509 Olive Way in downtown Seattle. Four multi-tenant industrial parks include the 195,000 SF Cloverdale Business Park, the 196,000 SF South 93rd Business Park, the 98,000 SF South 96th Business Park, and the recently purchased Fife Business Park, a 290,789 SF industrial park in the rapidly growing Port of Tacoma area. Retail properties in the area include Ross Plaza, a 190,000 SF shopping center located at Pacific Highway South and South 320th Street and a Harsch development, Pavilions II Center, a 127,000SF retail center on South 320th and Pacific Highway South.

Harsch Investment Properties, headquartered in Portland, Oregon, is a privately held real estate company that acquires and develops properties for its own portfolio. The company currently owns and operates 125 properties in seven states including: Oregon, Washington, California, Nevada, Arizona, Colorado and Oklahoma. Its commercial real estate portfolio comprises more than 15 million square feet of office, retail and industrial properties. Additionally, the company owns and manages more than 2,700 multifamily housing units. More company information can be found by going to www.harsch.com.

⁽¹⁾ CLARITAS; April 6, 2004

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THE HOME FURNISHINGS SUPERSTORE

OLD NAVY



*Old Country
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