

Esterra Park, Buildings, Taking Shape in Redmond

Seattle – September 2, 2014 - Capstone Partners announced that the massive Esterra Park project has made significant progress. Avalon Bay Communities (NYSE: AVB) has started construction on the first 500 apartment units, CSM Corporation has closed on the purchase of land for a 250 room dual branded Starwood Hotel. Capstone is ready to start construction on the first 250,000 square foot office building with an additional 380,000 square feet in design. Finally, the design for 3 acre centerpiece, park at Esterra Park, received unanimous approval from the Parks and Trails commission. The park will feature the best elements of an outdoor urban park – places to gather, recreate, splash, and contemplate.

Esterra Park (www.EsterraPark.com) is a 3 million project in Redmond, WA. The 28 acre, sustainable, transit oriented, mixed-use project sits next door to Microsoft, 1.5 million square feet of existing retail, and is just off SR-520. A future light rail station will be across the street. Esterra Park will be the first true urban live-work campus ever created in the Pacific Northwest. The project will include over 1.2 million square feet of commercial space, over 1,400 residential units, a 250 room hotel, all surrounding a new 2.7 acre park. Capstone estimates 7-8,000 people will live and work at Esterra Park. The project is the first phase of Redmond's 170 acre Overlake Village master plan which will hold 30-40,000 people when completed.



“We are very excited to be part of the Esterra Park master development; the opportunity to invest in institutional quality real estate which combines an urban live / work environment in a traditionally suburban market is extremely rare and we look forward to helping implement the vision that Capstone Partners and the City of Redmond have developed for the community said Brian Fritz, Senior Vice President of AvalonBay Communities, Inc. . AvalonBay currently owns and operates over 3,500 units in the Puget Sound Region and has over 1,100 units under construction.



CSM Corporation, an owner and operator of hotels, apartments, and commercial buildings across the U.S. plans to build a dual branded hotel. Starwood brands Aloft and Elements will combine for a 250 room hotel with overnight and extended stay options. The first of both of these brands in the Seattle area. The hotels are modern; the designs are open and fresh intended to accommodate the overnight business traveler, a couples' weekend, or a week long business or vacation stay. A conference center will link the facilities along with a bar / restaurant and other typical amenities.



Michael Coolidge of CSM had this to say. "It's hard to imagine a better location and a better project for a successful hotel. The scale and design of Esterra Park are perfect for a modern live / work environment that companies and residents are looking for in today's environment; and the proximity to Microsoft is undeniably attractive".



The office at Esterra Park is the ready to break ground. “We are talking to several users”, said Mike Hubbard of Capstone. “There isn’t a technology live / work campus anywhere in Puget Sound that offers what Esterra Park can deliver”, said Scott Davis of CBRE, hired to market the office project.



Capstone is one of the most active developers in the region. In addition to Esterra Park, Capstone is underway on over \$500 million of office, apartment, and industrial projects in Seattle and Portland markets.

Capstone’s partner in Esterra Park is the Lionstone Group. The Lionstone Group is a privately owned real estate investment management firm which, together with its affiliates, has approximately \$2 billion in real estate and real estate-related assets under management.

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