

October 21, 2011

Continental Properties buys site for 58 apartments on Capitol Hill

By **MARC STILES**
Journal Staff Reporter

Continental Properties paid \$3.7 million for a Capitol Hill apartment site, and plans to start building a 58-unit project there early next month, according to company President Claudio Guincher.

The site is now a surface parking lot on the southwest corner of 15th Avenue and East Pine Street. The seller is a limited liability company affiliated with HAL Real Estate Investments of Seattle, and had planned a multi-family project called The Cameo.



Rendering courtesy of Continental Properties [\[enlarge\]](#)

The site is in the block south of The Braeburn, a large condo and retail project HAL developed about six years ago. It is just west of The Pearl, an apartment and retail project Barrientos developed a few years ago.

The Cameo apartments and retail on Capitol Hill is set to start construction Nov. 3.

Guincher said Continental Properties also bought plans for The Cameo, which will have five levels of woodframe apartments over a concrete base of street-level retail and 59 stalls of underground parking. His company updated the plans.

The architect is Studio Meng Strazzara and Compass Harbor Construction LLC is general contractor.

Other team members are Sechrist Design, interiors; Thomas Rengstorf & Associates, landscape architecture; Golder Associates, geotech; Triad Associates, civil; CT Engineering, structural; Interface Engineering, mechanical and electrical; Morrison Hershfield, roofing and waterproofing; and SSA Acoustics. KeyBank is the lender.

Units will range from studios to two-bedrooms and average 743 square feet. Guincher expects rents will top \$2.25 a square foot. He declined to provide the project cost.

Guincher said he has not selected a brokerage to market the retail space.

Construction is scheduled to start in two weeks and take 16 months.

“I think there is [a sense of urgency], but I don't think I've ever been in a cycle where there isn't,” said Guincher.

The apartment vacancy rate on Capitol Hill is 2.3 percent, according to Dupre + Scott Apartment Advisors. This week, apartment developer Tom Parsons of Holland Partners told members of the commercial real estate group NAIOP that he thinks some areas of Seattle could see demand outstrip supply as more young people move out on their own and older people rent rather than buy housing.

Developers are moving to capitalize on that demand, especially in close-in neighborhoods such as Capitol Hill, where nearly 450 new units opened last year. Another 400 new units will open in

2012, and 710 are scheduled to finish in 2013.

Guincher plans another Capitol Hill apartment project: 70 units at 1145 10th Ave. E.

Continental Properties has the site under contract and is seeking a master-use permit. Studio Meng Strazzara is the architect but the rest of the team has not been selected. Guincher said he hopes to break ground in the second half of 2012.

He is also planning an 80-unit apartment complex on Queen Anne. "I can't tell you the location yet. It's in due diligence."

Continental Properties is building 56 townhouses in a phased project in Newcastle.

Guincher plans to keep The Cameo name, though he said he could change it. It refers to the site's cinematic and retail history. Cameo and braeburn are types of apples. The Braeburn was built on the site of an old Red Apple grocery. A movie theater, the Venetian, operated for years until 1958 on The Cameo site.