

Legacy converts Mukilteo condos

■ *Developer says strong job growth and affordability make Snohomish County "a very healthy place to be."*

By **LYNN PORTER**
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Legacy Partners is converting to condos nearly half of the 558 units in On the Green, an apartment complex it bought in the waterfront community of Mukilteo.

Legacy will market the condo portion of the 26-acre, golf-course-view project as Front9.

The target market is locals who want an affordable alternative to single-family houses. They include the grown children of residents, divorced individuals in the area and residents who are downsizing, said John Hatton, Legacy vice president and project lead.

Jobs created as Boeing ramps up to assemble the 787 in Everett also played into the decision to convert the units, said Hatton. Snohomish County's affordability relative to King County was a factor, although to a lesser extent, he said.

"I think our price-point will be really received well by the community, where people don't need to spend \$700,000 to get into the Mukilteo School District or to live in Harbour Pointe," the master planned community of which Front9 will be part, said Hatton.

Front9, located about 26 miles from downtown Seattle, will have one-, two- and three-bedroom condos, ranging from 660 to 1,200 square feet. They are available with stainless-steel kitchen appliances, hardwood floors, large closets and

granite countertops. All have balconies and fireplaces. Private garages and reserved parking are also available.

Units will be priced from \$160,000 to about \$300,000, Hatton said.

Foster City, Calif.-based Legacy is converting 264 of the units in On the Green, which it bought in January for \$69 million.

The Front9 condos will be in an area distinct from the apartments, said Hatton. They will have indoor and outdoor swimming pools, a fitness center, half-court indoor basketball court, outdoor playground equipment, a business center, public patios with barbecues, a spa and sauna, and gazebo with seating and a fire pit.

Many of the condos will have views of Harbour Pointe Golf Course, which, when it opened in 1989, was rated by Golf Digest as the "Best New Public Golf Course," according to Legacy. Hatton said there are few multifamily communities in the area with a golf course view.

Snohomish County has been experiencing strong employment growth, said Donna Thompson, regional labor economist for the county with the state Employment Security Department.

Between March 2005 and March of this year, the county added 12,300 new non-farm jobs, she said. That 5.5 percent job growth rate compares to 3.4 percent for the state during that period, she said.

Aerospace accounted for 2,300 of the new jobs in Snohomish, she said.

"We have had stunning job growth up here," she said.

That growth means "Snohomish County right now is a very healthy place to be," said Hatton.

Additionally, more than 100,000 commuters drive from Snohomish County to King County every day, many attracted to the more affordable housing in Snohomish, said John Doolittle, a researcher with the Snohomish County Economic Development Council.

"What's driving the housing is the fact that the housing is cheaper than King County and there's still room for development, in addition to the fact that the economy is doing well here," said Doolittle.

This is Legacy's second condominium conversion project in the Puget Sound region. It is converting Seattle's historic Queen Anne High School to upscale condominiums.

Front9 continues a trend of condo conversions in area suburbs.

Of the 1,700 units converted so far this year in King, Pierce and Snohomish counties, 153 were in-city, between the stadiums and the ship canal, said Mike Scott, a principal with Dupre + Scott Apartment Advisors. The rest have been in the outlying regions, he said.

"Suburbia is where it's at," Scott said.

Last year only 800 of the 4,100 conversions in those three counties were outside the suburbs, he said.

The project team for Front9 includes Frosaker Real Estate, which is the marketing and brokerage company for the condos, and DH Design, a Redmond-based interior design firm.

Legacy Partners has been in the residential and commercial real estate business for more than 35 years, acquiring, developing and managing a portfolio valued at more than \$4 billion. That portfolio extends to Southern California, Arizona, Colorado, Washington and Texas.