

Yardi® Matrix

Seattle's Sturdy Economy

Multifamily Report Winter 2018

Rent Growth Cools Off

Jobs Outpace Nation

Property Values Hit Post-Bubble Best

SEATTLE MULTIFAMILY

Yardi® Matrix

Market Analysis

Winter 2018

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Tech Scene Continues to Thrive

Fueled by the continued expansion of the technology sector and population growth, Seattle's multifamily market remains healthy. However, the metro is showing signs of slowing, following the robust gains of the last several years. The metro has fallen from the list of top U.S. metros in year-over-year rent growth, and was negative in the most recent three-month period. That could be a short-term blip, but the weight of new supply and declining affordability could signal more moderate growth moving forward.

Job growth has been outpacing the national average since 2012. In the 12 months ending in October, the metro added 38,200 jobs, a 2.5% increase. Gains were led by the government sector, which added 8,100 positions. The tech industry continues to prosper, with the information sector adding 4,100 jobs, a 3.9% year-over-year change. As part of the metro's tech industry growth, companies such as Amazon, Google and Facebook are expanding in Puget Sound.

After reaching a cycle high in 2016, multifamily development has cooled off, with roughly 8,500 units coming online in the 12 months through October. With nearly 71,800 units in different stages of development—of which more than a third are under construction—rent growth is expected to temper. More than \$2.4 billion in multifamily assets changed hands as of October, mostly in suburban markets. Yardi Matrix forecasts rents to appreciate by 3.7% by year's end.

Recent Seattle Transactions

Tower 12



City: Seattle
Buyer: Weidner Investment Services
Purchase Price: \$225 MM
Price per Unit: \$716,356

Shorewood Heights



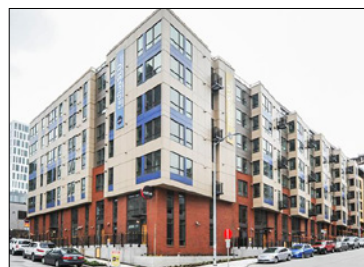
City: Mercer Island, Wash.
Buyer: Greystar
Purchase Price: \$210 MM
Price per Unit: \$325,581

Venn at Main



City: Bellevue, Wash.
Buyer: Equity Residential
Purchase Price: \$177 MM
Price per Unit: \$504,285

Radius



City: Seattle
Buyer: Kennedy Wilson
Purchase Price: \$141 MM
Price per Unit: \$500,000

To Subscribe

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