

Yardi® Matrix

Sizzling Seattle

Multifamily Report Spring 2018

Above-Trend Rent Growth Persists

Home Prices Set New Record

Deliveries Gain Momentum

SEATTLE MULTIFAMILY

Yardi® Matrix

Market Analysis

Spring 2018

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Seattle continues to be one of the strongest multifamily markets in the country, due to its substantial population growth and solid employment. Despite tapering over the past two years, the metro's rent growth was still above the national average, due to high demand from healthy demographic trends and escalating household formation.

Downtown Seattle's construction boom has served as a magnet for white-collar workers, while also motivating more companies to settle in the area. The metro added 45,700 jobs last year, buoyed by a thriving technology sector. Trade, transportation and utilities also grew, along with construction and business services. Expanding the city's office pipeline, CRG will develop a 1.6 million-square-foot, institutional-quality business park on the site of the former Intel campus. Redmond—home to Microsoft's headquarters—plans to accommodate significant urban growth in the Overlake area through a 170-acre transit-oriented project. Manufacturing is the only sector to lose jobs last year, amid growing concerns that new tariffs on imported steel and aluminum could jeopardize more jobs in the state.

As long as major technology companies maintain a robust hiring pace, demand for rentals across Puget Sound should remain heightened. Yardi Matrix expects rent growth of 4.8% by year-end.

Recent Seattle Transactions

Tower 12



City: Seattle

Buyer: Weidner Investment Services

Purchase Price: \$225 MM

Price per Unit: \$716,357

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: \$504,286

Atlas



City: Issaquah, Wash.

Buyer: Kennedy Wilson

Purchase Price: \$135 MM

Price per Unit: \$391,570