

# SEATTLE MULTIFAMILY

**YARDIMATRIX**  
Data provided by Pierce-Eislen

## Market Analysis

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## Everybody Loves Seattle

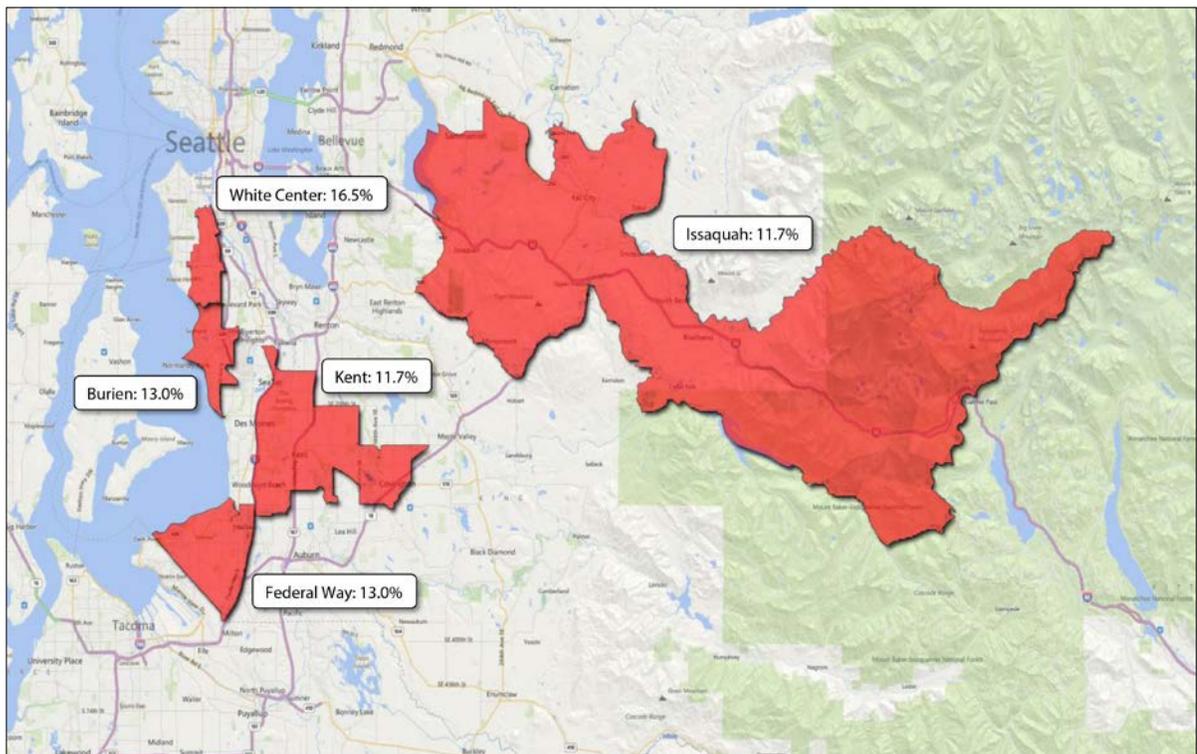
Given the results of the Super Bowl, it would be wrong to say everything is going well in Seattle this year, but it would be hard to find faults in the performance of the city's multifamily market. The metro is a fashionable area to play, work, live – and invest.

Seattle is booming with above-average job growth led by large employers including Amazon and Starbucks, a mixed economy featuring diverse industries such as technology, health care, tourism and professional services, an influx of prime renter-age residents, and demand from property investors of all stripes. The result is a tremendous amount of absorption for apartments. Rents have risen by 9% two years in a row, and we expect another solid year of 7.5% growth.

On the investment side, Seattle has moved from being a somewhat sleepy secondary market to a key destination for the largest institutions and REITs. Property sales volume and prices both are rising rapidly.

The most worrying potential downside is heavy construction activity, with 12,000 units scheduled to be completed this year, or 5.5% of stock. However, the new units are needed to house the demand coming from job growth and population growth, both of which are well above national averages. Bloated supply is often a harbinger of an overheated market, but it's doubtful that anything can stem the rising tide at the moment in arguably the country's trendiest market.

### Top 5 Submarkets for Rent Growth (Fall 2014 to Spring 2015<sup>1</sup>)



<sup>1</sup> YardiMatrix™ surveys over 1,000 properties in Seattle, three times a year during the Spring, Summer & Fall.