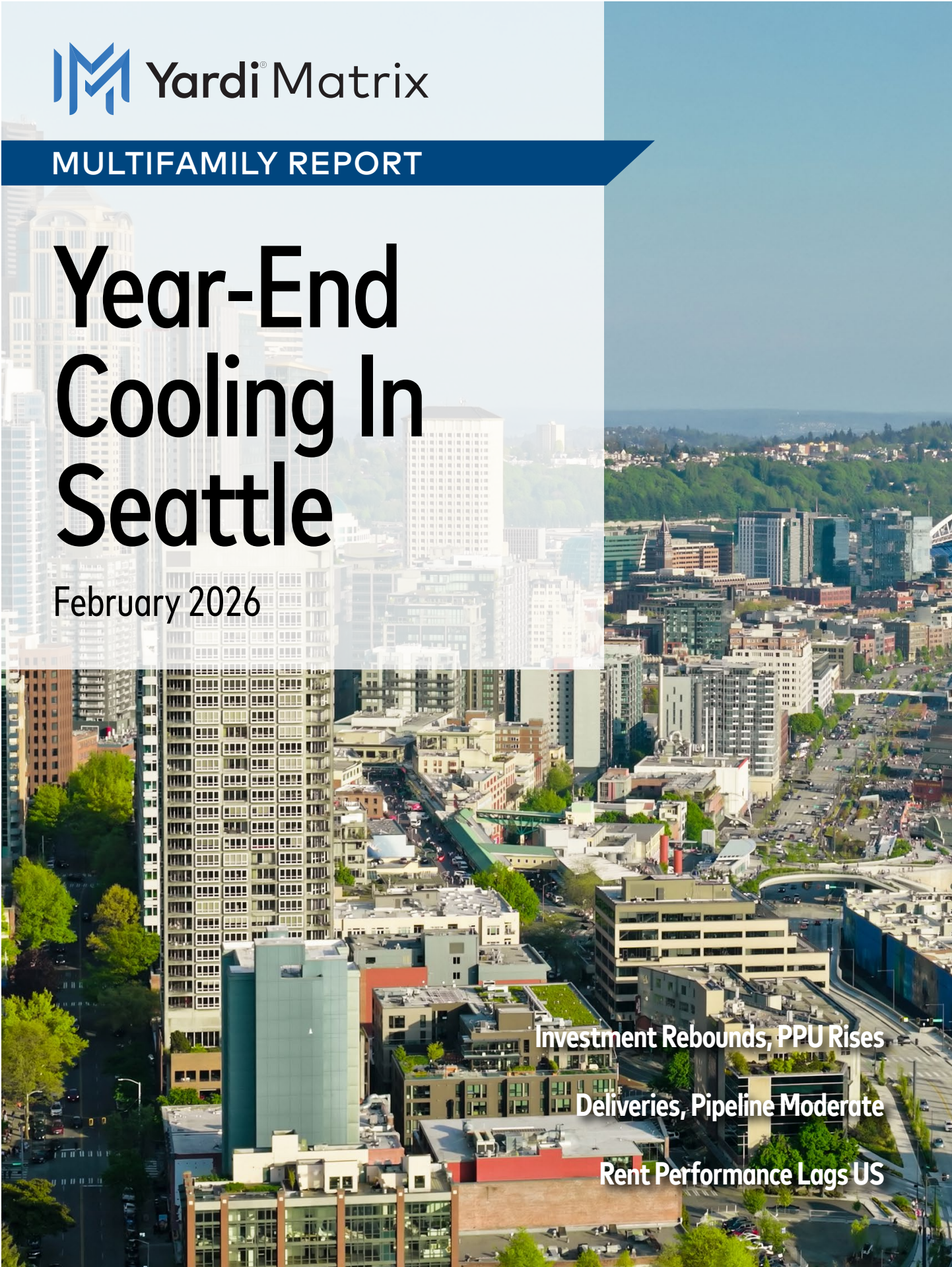


# Year-End Cooling In Seattle

February 2026



Investment Rebounds, PPU Rises

Deliveries, Pipeline Moderate

Rent Performance Lags US

# SEATTLE MULTIFAMILY



## High Supply Keeps Pressure on Rents

Seattle's multifamily fundamentals were a mixed bag at the end of 2025, with average advertised asking rents down 0.7%, on a trailing three-month basis through December, to \$2,197, lagging the national rate, which declined 0.3% to \$1,737. Rents fell 0.9% year-over-year, while the national rate remained unchanged. The occupancy rate in stabilized properties continued to improve, up 30 basis points year-over-year, to 95.5% in November.

Employment growth decelerated to 0.6% year-over-year through September, trailing the 0.8% U.S. rate. Unemployment rose to 5.1% in November, underperforming both the state (4.6%) and national rates (4.5%). Seattle lost 1,800 net jobs in the 12 months ending in September, with gains in four sectors, led by education and health services (8,500 jobs) and professional and business services (2,200). The other six sectors lost 14,400 jobs overall, led by manufacturing (-6,700) and mining, logging and construction (-5,300). Major CRE drivers included the completion of the 20-acre Waterfront Park and continued upgrades at Seattle-Tacoma International Airport under the Upgrade SEA program.

Supply growth moderated in 2025 with 9,122 units delivered and 14,426 underway. New construction fell 20% year-over-year, and Yardi Matrix expects deliveries to ease further, to 8,434 units. Investment activity totaled \$3.9 billion in 2025, with the average price per unit up 6.3% year-over-year, to \$335,600 in December.

## Market Analysis | February 2026

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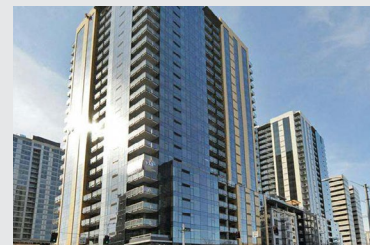
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Senior Associate Editor

### Recent Seattle Transactions

#### Via6



City: Seattle  
Buyer: Weidner Apartment Homes  
Purchase Price: \$287 MM  
Price per Unit: \$439,511

#### Dockside



City: Kent, Wash.  
Buyer: MG Properties  
Purchase Price: \$96 MM  
Price per Unit: \$277,907

#### Walton Lofts



City: Seattle  
Buyer: Berkshire Residential  
Investments  
Purchase Price: \$56 MM  
Price per Unit: \$406,569

#### Villas at Lakewood



City: Marysville, Wash.  
Buyer: Reliant Group  
Purchase Price: \$51 MM  
Price per Unit: \$213,542

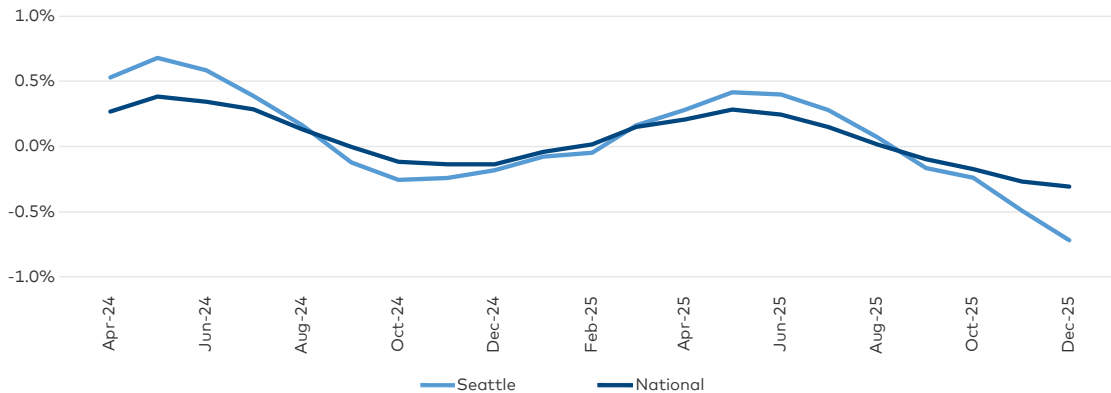
## RENT TRENDS

- ▶ Rent movement in Seattle plummeted at the end of 2025, with advertised asking rents down 0.7%, on a trailing three-month (T3) basis through December, to \$2,197, the weakest level since early 2023. Rent performance bore the brunt of the substantial stock expansion recorded in 2024 (5.0% of stock), as year-over-year, rents contracted 0.9%. Meanwhile, the national rate slid 0.3% on a T3 basis to \$1,737, and remained flat year-over-year.
- ▶ Rent movement was even across asset classes throughout the 2025 leasing season, down 0.7%, on a T3 basis through December, to \$2,451 in Lifestyle and \$1,837 in the Renter-by-Necessity (RBN) segment.
- ▶ The occupancy rate in stabilized properties pointed to sustained demand, up 30 basis points

year-over-year to 95.5% in November. Occupancy stood at 95.5% across property segments, following a 20-basis-point uptick in RBN and a 30-basis-point increase in Lifestyle.

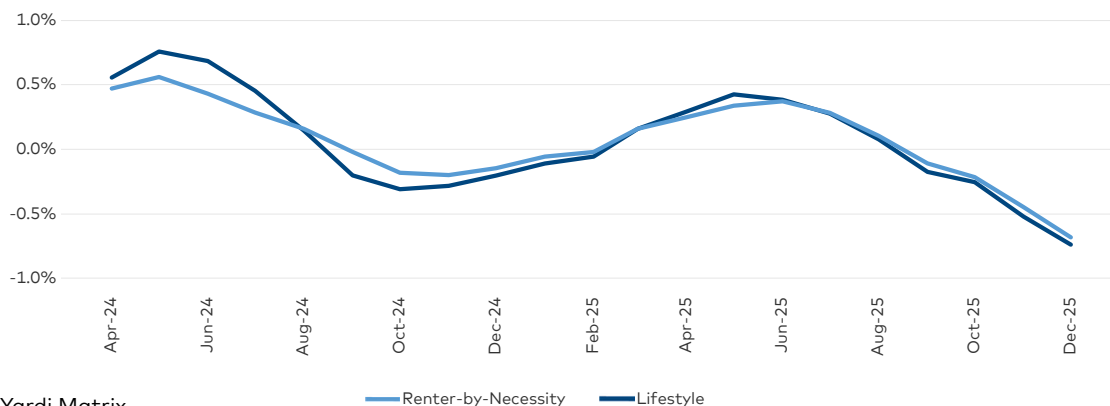
- ▶ Advertised asking rents increased year-over-year through December in 22 of the 53 submarkets tracked by Yardi Matrix, including Belltown (0.7% to \$2,794), which is the metro's the second priciest submarket. The most expensive remained Bellevue–West (-0.4% to \$3,068), with Issaquah rounding out the top three (-1.4% to \$2,722).
- ▶ The SFR sector outperformed multifamily, with rents down 0.4% year-over-year to \$3,075 in December, while occupancy increased 3.7% to 96.5% in November.

### Seattle vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

### Seattle Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

## ECONOMIC SNAPSHOT

- ▶ Seattle's employment growth decelerated to 0.6% year-over-year through September, trailing the 0.8% U.S. rate. Unemployment rose to 5.1% in November, up 100 basis points from the January rate, underperforming both the state (4.6%) and national figures (4.5%).
- ▶ Seattle lost 1,800 net jobs in the 12 months ending in September, with gains sustained by four sectors, led by education and health services (8,500 jobs), professional and business services (2,200) and leisure and hospitality (1,200). Another six sectors lost 14,400 jobs combined, with the steepest drops recorded in manufacturing (-6,700), mining, logging and construction (-5,300) and financial activities (-800).
- ▶ Seattle's 20-acre Waterfront Park was completed in September, and work is underway on the Elliott Bay Connections greenway from Pier 62 to Smith Cove, supporting downtown foot traffic for street retail and hospitality. At Seattle-Tacoma International Airport, Checkpoint 6 reopened in November under Upgrade SEA as the C Concourse Expansion advances from 81,000 to 226,000 square feet ahead of a planned 2026 opening, supporting airport-linked hotel and industrial nodes. Seattle also launched the downtown Climate Innovation Hub in early 2025, while life sciences venture funding reached \$1.2 billion. Greater Seattle Partners reported AI firms secured more than \$679 million through August 2025, reinforcing office and lab demand.

### Seattle Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	265.7	13.7%
60	Professional and Business Services	360	18.5%
70	Leisure and Hospitality	188.8	9.7%
80	Other Services	64.5	3.3%
40	Trade, Transportation and Utilities	310.7	16.0%
90	Government	255.9	13.2%
50	Information	135.3	7.0%
55	Financial Activities	90.5	4.7%
15	Mining, Logging and Construction	109.2	5.6%
30	Manufacturing	162.1	8.3%

Sources: Yardi Matrix, Bureau of Labor Statistics

### Population

- ▶ Seattle's population growth recorded a 3.4% uptick between 2019 and 2022, leading the 2.0% U.S. average.
- ▶ According to U.S. Census Bureau population estimates from 2022 to 2024, Seattle's growth stood at 2.6%, maintaining its lead over the 1.8% national rate.

### Seattle vs. National Population

	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Seattle Metro	3,871,323	3,928,498	3,971,125	4,001,701

Source: U.S. Census

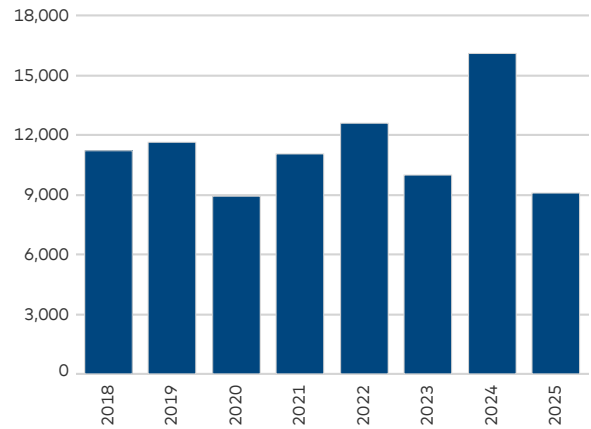
## SUPPLY

- ▶ Developers delivered 9,122 units in Seattle in 2025, the second lowest volume recorded over the last decade, 2.8% of existing stock and 20 basis points below the U.S. rate. This comes after the best year for supply growth over the 10-year period (16,101 units). Seattle's inventory has gained nearly 59,000 units since 2021. Delivery composition last year consisted of 72.3% Lifestyle, 18.3% fully affordable and 9.4% RBN units.
- ▶ At the end of 2025, developers had 14,426 units under construction and 104,000 in the planning and permitting phases. The under-construction pipeline encompassed 66.4% Lifestyle, 26.5% fully affordable and 7.1% RBN units. Yardi Matrix's outlook anticipates a sustained moderation in supply growth, to 8,434 units.
- ▶ In line with national trends, new construction tempered in Seattle in 2025, down 20% year-over-year, to 4,767 units across 25 properties from 2024.
- ▶ Developers were active in 31 of the 53 submarkets tracked by Yardi Matrix, with the highest volume of units underway in Belltown (1,592 units), Shoreline (1,476) and Marysville/Monroe

(1,133). The former was also the only high-priced submarket to record year-over-year rent gains.

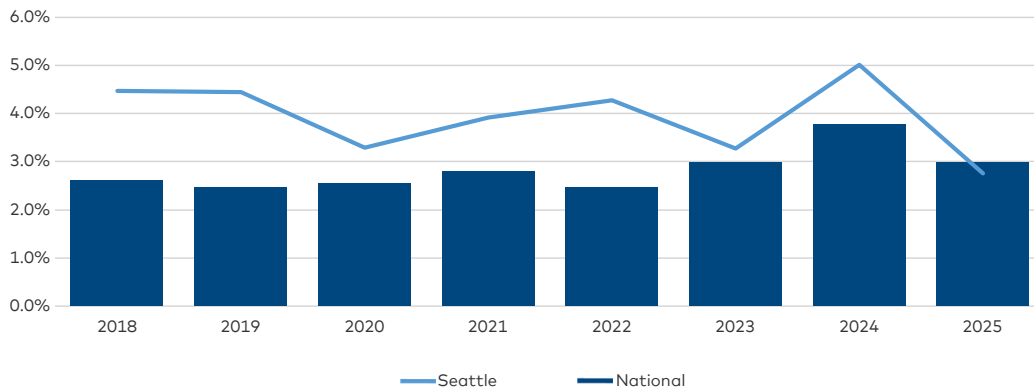
- ▶ The largest project delivered in 2025 was East-line Grand, a 623-unit, partially affordable, Lifestyle property in Redmond that includes 33,000 square feet of retail space. The mixed-use asset is owned by Legacy Partners and Lionstone Investments and was built with aid from two construction loans totaling \$204 million.

**Seattle Completions** (as of December 2025)



Source: Yardi Matrix

**Seattle vs. National Completions as a Percentage of Total Stock** (as of December 2025)



Source: Yardi Matrix

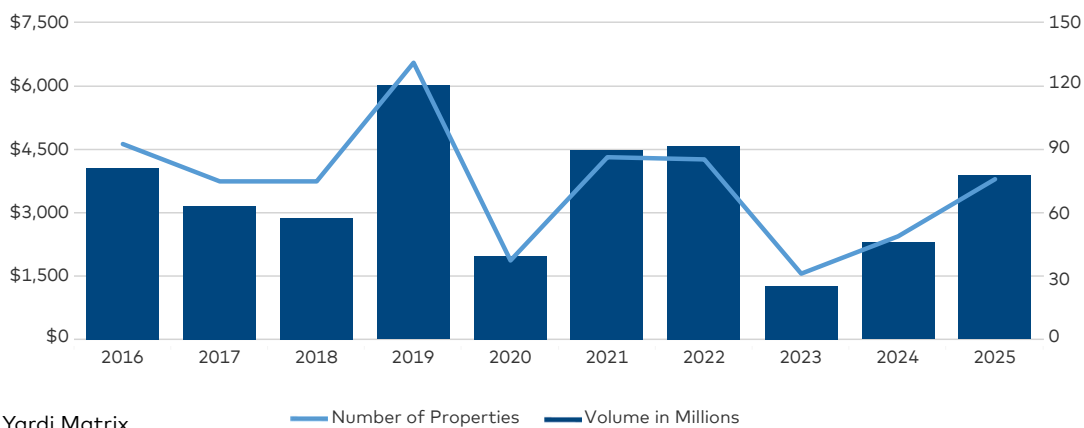
## TRANSACTIONS

- ▶ Seattle's investment activity was moderate in 2025, totaling \$3.9 billion across 76 multifamily assets. While transactions maintained a recovery trend for the second consecutive year from the decade-low recorded in 2023 (\$1.3 billion), 2025's sales volume was the fifth highest total in the last 10 years.
- ▶ While investor interest was slightly higher for RBN assets, accounting for 55% of the transactions recorded in 2025, the average price per unit increased 6.3% year-over-year, to \$335,600

in December, while the U.S. figure rose to \$205,495 following a 6.7% increase.

- ▶ The priciest property sold in 2025 was Via6, a 654-unit, Lifestyle property in Belltown, acquired by Weidner Apartment Homes from Bentall Kennedy for \$287 million. The acquisition was completed with aid from a \$186 million CMBS loan issued by Jones Lang LaSalle. The mixed-use asset is LEED Gold certified and includes 10,000 square feet of retail space.

### Seattle Sales Volume and Number of Properties Sold (as of December 2025)



Source: Yardi Matrix

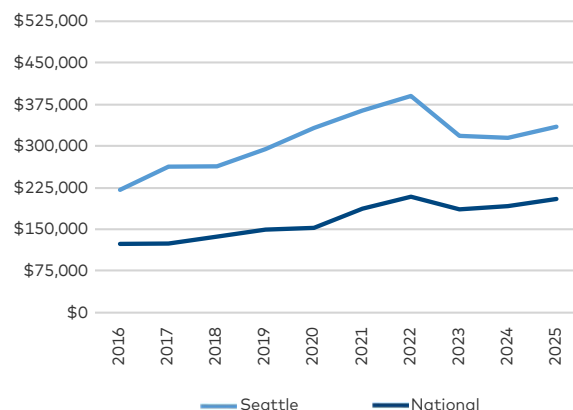
### Top Submarkets for Transaction Volume<sup>1</sup>

Submarket	Volume (\$MM)
Belltown	648
Redmond	322
First Hill	244
Bellevue–West	226
Queen Anne	216
Ballard	175
Capitol Hill/Eastlake	168

Source: Yardi Matrix

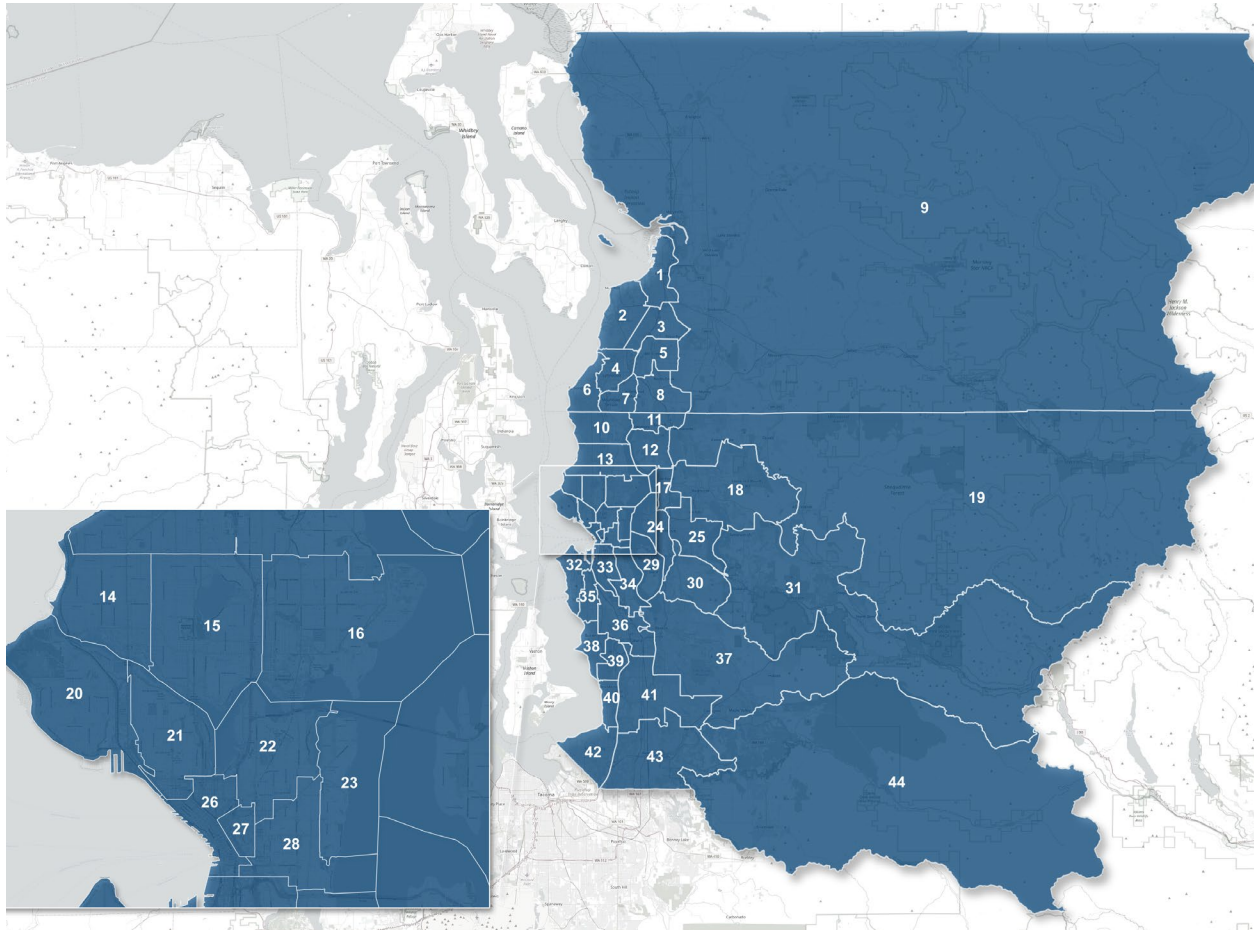
<sup>1</sup> From January 2025 to December 2025

### Seattle vs. National Sales Price per Unit



Source: Yardi Matrix

## SEATTLE SUBMARKETS



Area No.	Submarket
1	Central Everett
2	Paine Field
3	Silver Lake
4	Lynnwood
5	Mill Creek
6	Edmonds
7	Mountlake Terrace
8	Thrashers Corner
9	Marysville/Monroe
10	Shoreline
11	Bothell
12	Juanita
13	North Seattle
14	Ballard
15	Greenlake/Wallingford

Area No.	Submarket
16	University
17	Kirkland
18	Redmond
19	Woodinville/Totem Lake
20	Magnolia
21	Queen Anne
22	Capitol Hill/Eastlake
23	Madison/Leschi
24	Bellevue-West
25	Bellevue-East
26	Belltown
27	First Hill
28	Central
29	Mercer Island
30	Factoria

Area No.	Submarket
31	Issaquah
32	West Seattle
33	Beacon Hill
34	Rainier Valley
35	White Center
36	Riverton/Tukwila
37	Renton
38	Burien
39	Seatac
40	Des Moines
41	Kent
42	Federal Way
43	Auburn
44	Enumclaw

## DEFINITIONS

**Lifestyle households (renters by choice)** have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

**Renter-by-Necessity households** span a range. In descending order, household types can be:

- ▶ *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- ▶ *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- ▶ *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- ▶ *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- ▶ *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- ▶ *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

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