



MULTIFAMILY REPORT

Seattle Market Slow

November 2023

YoY Rent Growth Among Lowest in US

Occupancy Remains Above 95%

Supply, Investment Moderate

SEATTLE MULTIFAMILY



Steady Demand Amid Tepid Fundamentals

Seattle's multifamily fundamentals remained tepid through the first three quarters of 2023, with contracted supply and investment activities and limited positive rent movement. In line with seasonal patterns and after five straight months of slight gains, rent growth dropped back into negative territory, down 0.3% on a trailing three-month basis through September, to \$2,186. Yet demand remained healthy, with the annual occupancy rate in stabilized properties staying flat, at 95.4% in August.

Seattle unemployment rose to 3.8% in August, according to data from the Bureau of Labor Statistics, up from the low 3.0% rate it maintained for most of the year. The figure was on par with the U.S. and trailed the 3.6% state average. Meanwhile, in the 12 months ending in July, the employment market added 50,900 jobs, up 3.6%. Although it remained on a downward trend, it was 100 basis points ahead of the national rate. Information was the only sector to contract, down by 8,700 positions. Leading job growth were leisure and hospitality and education and health services, accounting for more than half the jobs gained during the period. Despite challenges, the professional and business services sector expanded by 3,000 jobs.

Developers delivered 3,613 units and had 32,000 units under construction, but the ongoing financing woes halved the volume of new projects. Meanwhile, total investment plummeted to just \$654 million through September, for a \$332,985 per-unit price.

Market Analysis | November 2023

Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x2404

Doug Ressler

Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

Author

Anca Gagiuc

Senior Associate Editor

Recent Seattle Transactions

Radiate



City: Redmond, Wash.
Buyer: Jackson Square Properties
Purchase Price: \$125 MM
Price per Unit: \$346,722

The Lakes



City: Bellevue, Wash.
Buyer: Waterton
Purchase Price: \$103 MM
Price per Unit: \$388,396

128 on State



City: Kirkland, Wash.
Buyer: Waterton
Purchase Price: \$64 MM
Price per Unit: \$516,260

Artesia By The Lake



City: Everett, Wash.
Buyer: MG Properties
Purchase Price: \$62 MM
Price per Unit: \$320,533