

Yardi® Matrix

Relentless Seattle

Multifamily Report Spring 2019

Rent Growth Stalls

Per-Unit Prices Hit New Peak

Development to Reach Cycle High

SEATTLE MULTIFAMILY

Market Analysis

Spring 2019

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Strong Employment Powers Demand

Tech and e-commerce continue to fuel Seattle's economy, keeping the metro among the country's top-performing multifamily markets. Young professionals are boosting housing demand, maintaining healthy absorption amid a slow but steady rent growth deceleration. With the pace of development slowing down, the year-over-year rent growth rate remained almost flat in the last quarter of 2018 and going into 2019, at 2.5% as of February.

Seattle added 57,800 jobs in 2018, with nearly two-thirds in trade, transportation and utilities (16,900 jobs), professional and business services (11,900) and information (8,000)—the metro's top-performing sectors. The future looks even brighter with Google, Facebook, WeWork and Amazon announcing expansions. Amazon alone has more than 9,000 open positions in the metro.

Seattle remained attractive to both out-of-state and Canadian investors, as more than \$500 million in multifamily assets sold in the metro during the first two months of 2019. Although new deliveries are anticipated to peak this year, employment and population growth should push rental demand further. Yardi Matrix expects Seattle rents to advance 4.0% in 2019.

Recent Seattle Transactions

Metro 112



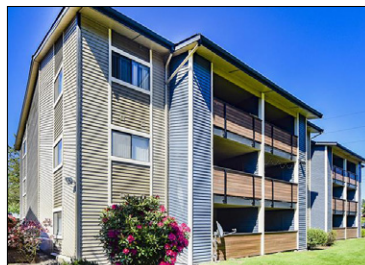
City: Bellevue, Wash.
Buyer: Nuveen Real Estate
Purchase Price: \$160 MM
Price per Unit: \$446,927

The Park in Bellevue



City: Bellevue, Wash.
Buyer: Continental Properties
Purchase Price: \$91 MM
Price per Unit: \$493,207

Grammercy



City: Renton, Wash.
Buyer: Bridge Investment Group
Purchase Price: \$87 MM
Price per Unit: \$228,141

Boulder Creek



City: Sammamish, Wash.
Buyer: Nuveen Real Estate
Purchase Price: \$85 MM
Price per Unit: \$414,706