

Yardi® Matrix

Seattle Steams Ahead

Multifamily Report Summer 2019

Job Growth Outperforms

Deliveries Slated for Cycle Peak

Investor Interest Remains Elevated

SEATTLE MULTIFAMILY

Yardi® Matrix

Market Analysis

Summer 2019

Contacts

Paul Fiorilla

Associate Director of Research
Paul.Fiorilla@Yardi.com
(800) 866-1124 x5764

Jack Kern

Director of Research and Publications
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Author

Adina Marcut

Associate Editor

Construction Booms in Emerald City

Seattle’s multifamily market continues to show strong fundamentals, exceeding national averages for most indicators. Along with a healthy economy and robust population growth, the metro is recording impressive investment activity and steady apartment absorption despite a strong development pipeline.

Seattle gained nearly 50,000 jobs in the 12 months ending in May for a 2.5% expansion, outperforming the 1.6% U.S. figure. While education and health services led growth, manufacturing has rebounded, with the sector gaining 7,700 positions. Home not only to Amazon but also Google, Facebook and many other tech companies, Seattle remains a tech juggernaut, adding high-paying jobs at a fast pace. The information sector gained 5,700 positions for a strong 5.0% expansion in the 12 months ending in May.

Although developers remain extremely busy, absorption is keeping up and there is little risk of overbuilding. There were more than 21,500 units under construction as of June, with 8,131 expected to come online by December, in addition to the 6,314 apartments delivered in this year’s first two quarters. And although development is slated to hit another cycle peak, we expect the average Seattle rent to advance 3.9% in 2019.

Recent Seattle Transactions

Metro 112



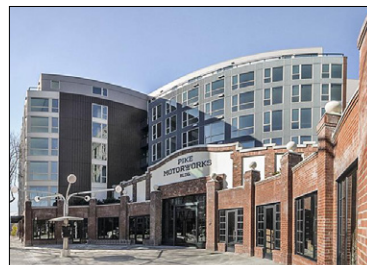
City: Bellevue, Wash.
Buyer: Nuveen Real Estate
Purchase Price: \$160 MM
Price per Unit: \$446,927

Taluswood



City: Mountlake Terrace, Wash.
Buyer: Security Properties
Purchase Price: \$132 MM
Price per Unit: \$257,715

Pike Motorworks Bldg



City: Seattle
Buyer: TA Realty
Purchase Price: \$128 MM
Price per Unit: \$528,106

Legacy at Pratt Park



City: Seattle
Buyer: Security Properties
Purchase Price: \$92 MM
Price per Unit: \$369,960