

SEATTLE-TACOMA, WA

2023 MARKET AT A GLANCE

Occupancy Rate

95.3%



DOWN 30 BPS YOY

Effective Rent

\$2,166



UP 3.7% YOY

Rent Share of Wallet

23.5%



UNCHANGED YOY

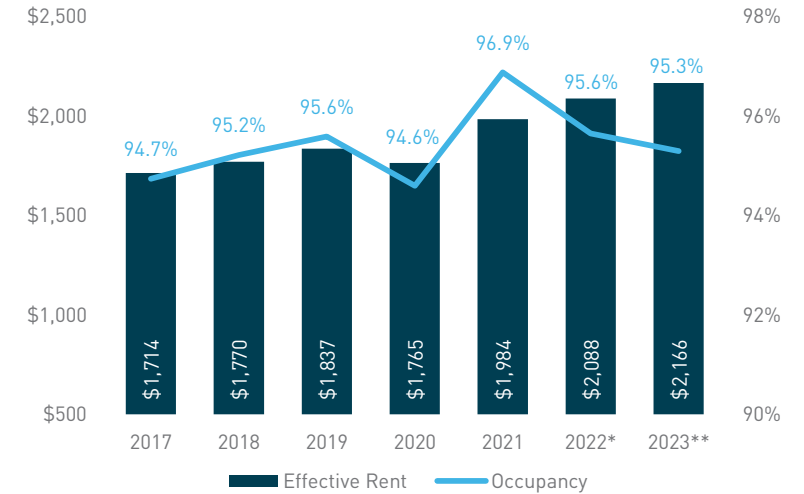
Apartment Leasing Projected to Approach Record Level in 2023

In 2023, metro Seattle is expected to continue its steady recovery from the 2020 economic downturn. This year, the market is projected to surpass its pre-pandemic job total of 2.13 million. Job growth has been a key factor in making Seattle one of the national leaders in net migration. With former residents returning and additional individuals relocating to Seattle in the coming year, demand for multifamily units is expected to reach its second-highest total over the past decade with over 15,600 net new leases signed. Downtown Seattle and neighboring submarkets along the I-5 corridor are forecasted to account for roughly 42% of all new leasing activity in 2023. The submarkets are within a short commute to many of the largest demand drivers in the Seattle metro, including Amazon.com Inc. and the University of Washington (UW). Enrollment at UW is projected to surpass 53,000 students in 2023, making it the university's largest enrollment on record. Roughly 70% of UW students live in non-university operated housing, creating sustained demand in the University District/Ballard submarket. In November 2022, Amazon announced plans to lay off roughly 10,000 corporate and technology specific jobs. The cuts would primarily impact Amazon's human resources, devices organization, and retail divisions. While the company did not specify which offices are likely to absorb the largest number of layoffs, most of them could be focused on the company's South Lake Union and Bellevue offices. Amazon should still be the largest private employer in the state, continuing to fuel housing demand.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2022 are projected values. 2023 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

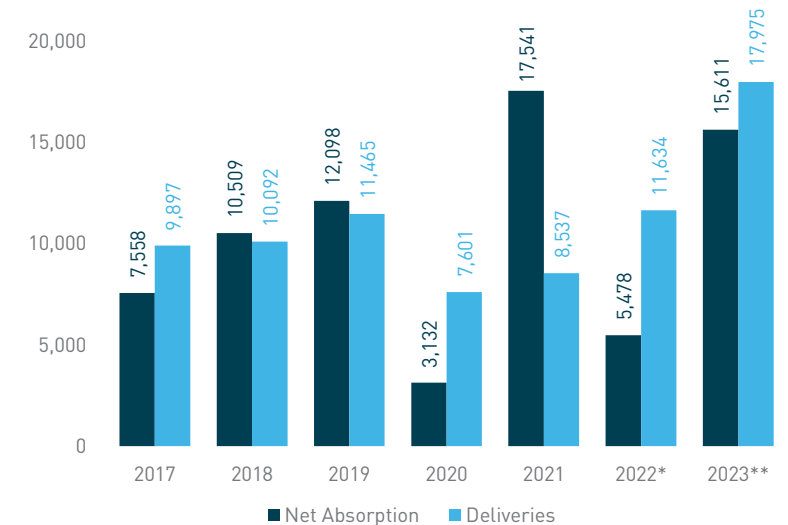
Apartment Trends

Effective Rent & Occupancy



*Projected **Forecast

Absorption & Deliveries

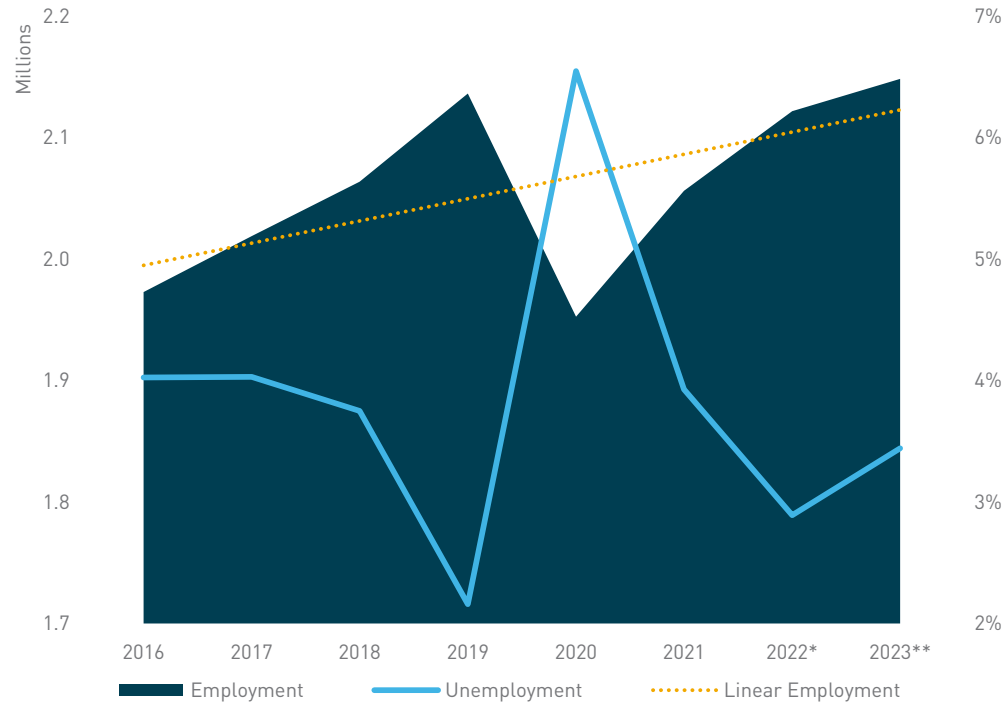


*Projected **Forecast

SEATTLE-TACOMA, WA

Employment Trends

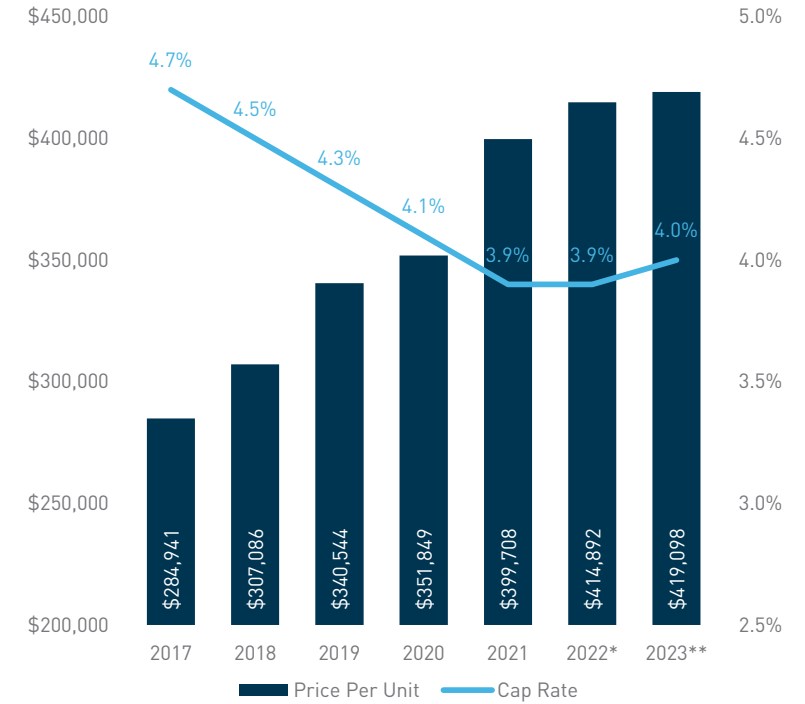
Market Employment Trends



*Projected **Forecast

Sales Trends

Price Per Unit & Cap Rate



*Projected **Forecast

<p>Employment</p> <p>2,148,500</p> <p>↑</p> <p>UP 1.2% YOY</p>	<p>Unemployment</p> <p>3.4%</p> <p>↑</p> <p>UP 50 BPS YOY</p>	<p>Median Household Income</p> <p>\$110,603</p> <p>↑</p> <p>UP 3.8% YOY</p>
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<p>Price Per Unit</p> <p>\$419,098</p> <p>↑</p> <p>UP 1.0% YOY</p>	<p>Cap Rate</p> <p>4.0%</p> <p>↑</p> <p>UP 10 BPS YOY</p>
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