



MARKET AT A GLANCE



OCCUPANCY RATE **95.0%**
Down **120 bps** since 3Q19



EFFECTIVE RENT **\$1,813**
Down **1.7%** since 3Q19

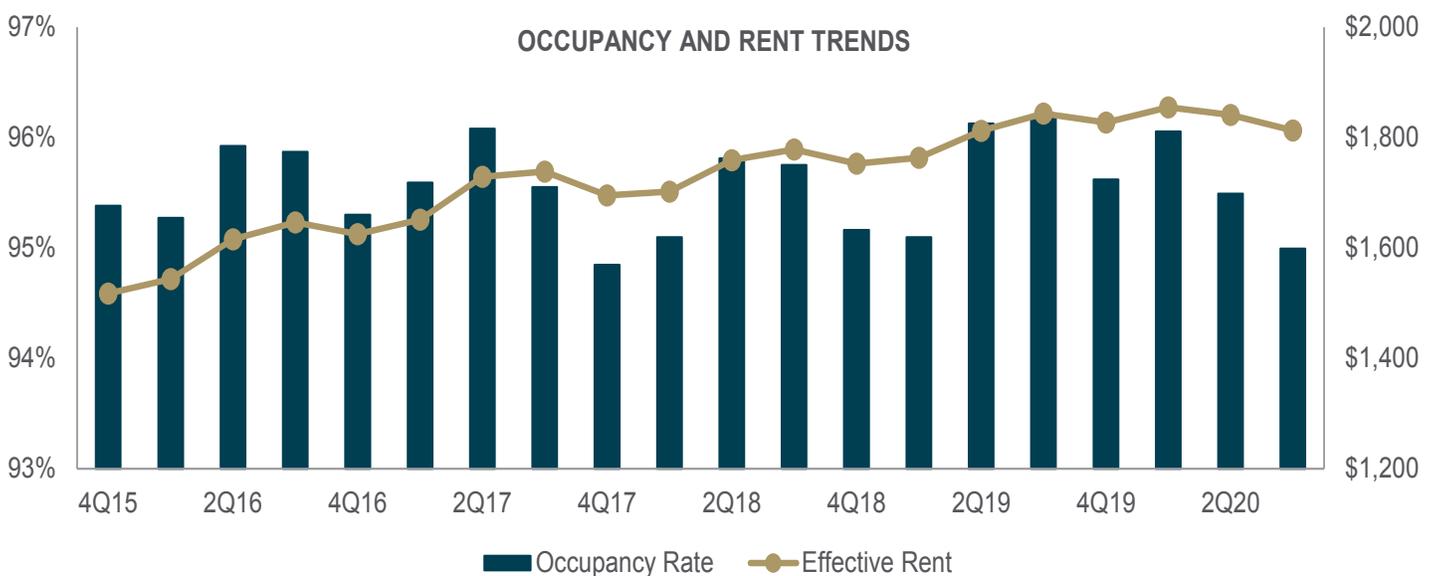


RENT PAYMENT TRACKER (Oct. 1-6) **84.0%**
Up **240 bps** since Sept. 1-6

OCCUPANCY AND RENT TRENDS

RENTERS SEEKING AFFORDABLE, SUBURBAN AREAS IN 3Q

More affordable, suburban apartment operators across the Seattle-Tacoma sustained rental demand during the third quarter. In the last decade, Everett emerged as one of the top in-demand suburbs, a trend that persisted in the last three months. Net absorption in the Everett submarket led all areas in the Seattle-Tacoma apartment market during the third quarter. Part of the appeal is the affordability of the area compared to the market. At an average of \$1,482, monthly effective rent in Everett advanced 1.5% in the third quarter. Even with the increase, the submarket rent remained below the \$1,813 average rent for the metro. Greater Seattle-Tacoma effective rent decreased on average 1.5% over the last three months amid negative net absorption in the urban core. Operators in these typically high-demand areas increased average concessions while facing heightened competition as inventory growth persisted. Additionally, supply-side pressure in the third quarter led to a 50-basis-point drop in metro occupancy to an average of 95.0%. The construction wave shows no signs of slowing down as work continued on 113 properties in the third quarter, which are scheduled to bring more than 22,000 units online by year-end 2022.



SEATTLE-TACOMA

MULTIFAMILY REPORT

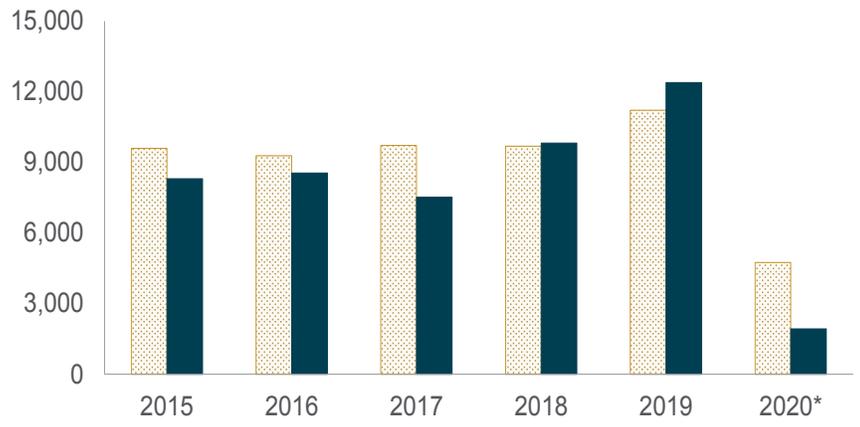
DELIVERIES AND DEMAND



DELIVERIES 4,746
Units YTD



NET ABSORPTION 1,925
Units YTD



*Year to date

■ Deliveries ■ Demand

ECONOMIC TRENDS

2019 3.2% UNEMPLOYMENT* 2020 8.0%
480 BPS CHANGE

2019 2.1m EMPLOYMENT* 2020 1.9m
-7.5% CHANGE

2019 48.5k EXISTING SFH SALES** 2020 53.5k
10.3% CHANGE

2019 4.0m POPULATION** 2020 4.0m
1.2% CHANGE

2019 1.70% 10-YEAR TREASURY** 2020 0.68%
-100 BPS CHANGE

*August; **September



SEATTLE-TACOMA

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	3Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	3Q20	Q-o-Q Change	Y-o-Y Change	3Q20	Annual	3Q20	Annual
Capitol Hill/Central District	93.7%	-200	-300	\$1,907	-3.6%	-3.9%	-65	76	622	1,134
Downtown Seattle	92.1%	-210	-380	\$2,480	-5.2%	-6.0%	-634	-1,065	0	79
East Bellevue/Issaquah	94.8%	-60	-180	\$1,952	-2.6%	-4.0%	-110	-342	0	0
East Pierce County	97.4%	90	100	\$1,541	3.0%	4.0%	209	475	72	334
Everett	95.9%	90	10	\$1,482	1.5%	-0.6%	423	198	190	190
Federal Way/Des Moines	96.8%	30	20	\$1,468	0.8%	1.7%	42	25	0	0
Kent/Auburn	96.6%	60	30	\$1,541	1.4%	1.5%	227	256	85	196
Kirkland/Bothell	95.2%	0	-50	\$1,886	0.0%	-1.8%	30	589	32	752
Lynnwood/Edmonds/Mukilteo	95.9%	40	-30	\$1,605	1.2%	-1.2%	80	-65	0	0
North Seattle/Shoreline	95.2%	-20	-100	\$1,596	-0.4%	-0.3%	198	177	243	407
North Tacoma	96.4%	40	30	\$1,487	2.4%	4.0%	73	132	0	86
Redmond	95.6%	-60	-90	\$2,016	-2.8%	-4.2%	36	1,169	126	1,344
Renton	95.9%	10	70	\$1,707	0.3%	-1.9%	13	260	0	158
SeaTac/Burien	96.0%	90	-20	\$1,539	2.1%	4.7%	137	-36	0	0
South Lake Union/Queen Anne	92.9%	-210	-350	\$2,327	-3.5%	-2.2%	-547	-238	0	716
South Tacoma/University Place	97.4%	80	0	\$1,334	2.3%	3.7%	247	160	170	170
Southwest Pierce County	97.6%	50	90	\$1,295	1.8%	4.3%	80	242	0	84
University District/Ballard	93.8%	-150	-220	\$1,967	-2.9%	-2.0%	-455	-204	72	593
West Bellevue/Mercer Island	94.2%	-120	-220	\$2,408	-4.0%	-5.4%	72	182	244	551
West Seattle/South Seattle	92.9%	-170	-220	\$1,830	-4.7%	-5.2%	-278	-250	47	170
TOTALS	95.0%	-50	-120	\$1,813	-1.5%	-1.7%	-219	1,742	1,903	6,964

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