


SIGNIFICANT LEASE DEALS

Address	Submarket/City	Square Feet	Tenant
1201 2nd Ave 2+U	Seattle	275,000	Qualtrics
333 Dexter Ave N	Seattle	640,000	Apple
1165 Eastlake Ave E	Seattle	100,000	Adaptive Biotechnologies

SIGNIFICANT BUILDING SALES

Address City	Sale Value Type of Sale	PPSF Cap Rate	SF Class	Buyer Seller
1420 5th Av/ 999 Third Av Seattle CBD	\$1,200,000,000 Fee Interest	\$621.25 -	943,575 Class A	Black Rock Ivanhoe Cambridge
901 Fifth Ave Seattle CBD	\$305,000,000 Fee Interest	\$562.83 4.74%	541,900 Class A	Vanbartron Group Schnitzer West Investcorp
509 Olive Way (Med/Dtl) Seattle CBD	\$113,000,000 Fee Interest	\$397.55 5.80%	284,239 Class B	Menashe Properties Goodman Real Estate

LARGEST DELIVERIES


Address	Submarket/City	SF	Developer
469 Central Way	Kirkland Urban	220,000	Talon/Ryan/PGIM
630 Boren Ave N	Seattle	148,264	Vulcan Inc
2575 Williamson Pl	DuPont	40,397	Davis Property & Inv


LARGEST UNDER CONSTRUCTION

Address	Submarket/City	SF	Delivery Date
1324 Westlake Ave Block 20	Seattle	1,100,000	Dec 2019
1301 5th Ave Rainier Square	Seattle	801,000	Sept 2020
1201 2nd Ave - 2+U	Seattle	686,908	Dec 2019

TOTAL OFFICE MARKET STATISTICS


	Vacancy Rate	Avg. SF Rental Rates GRS	Net SF Absorption	SF Inventory	SF Under Construction
Q3 2019	6.00%	\$34.42	1,326,333	205,622,394	6,636,791
Q2 2019	6.40%	\$33.66	1,500,426	205,172,105	6,496,532
Q1 2019	6.60%	\$33.31	(31,431)	204,051,201	7,298,627
Q4 2018	6.20%	\$32.76	1,277,887	203,229,562	8,131,700
Q3 2018	6.90%	\$33.20	677,304	203,243,085	7,648,254

 **1,326,333** NET ABSORPTION SF

 **6.0%** VACANCY
12,281,166 SF

 **\$34.42** AVG. ASKING RATE PSF GROSS

 **475,908** DELIVERIES
5 Buildings

 **6,636,791** UNDER CONSTRUCTION
25 Buildings

MACGREGOR MILLER, Principal

The Seattle office market continues to be one of the strongest in the country with tech and biotech companies taking more space in both the CBD and Eastside submarkets. As a sign of commitment to the Eastside market, Google purchased a 240,000-SF building in Kirkland. Investor interest in the greater Seattle market continues to be exceptionally strong with a number of trophy and suburban office projects selling at premium prices. But data indicates that the explosion of new office development may have peaked, and it is unclear what impact WeWorks' troubles will have on the market.