



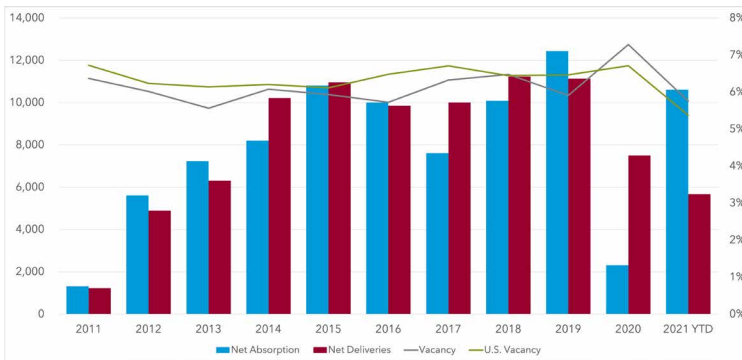
MULTIFAMILY MARKET OVERVIEW

CANDICE CHEVAILLIER, CCIM, *Principal*

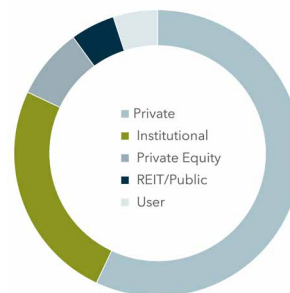
The most remarkable element of Q2 for the Seattle MSA was how quickly recovery from the pandemic has begun with a surge in rental demand. 12 month absorption in Q2 more than doubled over Q1. Vacancy rates dropped by 13% and asking rents began to climb. We are expecting absorption to remain strong and vacancy to continue to tighten. Then will come long-awaited rent growth. Apartments in our region missed a year of rent increases due to regulation while expenses continued to climb. But values held, and average cap rates actually dropped. We expect rents to continue to grow, allowing for improved cashflows, which will continue to attract strong investor demand.

MARKET INDICATORS	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
▲ 12 Mo. Absorption Units	10,824	4,315	2,309	3,416	6,196
▼ Vacancy Rate	5.9%	6.7%	7.3%	7.1%	6.2%
▲ Asking Rent/Unit (\$)	\$1,822	\$1,718	\$1,673	\$1,693	\$1,726
▼ Under Construction Units	21,971	23,782	24,099	23,226	24,571
▲ Inventory Units	354,158	350,843	348,484	347,269	344,332

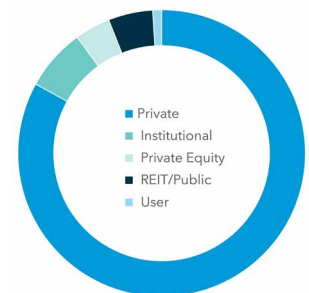
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS BY SF	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
8935 160th Avenue NE Redmond, WA	\$97,700,000	222	Acacia Capital Corporation AvalonBay Communities, Inc.
12655 120th Avenue NE Kirkland, WA	\$88,300,000	202	Bell Partners, Inc. Trinsic Residential Group
2 W Casino Road Everett, WA	\$38,600,000	217	Lincoln Avenue Capital DH & G Properties, LLC

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Kennedy Wilson Properties	\$366,000,000
Carmel Partners	\$279,100,000
TruAmerica Multifamily, Inc.	\$223,800,000
Mill Creek Residential Trust LLC	\$197,325,000
Su Development	\$170,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
OMERS	\$320,000,000
Deutsche Bank AG	\$279,100,000
Greystar Real Estate Partners	\$236,164,000
The Blackstone Group Inc.	\$223,800,000
MG Properties Group	\$191,000,000

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2021 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com