LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q2 2026
PACIFIC NORTHWEST, WA

MULTIFAMILY MARKET OVERVIEW

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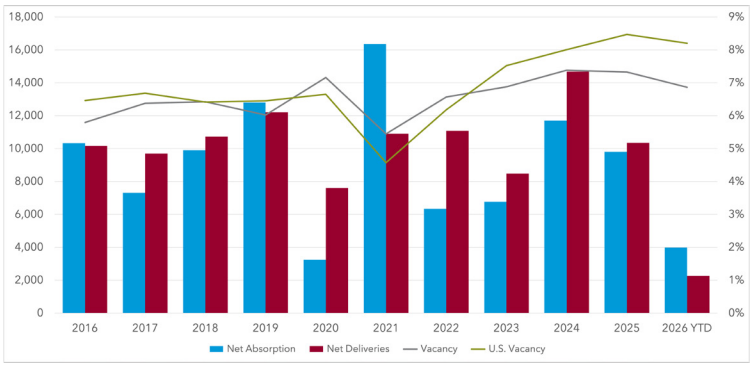
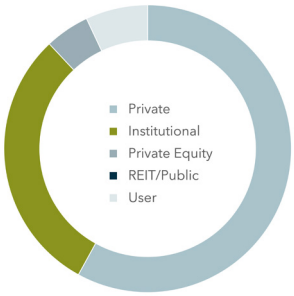
The Puget Sound multifamily market continued its gradual stabilization during the second quarter as key fundamentals moved in a positive direction. Vacancy declined to 6.9% as renter demand continued to absorb available inventory, while rents posted modest growth, signaling improving pricing power for owners. At the same time, the development pipeline continues to moderate, supporting a healthier long-term supply-demand balance. Although capital markets remain disciplined and transaction activity is selective, improving occupancy, steady rent growth, and slowing new deliveries suggest the market is transitioning from correction toward a more stable operating environment. Barring a significant shift in interest rates or the broader economy, we expect fundamentals to continue improving at a measured pace through the remainder of the year.

MARKET INDICATORS	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
▼ 12 Mo. Absorption Units	6,249	8,546	9,801	11,221	12,553
▼ Vacancy Rate	6.9%	7.1%	7.3%	7.3%	7.1%
▲ Asking Rent/Unit	$2,129	$2,095	$2,073	$2,094	$2,112
▲ Sale Price/Unit	$275,941	$253,457	$299,859	$294,976	$337,042
▼ Cap Rate	5.1%	5.6%	5.6%	5.5%	5.8%
▼ Under Construction Units	15,175	15,640	14,155	14,677	12,944
▲ Inventory Units	407,921	406,406	405,263	404,205	401,735

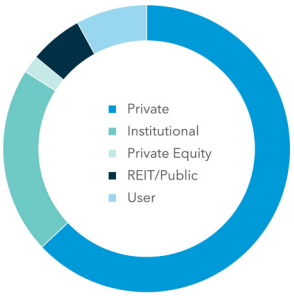
NET ABSORPTION, NET DELIVERIES, & VACANCY



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	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
18463 Blueberry Lane, SE Monroe, WA	$66,500,000 $299,550 Per Unit	222	Sagard Real Estate Coast Equity Partners
2134 Western Avenue Seattle, WA	$60,900,000 $406,000 Per Unit	150	Seattle Social Housing Developer Johnson Development Associates
6300 9th Avenue, NE Seattle, WA	$59,250,000 $426,259 Per Unit	139	Green Diamond Resource Company High Street Residential

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Goodman Real Estate, Inc.	$351,875,000
Washington Holdings	$200,400,000
Pollard Entities	$200,400,000
Kennedy Wilson	$198,033,000
Pacific Life Insurance Company	$191,999,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Security Properties	$592,799,000
Weidner Property Management	$295,000,000
Bell Partners	$220,500,000
CBRE Investment Management	$189,306,000
Kohlberg Kravis Roberts	$172,000,000

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