



Market Study of:
Seattle–Bellevue–Everett MD Apartment Market

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SEATTLE-BELLEVUE-EVERETT MD APARTMENT MARKET

Overview

By June of 2015 (our mid-year survey), the Seattle-Bellevue-Everett MD apartment market experienced rising demand, declining vacancy rates, and positive rent growth. The Metro market absorbed 5,452 new apartment units (supply). Considering this historic amount of new supply, it is remarkable that the vacancy rate declined from year-end 2014 (2.9%) to a mid-year vacancy in 2015 of 1.6%, although by year-end 2015 vacancy rates are expected to increase slightly, to 2.2%, in the Seattle-Bellevue-Everett MD (also referred to as the Seattle-MD or MD throughout this report).

The Seattle MD absorbed 11,101 apartment units by mid-year 2015, based upon 5,452 new units leasing and 5,649 existing units leasing, via the drop in vacancy. There is a large amount of supply that remains in the pipeline on the verge of entering the market. However, considering the strength of demand based largely on Seattle Metro's strong employment growth, we expect demand to remain strong, with a predicted year-end demand of 13,489 units, the most of any year, including the great apartment boom in the 1980s.

The success of online retail giant, Amazon.com, has been no secret. The company's success has played a major role in shaping the apartment market in the Seattle MD and the Seattle submarket in particular over the past several years. Looking forward, we can expect Amazon to continue to influence the market in a significant manner and perhaps even more significantly than in the past considering that Amazon is expected to have a total of 10 million square feet of office space within five years. More than twice what the company currently occupies.

Amazon.com currently occupies approximately 4.4 million square feet of office space and employs an estimated 24,000 people in the state of Washington, the majority of which work in the Seattle Downtown area. Construction is underway on the first phase of a three phase development project that will add an additional 3.3 million square feet and house another 15,000 to 20,000 employees. By 2019 Amazon is expected to have 10 million square feet of office space which can accommodate 70,000 employees. This will certainly play an influential role in the Seattle MD apartment market going forward.

After record low vacancy rates in 2014, it was hard to believe that rates could get much lower, especially given the vast supply on the verge of entering the market, yet by mid-2015, vacancy rates across the Seattle MD had dropped to shockingly low rates (1.6%). The Region absorbed 11,101 total units (5,452 new units and 5,649 existing units), just under the total 11,216 units absorbed in 2014, and this is only halfway through 2015.

Given the popularity of the region for development, it is not surprising to see that the Seattle MD has 19,554 units currently under construction and 3,385 or 17% of those units will impact the market (lease) in the second half of 2015. In 2016, 11,722 units or 60% of the current units under construction will enter the market. The remaining 4,455 (23%) of these units will enter into the market by the third quarter of 2017, with an additional 2,141 units completed beyond our forecast period. The Seattle MD apartment market is on a possible record setting pace in terms of the amount of supply and demand impacting the market.

The Seattle-Bellevue-Everett MD (Metropolitan Division,) includes King and Snohomish counties and will be referred to as the Seattle MD for the remainder of this section.

The year 2014 continued the record setting pace of 2013 in the Seattle MD. In 2013 we saw supply figures that have not been seen in over a decade (6,265 Units). By year-end 2014, over 8,800 new units of supply were absorbed into the market. It was the largest amount of supply to enter the market in a single year since 1990. This trend has continued into 2015, as demand in the MD grows beyond that of 2014.

The amount supply that entered the market in 2013, 2014, and by mid-2015, followed by the amount expected to enter year-end 2015 and into 2016 and 2017 resembles the apartment boom the Seattle MD experienced in the late 1980's, with demand figures surpassing those that were seen during the peak of the boom in the 80s. This is because we have continued to see strong net in migration, job growth, and a declining trend in homeownership throughout the region.

Equally compelling is the strength of demand. As previously mentioned, during the first half of 2015 there were almost 11,101 units of supply that were absorbed into the market and yet the vacancy rate continued to decrease, from 2.9% at year-end 2014 to 1.6% within six months, indicating the strength of apartment demand in the Seattle MD.

The Seattle MD apartment market experienced 11,101 units of demand by mid-year 2015, nearly equal to the entire year demand of 2014 (11,216). Remarkably, the combined total demand for the last three years (2012, 2013, and 2014) is approximately 23,600 units. The estimated 2015 annual demand figure is 13,489 units (over half the demand seen in the last three years combined). The strength of the Seattle MD economy as a whole; the rapid job creation, and the decline in homeownership has been largely responsible for the strength of demand seen in the apartment market.

As the reader will see, we have witnessed significant new supply enter the Seattle MD apartment market in 2012, 2013, and 2014, and are expecting a more substantial amount of new supply in 2015 and 2016, into 2017. What is most fascinating to note about the current supply pipeline is not only the amount of new units that are currently under construction, which is 19,554 units, but also where those units are located throughout the market.

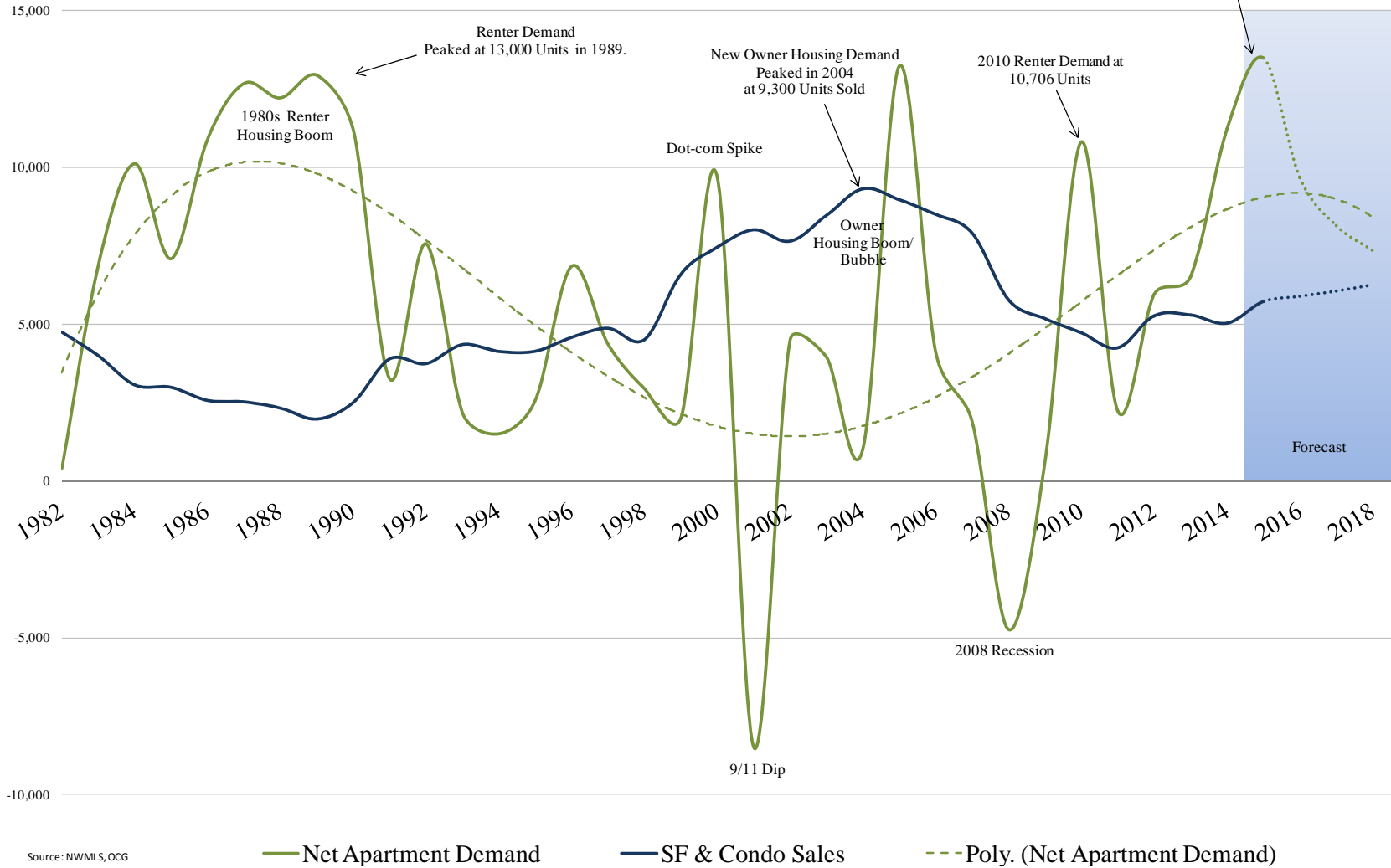
Seattle has gained a reputation in many national and international publications as a potential haven for commercial real estate investment. While a dearth of available financing left many small and mid-size developers unable to meet rising demand, larger investment bodies, such as pension funds and real estate investment trusts (REIT's,) were happy to find a viable outlet for large amounts of capital that needed to be placed. The result has been heavy investment in the lowest risk area(s) within the Seattle-Bellevue-Everett MD, or more pointedly, the Seattle core. This has resulted in the Seattle core currently having 7,132 units under construction, or 36% of all units under construction in the Seattle MD. Additionally, the Seattle MD's connection to China and other Asian countries has further driven investment capital into the region through the EB-5 program, which offers residency options to foreign investors who contribute at least \$500,000 for projects that create jobs in America.

Where are we in this housing cycle?

The following chart compares historic demand for new ownership units versus the demand for apartment units. The reader should note the reciprocal relationship between these two sectors, which is especially evident when observing the trend-line associated with apartment demand. The somewhat volatile nature of the apartment demand also becomes apparent, which the reader may have noticed does not continue in our forecast period. This is due to a combination of estimated employment and household growth (via *Puget Sound Economic Forecaster*) and a general shift in housing tenure from ownership to rental units.

Housing Cycle: New Owner Demand vs. Renter Demand (Units)

(King and Snohomish Counties 1980-2015, Forecast 2016-2018)



Historic Market Overview

Before we discuss our supply/demand forecast for Seattle-Bellevue-Everett MD apartment market, we will quickly examine some historical trends of the Seattle MD apartment market from the last decade.

In 2005, new apartment supply decreased to a six-year low. Simultaneously, new apartment demand rebounded from a low of 855 in 2004 to 13,116 units in 2005. As a result of this increase in demand and the erosion of supply, vacancy rates trended aggressively downward, from 5.1% at year-end 2005 to 3.4% by year-end 2006. In that same period rents rose by 13%, compared to a 1.9% increase in 2005.

Historical Apartment Supply and Demand Seattle-Bellevue-Everett MD						
Year	Apartment Demand	New Apartment Supply	Year End Vacancy	Rent Change	New Jobs	New Jobs per Unit of Demand
2005	13,235	1,153	5.1%	1.9%	34,800	2.63
2006	4,097	1,897	3.4%	13.0%	44,300	10.81
2007	1,895	2,541	3.5%	8.5%	44,400	23.43
2008	-4,743	1,911	5.0%	1.4%	15,600	-3.29
2009	598	4,101	5.7%	-10.3%	-79,900	-133.52
2010	10,813	4,130	4.2%	5.4%	-13,700	-1.27
2011	2,228	2,250	4.1%	7.7%	27,900	12.52
2012	5,953	3,285	3.5%	5.4%	38,800	6.52
2013	6,512	6,536	3.7%	4.4%	40,200	6.17
2014	11,216	8,390	2.9%	9.0%	46,200	4.12

Source: OCG

During 2006, new apartment supply began to increase but could not keep up with demand which caused vacancy rates to fall to 3.4% and rents to rise 13%. In 2007 we saw a dramatic increase in new apartment supply with more than 2,500 newly constructed units that year. New construction of this magnitude had not been seen since 2002. As a result vacancy rates began to rise and rents began to fall.

The year 2008 marked a substantial shift in the rental market, with vacancies once more on the rise as new supply (1,911 units) continued to bear on the market in the face of significant negative demand (-4647 units.) While demand rose to 569 units in 2009, 4,023 new units impacted the market that year, driving the vacancy to the peak rate of 5.7% by year-end and putting significant downward pressure on rents, which declined by over 10% that year.

Apartment demand increased sharply in 2010, to 10,867 units, the greatest amount in over ten years. We believe that much of the demand exhibited that year was the result of decreased rents and pent up apartment demand from 2008/2009. As the reader is likely aware, the financial turmoil of those years lead many renters to seek affordable living options, such as seeking roommate situations or moving back in with family. It was during this period that the highly ephemeral “shadow market” likely absorbed a significant portion of rental demand, our estimate was 20% for that year, as many speculative property owners were unable to sell vacant homes.

The market conditions that characterized our national and local economy after the economic shift of 2008 resulted in tighter lending practices and rising equity requirements. Similar to the banks, private equity firms became highly selective, with most looking to control the amount of risk in their portfolios during a time of market uncertainty. The difficulty financing new apartment projects from 2009 to 2010 created a sizeable dip in the supply pipeline in 2011, the ripples of which are still being felt today. In that year, approximately 2,200 new units entered the market. Demand in 2011 was for 2,219 units, which may be less than the reader would expect, though still enough to push vacancies down to 4.1% by year-end. We believe that the heated demand of 2010, fueled by the decreased rents of 2009, likely included some of the demand that may have otherwise been witnessed in 2011, partially reducing the amount of demand actually displayed that year.

The Seattle MD displayed healthy demand for apartments in 2012 (5,927 units) bringing regional vacancies from 4.1% at year-end 2011 to 3.5% by year-end 2012. In 2013, apartment demand increased further in the Seattle to 6,665 units, while nearly doubling the amount supply (6,265 new units) compared to 2012. The result was an increase in the vacancy rate from 3.5% at year-end 2012 to 3.7% at year-end 2013. This was not a significant increase in vacancy, illustrating the strength of the demand for apartments in the Seattle MD.

In 2014 the Seattle MD saw approximately a 1% decline in the vacancy rate, while absorbing 8,839 new units and 2,171 existing units for a total demand figure of 11,261.

Halfway through 2015, we have a recorded 5,452 new units absorbed and 5,649 existing units for a total demand figure of 11,101 units. By mid-year 2015 we have nearly reached 2014s total demand. The second half of 2015 we will see demand slow down, with an annual demand estimate of closer to 13,500 units (new and existing), which is still a record and well above the already impressive demand seen in 2014.

Forecasting Demand

New demand is closely linked to new jobs and new people. By forecasting both, we can accurately predict household growth, which can then be used to determine new apartment demand. Below we have detailed this pattern.

Seattle Metropolitan Household Forecast								
	Total Employment	New Jobs	Total Population	New Persons	Persons per Job	Total Households	New Households	Household Size
2015	1,605,395	46,497	2,810,400	52,150	1.75	1,168,942	22,482	2.43
2016	1,644,046	38,651	2,854,468	44,068	1.74	1,185,332	16,390	2.43
2017	1,676,653	32,607	2,892,938	38,470	1.73	1,199,158	13,826	2.43
2018	1,705,154	28,501	2,924,955	32,017	1.72	1,211,844	12,686	2.43
2019	1,732,825	27,671	2,955,430	30,475	1.71	1,223,250	11,406	2.43
2020	1,763,644	30,819	2,982,263	26,833	1.69	1,234,231	10,981	2.43
2021	1,787,806	24,162	3,004,332	22,069	1.68	1,242,747	8,516	2.43
2022	1,813,908	26,102	3,024,160	19,829	1.67	1,250,452	7,705	2.43

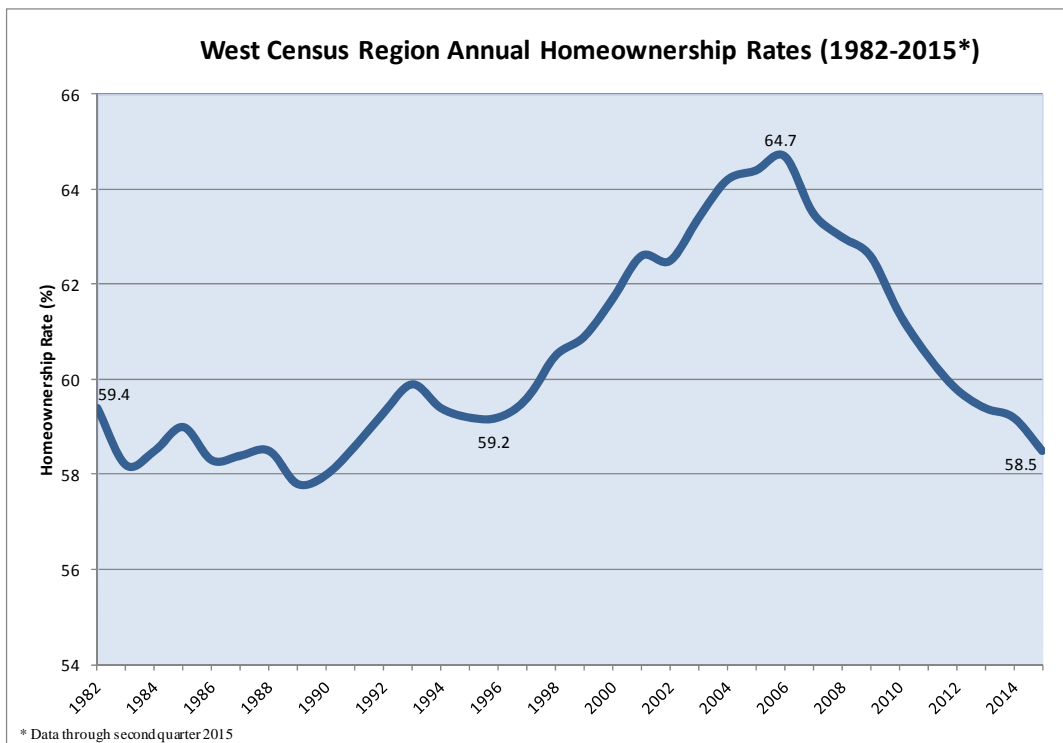
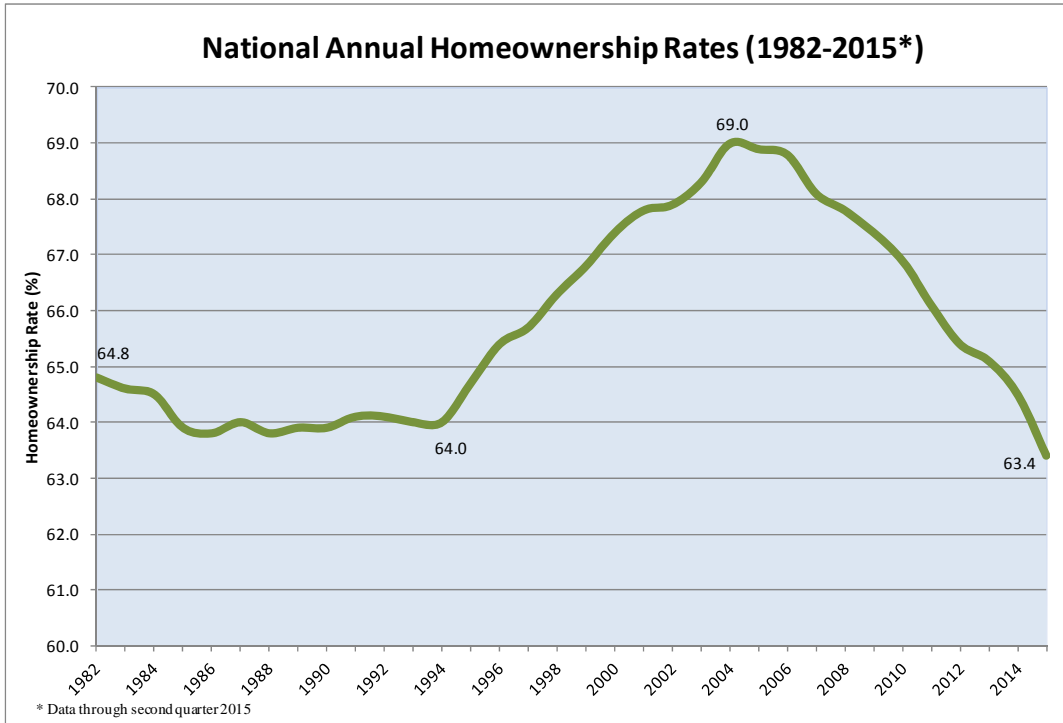
Source: Washington State Employment Security Dept. Office of Financial Management, OCG, Conway&Pederson Forecast

Population increases are heavily influenced by migration into the region. Natural changes in population (births and deaths) account for a very steady and reliable increase in population, leaving the remainder of population growth to be explained by migration into the area. With large population growth, as we have seen in the Seattle MD over the past few years, there is a great amount of migration. This migration is partially driven by job growth, as many people move in order to take a new job, so when job growth is high, population tends to increase in tandem. Both of these metrics combined, lead to the formation of new households, as new people need a place to live. From here we can examine the marginal tenure rate and homeownership rates in order to predict what number of new households will choose to rent versus own.

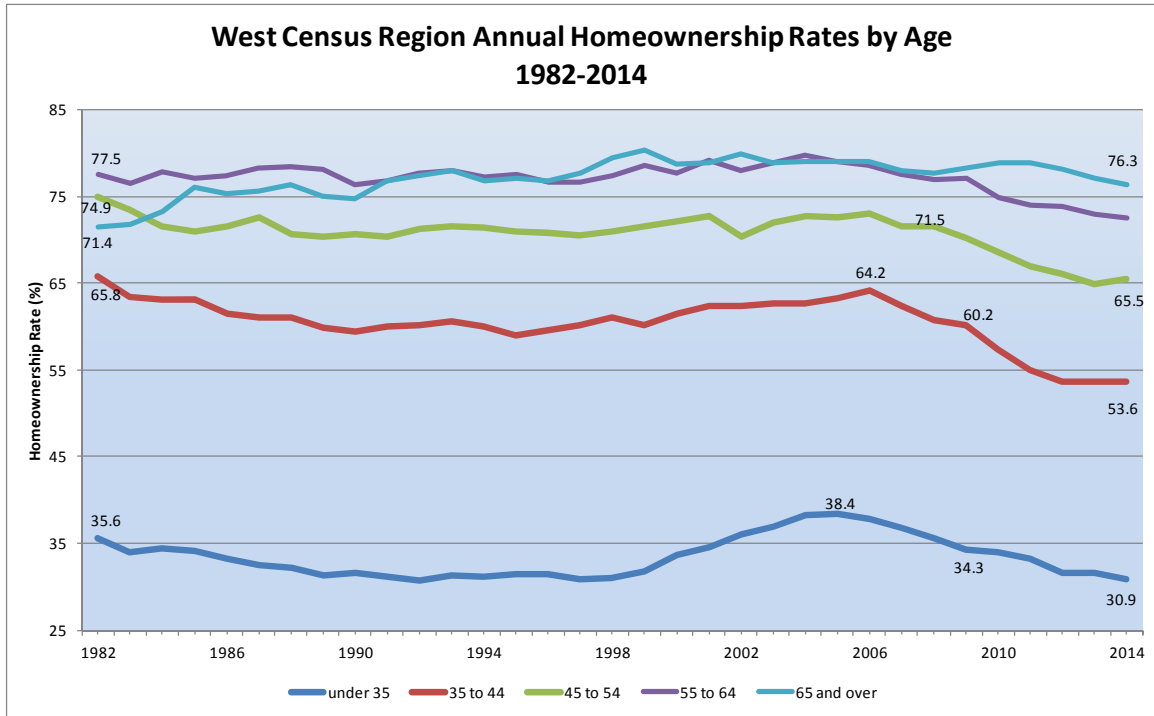
The following page details historic homeownership rates to provide context to the current ownership climate in the nation and the West Census Region.

Historic Homeownership Rates

One of the contributing factors to the increasing demand is the decline of homeownership rates. Less people are choosing to buy a home, to the point where homeownership is down over 5% from the peak of 69% in 2004 to 63.4% nationally by 2nd quarter 2015, in the West rates dropped to 58.5%.



In recent years less people, across all age groups, have declined to buy a home, and instead opted to rent. Where this has been most dramatic is not only in the under 35 age group (Millennials), which has historically had the lowest homeownership rates, but surprisingly, seen in the 36-44 age group. Ownership rates in this group are down from 64.5% in 2006 to 53.6% in 2014, over a 10% decrease.



Marginal Tenure Rates

One of the factors that determine demand is the marginal tenure rate. Basically, the marginal tenure rate determines what percentage of the new households will be rented units. Recently, and as detailed on the previous page, homeownership rates have been decreasing, leading more people to rent, rather than buy. As such, we predict 60% of all new households in the Seattle-MD will be renters. As the single family housing market makes modest gains in the market, marginal tenure rate will decrease, dropping to only 59% of new households in 2016 and 2017, 58% over the next two years (2018-2019) and down to 57% through to 2022. Despite the gradual decrease in marginal tenure rate, the majority of new households will continue to rent through the forecast period, keeping apartment demand high.

The forecast through 2022 is detailed in the table below.

Seattle-MD Apartment Demand Forecast Summary			
Year	Metro Area Household Forecast	Marginal Rental Tenure Rate	Metro Area New Renter Demand
2015	22,482	60%	13,489
2016	16,390	59%	9,670
2017	13,826	59%	8,157
2018	12,686	58%	7,358
2019	11,406	58%	6,615
2020	10,981	57%	6,259
2021	8,516	57%	4,854
2022	7,705	57%	4,392

Source: OCG

Seattle Apartment New Demand & Jobs Summary			
Year	Metro Area New Renter Demand	New Jobs	New Jobs per Unit of Demand
2015	13,489	53,895	4.00
2016	9,670	38,651	4.00
2017	8,157	32,607	4.00
2018	7,358	28,501	3.87
2019	6,615	27,671	4.18
2020	6,259	30,819	4.92
2021	4,854	24,162	4.98
2022	4,392	26,102	5.94

Source: OCG

Forecast and Submarket Demand Allocations

Looking forward, we expect the Seattle MD to experience 13,489 units of demand in 2015. This is keeping pace with the over 11,000 units of demand in 2014. This represents a two consecutive year total of over 20,000 units of demand between 2014 and 2015, something that has not happened since 1989 and 1990.

We are in the midst of a remarkably strong market in the Seattle MD. By the end of 2015 we expect 10,815 new units of supply to enter the market, and the vacancy rate will increase to 2.2%. This is a testament to the historic amount of demand spurred by the rapid job creation around and the decline in homeownership rates. Nationally, homeownership rates have fallen to 1994 levels, and in the Western US homeownership rates are even less than the national figures. Approximately 80% of new households are choosing to rent rather than buy. However, of that 80%, 20% are choosing to rent single family homes. This means that approximately 60% of all new households are choosing to rent in the conventional apartment pool.

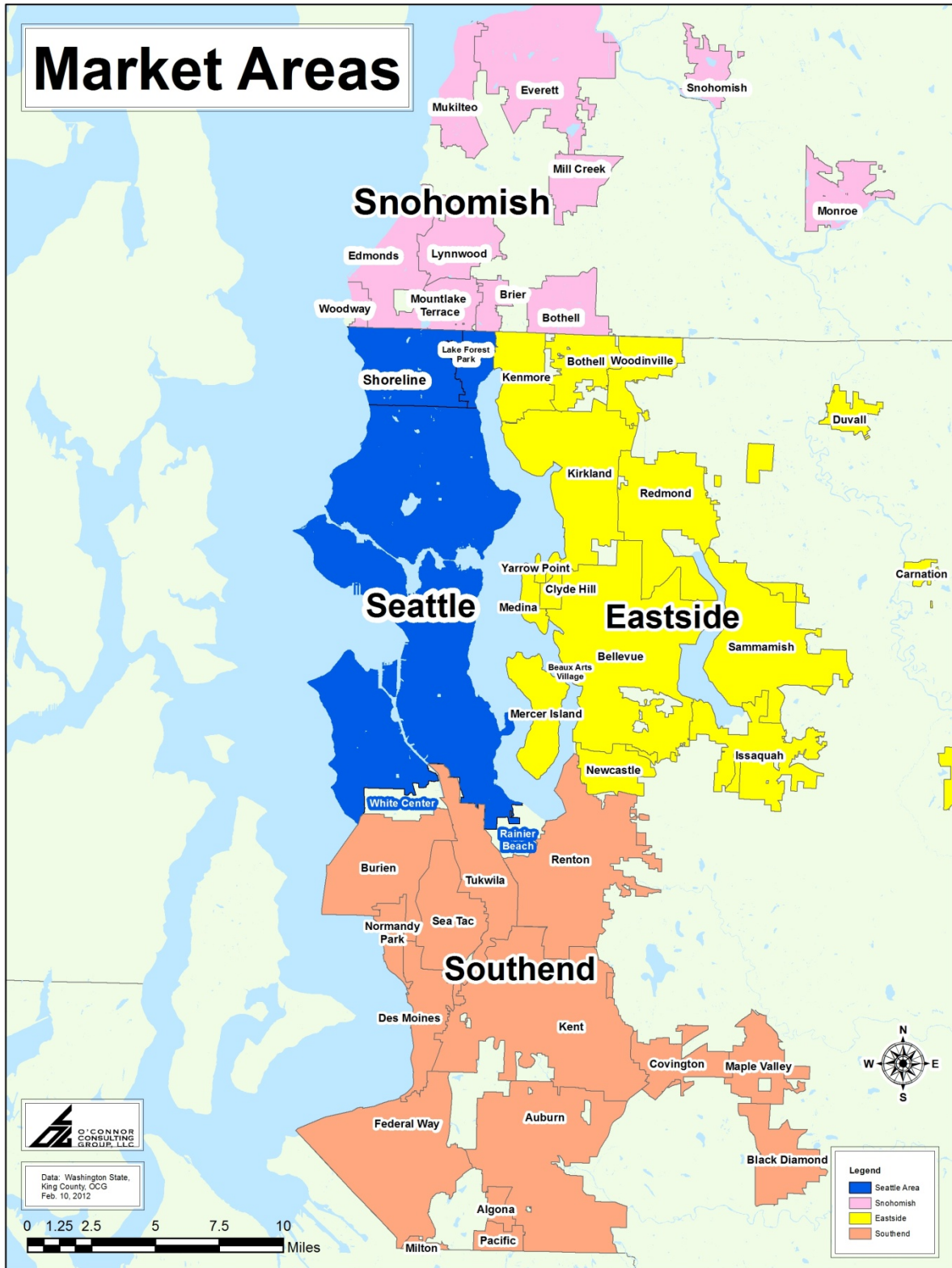
The following table breaks down the above demand estimates by submarket and displays the estimated demand capture rate for each submarket from 2015 through 2017. It should be noted that the estimated demand capture rates displayed below are highly related to the available supply in each submarket. Evident by the table below, we believe the city of Seattle is going to capture the vast majority of the demand in the region.

Projected Apartment Demand and Submarket Capture						
Seattle-Bellevue-Everett MD						
Submarket	Year-end 2015		2016		3rd Quarter 2017	
	Demand	Capture	Demand	Capture	Demand	Capture
Seattle	8,093	60.0%	5,899	61.0%	4,894	60.0%
Eastside	2,968	22.0%	2,224	23.0%	1,795	22.0%
Southend	1,349	10.0%	580	6.0%	734	9.0%
Snohomish	1,079	8.0%	967	10.0%	734	9.0%
Seattle-Bellevue-Everett MD	13,489	100%	9,670	100%	8,157	100%

Source: OCG

The story within the story is the allocation of anticipated demand. As the Eastside (Bellevue, Redmond, Kirkland etc.) brings more new units to the market, will the new units generate new demand that couldn't be exercised before because of the lack of new product or will they steal demand from Seattle? Recently, the Eastside market has been capturing an increasing share of the new supply, currently absorbing 21% of new units, and is predicted to capture around that rate for the next two years. Additionally as the Seattle Market vacancy rates decline, the secondary markets begin to capture a larger share of the units. This phenomenon has been particularly evident in the Southend, where they most recently captured 11% of the new units, compared to a historical average of 5-6%.

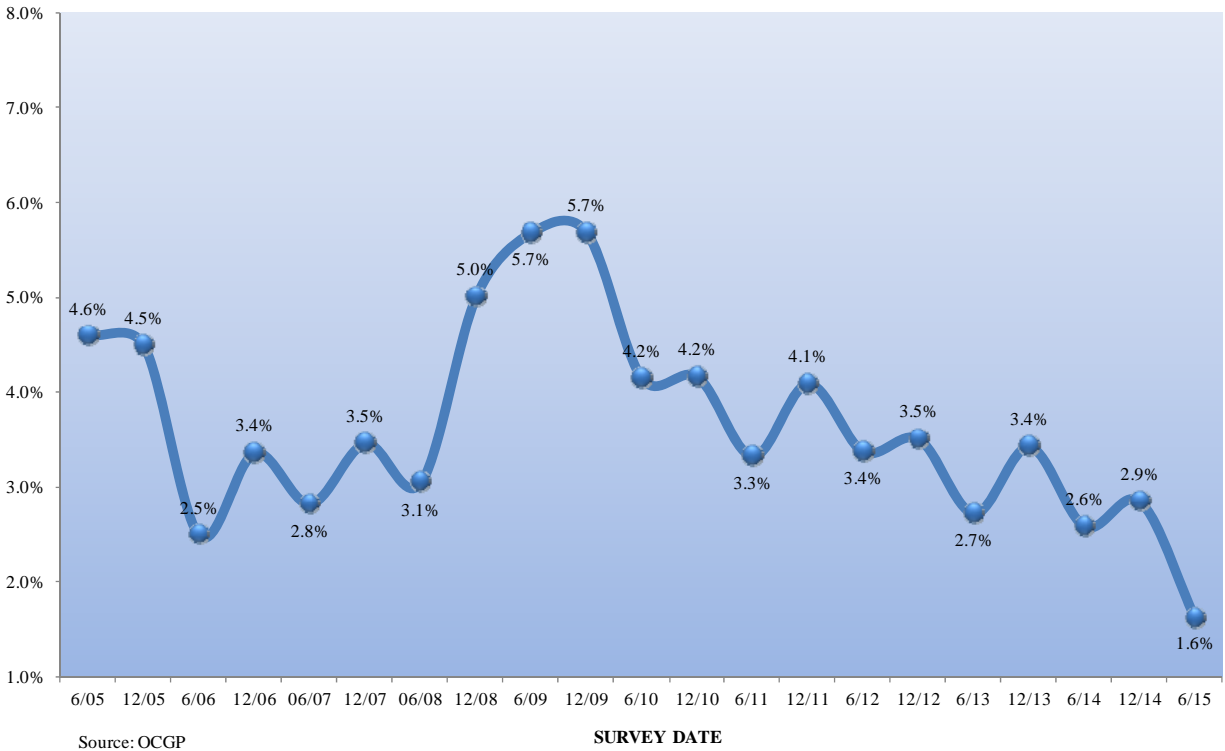
The following map displays the four submarket areas that make up the Seattle-Bellevue-Everett MD, which we have broken down into Seattle, the Eastside, Southend, and Snohomish.



Historical Vacancy

The following chart illustrates the recent historical pattern of vacancy rates for the Seattle MD.

APARTMENT VACANCY HISTORY FOR SEATTLE-BELLEVUE-EVERETT MD



The chart above displays the seasonality experienced in the apartment market with regard to vacancies. Vacancies tend to decline in the first half of the year and rise slightly in the second. This trend is evident during most years in the above chart. In the first half of 2014 the vacancy rate declined from 3.7% down to 2.6% as of our mid-year survey due in large part to the strength of demand. In the second half of 2014 the vacancy rate increased slightly to 2.9% at year-end, which is the lowest year-end vacancy rate in the last 10 years. During the first half of 2015 we experienced record low vacancies in all submarkets, totaling a 1.6% vacancy rate for the Seattle MD, however, we expect this number to increase to 2.2% by year-end, with increases beyond that, seen further in this report.

Seattle-Bellevue-Everett MD Vacancy History June 2006 - June 2015																			
Area	6/06	12/06	6/07	12/07	6/08	12/08	6/09	12/09	6/10	12/10	6/11	12/11	6/12	12/12	6/13	12/13	6/14	12/14	6/15
Seattle	1.8%	2.8%	2.5%	2.6%	2.2%	4.4%	4.7%	4.9%	3.4%	3.6%	2.8%	3.2%	2.4%	3.0%	2.3%	3.0%	2.4%	2.73%	1.8%
Eastside	2.2%	4.2%	2.2%	4.2%	3.0%	5.2%	5.0%	5.0%	3.4%	4.2%	2.3%	3.5%	2.8%	3.4%	2.3%	4.4%	3.0%	3.2%	1.2%
Southend	4.3%	3.9%	3.5%	4.2%	4.2%	6.3%	7.5%	7.6%	5.5%	4.9%	5.1%	5.9%	4.8%	4.2%	3.3%	3.6%	2.6%	2.3%	2.1%
Snohomish	2.1%	3.4%	3.4%	4.0%	3.7%	4.7%	6.3%	6.0%	5.0%	4.6%	3.4%	4.7%	4.7%	4.2%	3.6%	3.2%	2.8%	3.5%	1.2%
MD*	2.5%	3.4%	2.8%	3.5%	3.1%	5.0%	5.7%	5.7%	4.2%	4.2%	3.3%	4.1%	3.4%	3.5%	2.7%	3.4%	2.6%	2.9%	1.6%

*Weighted by submarket size
Source: OCG

The following table details the results of our Mid-year 2015 vacancy survey.

PUGET SOUND APARTMENT MARKET			
June 2015 Vacancy Survey			
SEATTLE			
Submarket	Jun-15		
	Units	Vacancy	Percent
Ballard	1,123	16	1.4%
Beacon Hill	715	3	0.4%
Belltown	3,949	136	3.4%
Capitol Hill	1,758	28	1.6%
Central	997	18	1.8%
Delridge	2,315	24	1.0%
Downtown	1,409	34	2.4%
First Hill	1,832	42	2.3%
Fremont, Wallingford, Greenlake	880	18	2.0%
Greenwood	928	41	4.4%
Interbay	371	5	1.3%
Lake City	1,215	20	1.6%
Lake Forest Park	105	2	1.9%
Lake Union	2,307	51	2.2%
Magnolia	337	20	5.9%
Northgate	2,447	33	1.3%
Pioneer Square & Intrl District	628	8	1.3%
Queen Anne	1,449	30	2.1%
Rainier Valley	503	2	0.4%
Ravenna/Sand Point	339	1	0.3%
Shoreline	1,624	13	0.8%
University District	1,437	19	1.3%
West Seattle	1,025	17	1.7%
Subtotal	29,693	581	1.77%
SNOHOMISH COUNTY			
Submarket	Jun-15		
	Units	Vacancy	Percent
Arlington	158	2	1.3%
Bothell, Mill Creek, Canyon Park	4,408	75	1.7%
Edmonds	1,276	21	1.6%
Everett	10,740	160	1.5%
Lynnwood	5,543	34	0.6%
Lake Stevens	0	0	0.0%
Marysville	537	0	0.0%
Monroe	248	0	0.0%
Mountlake Terrace	1,597	19	1.2%
Mukilteo	1,600	51	3.2%
Snohomish	30	0	0.0%
Subtotal	26,137	362	1.16%
SOUTHEND			
Submarket	Jun-15		
	Units	Vacancy	Percent
Algona-Pacific	349	7	2.0%
Auburn	2,410	69	2.9%
Burien	1,619	28	1.7%
Des Moines	758	13	1.7%
Enumclaw	84	0	0.0%
Federal Way	9,843	264	2.7%
Kent	9,658	197	2.0%
Renton	9,663	193	2.0%
Seatac	1,951	24	1.2%
Tukwila	1,205	9	0.7%
Subtotal	37,540	804	2.08%
PIERCE COUNTY			
Submarket	Jun-15		
	Units	Vacancy	Percent
Fife/Milton	1,721	50	2.9%
Fircrest/University/Dupont/Steilacoom	1,712	35	2.0%
Gig Harbor	823	15	1.8%
Lakewood	2,041	81	4.0%
Puyallup/Sumner	4,655	69	1.5%
Tacoma	13,280	341	2.6%
Downtown Tacoma	1,025	10	1.0%
Subtotal	25,257	601	2.38%
Summary by County/MD (Weighted)			
County	Jun-15 Vacancy		
King	1.73%		
Snohomish	1.16%		
Pierce	2.38%		
Seattle-Bellevue-Everett MD	1.62%		
Region	1.82%		
EASTSIDE			
Submarket	Jun-15		
	Units	Vacancy	Percent
Downtown Bellevue	2,950	29	1.0%
Suburban Bellevue	7,123	116	1.6%
Issaquah	1,564	15	1.0%
Kenmore, Bothell, Woodinville	3,175	51	1.6%
Kirkland	3,909	39	1.0%
Mercer Island	1,398	22	1.6%
Newcastle	271	1	0.4%
North Bend	281	0	0.0%
Redmond	5,624	36	0.6%
Sammamish	1,660	16	1.0%
Snoqualmie	120	0	0.0%
Subtotal	28,075	325	1.16%
Source: O'Connor Consulting Group, LLC			
Weighted average by submarket size			

Overall Absorption

The Seattle-Bellevue-Everett MD absorbed 5,452 new units and 5,649 existing units by mid-year 2015. The vast majority (59%) of the new units absorbed occurred in Seattle (3,199). There are a significant number of new units in lease up (2,970), demonstrating the onset of new supply. A large supply of new units will continue to enter the market through 2016 and 2017. There are currently 21,703 units under construction, 11,722 or 54% of which will impact the market in 2016.

For the sake of historical context, 3,285 new units were absorbed in 2012 and 6,265 new units were absorbed in 2013. At the end of 2014, a record 8,390 new units were absorbed by the MD.

Mid-2015 Apartment Absorption Summary				
Seattle-Bellevue-Everett MD				
	New Units Absorbed	Existing Units Absorbed	New Units in Lease Up	Average Absorption per Month
Sub Market	Mid-year 2015	Mid-year 2015		
Seattle	3,199	1,726	1,800	17.5
Eastside	1,149	1,517	859	19.1
Southend	581	176	159	20.4
Snohomish County	523	2,230	152	19.3
Totals	5,452	5,649	2,970	18.2

Source: OCG

The following table details each submarket's share of total new units absorbed in the Seattle-Bellevue-Everett MD during that year. Based upon the data we have collected, we can say that Seattle is capturing the majority of the region's new units with approximately 59% of new units absorbed, a slight decline from previous years. The Eastside represented only 21% of the new units, only slightly above the historical average of 20%. The Southend submarket is capturing approximately only 11%, on pace with the historical average for that submarket. Snohomish captured 10% of new unit absorption which is above the historical norms of an 8% share, and much larger than the 6% and 5% shares in 2013 and 2014, respectively.

Market Share by New Unit Absorption												
Market Area	Year											Avg. 11 - '15
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Mid-2015	
Seattle	45%	35%	42%	46%	67%	47%	38%	70%	72%	65%	59%	61%
Eastside	40%	20%	6%	28%	25%	38%	35%	9%	20%	16%	21%	20%
Southend	7%	39%	40%	23%	8%	14%	18%	11%	2%	14%	11%	11%
Snohomish	9%	7%	13%	3%	0%	0%	9%	11%	6%	5%	10%	8%
MD	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: OCG

The tables below illustrate the levels of monthly absorption and absorption rates from 2005 to mid-2015. The data from these tables was used to derive the market share conclusions presented on the previous page.

Apartment Absorption Summary - Seattle				
Year	New Units	New Units Absorbed	New in Lease Up	Avg. Abs. Per Month
2005	289	458	61	10.95
2006	731	657	297	10.33
2007	849	1,156	126	10.61
2008	1,040	799	368	9.53
2009	3,538	2,681	1,568	15.15
2010	982	2,134	392	13.80
2011	699	878	244	13.50
2012	3,060	2,317	1,808	18.84
2013	5,222	4,594	1,827	16.41
2014	5,757	6,489	1,442	15.78
Mid-2015	2,687	3,199	1,800	17.60

Apartment Absorption Summary - Southend				
Year	New Units	New Units Absorbed	New in Lease Up	Avg. Abs. Per Month
2005	0	116	32	13.67
2006	552	626	531	16.80
2007	410	869	172	16.93
2008	332	504	31	18.23
2009	608	393	327	16.34
2010	550	387	488	14.90
2011	107	368	222	11.90
2012	260	331	129	10.40
2013	0	256	0	10.77
2014	156	120	78	17.30
Mid-2015	229	581	159	20.36

Apartment Absorption Summary - Eastside				
Year	New Units	New Units Absorbed	New in Lease Up	Avg. Abs. Per Month
2005	206	468	68	12.43
2006	560	502	219	13.12
2007	166	194	55	9.98
2008	642	584	144	16.93
2009	1,579	1,027	736	16.96
2010	1,594	1,609	638	15.80
2011	140	922	163	12.30
2012	628	274	562	8.93
2013	951	1,040	411	17.31
2014	795	931	253	15.05
Mid-2015	1,389	1,149	859	19.06

Apartment Absorption Summary - Snohomish Co.				
Year	New Units	New Units Absorbed	New in Lease Up	Avg. Abs. Per Month
2005	0	111	22	8.54
2006	344	112	254	11.91
2007	92	322	24	13.32
2008	80	24	25	9.17
2009	0	0	0	N/A
2010	22	0	0	5.90
2011	190	82	11	11.10
2012	386	363	209	14.29
2013	443	646	290	10.01
2014	1,286	850	103	15.70
Mid-2015	64	523	152	20.53

Apartment Absorption Summary - Pierce Co.				
Year	New Units	New Units Absorbed	New in Lease Up	Avg. Abs. Per Month
2005	225	135	135	7.96
2006	325	261	135	13.83
2007	255	84	306	12.17
2008	0	210	57	6.30
2009	78	71	7	12.75
2010	332	241	91	11.24
2011	341	379	53	12.41
2012	793	761	743	10.35
2013	613	434	179	13.29
2014	172	368	91	9.52
Mid-2015	229	423	126	10.25

Apt. Absorption Summary - Seattle-Bellevue-Everett MD				
Year	New Units	New Units Absorbed	New in Lease Up	Avg. Abs. Per Month
2005	720	1,153	318	10.79
2006	2,512	1,897	1,436	13.06
2007	1,772	2,541	683	12.58
2008	2,094	1,911	625	13.46
2009	5,803	4,101	2,638	15.30
2010	3,148	4,130	1,518	14.90
2011	1,136	2,250	640	13.10
2012	4,334	3,285	2,677	13.17
2013	6,616	6,536	2,528	15.70
2014	7,994	8,390	1,876	15.70
Mid-2015	4,369	5,452	2,970	18.33

Source: OCGP

Seattle-Bellevue-Everett MD Monthly Absorption Sample

The following table details selected properties undergoing the initial absorption process through the mid-year of 2015. Absorption at recently completed projects has ranged from approximately 2 to 68 units per month, with an average absorption rate of 18.17 units per month on a non-weighted basis. The mid-year rate was an increase over the 2014 rate, and absorption at this pace implies a healthy level of apartment demand.

Seattle PMSA Absorption - June 2015										
Project Name	Submarket	Lease Start	Lease Stop	Total Units	Units Leased	Total Unleased	% Leased	Absorp. Period	Absorp./ Month	Units leased in First Half 2015
Seattle										
Stadium Place Wave	Seattle Core	4/26/14	7/13/15	333	320	13	96.1%	14.77	21.67	61
Art House	Seattle Core	4/1/14	7/13/15	139	130	9	93.5%	15.60	8.33	9
"N" Habitat	Seattle Core	6/1/14	2/1/15	49	47	2	95.9%	8.17	5.76	2
Verve	Seattle Core	10/1/14	6/22/15	161	158	3	98.1%	8.80	17.95	94
Dimension by Alta	Seattle Core	10/1/14	7/13/15	298	261	37	87.6%	9.50	27.47	171
The Century	Seattle Core	8/1/14	7/9/15	258	257	1	99.6%	11.40	22.54	53
Aperture on Fifth	Seattle Core	11/1/14	6/22/15	106	81	25	76.4%	7.77	10.43	54
Premiere on Pine (815 Pine)	Seattle Core	12/15/14	7/10/15	386	250	136	64.8%	6.90	36.23	250
Nine and Pine	Seattle Core	1/1/15	7/14/15	74	71	3	95.9%	6.47	10.98	71
Cirrus	Seattle Core	5/15/15	7/10/15	396	54	342	13.6%	1.87	28.93	54
Walton Lofts	Seattle Core	3/25/15	7/10/15	137	55	82	40.1%	3.57	15.42	55
Broadstone Infinity	Cap Hill/Central	4/18/15	7/9/15	248	63	185	25.4%	2.73	23.05	63
The Local 422	Cap Hill/Central	3/21/15	5/21/15	48	48	0	100.0%	2.03	23.61	48
The Beryl Apartments	Cap Hill/Central	3/1/15	7/9/15	88	60	28	68.2%	4.33	13.85	60
Cielo	Cap Hill/Central	12/23/14	7/23/15	335	273	62	81.5%	7.07	38.63	273
Anthem on 12th	Cap Hill/Central	4/15/15	7/10/15	120	72	48	60.0%	2.87	25.12	72
Viva	Cap Hill/Central	5/10/14	7/9/15	105	99	6	94.3%	14.17	6.99	16
Zephyr	Cap Hill/Central	10/1/14	6/5/15	77	77	0	100.0%	8.23	9.35	28
Evolve (Seawest)	Cap Hill/Central	8/25/14	7/13/15	79	77	2	97.5%	10.73	7.17	25
Sola24	Cap Hill/Central	11/1/14	1/15/15	23	23	0	100.0%	2.50	9.20	5
Yardhouse	Cap Hill/Central	10/1/14	1/20/15	35	35	0	100.0%	3.70	9.46	7
The Hudson	QA/Mag	5/10/15	7/9/15	124	97	27	78.2%	2.00	48.50	97
Slate	QA/Mag	5/15/13	7/2/14	236	236	0	100.0%	13.77	17.14	40
Astro Apartments	QA/Mag	4/30/15	7/9/15	212	84	128	39.6%	2.33	36.00	84
Queen Anne Flats	QA/Mag	10/15/14	12/1/14	30	30	0	100.0%	1.57	19.15	30
Canvas Apartments	QA/Mag	6/1/14	1/20/15	123	123	0	100.0%	7.77	15.84	72
Latitude	QA/Mag	8/1/14	1/20/15	76	75	1	98.7%	5.73	13.08	37
Amlt SLU Phase 2	Lake Union	2/1/15	7/10/15	118	103	15	87.3%	5.30	19.43	103
True North	Lake Union	2/1/14	7/22/15	286	286	0	100.0%	17.87	16.01	62
47+7	U-Dist/NNE	4/1/15	6/1/15	24	23	1	95.8%	2.03	11.31	23
Sedona	U-Dist/NNE	1/15/15	7/16/15	80	80	0	100.0%	6.07	13.19	80
Studio 7	U-Dist/NNE	1/7/15	7/23/15	75	72	3	96.0%	6.57	10.96	72
525 @ The Enclave	N.Seattle/Lake City	7/15/14	7/9/15	266	232	34	87.2%	11.97	19.39	111
Greenwood Place Apartments	N.Seattle/Lake City	5/23/15	7/16/15	39	25	14	64.1%	1.80	13.89	25
"Big Red"	N.Seattle/Lake City	6/16/15	7/16/15	23	9	14	39.1%	1.00	9.00	9
Malmo	Far North	11/7/14	7/16/15	129	106	23	82.2%	8.37	12.67	106
Green Lake Village	NNW	4/1/14	7/16/15	297	290	7	97.6%	15.70	18.47	61
Velo	NNW	8/1/14	4/15/15	171	168	3	98.2%	8.57	19.61	69
Urbana	NNW	1/30/14	1/30/15	287	278	9	96.9%	12.17	22.85	18
Amlt Mark 24	NNW	4/15/14	7/9/15	304	283	21	93.1%	15.00	18.87	161
Footprint Phinney	NNW	7/6/15	7/23/15	40	17	23	42.5%	0.57	30.00	17
Soren	NNW	4/30/15	7/16/15	111	72	39	64.9%	2.57	28.05	72
Ray	NNW	5/2/15	7/16/15	120	100	20	83.3%	2.50	40.00	100
The Blake	West Seattle	10/1/14	5/15/15	103	100	3	97.1%	7.53	13.27	38
Junction 47	West Seattle	5/15/15	7/7/15	206	35	171	17.0%	1.77	19.81	35
4730 California	West Seattle	11/25/14	7/7/15	88	86	2	97.7%	7.47	11.52	46
Spruce	West Seattle	5/10/15	6/22/15	217	98	119	45.2%	1.43	68.37	98
Denning Apts	South Seattle	9/1/14	12/13/14	46	46	0	100.0%	3.43	13.40	9
Seattle Totals				7,326	5,665	1,661	77.3%	326	17.38	3,146

Seattle PMSA Absorption - June 2015										
Project Name	Submarket	Lease Start	Lease Stop	Total Units	Units Leased	Total Unleased	% Leased	Absorp. Period	Absorp./ Month	Units leased in First Half 2015
Eastside										
Village at Beardslee Crossing Ph. 2	Bothell	2/1/15	7/10/15	158	119	39	75.3%	5.30	22.45	119
Milano Townhomes	Bellevue	11/1/14	2/15/15	28	28	0	100.0%	3.53	7.92	28
The Villas in Bellevue	Bellevue	7/7/14	2/10/15	90	83	7	92.2%	7.27	11.42	83
Soma Towers Ph. 1	Bellevue	6/1/14	12/1/14	148	148	0	100.0%	6.10	24.26	0
Kirkland Crossing	Kirkland	1/1/15	7/10/15	243	175	68	72.0%	6.33	27.63	175
The Luke	Redmond	2/1/15	7/10/15	208	166	42	79.8%	5.30	31.32	166
Alez	Redmond	11/1/13	12/1/14	148	148	0	100.0%	13.17	11.24	29
LIV Bel-Red	Bellevue	7/1/15	7/23/15	352	53	299	15.1%	0.73	72.27	53
Main St Flats	Bellevue	6/30/15	7/31/15	260	80	180	30.8%	1.03	77.42	80
Elan	Redmond	1/1/14	8/10/14	134	126	8	94.0%	7.37	17.10	18
Mercer Ph 2	Mercer Island	2/28/14	8/1/14	87	87	0	100.0%	5.13	16.95	10
Old Town Lofts	Redmond	9/1/14	7/10/15	149	149	0	100.0%	10.40	14.33	94
6 Oaks	Bothell	8/1/14	7/10/15	203	188	15	92.6%	11.43	16.44	74
Spencer 68	Bothell	4/15/15	8/3/15	139	68	71	48.9%	3.67	18.55	68
Issaquah Terrace	Issaquah	11/15/14	8/3/15	298	202	96	67.8%	8.70	23.22	152
Eastside Totals				2,645	1,820	825	68.8%	95.5	19.06	1,149
Southend										
The Platform (Kent Station)	Kent	10/1/14	7/13/15	176	154	22	87.5%	9.50	16.21	76
Altitude Apartments (Phase I)	Renton	12/1/14	7/14/15	117	117	0	100.0%	7.50	15.60	117
Heritage Hill (Renton)	Renton	5/1/15	7/24/15	75	41	34	54.7%	2.80	14.64	41
Park 16 (Federal Way)	Federal Way	10/15/14	7/14/15	293	293	0	100.0%	9.07	32.32	293
Ambaum Place Apartments	Auburn	1/30/15	4/1/15	28	28	0	100.0%	2.03	13.77	28
The Trek	Auburn	6/1/15	7/15/15	126	26	100	20.6%	1.47	17.73	26
Southend Totals				815	659	156	80.9%	32.36667	20.36	581
Snohomish County										
Altia Phase 1	Lynnwood	6/1/13	12/1/14	230	230	0	100.0%	18.27	12.59	20
Tivalli	Lynnwood	8/15/14	7/10/15	383	254	129	66.3%	10.97	23.16	143
Avalon Alderwood Ph 1	Lynnwood	4/1/14	7/10/15	367	353	14	96.2%	15.50	22.77	116
Mill Creek Meadows	Mill Creek	12/1/14	7/27/15	180	180	0	100.0%	7.93	22.69	180
Snohomish Totals				1,160	1,017	143	87.7%	52.7	19.31	459
King & Snohomish County Totals				11,946	9,161	2,785	76.7%	504	18.17	5,335

Supply Forecast

Our estimate of new multifamily supply is derived from a survey of all units currently in lease-up, projects under construction, and known projects in their pre-development stage.

As of our mid-year 2015 survey, King and Snohomish Counties have a total of 21,703 apartment units under construction, and another 2,842 un-leased units in the lease-up phase. The majority (90%) of the units under construction (19,562 of the 21,703 total units) will be impacting the Seattle-Bellevue-Everett MD within our two-year forecast period. The Seattle submarket deserves special mention as approximately 62% of all region-wide apartment construction, is centered in Seattle. More specifically, 7,132 of those units, or 36% of all units under construction throughout the Seattle-Bellevue-Everett MD, are located within the Seattle core. The surprising amount of construction in the Seattle core is likely due to the concentration of new jobs in Seattle. This is aided by the attractiveness of the market by big money equity and pension funds. In addition, life style choice is a significant variable. While Seattle has captured 35% of new jobs since 2012, it has captured 63% of all regional demand.

To estimate the number of proposed units, we tracked multifamily projects currently out for construction bids as well as our in-house data on numerous proposed apartment projects throughout the metro area. It is worth noting that most units currently proposed are unlikely to reach completion within the two-year timeframe detailed in the tables below. The total number of units that are either in lease-up or under construction totals 24,545 units. After we account for the small number of proposed units that are likely to impact the market during the next two years, we have a total two-year apartment supply of approximately 26,510 units. Note: The table below details only those units under construction or in lease-up within our two year supply forecast.

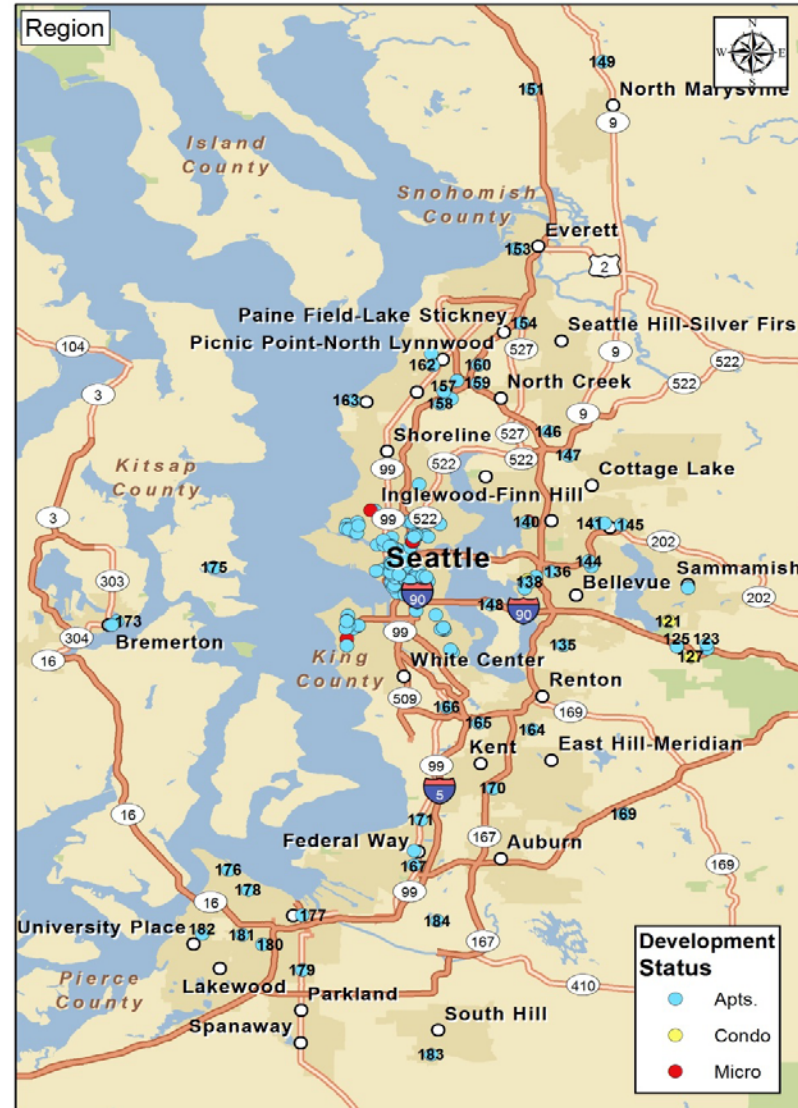
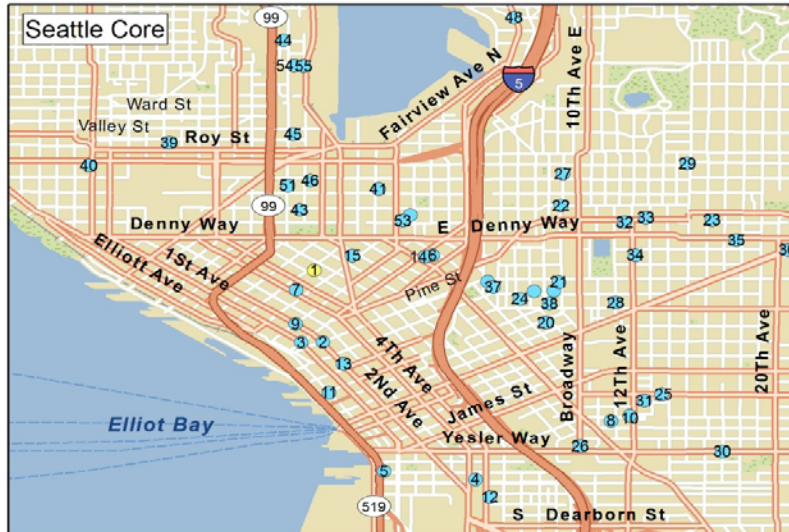
Seattle-Bellevue-Everett MD Apartment Two-Year Supply Survey						
	Mid-Year 2015	Average Absorption	Vacant Units In Lease-Up	Units Under Construction	Anticipated Proposed Units On Line	Total Two Year Pipeline
Submarket	% Vacant	Complex/Mo.				
Seattle	1.8%	17.5	1,788	12,482	1,987	16,257
Eastside	1.2%	19.1	859	4,257	907	6,023
Southend	2.1%	20.4	159	1,110	294	1,563
Snohomish	1.2%	19.3	152	1,705	811	2,668
MD*	1.6%	18.2	2,958	19,554	3,998	26,510

*Weighted Average

Source: O'Connor Consulting Group, LLC

The follow maps display the distribution pattern of the apartment projects under construction as well as the distribution pattern of the projects in lease up as of June 2015.

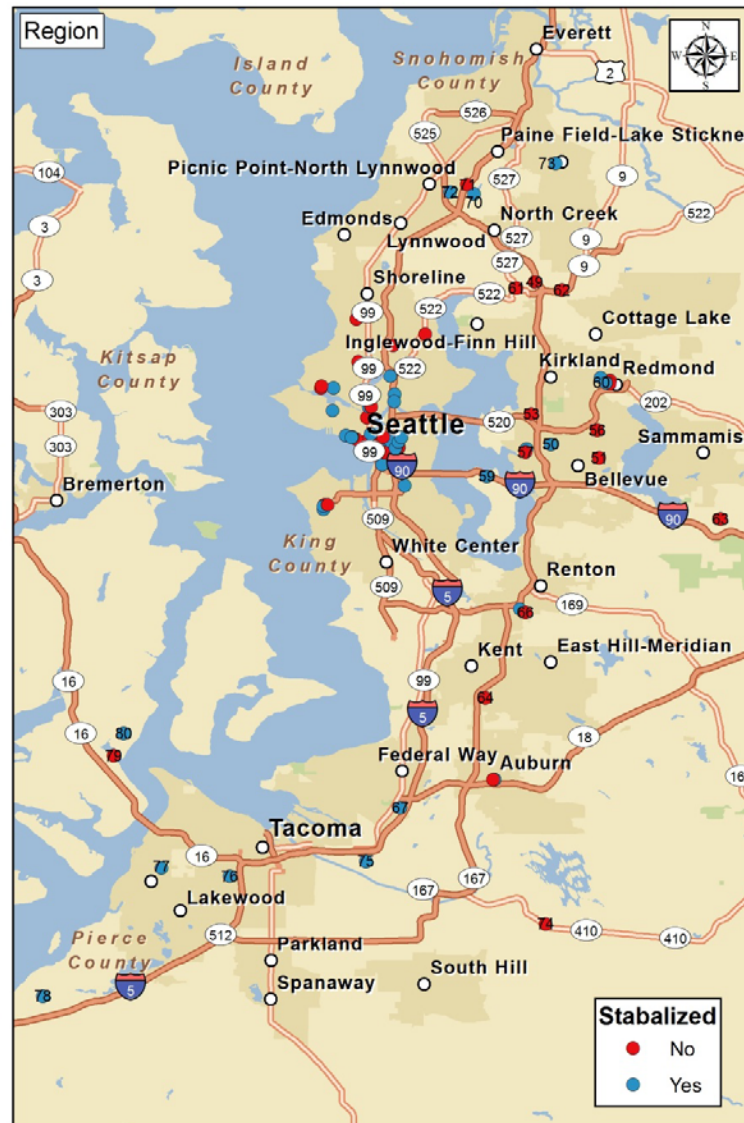
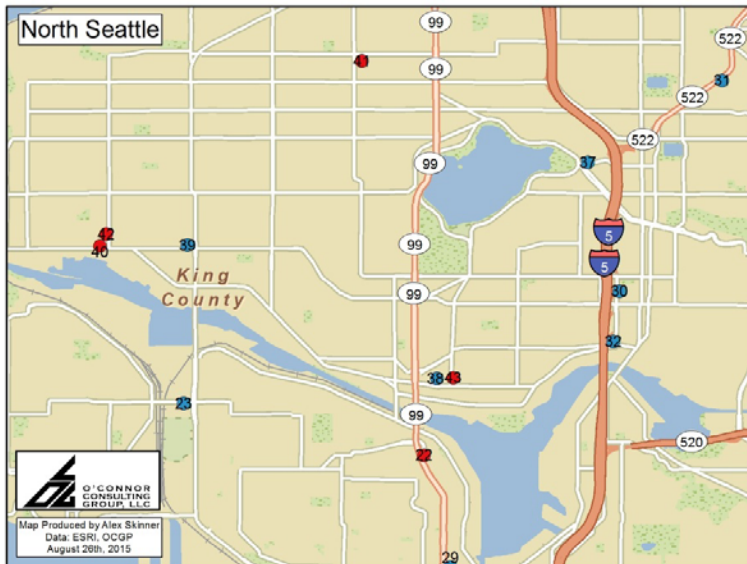
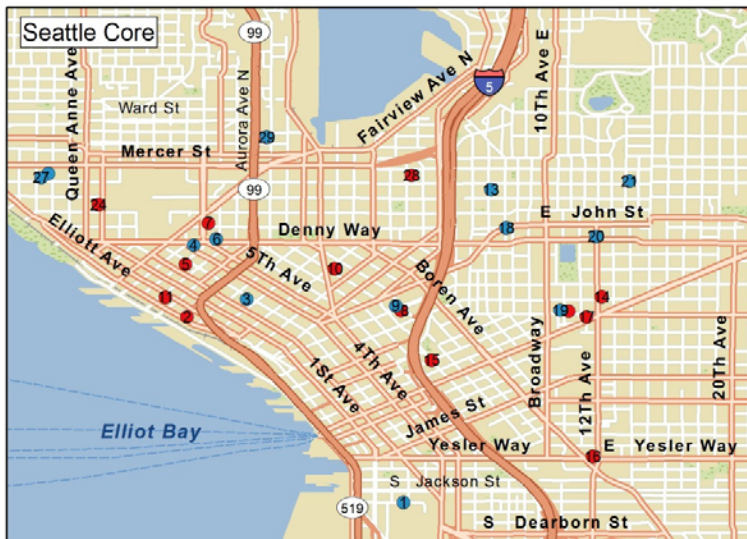
Under Construction Apartment Developments in the Puget Sound Region (June 2015)



Projects Under Construction							
No	Name	Address	City	No	Name	Address	City
1	Insignia (Bosa)	2130 6th Ave	Seattle	47	Sola 16	2351 Franklin Ave E	Seattle
2		204 Pine St	Seattle	48	Inhabit Eastlake Development	1903 Yale Pl E	Seattle
3	Touchstone	1900 1st Ave	Seattle	49	Franklin Apts	2359 Franklin Ave E	Seattle
4	Icon	400 S Jackson St	Seattle	50	41 Portage	3206 Harvard Ave E	Seattle
5	Goodman	80 S Main St	Seattle	51	Mill Creek Residential project	435 Dexter Ave N	Seattle
6	Kinects	1823 Minor Ave	Seattle	52	Cascade/Equity PH1	221 Minor Ave N	Seattle
7	Potala Tower	2116 4th Ave	Seattle	53	Cascade/Equity PH2	222 Fairview Ave N	Seattle
8	Reverb	1023 E Alder St	Seattle	54	Westlake Steps Phase 1	1414 Dexter Ave N	Seattle
9	Tower 12	2015/2001 2nd Ave	Seattle	55	Westlake Steps Pahse 2	1287 Westlake Ave N	Seattle
10	Decibel	301 12th Ave	Seattle	56	Apts	2248 NW 64th St	Seattle
11	Cyrene/Mack Urban	1301 Western Ave	Seattle	57	Ballard Lofts	6404 24th Ave NW	Seattle
12	Publix	500/504 5th Ave S	Seattle	58		3801 Stone Way N	Seattle
13	West Edge	1430 2nd Ave	Seattle	59	AmlI Phase 1	3400 Wallingford Ave N	Seattle
14	Tilt 49	1812 Boren Ave	Seattle	60	AmlI Phase 2	3326 Wallingford Ave N	Seattle
15	Esplande	2101 9th Ave	Seattle	61	Province group	1760 NW 56th St	Seattle
16	Smart Mercedes site	600 E Pike	Seattle	62	(Odin Apartments)) EQR Tallman S	5343 Tallman Ave NW	Seattle
17	old BMW	714 E Pike Street	Seattle	63	South Ballard	2418 NW 58th St	Seattle
18	bauhaus	301 E Pine Street	Seattle	64	Mack Urban Wallingford	1321 N 45th St	Seattle
19	LUP	2203 E Union St	Seattle	65	Solo Condos	2018 NW 57th St	Seattle
20	LUMA	1321 Seneca St	Seattle	66	Live/Work	6700 15th Ave NW	Seattle
21	Denny Onslow	721 East Pine St	Seattle	67		3651 Interlake Ave N	Seattle
22	Westside	801 E. Thomas Street	Seattle	68	In Fremont	3601 Greenwood Ave N	Seattle
23	Anhalt Office to Apts	1600 E John St	Seattle	69	Across from Fred Meyer	101 NW 85th St	Seattle
24	Hunters Capitol	501 E Pike	Seattle	70	Micro	5902 22nd Ave NW	Seattle
25	Revolve	1315 E Jefferson St	Seattle	71	Crosby Greenlake	414 NE Ravenna Blvd	Seattle
26	Hollywood Lofts	120 Broadway	Seattle	72	The Commons @ Ballard	5601 22nd Ave NW	Seattle
27	Greg Stein	515 Harvard Ave E	Seattle	73	Ballard Micro	358 NW 85th St	Seattle
28	Mill Creek	1427 11th Ave	Seattle	74	GRE Ballard	1516 NW 51st St	Seattle
29	Stream Cap Hill	605 15th Ave E	Seattle	75	Fremont Apts	3639 Linden Ave N	Seattle
30	Pryatt Broadmark	17th and Yesler	Seattle	76	Ballard Apartments	1436 NW 62nd St	Seattle
31		1216 E Remington Ct	Seattle	77	Swingside Café Site	4212 Fremont Ave N	Seattle
32	Biddle project	1113 E John St	Seattle	78	Pollard Fremont site	3627 STONE WAY N	Seattle
33		205 13th Ave E	Seattle	79	Rooster, Lake Union Partners	900 NE 65th Street	Seattle
34		1720 12th Ave	Seattle	80	Mack Urban Site	800 NE 67th St	Seattle
35	Marc Rudd site	1823 18th Ave	Seattle	81	Mixed-use	12544 15th Ave NE	Seattle
36	Madison Partners (JC Muller)	2051 E Madison St	Seattle	82	Ravenna live-work mixed	3300 NE 65th St	Seattle
37		1517 Bellevue Ave	Seattle	83	Polygon NW Ravenna TH	6525 34th Ave NE	Seattle
38	Boylston Flats	1404 Boylston Ave	Seattle	84	The Bridge @ 11th (3 Towers)	4557 11th Ave NE	Seattle
39	Chris Jolley of Valley Street	722 3rd Ave N	Seattle	85	Seto Site	4523 8th Ave NE	Seattle
40	Velmeir, LQA	531 Queen Anne Ave N	Seattle	86	Aubrey Studios	4730 20th Ave NE	Seattle
41	Radius	400 Boren Ave N	Seattle	87	Roosevelt & 50th	4750 Roosevelt Wy NE	Seattle
42	Micro Johnson & Carr	2820 Eastlake Ave E	Seattle	88	LIV U-District	4717 Brooklyn Ave NE	Seattle
43	Macfarlane	777 Thomas st	Seattle	89	Academia Court LLC	4039 8th Ave NE	Seattle
44	Dexter Courtyard, Daly	1701 Dexter Ave N	Seattle	90	University Apt (WuRong Ying Sit	4302 7th Ave NE	Seattle
45	Holland	810 Dexter Ave N	Seattle	91	The Edison	4221 9th Ave NE	Seattle
46	Wolff SLU	430 8th Ave N	Seattle	92	Vulcan Site	4041 Roosevelt Wy NE	Seattle

Projects Under Construction							
No	Name	Address	City	No	Name	Address	City
93	U District Multifamily	2249 NE 46th St	Seattle	139	Old Crab pot site (micro)	450 Central Way	Kirkland
94	Apodment	4032 8th Ave NE	Seattle	140	White Swan site	324 Central Way	Kirkland
95	Apodment	4036 8th Ave NE	Seattle	141	Legacy Town Square	8300 160th Ave NE	Redmond
96	Cheng-Nan Lin site II	4710 11th Ave NE	Seattle	142	Echelon	NE 83rd & 164th Ave NE	Redmond
97	Trader Joe's Project	4501 Roosevelt Way NE	Seattle	143	Esterra Park (Avalon Bay) Ph 1	2600 152nd Ave NE	Redmond
98	Sky Broadstone	4745 40th Ave SW	Seattle	144	Esterra Park (Avalon Bay) Ph 2	2650 152nd Ave NE	Redmond
99	Trinsic Development	4435 35th Ave SW	Seattle	145	VIP Site	17634 Union Hill Rd	Redmond
100	The Whittaker	4755 Fauntleroy Way SW	Seattle	146	THs	24209 39th Ave SE	Bothell
101	California (Micro-Units)	5949 California Ave SW	Seattle	147	Woodinville Village (Phase 1)	17300 135th Ave NE	Bothell
102	Lofts at the Junction	4535 44th Ave SW	Seattle	148	Unnamed Legacy	2615 76th Ave SE	Mercer Island
103		6917 California Ave SW	Seattle	149		511 Portage St	Arlington
104		3268 SW Avalon Way	Seattle	150	The Lodge	17500 25th Ave NE	Marysville
105	Junction Flats	4433 42nd Ave SW	Seattle	151	The Lodge Ph 2	17500 25th Ave NE	Marysville
106	California Ave Dev	3824 California Ave SW	Seattle	152	Potala Market Place Apts	2900 Grand Ave	Everett
107	37 Alaska Junction	4400 SW Alaska Street	Seattle	153	Aero Apts	2901 Rucker Ave	Everett
108		3210 California Ave SW	Seattle	154	Silver Lake Center TH's	112th St SE and 19th Ave SE	Everett
109		3811 California Ave SW	Seattle	155	Lynnwood Place	3001 184th Street SW	Lynnwood
110		3829 California Ave SW	Seattle	156	Motif Apartments	3331 204th St SW	Lynnwood
111	Angeline, Security	4801 Rainier Ave S	Seattle	157	City Center Apartments	19501 40th Ave W	Lynnwood
112	Wolfe site	4730 32nd Ave S	Seattle	158	Scriber Creek Apts	20917 44th Ave	Lynnwood
113	Mount Baker Townhomes	2939 S Mount Baker Blvd	Seattle	159		18414 Larch Way	Lynnwood
114	Othello Townhomes	7526 43rd Ave S	Seattle	160	Meadow Apartments	16202 Meadow Road	Lynnwood
115	TH's	4769 35th Ave S	Seattle	161	Crossroads	14808 48th Ave W	Edmonds
116		2513 13th Ave S	Seattle	162		16212 48th Ave W	Edmonds
117	Othello North	4200 S Othello St	Seattle	163		130 2nd Ave N	Edmonds
118	Wolff Co Development	4730 32nd Ave S	Seattle	164	Avana Trails	17040 108th Ave SE	Renton
119	Columbia City Efficiency 1	4525 Rainier Ave S	Seattle	165	Washington Place	223 Andover Park E	Tukwilla
120	Columbia City Efficiency 2	4527 Rainier Ave S	Seattle	166	Tukwila Village	4005 S 144th St	Tukwilla
121	CONDOS	4257 214th Pl SE	Issaquah	167	Kitts Corner	1201/1202 S 336th St	Federal Way
122	Discovery Heights PH 3	942 Discovery Circle NE	Issaquah	168	Former Transport Facility	1066 S. 320th St	Federal Way
123		10th Ave NE	Issaquah	169	Cedar Springs	18025 SE 272nd St	Covington
124	Atlas (Seventh At Gilman) 1	1036 7th Ave NW	Issaquah	170	Kent Station (Last Phase)	443 Ramsay Way	Kent
125	Atlas (Seventh At Gilman) 2	1118 7th Ave NW	Issaquah	171	Crest View Apts	27910 Pacific Hwy S	Des Moines
126	Village @ Sammamish Town Cen	NW Corner of SE 4th St & 228	Issaquah	172	Bainbridge	cmr of Wyatt & Grow streets	Bainbridge
127	CONDO	1380 NE Brooklyn Loop	Issaquah	173	Spyglass Hill Apartments	642 Highland Ave	Bremerton
128	GRE	2070 NE Bel-Red Rd	Bellevue	174	The 606	606 Burwell St	Bremerton
129	Bellevue and Main	15 Bellevue Way SE	Bellevue	175	Grow (Ph II)	428 Grow Ave NW	Bainbridge
130	Alley 111	11011 NE 9th St	Bellevue	176	Point Ruston (Tacoma)	5339 N 49th St	Tacoma
131	Bellevue Park II Apt	10203 NE 1st St	Bellevue	177	The Henry	1933 Dock St	Tacoma
132	Lincon Square Expansion	410 Bellevue Way NE	Bellevue	178	Proctor 28 (Tacoma)	N Proctor St and N 28th St	Tacoma
133	Vander Hoek Site	10246 Main St	Bellevue	179	Pacific Ave Site	7843 Pacific Ave	Tacoma
134	Avalon Newcastle PH I	6620 Coal Creek Pkwy SE	Bellevue	180	4910 (South Pine St Apts)	4910 S Pine St	Tacoma
135	Avalon Newcastle PH II	6620 Coal Creek Pkwy SE	Bellevue	181	Mason Ave Apts	3808 S Mason Ave	Tacoma
136	Spring District Residential phase	1227 124th Ave NE	Bellevue	182	Latitude 47	3700 Market Pl W	University Place
137	Tulum Downs	515 102nd ave Se	Bellevue	183	Merdian Green	13201 97th Ave E	Puyallup
138	Soma Towers Phase II	258 106th Ave NE	Bellevue	184	Arbors at Edgewood ph. I	2011-2017 Merdian Ave E	Edgewood

Apartment Developments in Lease-Up in the Puget Sound Region (June 2015)



Projects in Lease-Up Seattle-Bellevue-Everett MD - June 2015									
No.	Project Name	Address	Units	% Leased	No.	Project Name	Address	Units	% Leased
Seattle									
1	Stadium Place Wave	S Tower - 201 S King St	333	96.1%	25	Queen Anne Flats	521 2nd Ave W	30	100.0%
2	Art House	2334 Elliot Ave	139	93.5%	26	Canvas Apartments	600 Elliot Ave W	123	100.0%
3	"N" Habitat	2217 3rd Ave	49	95.9%	27	Latitude	500 3rd Ave W	76	98.7%
4	Verve	2720 4th Ave	161	98.1%	28	Amli SLU Phase 2	528 Pontius Ave N	118	87.3%
5	Dimension by Alta	225 Cedar St	298	87.6%	29	True North	801 Dexter Ave N	286	100.0%
6	The Century	101 Taylor Ave N	258	99.6%	30	47+7	4558 7th Ave NE	24	95.8%
7	Aperture on Fifth	206 5th Ave N	106	76.4%	31	Sedona	8520 20th Ave NE	80	100.0%
8	Premiere on Pine (815 Pine)	1525 9th Ave	386	64.8%	32	Studio 7	4029 7th Ave NE	75	96.0%
9	Nine and Pine	1601 9th Ave	74	95.9%	33	525 @ The Enclave	525 NE Northgate Way	266	87.2%
10	Cirrus	2030 8th Ave	396	13.6%	34	Greenwood Place Apartments	14307 Greenwood Ave N	39	64.1%
11	Walton Lofts	75 Vine St	137	40.1%	35	"Big Red"	12350 33rd Ave NE	23	39.1%
12	Broadstone Infinity	1414 10th Ave	248	25.4%	36	Malmo	1210 N 152nd St	129	82.2%
13	The Local 422	422 Summit Ave E	48	100.0%	37	Green Lake Village	7104 Woodlawn Ave NE	297	97.6%
14	The Beryl Apartments	1200 E Pike St	88	68.2%	38	Velo	3635 Woodland Park Ave N	171	98.2%
15	Cielo	802 Seneca St	335	81.5%	39	Urbana	1501 NW 56th Street	287	96.9%
16	Anthem on 12th	103 12th Ave	120	60.0%	40	Amli Mark 24	2428 NW Market St	304	93.1%
17	Viva	1111 E Union St	105	94.3%	41	Footprint Phinney	8731 Phinney Ave N	40	42.5%
18	Zephyr	200 Belmont Ave E	77	100.0%	42	Soren	5711 24th Ave NW	111	64.9%
19	Evolve (Seawest)	954 E Union St	79	97.5%	43	Ray	3636 Stone Way N	120	83.3%
20	Sola24	109 12th Ave E	23	100.0%	44	The Blake	5020 California Ave SW	103	97.1%
21	Yardhouse	1406 E Republican St	35	100.0%	45	Junction 47	4203 SW Alaska Way	206	17.0%
22	The Hudson	2450 Birch Ave N	124	78.2%	46	4730 California	4730 California Ave SW	88	97.7%
23	Slate	1603 W Dravus St	236	100.0%	47	Spruce	3922 SW Alaska Way	217	45.2%
24	Astro Apartments	315 1st Ave N	212	39.6%	48	Denning Apts	2721 17th Ave S	46	100.0%
East King County (Eastside)									
49	Village at Beardslee Crossing Ph. 2	19122 Beardslee Blvd	158	75.3%	South King County (South End)				
50	Milano Townhomes	12311 NE 8th St	28	100.0%	64	The Platform (Kent Station)	420 W Smith St	176	87.5%
51	The Villas in Bellevue	595 156th Ave SE	90	92.2%	65	Altitude Apartments (Phase I)	1620 Benson Rd S	117	100.0%
52	Soma Towers Ph. 1	288 106th Ave NE	148	100.0%	66	Heritage Hill (Renton)	1250 S Puget Dr	75	54.7%
53	Kirkland Crossing	3801 108th Ave NE	243	72.0%	67	Park 16 (Federal Way)	35703 16th Ave S	293	100.0%
54	The Luke	8280 164th Ave NE	208	79.8%	68	Ambaum Place Apartments	12230 Ambaum Blvd SW	28	100.0%
55	Allez	8397 158th Ave NE	148	100.0%	69	The Trek	2 E Main St	126	20.6%
56	LIV Bel-Red	2211 156th Ave NE	352	15.1%	Snohomish County				
57	Main St Flats	10505 Main St	260	30.8%	70	Alta Phase 1	16520 Larch Way	230	100.0%
58	Elan	16325 Cleveland St, Redmond	134	94.0%	71	Tivalli	15525 Ash Way	383	66.3%
59	Mercer Ph 2	7650 SE 27th St	87	100.0%	72	Avalon Alderwood Ph 1	2510 164th St SW	367	96.2%
60	Old Town Lofts	16175 Cleveland St, Redmond	149	100.0%	73	Mill Creek Meadows	13315 45th Ave SE	180	100.0%
61	6 Oaks	18333 Bothell Way NE	203	92.6%	Pierce County				
62	Spencer 68	6711 NE 182nd St	139	48.9%	74	Renwood	9002 186th Ave E	186	78.5%
63	Issaquah Terrace	906 NE Lilac St	298	67.8%	75	Port Landing (Fife)	2715 62nd Ave E	164	95.1%
					76	Pacifica Tower B	4275 S Pine St	177	98.3%
					77	Clearview 100	3555 Market Place W	100	98.0%
					78	Creekside Village	1600 Sequelichew Dr	160	98.8%
					79	Garfield Station	323 Garfield Station (Tacoma)	104	70.2%
					80	Summit Tower	5563 McDonald Ave (Gig Harbor)	65	100.0%

Supply And Demand Summary

The table below illustrates our forecast for both apartment supply and demand within each major submarket in the Metropolitan area. Vacancies are expected to increase over the next two years as supply steadily catches up with demand.

While there is a significant amount of new supply coming online, demand remains strong, which will hold the vacancy rates below 5% throughout the forecast period. We expect to see increases in the vacancy rate in three of the four submarkets, with the Southend remaining fairly consistent. The apartment market has begun to see the impact of the new supply entering the market. Although demand will remain strong throughout this forecast period, supply will continue to catch up over the next two years, pushing vacancies higher, resulting in a projected vacancy rate of 3.7% by the third quarter of 2017.

SeattleMetro Two-Year Apartment Market Summary									
June-15									
Submarket	Market Size	% Vacant	No. Vacant	2 Year Demand	2 Year Supply	S/D Net	2 Yr. Mkt. Size	2 Yr. Vac. Rate**	Total Vacant
Seattle	187,203	1.8%	3,313	11,465	16,257	4,791	203,460	3.9%	7,974
Eastside	76,008	1.2%	882	3,405	6,023	2,617	82,031	4.3%	3,506
Southend	102,202	2.1%	2,126	1,532	1,563	31	103,765	2.2%	2,253
Snohomish	97,213	1.2%	1,128	2,406	2,668	262	99,881	4.3%	4,342
MD*	462,626	1.6%	7,449	18,808	26,510	7,702	489,136	3.7%	18,079

*Weighted Average

**Two-Year Vacancy rate is 3rd Quarter 2017

The following table focuses on submarket supply and demand from our current survey period (mid-2015), through the year-end 2015 and into 2016 and 2017. The reader will likely be able to see how demand estimates follow the supply to a certain degree.

Seattle-Bellevue-Everett MD Two Year Market Breakdown											
June-15											
Submarket	Mid-Year 2015		2015			2016			3rd Quarter 2017		
	Market Size	Mid-Year Vacancy	Supply	Demand	Year-End Vacancy	Supply	Demand	Year-End Vacancy	Supply	Demand	Year-End Vacancy
Seattle	187,203	1.8%	6,900	8,093	2.0%	11,794	5,899	3.3%	5,779	4,307	3.9%
Eastside	76,008	1.2%	2,263	2,968	2.2%	3,333	2,224	3.5%	2,306	1,579	4.3%
Southend	102,202	2.1%	770	1,349	1.7%	665	580	1.8%	1,097	646	2.2%
Snohomish	97,213	1.2%	882	1,079	3.2%	1,274	967	3.5%	1,541	646	4.3%
MD*	462,626	1.6%	10,815	13,489	2.2%	17,066	9,670	3.0%	10,723	7,178	3.7%

*Weighted Average

Vacancy Forecast – Seattle-Bellevue-Everett MD

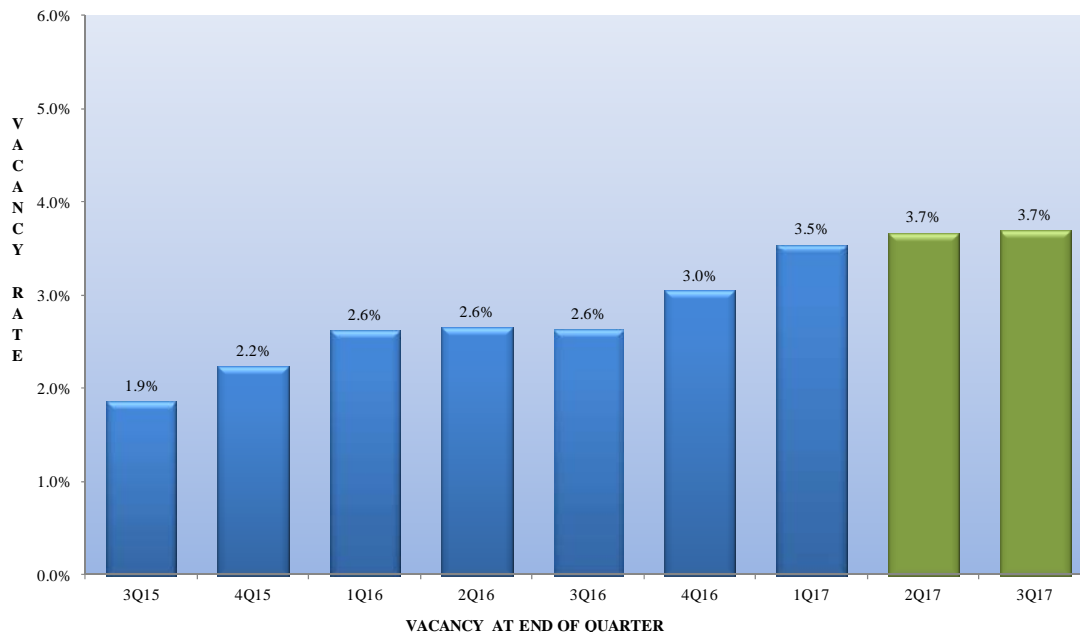
The table below details a variety of factors pertinent to the understanding of historical demand in the Seattle-Bellevue-Everett MD. All of the factors listed (vacancy, market size, occupied units, etc.), with the exception of the most recent survey, are considered at year's end. We have included the newly constructed units that were absorbed in a given year into each annual market size. Thus, total demand is based upon the change in occupied units, which itself is a factor of the change in vacancy.

Seattle-Bellevue-Everett MD Apartment Market											
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Mid-2015
Vacancy Rate	3.9%	3.4%	3.5%	5.0%	5.8%	4.2%	4.2%	3.6%	3.5%	2.9%	1.6%
Market Size	427,465	429,362	431,903	433,814	437,915	442,045	444,295	447,580	454,116	462,506	467,958
Occupied Units	410,729	414,826	416,721	411,978	412,577	423,389	425,618	431,571	438,083	449,299	460,400
New Units Absorbed	1,153	1,897	2,541	1,911	4,101	4,130	2,250	3,285	6,536	8,390	5,452
Existing Units Absorbed	12,082	2,200	-646	-6,654	-3,503	6,683	-22	2,668	-24	2,826	5,649
Total Demand	13,235	4,097	1,895	-4,743	598	10,813	2,228	5,953	6,512	11,216	11,101

Note: Market Size includes New Units Absorbed, therefore Total Demand is based upon the change in Occupied Units.

The graph below displays the forecasted vacancy rates for the Seattle-Bellevue-Everett MD through the 3rd quarter of 2017. Our model of market balance projections shows that vacancies should increase through the 3rd quarter of 2017 to 3.7%. We estimate healthy household and employment growth from 2015 through 2017, resulting in an estimate of demand of 13,489 units in 2015 and 9,670 units in 2016, and 8,157 units during 2017. The significant amount of new projects that will enter the market in 2016 will allow supply to catch up with demand, resulting in an upswing in vacancies, but vacancies should remain below 5.0% in the face of prolonged demand. The bars colored green in the graph below are primarily forecasted using proposed projects as opposed to projects currently under construction.

SEATTLE-BELLEVUE-EVERETT MD APARTMENT MARKET BALANCE PROJECTIONS



Seattle Market

Similar to the previous page, the table below details historic demand in the Seattle submarket based upon a variety of pertinent factors. Seattle is a stand out submarket, and specifically the Seattle core, in that approximately 7,132 units or 36% of all units currently under construction throughout the Seattle-Bellevue-Everett MD are located within the Seattle core. Having fared the economic turmoil of years past much better than most American cities, Seattle has garnered a lot of positive media attention throughout the nation. The city is considered an attractive municipality for commercial real estate investment, drawing many national, and some international apartment developers to the area.

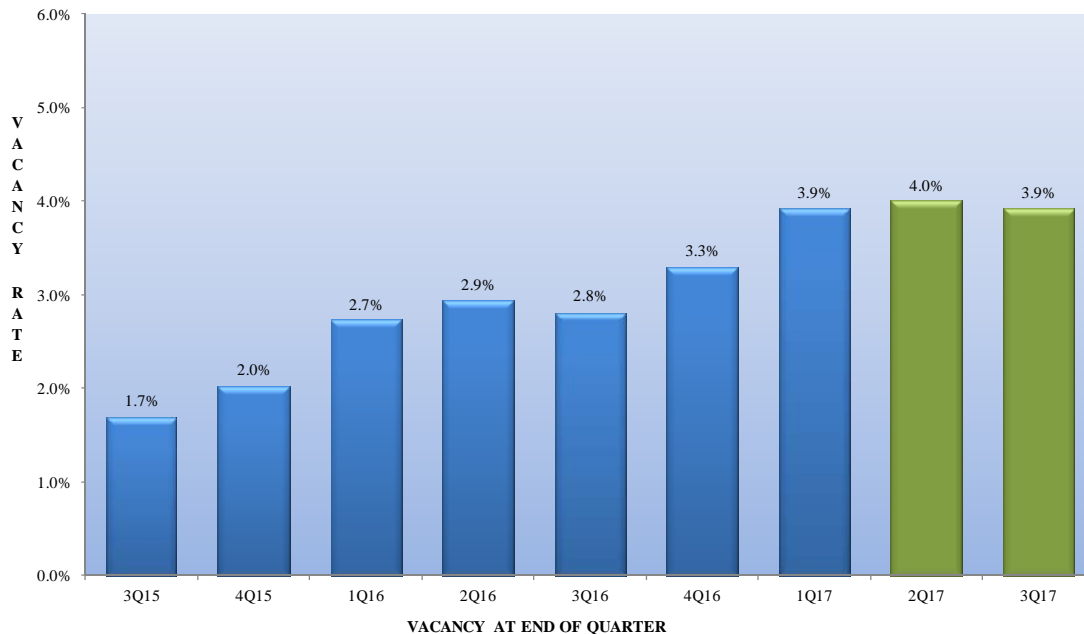
Seattle Market											
	2005	2006	2007	2008	2009	2010*	2011	2012	2013	2014	Mid-2015
Vacancy Rate	2.5%	2.8%	2.6%	4.4%	4.9%	3.6%	3.2%	3.0%	3.3%	2.7%	1.8%
Market Size	163,845	164,502	165,658	166,457	169,138	171,272	172,150	174,467	179,061	185,550	188,749
Occupied Units	159,761	159,970	161,351	159,121	160,828	165,120	166,630	169,306	173,175	180,476	185,401
New Units Absorbed	458	657	1,156	799	2,681	2,134	878	2,317	4,594	6,489	3,199
Existing Units Absorbed	5,346	-448	225	-3,029	-974	2,159	631	359	-725	813	1,726
Total Demand	5,804	209	1,381	-2,230	1,707	4,293	1,509	2,676	3,869	7,302	4,925

Note: Market Size includes New Units Absorbed, therefore Total Demand is based upon the change in Occupied Units.

*2010 Census Data used for market size

Given our estimate of total demand, the following graph projects our expectations regarding future market conditions.

SEATTLE APARTMENT MARKET BALANCE PROJECTIONS



Eastside Market

The table below details historic demand in the Eastside submarket based upon a variety of pertinent factors. The Eastside submarket historically captures a significant portion (approx. 22%) of Seattle MD demand. In our two year forecast, we estimate the Eastside to capture 22% (6,986 units) of the market share of new units compared to the Seattle submarket capturing 60% (18,886 units). We expect the Eastside submarket to be most affected by the onset of new supply, with vacancies expected to rise to 4.3% by the third quarter of 2017 due to the significant amount of new supply.

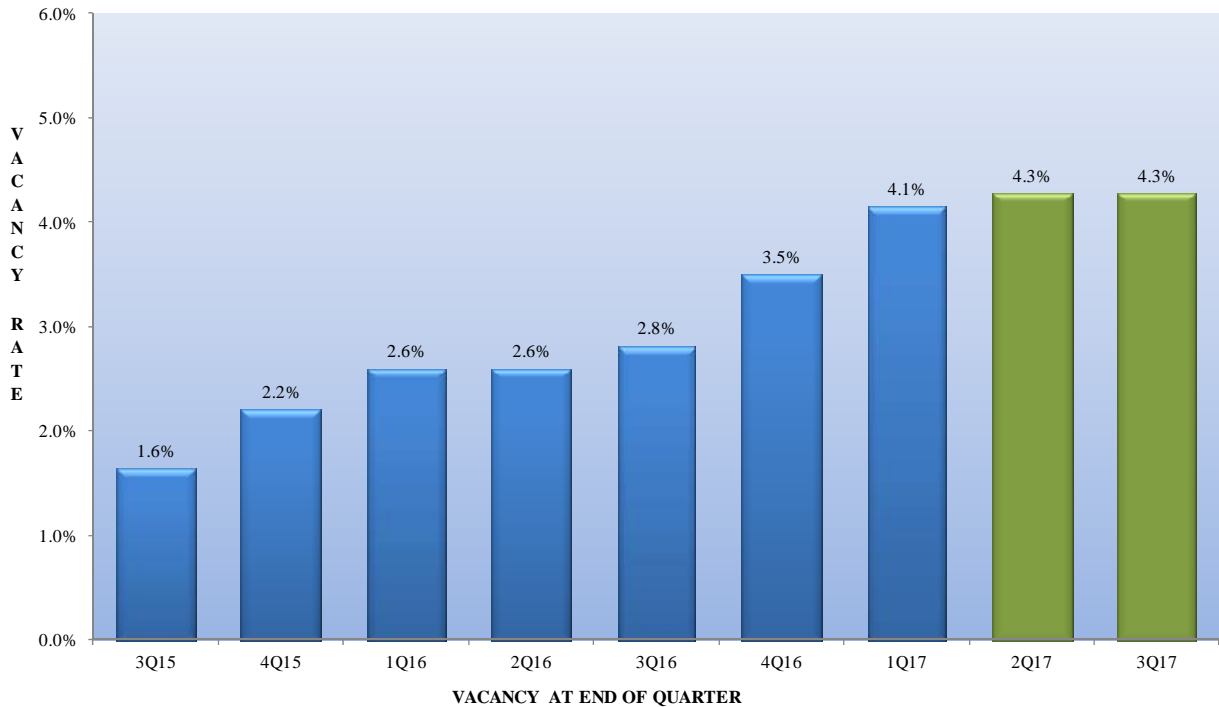
Eastside Market											
	2005	2006	2007	2008	2009	2010*	2011	2012	2013	2014	Mid-2015
Vacancy Rate	4.1%	4.2%	4.2%	5.2%	5.0%	4.2%	3.5%	3.4%	4.4%	3.2%	1.2%
Market Size	69,177	69,679	69,873	70,457	71,484	73,093	74,015	74,289	75,329	76,260	77,409
Occupied Units	66,352	66,776	66,970	66,805	67,916	70,020	71,417	71,749	72,030	73,843	76,508
New Units Absorbed	468	502	194	584	1,027	1,609	922	274	1,040	931	1,149
Existing Units Absorbed	1,658	-78	0	-749	84	495	476	58	-759	882	1,517
Total Demand	2,126	424	194	-165	1,111	2,104	1,398	332	281	1,813	2,666

Note: Market Size includes New Units Absorbed, therefore Total Demand is based upon the change in Occupied Units.

*2010 Census Data used for market size

Given our estimate of total demand, the following graph projects our expectations regarding future market conditions.

EAST SIDE APARTMENT MARKET BALANCE PROJECTIONS



Southend Market

The table below details historic demand in the Southend submarket based upon a variety of pertinent factors. Measurable demand in the Southend tends to fluctuate with the available supply. There are 156 unleased units (new construction) available in the Southend and 1,493 units currently under construction in the submarket as of our mid-year survey. The Southend in the first half of 2015 experienced 757 units of demand. The Southend may become a more attractive option as rent rates rise in the other submarkets, pushing renters to a more affordable area.

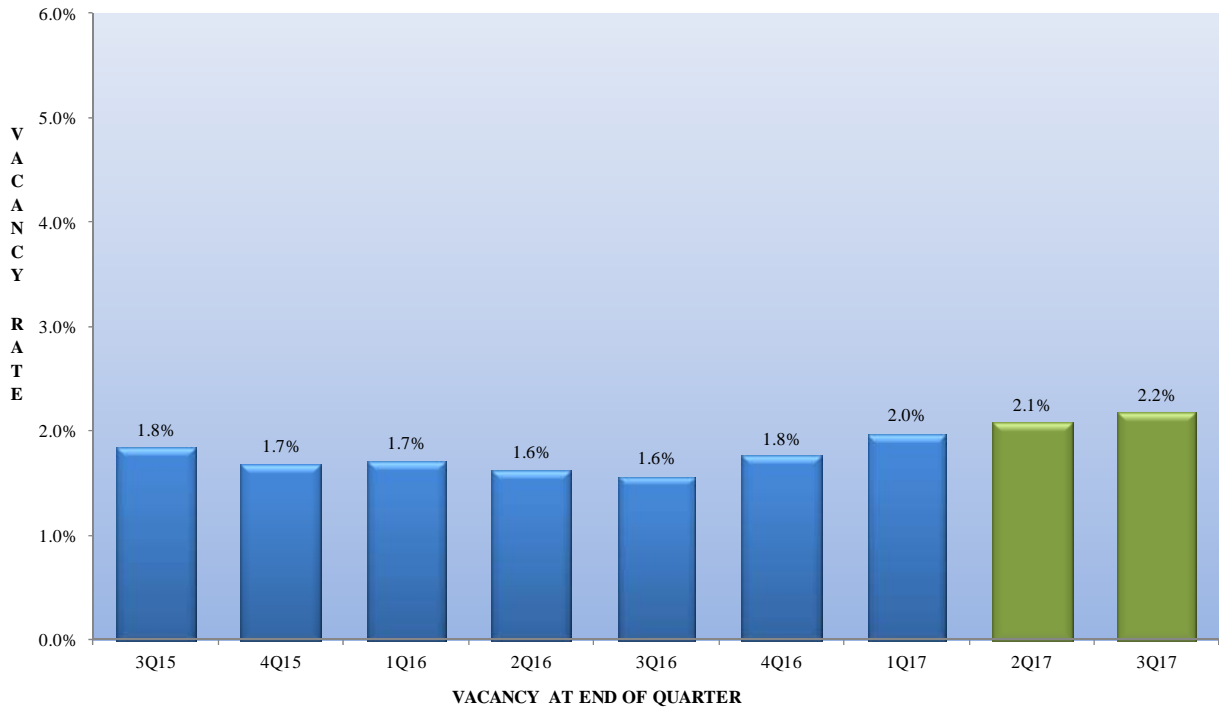
Southend Market											
	2005	2006	2007	2008	2009	2010*	2011	2012	2013	2014	Mid-2015
Vacancy Rate	5.8%	3.9%	4.2%	6.3%	7.6%	4.9%	5.9%	4.2%	3.6%	2.3%	2.1%
Market Size	100,663	101,289	102,158	102,662	103,055	103,442	103,810	104,141	104,397	104,517	105,098
Occupied Units	94,817	97,345	97,910	96,211	95,232	98,365	97,682	99,778	100,628	102,150	102,907
New Units Absorbed	116	626	869	504	393	387	368	331	256	120	581
Existing Units Absorbed	2,801	1,902	-304	-2,203	-1,372	2,746	-1,051	1,765	594	1,402	176
Total Demand	2,917	2,528	565	-1,699	-979	3,133	-683	2,096	850	1,522	757

Note: Market Size includes New Units Absorbed, therefore Total Demand is based upon the change in Occupied Units.

*2010 Census Data used for market size

Given our estimate of total new demand and supply, the following graph projects our expectations regarding future market conditions.

SOUTHEND APARTMENT MARKET BALANCE PROJECTIONS



Snohomish Market

The table below details historic demand in the Snohomish submarket based upon a variety of pertinent factors. Similar to the Southend, the amount of units absorbed in Snohomish is greatly dependant on the number of units constructed in that area. Given the increased supply entering the market, we expect to see steadily increasing vacancy rates through 2016 and 2017, yet these rates will still remain below equilibrium (commonly considered 5%).

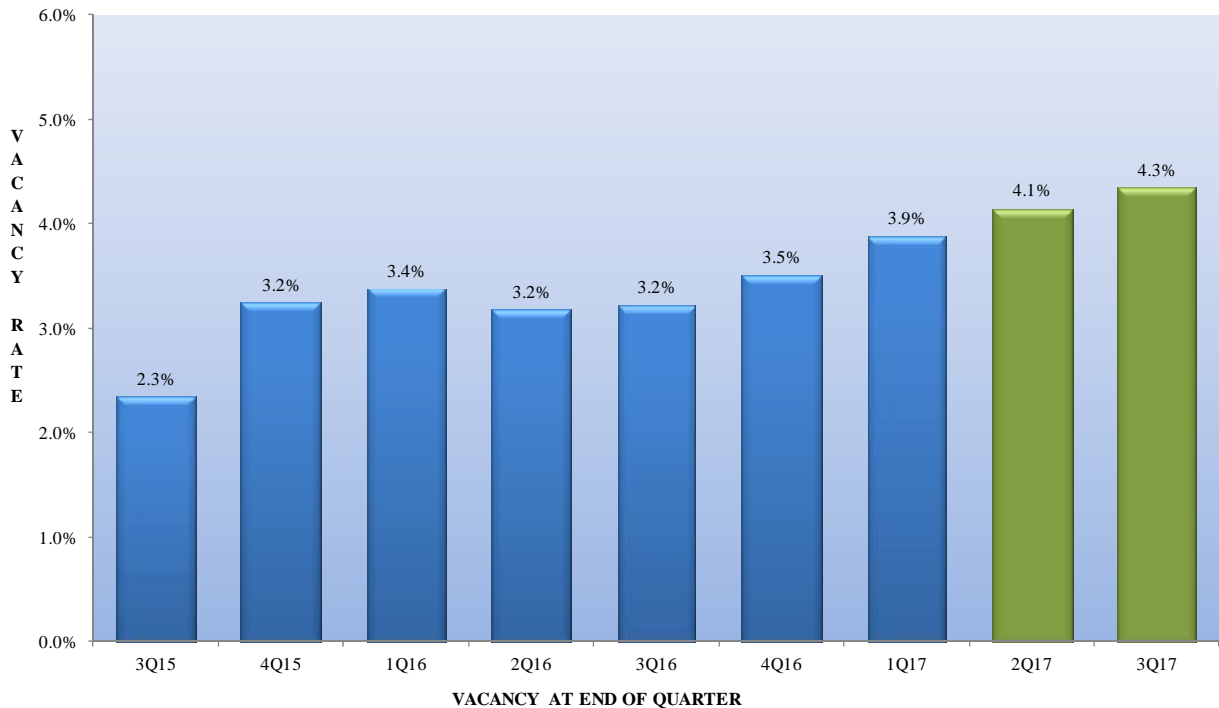
Snohomish Market											
	2005	2006	2007	2008	2009	2010*	2011	2012	2013	2014	Mid-2015
Vacancy Rate	4.2%	3.4%	4.0%	4.7%	6.0%	4.6%	4.7%	4.2%	3.2%	3.5%	1.2%
Market Size	93,780	93,892	94,214	94,238	94,238	94,238	94,320	94,683	95,329	96,179	96,702
Occupied Units	89,798	90,734	90,490	89,841	88,601	89,884	89,888	90,738	92,250	92,829	95,583
New Units Absorbed	111	112	322	24	0	0	82	363	646	850	523
Existing Units Absorbed	2,276	824	-566	-673	-1,240	1,283	-78	487	866	-271	2,230
Total Demand	2,387	936	-244	-649	-1,240	1,283	4	850	1,512	579	2,753

Note: Market Size includes New Units Absorbed, therefore Total Demand is based upon the change in Occupied Units.

*2010 Census Data used for market size

Given our estimate of total new demand and supply, the following graph projects our expectations regarding future market conditions.

SNOHOMISH APARTMENT MARKET BALANCE PROJECTIONS



Rental Rate Forecast

In 2015, the Seattle MD experienced rent growth of 5.3%, less than that of 2014, yet still impressive. The table below has separated the year-end 2014 growth from the first half of 2015 rent growth by submarket, for comparison. Typically, the vast majority of rent increases are experienced in the first half of the year due in part to the seasonality of apartment demand.

Rent Change Seattle-Bellevue-Everett MD		
Area	2014	First Half 2015
Seattle	8.0%	6.0%
Eastside	9.0%	6.0%
Southend	9.0%	4.0%
Snohomish	7.5%	5.0%
MD*	8.3%	5.3%

**Weighted by market size*

Source: OCG

Starting in 2010, this apartment cycle has seen tremendous rent growth throughout the Seattle MD. Overall, rents in the Seattle MD have increased by 39.3% since 2010 or at an average of 6.5% per year. The Eastside submarket has experienced the largest rent increase of any submarket over the past five years at 32.5% or at an average of 6.5% per year.

2002 - Mid-2015 Rent Change														
Submarket	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Mid-2015
Seattle	-8.6%	0.3%	2.1%	1.7%	15.3%	7.6%	0.6%	-8.4%	6.5%	9.0%	6.0%	6.2%	8.0%	6.0%
Eastside	-13.5%	0.3%	0.9%	4.3%	12.5%	7.9%	0.8%	-13.1%	7.3%	12.6%	8.0%	3.8%	9.0%	6.0%
Southend	-2.4%	0.3%	2.2%	0.8%	7.3%	9.8%	4.8%	-10.0%	2.4%	5.3%	3.9%	3.6%	9.0%	4.0%
Snohomish	-10.4%	-1.3%	2.3%	1.7%	15.5%	9.5%	-0.6%	-12.8%	4.6%	10.8%	3.3%	2.3%	7.5%	5.0%
MD Total (Weighted)	-8.4%	0.1%	1.9%	1.9%	13.0%	8.5%	1.4%	-10.3%	6.8%	9.1%	5.4%	4.4%	8.3%	5.3%

Source: OCGP

In 2014, the strong rent growth continued despite a new supply total of 8,839 units which was the most since 1990. Most of the gains were witnessed in the first half of the year. The overall year-end rent growth figure for the Seattle MD was 8.3%. Continuing the trend in 2015, we have seen a growth of 5.3% across the region, which is a healthy increase.

Looking forward, we believe that rent growth will continue to be strong throughout the Seattle MD. In certain markets with more limited supply, we expect the rent growth to be somewhat stronger than in the areas with a large amount of supply. Please refer to the table below for our annual rent growth estimates broken down by submarket.

Rent Growth Forecast			
Seattle-Bellevue-Everett MD			
Submarket	2015	2016	2017
Seattle	7.0%	6.0%	4.0%
Eastside	8.0%	5.0%	4.0%
Southend	7.0%	5.0%	5.0%
Snohomish	7.0%	6.0%	5.0%
MD*	7.3%	5.5%	4.5%

*Weighted Average

Source: OCG

Historical Vacancy Rate and Rent Change (Long-term Trend)

Vacancy Rates: Vacancies tend to decline in the first half of the year and rise in the second. This trend is evident during most years. The fact that vacancies remained at 4.2% from mid-year 2010 to year-end 2010 speaks to the high level of demand experienced that year. Regular seasonality returned in 2011, with the decline in vacancy that occurred during the first half of the year being diminished by slowing demand in the second. In 2012, vacancies fell to 3.4% in the first half of the year and remained relatively flat through the second half, only rising to 3.5% by year-end. The large amount of demand seen in 2012 is responsible for the vacancy rate remaining relatively stable throughout the latter half of the year. The year 2013 saw a slight rise in vacancies as the new supply began to impact the market. In 2014 the vacancy rate dropped to a decade low 2.9% despite record amounts of supply. Again we have seen a mid-year decrease in vacancies to 1.6%, but expect the rates to increase slightly to 2.2% at the end of 2015. The following table details the vacancies above by submarket.

Seattle MD Vacancy History 1995 - 2014 (Year-end Annual)										
Submarket	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04
Seattle	2.2%	1.1%	1.2%	1.8%	3.4%	2.4%	7.9%	6.0%	6.0%	5.8%
Eastside	3.0%	1.3%	1.5%	3.1%	5.2%	3.7%	8.0%	6.5%	6.8%	6.5%
Southend	5.9%	3.2%	2.0%	2.0%	3.6%	2.9%	6.6%	8.2%	6.5%	6.7%
Snohomish	4.0%	1.9%	1.1%	3.2%	4.2%	2.7%	6.1%	7.8%	7.5%	8.6%
Metro *	4.3%	2.8%	2.0%	2.8%	3.9%	2.8%	7.3%	6.9%	6.6%	6.7%
Submarket	12/05	12/06	12/07	12/08	12/09	12/10	12/11	12/12	12/13	12/14
Seattle	2.5%	2.8%	2.6%	4.4%	4.9%	3.6%	3.2%	3.0%	3.0%	2.7%
Eastside	4.1%	4.2%	4.2%	5.2%	5.0%	4.2%	3.5%	3.4%	4.4%	3.4%
Southend	4.2%	3.4%	4.0%	4.7%	6.0%	4.9%	5.9%	4.2%	3.6%	2.3%
Snohomish	5.8%	3.9%	4.2%	6.3%	7.6%	4.6%	4.7%	4.2%	3.2%	3.5%
Metro *	4.5%	3.4%	3.5%	5.0%	5.7%	4.2%	4.1%	3.5%	3.4%	2.9%

* Weighted by submarket size
 Source: O'Connor Consulting Group

Historic vacancy rates ranged from 1.1% to 7.9%, at an average rate of 3.5% in Seattle over the last 20 years. The other markets averaged 4.4% (Eastside), 4.5% (Southend), and 4.8% (Snohomish) during that time period. The Seattle MD vacancy rate declined in the first half of 2015 to a metro wide 1.6%, but is expected to increase to 2.2% at year-end.

Rent Change: In general, there is clear relationship between vacancy rates and rent changes. When vacancy drops below 5.0%, rents will start to climb.

Rental rate growth between 1991 and 1995 was either stagnant or growing at rates approaching the general inflation rate of 2.3% to 3.0%. Rent growth for that cycle peaked in 1997 at 7.6%. The year 2002 is a somewhat special case in that rents declined by 8.4% to combat rapidly increasing vacancy. Since that time, rent growth was minimal and similar to that of the early 1990's. Due to the low levels of demand during 2004, most projects offered concessions during that time. However, by the end of 2005 an increase in demand resulted in a decrease in the frequency and magnitude of rent concessions.

In 2006 and 2007, almost all apartment projects ceased offering concessions as vacancy rates fell to extremely low levels. Strong rental rate increases were observed during this period as demand for apartment housing remained high.

This reflects the relative imbalance between supply and demand. In 2006, rents rose by a dramatic 13%, fueled by a diminishing apartment supply in the wake of mass condominium conversion.

The year 2009 was a period of significant rent adjustment. Rents declined by 10.3% that year, undoing all of the growth experienced in 2007 and 2008. In 2009, we saw a real push to combat rising vacancies and to fill the 5,725 units that came online that year. The significant decline in vacancies in 2010 stimulated relatively rapid rent growth (6.8%), which usually takes more time to react to a shift in demand.

The year 2011 marked the most significant rent growth since 2006, Seattle MD rents grew by another 9.1% in 2011, though most gains were experienced during the first half of the year. As demand continued to outpace a limited supply, we witnessed further healthy rent growth of 5.4% in 2012, though at a slightly slower pace. This trend continued but at a lower rate in 2013, increasing by 4.4% throughout the year.

1994 - Mid-2015 Rent Change											
Submarket	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Seattle	2.3%	3.1%	3.2%	7.3%	4.9%	4.5%	3.0%	2.9%	-8.6%	0.3%	2.1%
Eastside	2.5%	2.7%	5.0%	8.8%	5.3%	6.2%	3.6%	1.2%	-13.5%	0.3%	0.9%
Southend	2.1%	1.7%	2.6%	7.2%	5.1%	5.5%	1.7%	2.0%	-2.4%	0.3%	2.2%
Snohomish	-0.5%	1.3%	2.2%	7.6%	5.5%	2.4%	-5.2%	1.2%	-10.4%	-1.3%	2.3%
Metro*	1.1%	2.4%	3.1%	7.6%	5.2%	4.7%	1.2%	2.1%	-8.4%	0.1%	1.9%
Submarket	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Mid-2015
Seattle	1.7%	15.3%	7.6%	0.6%	-8.4%	6.5%	9.0%	6.0%	6.2%	8.0%	6.0%
Eastside	4.3%	12.5%	7.9%	0.8%	-13.1%	7.3%	12.6%	8.0%	3.8%	9.0%	6.0%
Southend	0.8%	7.3%	9.8%	4.8%	-10.0%	2.4%	5.3%	3.9%	3.6%	9.0%	4.0%
Snohomish	1.7%	15.5%	9.5%	-0.6%	-12.8%	4.6%	10.8%	3.3%	2.3%	7.5%	5.0%
Metro*	1.9%	13.0%	8.5%	1.4%	-10.3%	6.8%	9.1%	5.4%	4.4%	8.3%	5.3%

* Weighted by submarket size
 Source: O'Connor Consulting Group

In 2014, the trend continued in the Seattle MD as strong rent growth was experienced in all submarkets and the Metro area saw rents increase by 8.3%.

By mid-year 2015 rents have increased 5.3%, and are projected to increase another 2%, up to 7.3%, by year-end.

The following graph represents the rent change and vacancy rate in Seattle over the last 20 years. (1995 to 2014).

Seattle MD Vacancy and Rent Change History



King County Historical Apartment Sales

The King County apartment market over the last decade has seen approximately 946 apartment complexes (with 20+ units) sell for \$14,020,000,000, averaging of \$145,845 per unit. The highest year-end average price per unit occurred in 2014 at \$208,693 per unit. The lowest year-end average price per unit occurred in 2003 at \$78,399. Overall, the price per unit has increased by 8.1% annually over the last 10 years.



As of the end of 2014, King County had 104 apartment sales. Since 2009, the number of King County Apartment Sales has accelerated drastically through 2012. There was a slight decline in the number of apartment sales after 2012. There was a decrease of approximately 17 apartment sales, or 16.6% in 2013. However, the sales price per unit increased at an annual rate of 12.6%. In 2014 apartment sales increased by 22%.

By mid-2015, the average price per unit increased 20% over the 2014 average, with 50 sales in the first half of 2015.

King County Apartment Sale Summary 2003 - Mid 2015												
	2005	2006	2007	2008	2009	2010	2011	2012	2013*	2014*	Mid 2015	10-Year Avg.
Number of Apartment Sales	176	151	127	68	26	45	62	102	85	104	50	94.6
Total Number of Units	17,130	13,177	11,211	10,920	1,928	4,667	6,652	11,643	8,664	10,462	5,135	9,645
Avg. Price Per Unit	\$115,234	\$112,802	\$133,740	\$118,004	\$110,047	\$146,893	\$138,437	\$176,193	\$198,408	\$208,693	\$250,835	\$145,845
% Change in Price Per Unit	36%	-2%	19%	-12%	-7%	33%	-6%	27%	13%	5%	20%	10.7%

Source: OCG

The following tables detail a sample of the Apartment Sales of the King County Market that contained more than 20 units and were at arm's-length. The sample counts for almost \$1,300,000,000 that was transacted in the first half of 2015 (through June) in King County. These sales indicate that the average sale price per unit was slightly over \$360,000 if constructed after 2000, \$184,000 if constructed between 1980 and 2000, and \$174,000 if constructed prior to 1979.

Apartment Sales in the King County Market										
Conditions: Sold in 2015 and Built after 1900										
Sale Date	Apartment Name	Address	City	No. of Units	Year Built	Assessed Value 2014	Assessed Value \$/Unit	Sales Price	Price/Unit	2014 Assessed Value as a Percentage of Sale Price
Jan-15	Maple Leaf Plaza	8917 Lake City Way NE	Seattle	52	1995	\$7,762,000	\$149,269	\$9,324,600	\$179,319	83%
Jan-15	Park Imperial	3030 M St SE	Auburn	30	1969	\$2,264,000	\$75,467	\$2,115,000	\$70,500	107%
Jan-15	Sheridan Apartments	2011-2015 5th Ave	Seattle	57	1914	\$10,212,000	\$179,158	\$20,700,000	\$363,158	49%
Jan-15	Olde Redmond Apartments	7001 Old Redmond Rd	Redmond	192	1986	\$36,640,000	\$190,833	\$46,942,400	\$244,492	78%
Jan-15	Gates of Redmond Apartments	15325 Redmond Way	Redmond	180	1979	\$30,292,000	\$168,289	\$45,196,000	\$251,089	67%
Jan-15	1800 Eastlake	1800 Eastlake Ave E	Seattle	30	1999	\$8,000,000	\$266,667	\$11,000,000	\$366,667	73%
Jan-15	Riverview West Apartments	10300 Des Moines Memorial Dr	Seattle	54	1964	\$4,363,000	\$80,796	\$4,890,000	\$90,556	89%
Feb-15	Park Metro	11101 NE 12th St	Bellevue	78	2014	\$25,779,100	\$330,501	\$29,017,000	\$372,013	89%
Feb-15	Rollin Street Flats	120 Westlake Ave	Seattle	208	2009	\$100,000,000	\$480,769	\$137,787,000	\$662,438	73%
Feb-15	Waters Edge	6305 S 238th Pl	Kent	304	1987	\$28,828,000	\$94,829	\$40,050,000	\$131,743	72%
Feb-15	Highlander Apartments	333 Vuemont Pl NE	Renton	39	1967	\$3,134,000	\$80,359	\$2,888,600	\$74,067	108%
Feb-15	Alley24	224 Pontius Ave N	Seattle	201	2006	\$57,500,000	\$286,070	\$58,200,000	\$338,372	99%
Feb-15	Cliffwood Apts	524 Highland Dr	Seattle	22	1958	\$3,016,000	\$137,091	\$3,850,000	\$175,000	78%
Feb-15	Pine+Minor	1551 Minor Ave	Seattle	120	2013	\$33,000,000	\$275,000	\$43,000,000	\$358,333	77%
Feb-15	Los Altos & Saxonia Apartments	303-307 W Olympic Pl	Seattle	26	1927	\$5,100,000	\$196,154	\$7,000,000	\$269,231	73%
Mar-15	West Ridge Apartments	3236 SW Avalon Way	Seattle	26	1991	\$3,978,000	\$153,000	\$5,246,150	\$201,775	76%
Mar-15	Arbor Hills Apartments	2060 S Kent Des Moines Rd	Des Moines	95	1978	\$6,435,000	\$67,737	\$9,250,000	\$97,368	70%
Mar-15	Continental Marina Apartments	22749 Marine View Dr S	Seattle	23	1969	\$1,745,000	\$75,870	\$2,610,000	\$113,478	67%
Mar-15	Pinewood Village	333111 18th Ln S	Federal Way	103	1989	\$10,668,000	\$103,573	\$10,800,000	\$104,854	99%
Mar-15	Palazzo	1100-1160 106th Ave NE, 1130/1st Floor	Bellevue	170	2000	\$385,600	\$2,268	\$540,000	\$3,176	71%
Mar-15	Avalon West Apartments	3250 SW Avalon Way	Seattle	26	1991	\$4,056,000	\$156,000	\$5,380,000	\$206,923	75%
Mar-15	Pladhus Apartments	838 NE 69th St	Seattle	30	2013	\$2,688,800	\$89,627	\$5,207,547	\$173,585	52%
Mar-15	Handel Apartments	844 NE 69th St	Seattle	23	1970	\$3,186,000	\$138,522	\$3,992,453	\$173,585	80%
Mar-15		10309/13/19 NE 186th St	Bothell	20	1976/8	\$1,562,000	\$78,100	\$2,070,000	\$103,500	75%
Mar-15	Sunset Electric logo	1111 E Pine St	Seattle	92	2014	\$24,000,000	\$260,870	\$41,650,000	\$452,717	58%
Mar-15	Puget Vista Apartments	411 W Republican St	Seattle	34	1967	\$7,900,000	\$232,353	\$10,144,900	\$298,379	78%
Apr-15	Barclay Broadway	412 Broadway Ave	Seattle	118	2012	\$30,857,900	\$261,508	\$41,823,000	\$354,432	74%
Apr-15	Queen Anne Garden Apartments	1250 5th Ave N	Seattle	38	1991	\$4,472,000	\$117,684	\$2,221,740	\$194,889	201%
Apr-15	View at Bitter Lake Apartments	13410 Greenwood Ave N	Seattle	54	1989	\$6,280,000	\$116,296	\$9,558,000	\$177,000	66%
Apr-15	Heritage Grove	1100 Sunset Blvd NE	Renton	56	1979	\$3,875,000	\$69,196	\$4,350,000	\$77,679	89%
Apr-15	Envoy	821 9th Ave	Seattle	45	1929	\$5,200,000	\$115,556	\$5,265,600	\$117,013	99%
May-15	Redondo Terrace	29421 Pacific Hwy S	Federal Way	78	1986	\$5,921,000	\$75,910	\$7,534,400	\$96,595	79%
May-15	Viktoria	1915 2nd Ave	Seattle	249	2014	\$85,000,000	\$341,365	\$130,000,000	\$522,088	65%
May-15	Roosevelt Place Apartments	12527 Roosevelt Way NE	Seattle	23	1986	\$3,376,000	\$146,783	\$3,572,700	\$155,335	94%
May-15	Lake City Sheridan Apartments	14535 Bothell Way NE	Seattle	24	1947	\$1,750,000	\$72,917	\$2,750,000	\$114,583	64%
May-15	Cedardale Apartments	2501 SW 336th St	Federal Way	126	1981	\$9,890,000	\$78,492	\$13,675,000	\$108,532	72%
Jun-15	Avana at Forbes Creek	11110 Forbes Creek Dr	Kirkland	496	1988	\$106,891,600	\$215,507	\$128,000,000	\$258,065	84%
Jun-15	Sumiyoshi Apartments	1000 100th Ave NE	Bellevue	24	1969	\$6,281,000	\$261,708	\$11,850,000	\$493,750	53%
Jun-15	Duo	8026 15th Ave NW	Seattle	25	2014	\$1,838,100	\$73,524	\$5,981,250	\$239,250	31%
Jun-15	Somerset Apartment Homes	25220 109th Pl NE	Kent	329	1985	\$29,526,000	\$89,745	\$40,100,000	\$121,884	74%
Jun-15	Boston Crest Apartments	215-219 Boston St	Seattle	24	1958	\$3,400,000	\$141,667	\$5,050,000	\$210,417	67%
Jun-15	The Argyle	2517-2529 S 316th Ln	Federal Way	159	1990	\$12,847,000	\$80,799	\$15,483,500	\$97,381	83%
Jun-15	Marq 211	211 Lenora St	Seattle	107	1999	\$28,500,000	\$266,355	\$40,377,600	\$377,361	71%
Jun-15	Cranmore	3309 Beacon Ave S	Seattle	20	1915	\$405,900	\$20,295	\$610,625	\$30,531	66%
Jun-15	Union SLU	901 Dexter Ave N	Seattle	284	2013	\$81,641,000	\$287,468	\$110,972,627	\$390,749	74%
Jun-15	Linden Grove	16100 Linden Ave N	Shoreline	60	1978	\$6,841,000	\$114,017	\$5,620,000	\$93,667	122%
Jun-15	The Firs Apartments	1550 NE 177th St	Shoreline	32	1978	\$3,871,000	\$120,969	\$3,993,625	\$124,801	97%
Jun-15	The Baldwin Apartments	12040 28th Ave NE	Seattle	28	1976	\$3,125,000	\$111,607	\$4,395,000	\$156,964	71%
Jun-15	One Thousand 8th Avenue Apts	1000 8th Ave	Seattle	351	1949	\$77,705,000	\$221,382	\$93,000,000	\$264,957	84%
Jun-15	Peloton Apartments	7435 159th Pl NE	Redmond	150	1988	\$29,768,000	\$198,453	\$43,000,000	\$286,667	69%
Total & Average				5135		\$971,757,000	\$189,242	\$1,288,036,317	\$250,835	79%
Weighted Average based on No. of Units										69%
Weighted Average based on Assessed Value										68%

Snohomish County Historical Apartment Sales

The Snohomish County apartment market over the last decade has seen approximately 206 apartment complexes (20+ units) sold for an average of \$107,183 per unit. The highest year-end average price per unit occurred in 2013 at \$137,694. The lowest year-end average price per unit occurred in 2003 at \$71,702. Overall, the price per unit has increased by 6.1% annually over the last 10 years.



From 2010 through 2012, sales velocity in terms of number of units and number of complexes increased each year. The average number of sale over the last 10 years is 20.6 and the average price per unit is \$107,183.

Snohomish County has experienced a similar pattern of growth in apartment sales as King County since 2009. There were 21 apartment sales in 2013, an increase of 31.3% over the 2012 total. In 2014 there were 20 apartment sales but the price per unit decreased by 5% from 2013.

By June of 2015 the average price per unit has only increased 1% over the 2014 average; however that is with only 10 sales by June of 2015.

Snohomish County Apartment Sale Summary 2003 - Mid 2015												
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Mid 2015	10-Year Avg.
Number of Apartment Sales	34	38	30	19	6	10	12	16	21	20	10	20.6
Total Number of Units	4897	4812	3228	5382	184	718	2461	3090	2239	3058	1288	3,007
Avg. Price Per Unit	\$72,980	\$101,476	\$122,102	\$98,289	\$89,976	\$98,108	\$113,249	\$107,171	\$137,694	\$130,790	\$132,153	\$107,183
% Change in Price Per Unit	-13%	39%	20%	-20%	-8%	9%	15%	-5%	28%	-5%	1%	6.1%

Source: OCG

The following table details the Apartment Sales in the Snohomish County Market that contained more than 20 units and were at arm's-length. The sample counts for nearly \$170,000,000 that has been transacted in the first half of 2015 in Snohomish County. These sales indicate that the average sale price per unit was \$132,000.

Apartment Sales in the Snohomish County Market										
Conditions: Sold in 2015 and Built after 1900										
Sale Date	Apartment Name	City	No. of Units	Year Built	Assessed Value 2014	Assessed \$/Unit	Sales Price	Price/Unit	2014 Assessed Value as a Percentage of Sale Price	
Jan-15	Fireside West Apartments	17 W Casino Rd	40	1979	\$3,225,000	\$80,625	\$3,300,000	\$82,500	98%	
Jan-15	The Seasons Apartments	3711 164th St SW	228	1988	\$23,826,000	\$104,500	\$39,681,539	\$174,042	60%	
Jan-15	Latitude	12907 E Gibson Rd	108	1986	\$9,072,000	\$84,000	\$13,528,400	\$125,263	67%	
Feb-15	The Meadows	1115-1131 Rainier Ave	150	2000	\$2,652,000	\$17,680	\$2,125,371	\$14,169	125%	
Apr-15	Falls Crossing Apartments	10110 Mountain Loop Hwy	36	1997	\$2,366,000	\$65,722	\$2,437,200	\$56,679	97%	
Apr-15	Lona Vista Apartment	931 Broadway	20	1963	\$1,460,000	\$73,000	\$1,975,000	\$98,750	74%	
Apr-15	Evergreen Apartments	1111 47th St SE	121	1991	\$10,500,000	\$86,777	\$10,625,000	\$87,810	99%	
Apr-15	The Stinson Apartment Homes	131 124th St	93	2000	\$8,464,000	\$91,011	\$10,590,000	\$113,871	80%	
May-15	Maple Glen	5424 212Th St SW	106	1986	\$10,000,000	\$94,340	\$17,000,000	\$160,377	59%	
Jun-15	Firdale Village	9501 244th St SW	386	1987	\$38,521,000	\$99,795	\$68,950,000	\$178,627	56%	
Total & Average			1,288		\$110,086,000	\$85,470	\$170,212,510	\$132,153	81%	
Weighted Average based on No. of Units									74%	
Weighted Average based on Assessed Value									68%	

Pierce County Historical Apartment Sales

The Pierce County apartment market over the last decade has seen approximately 251 apartment complexes (20+ units) sold for an average of \$72,588 per unit. The highest year-end average price per unit occurred in this year (2013) at \$101,268. The lowest year-end average price per unit occurred in 2003 at \$45,549. Overall, the price per unit has increased by 6.6% annually over the last 10 years.



From 2010 through 2014, sales velocity in terms of number of units and number of complexes has remained stable. The same cannot be said for sales price per unit as the Pierce County apartment market has experienced increases and decreases in price per unit ranging from -30% (in 2010 and 2014) to 29% (in 2012). In the same time span, the average price per unit has increased by approximately 6.6% per year.

Pierce County has experienced a similar pattern of growth in apartment sales as King County since 2009. There were 27 apartment sales in 2013, an increase of 80.0% over the 2012 total. The year 2013 experienced the most apartment sales since the housing bubble. In 2014 there were 25 apartment sales, totaling 52 sales over the last two years, the largest two year sales volume since 2007 and 2008.

Already, in only the first half of 2015 we have seen 21 apartment sales, with an average price of \$73,578, up 4.07% from 2014.

Pierce County Apartment Sale Summary 2003 - Mid 2015												
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Mid 2015	10-Year Avg.
Number of Apartment Sales	42	43	31	23	15	14	16	15	27	25	21	25.1
Total Number of Units	3096	3740	2092	1419	672	693	1095	2589	2006	1742	1460	1,914
Avg. Price Per Unit	\$65,586	\$59,989	\$70,299	\$69,733	\$78,848	\$55,365	\$67,174	\$86,914	\$101,268	\$70,701	\$73,578	\$72,588
% Change in Price Per Unit	38%	-9%	17%	-1%	13%	-30%	21%	29%	17%	-30%	4%	6.6%

Source: OCG

The following table details the Apartment Sales in the Pierce County Market that contained more than 20 units and were at arm's-length. The sample counts for almost \$107,500,000 that has been transacted through June of 2015 in Pierce County. These sales indicate that the average sale price per unit was \$73,000.

Apartment Sales in the Pierce County Market										
Conditions: Sold in 2015 and Built after 1900										
Sale Date	Apartment Name	Address	City	No. of Units	Year Built	Assessed Value 2014	Assessed \$/Unit	Sales Price	Price/Unit	2014 Assessed Value as a Percentage of Sale Price
Jan-15	River Grove Apartments	7413 142nd Ave E	Sumner	132	1977	\$4,320,100	\$32,728	\$10,250,000	\$77,652	42%
Jan-15	Flamingo Apartments	7319 6th Ave	Tacoma	23	1962	\$725,900	\$31,561	\$750,000	\$32,609	97%
Jan-15	Eagles Lair Apartments	12710 56th Ave. Ct SW	Lakewood	54	1985	\$2,619,700	\$48,513	\$2,100,000	\$38,889	125%
Feb-15	Pointe East	2502-2606 62nd Ave E	Fife	124	1986	\$9,353,300	\$75,430	\$11,400,000	\$91,935	82%
Mar-15	Eagles Landing Apartments	2201 104th St S	Tacoma	230	1990	\$13,196,600	\$57,377	\$18,500,000	\$80,435	71%
Mar-15	Tuscany Court	1609-1621 E 68th St	Tacoma	36	2012	\$2,595,000	\$72,083	\$3,450,000	\$95,833	75%
Apr-15	Hennessey Apartments	4005 S Warner St	Tacoma	21	1976	\$1,226,100	\$58,386	\$1,375,000	\$65,476	89%
Apr-15	Legacy Apartments	115 N Yakima Ave	Tacoma	54	1905	\$3,176,700	\$58,828	\$6,750,000	\$125,000	47%
May-15	Winthrop	773 Broadway	Tacoma	194	1924	\$7,058,600	\$36,385	\$8,500,000	\$43,814	83%
May-15	Aravia	2300 Brookdale Rd E	Tacoma	114	2001	\$10,020,900	\$87,903	\$13,200,000	\$114,783	76%
May-15	Northgate Apartments	9818 Kenwood Ave SW	Lakewood	28	1967	\$926,500	\$33,089	\$950,000	\$33,929	98%
May-15	Miller Apartments	202-210 Tacoma Ave S	Tacoma	31	1907	\$2,878,000	\$92,839	\$4,250,000	\$137,097	68%
Jun-15	Charles Bee Apartments	801 S G St	Tacoma	39	1928	\$1,317,400	\$33,779	\$1,981,232	\$50,801	66%
Jun-15	Carlyle Court Apartments	4701 124th Street Ct SW	Lakewood	28	1943	\$1,571,100	\$56,111	\$1,450,000	\$51,786	108%
Jun-15	University Park Apartments	420 Wheeler St S	Tacoma	48	1968	\$2,981,900	\$62,123	\$2,475,000	\$51,563	120%
Jun-15	The St. James Apartments	821 S Yakima	Tacoma	53	1922	\$2,592,000	\$48,906	\$2,700,000	\$50,943	96%
Jun-15	Waverly Manor Apartments	5453-5469 Steilacoom Blvd SW	Lakewood	50	1971	\$2,494,700	\$49,894	\$3,100,000	\$62,000	80%
Jun-15	Ainsworth Court Apartments	10614 Ainsworth Ave S	Tacoma	80	1985	\$4,714,100	\$58,926	\$6,100,000	\$76,250	77%
Jun-15	Chambers Pointe Apartments	9719 52nd St W	University Place	64	1970	\$4,243,400	\$66,303	\$5,000,000	\$78,125	85%
Jun-15	Bridgeporter Apartments	3411 Bridgeport Way W	University Place	31	1973	\$1,395,800	\$45,026	\$2,384,000	\$76,903	59%
Jun-15		5124 Seattle Ave SW	Lakewood	26	1960	\$694,300	\$26,704	\$759,000	\$29,192	91%
Total & Average				1,460		\$80,102,100	\$54,864	\$107,424,232	\$73,578	83%
Weighted Average based on No. of Units										78%
Weighted Average based on Assessed Value										79%