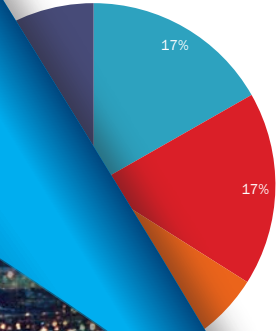


Find out which neighborhoods have the largest development pipeline

URBAN MARKET STUDY

SOUTH LAKE UNION
5,715 UNITS

51%
change in development
pipeline from 2013 to 2014



2014 SEATTLE MULTIFAMILY URBAN MARKET STUDY

What every apartment investor needs to know about Seattle's urban neighborhood development.



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jerrid.anderson@colliers.com



Job Growth Fuels Continued Development: *Urban Locations Remain the Focus of Development & Investment*

This past year has again proved the economic vitality of the Puget Sound region. Our diverse employment sector, strong entrepreneurial engine, robust post-secondary education system and high quality of life have placed us on the global map and provided us with an envious Post-Recession economic outlook.

Having added nearly 50,000 jobs to the Seattle-Bellevue-Everett MSA in each of the last three years, and another 52,000 jobs forecasted for 2014, it is no surprise that we are one of the few economies to have regained all jobs lost since 2008.

Apartment developers have responded to demand drivers over the last several years, adding 7,320 apartment units to the region in 2013, with plans to add another 40,000 units by 2018.

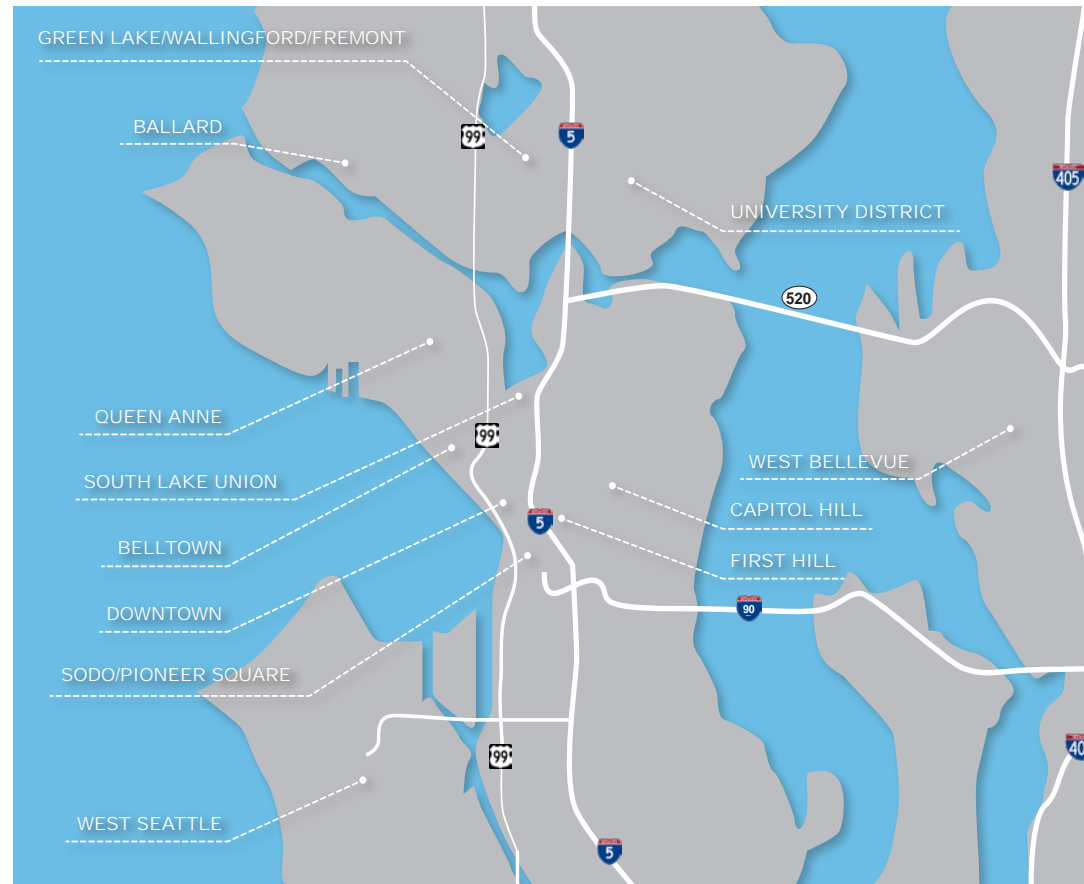
In our Post-Recession economy, it is noteworthy that the focal point of investment capital is urban centers and neighborhoods. This phenomenon is demonstrated by both the development community and investment community.

With an apartment development and investment community demonstrably focused on urban centers and neighborhoods it is increasingly important to analyze these markets.

In the following study we start by analyzing key performance indicators from 2013. We then take a qualitative look at the attributes of our urban neighborhoods. Finally, we take a quantitative study

of each neighborhood's development pipeline and performance indicators.

Contact us to see how our analysis and insights can best serve your plans in 2014.



DEVELOPMENT PIPELINE & SWOT ANALYSIS

Neighborhood Analysis

DOWNTOWN

SOUTH DOWNTOWN/ PIONEER SQUARE

CAPITOL HILL

FIRST HILL

BELLTOWN

QUEEN ANNE

SOUTH LAKE UNION

GREEN LAKE/ WALLINGFORD/ FREMONT

UNIVERSITY DISTRICT

WEST SEATTLE

BALLARD

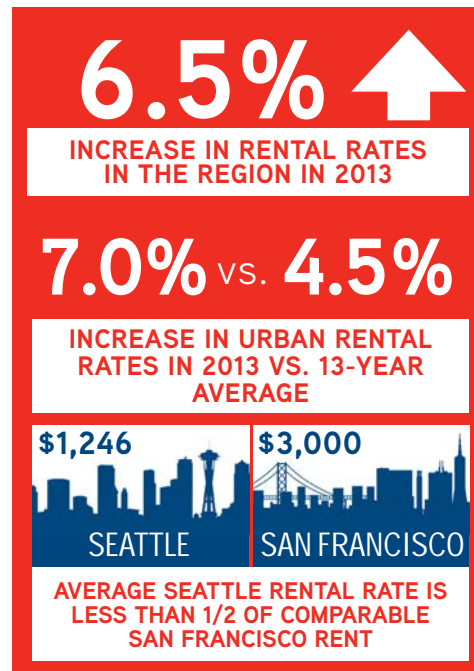
WEST BELLEVUE

2013 Year In Review

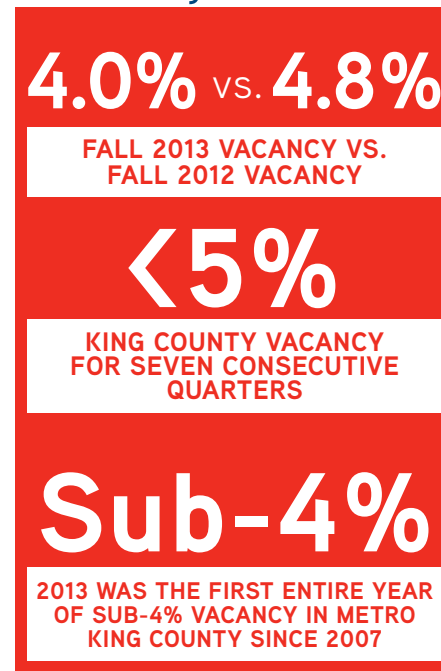
A look back at 2013 indicates a stellar year of economic vibrancy in Seattle and the Puget Sound region. The apartment investment market gained national attention by posting nation-leading rent growth at over 6.5% for the year and continued record occupancy levels.

In the investment sales market, marquee transactions pushed prices on a unit and square foot basis to all-time highs for the region. A closer analysis of the urban apartment market indicates that this market segment continues a trend of leading sales metrics from both volume and value perspectives.

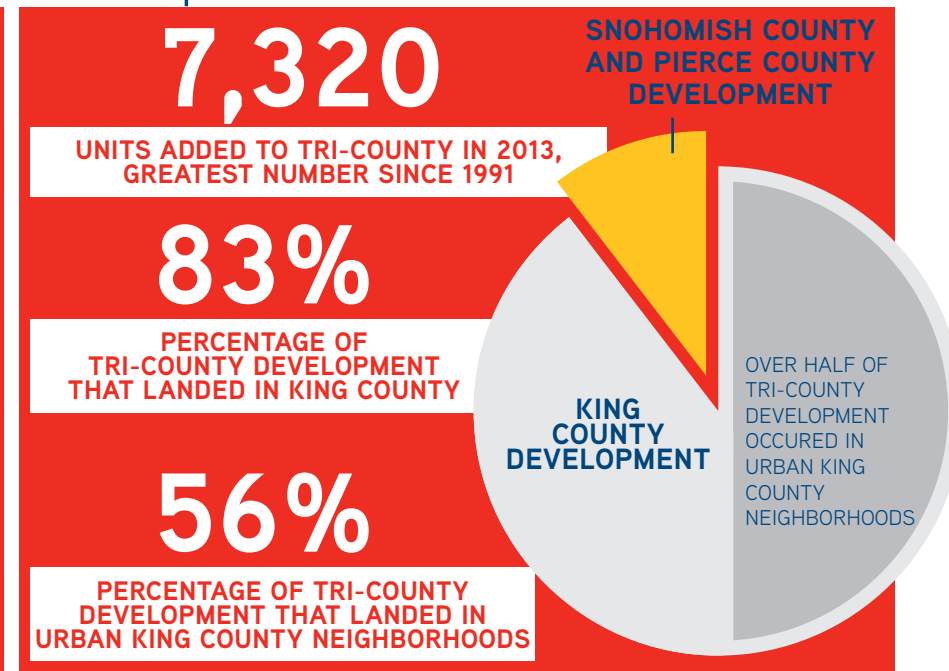
Rental Rates



Vacancy Rates



Development



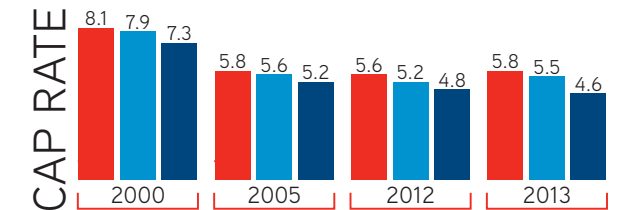
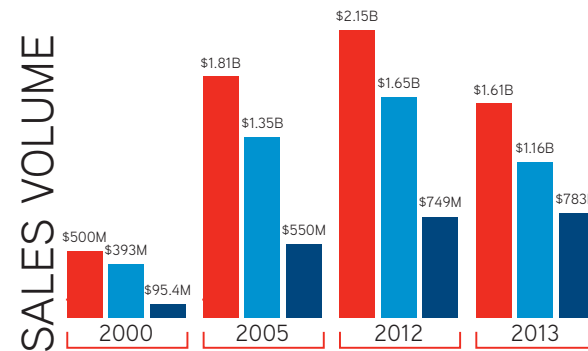
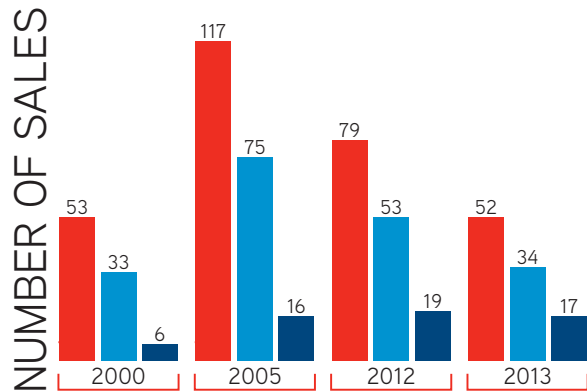
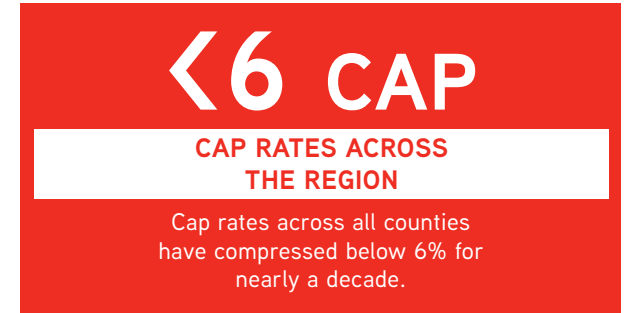
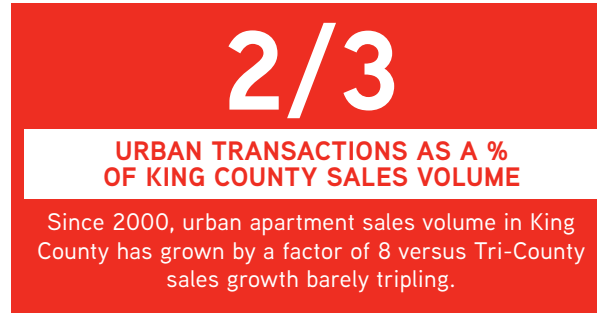
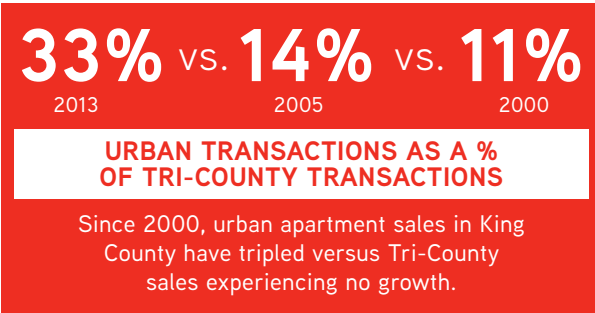
Based on data provided by Dupre + Scott

Seattle by the numbers...



Sales—Tri-County

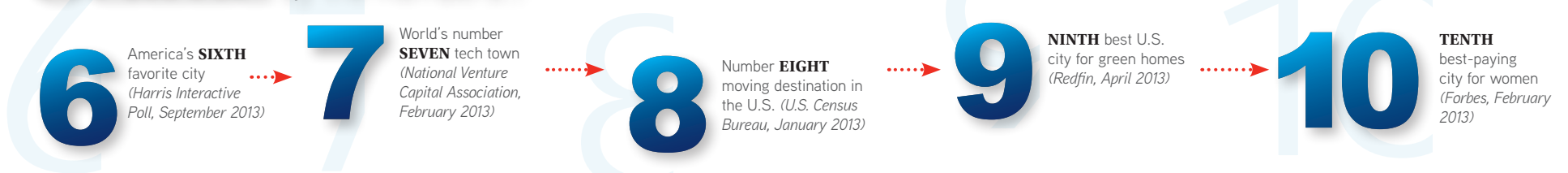
An analysis of sales trends across the Tri-county region since the turn of the century shows a demonstrable shift towards urban markets. A look at both the number of transactions and total value of transactions illustrates both greater focus on and investment in urban markets. A review of historic capitalization rates over this same period illustrates a vast compression of capitalization rates, yet relatively consistent spreads between geographic markets.



■ TRI-COUNTY ■ KING COUNTY ■ URBAN KING COUNTY

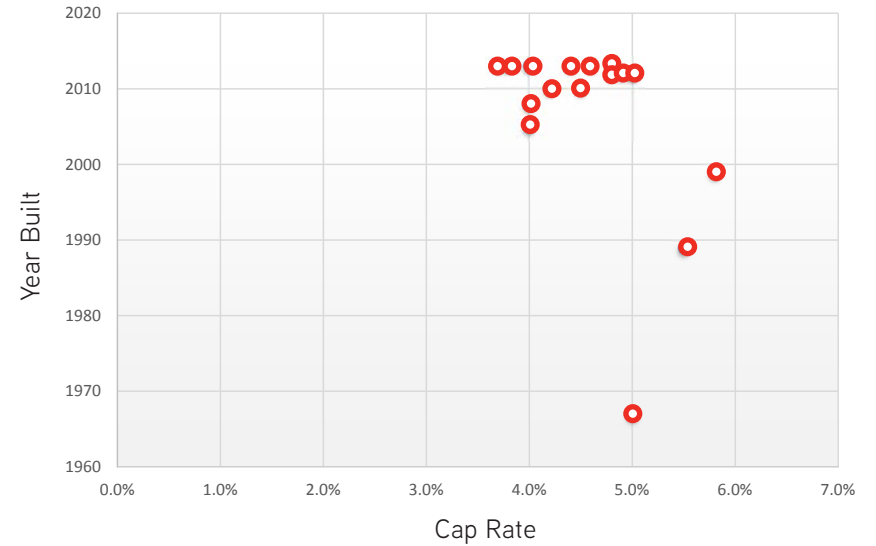
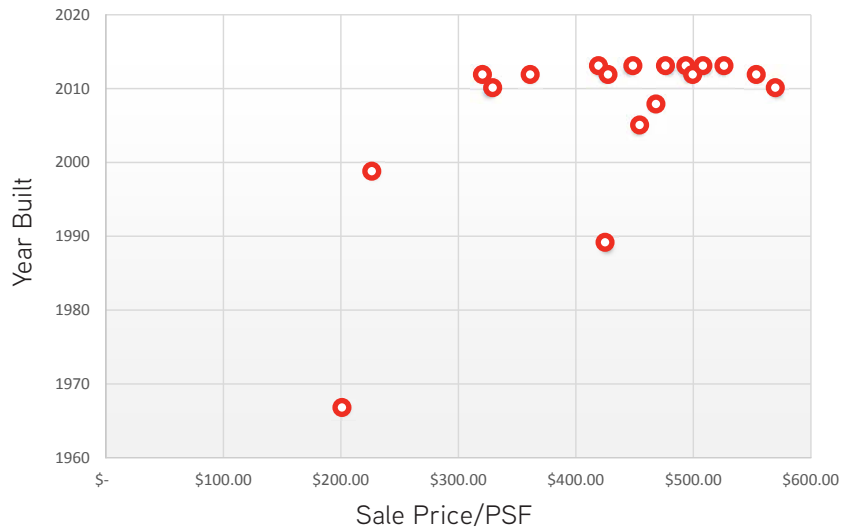
Based on data provided by Dupre + Scott

Seattle by the numbers...

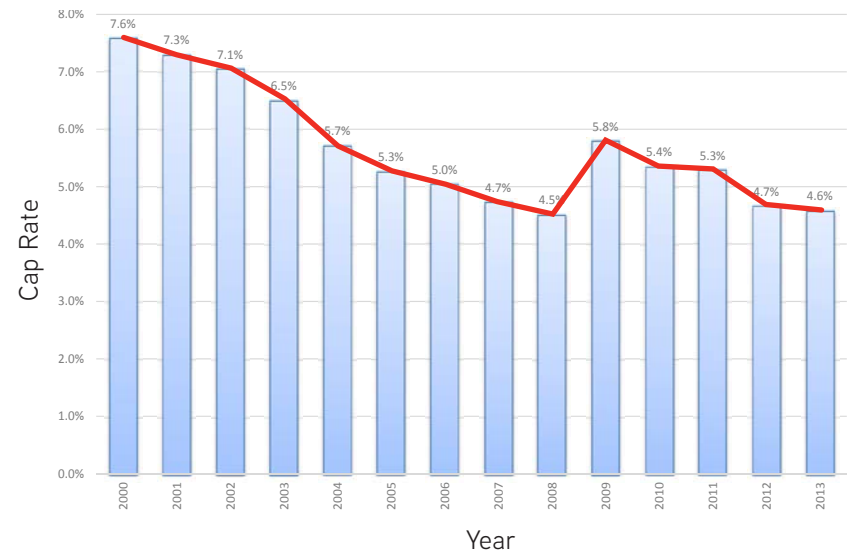
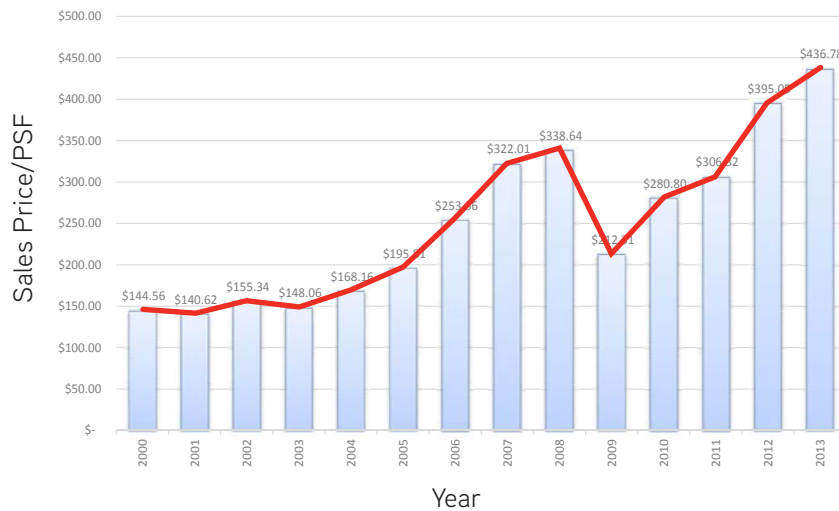


Sales—Urban Centers & Neighborhoods

2013 URBAN APARTMENT SALES METRICS



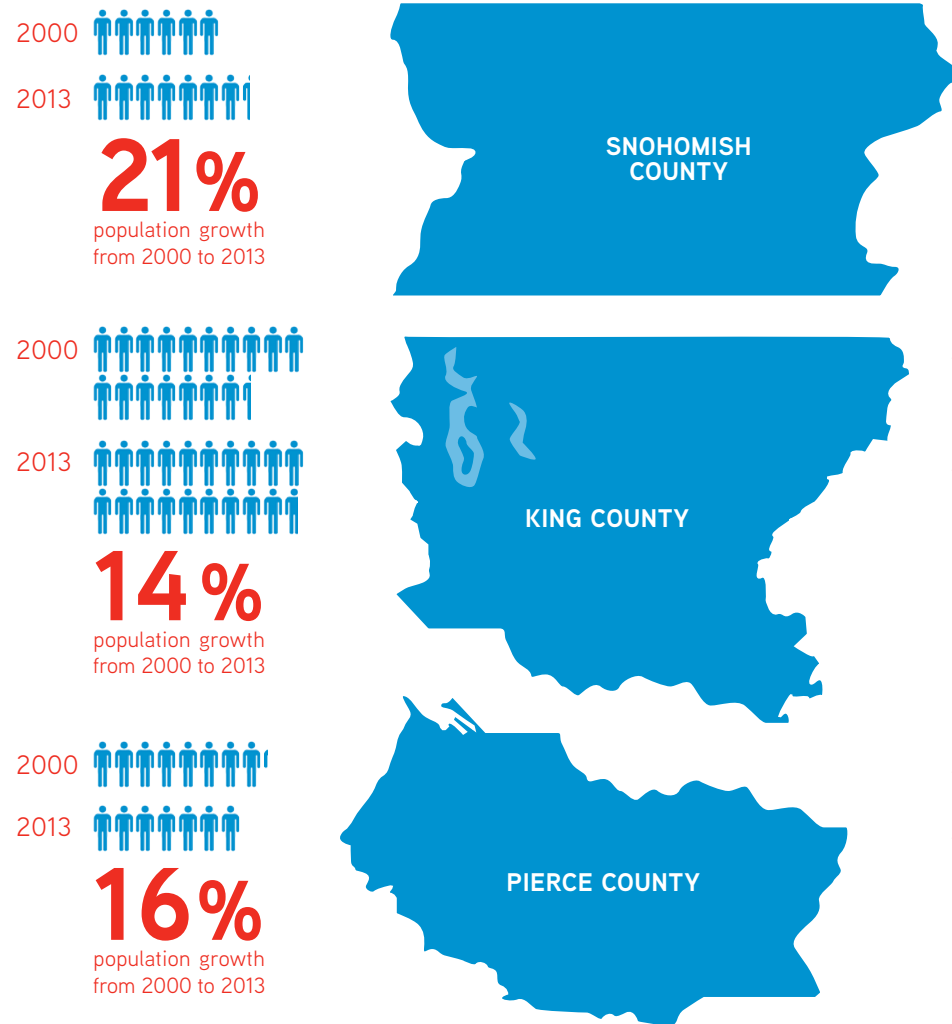
2000-2013 URBAN APARTMENT SALES TRENDS



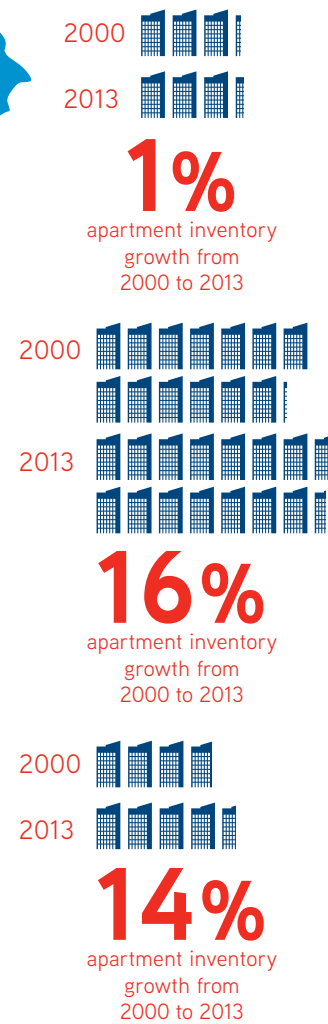
Based on data provided by Dupre + Scott & Real Capital Analytics for buildings +50 units, built after 1960

Regional Overview

POPULATION GROWTH BY COUNTY



APARTMENT INVENTORY GROWTH BY COUNTY



Snohomish County

# of residents in 2000:	606,024
# of residents in 2013:	730,500
Apartment inventory in 2000:	33,551
Apartment inventory in 2013:	33,843

King County

# of residents in 2000:	1,737,046
# of residents in 2013:	1,981,900
Apartment inventory in 2000:	132,577
Apartment inventory in 2013:	154,175

Pierce County

# of residents in 2000:	700,818
# of residents in 2013:	814,500
Apartment inventory in 2000:	39,617
Apartment inventory in 2013:	45,040

Based on data provided by Dupre + Scott and Washington State Office of Financial Management

= 100,000 residents

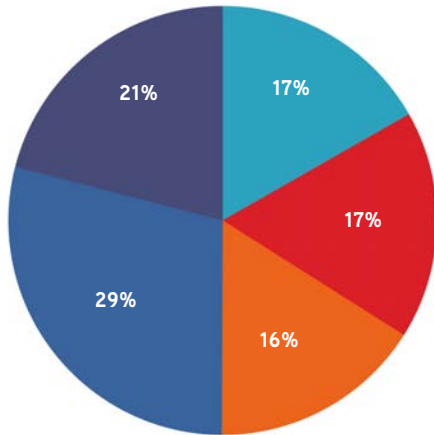
= 10,000 units

Deliveries in Urban Centers and Neighborhoods

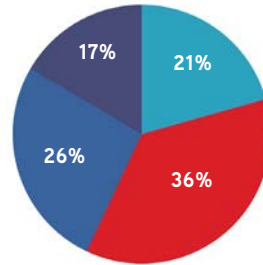
2014 2015 2016 2017 FUTURE

Urban Pipeline
31,686 UNITS
 98% OF KING COUNTY TOTAL

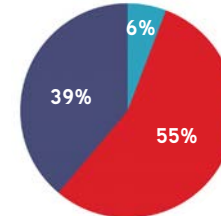
32,189 UNITS
 TOTAL NUMBER IN KING COUNTY PIPELINE
 2014-FUTURE



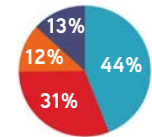
SOUTH LAKE UNION
5,715 UNITS
51% change in development pipeline from 2013 to 2014



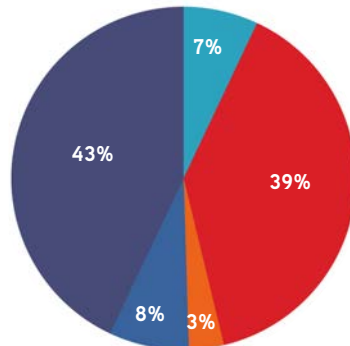
U. DISTRICT
2,815 UNITS
14% change in development pipeline from 2013 to 2014



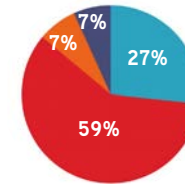
FIRST HILL
2,255 UNITS
2% change in development pipeline from 2013 to 2014



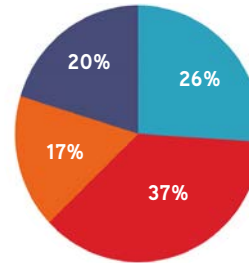
QUEEN ANNE
861 UNITS
-37% change in development pipeline from 2013 to 2014



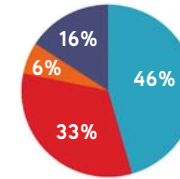
WEST BELLEVUE
3,791 UNITS
1% change in development pipeline from 2013 to 2014



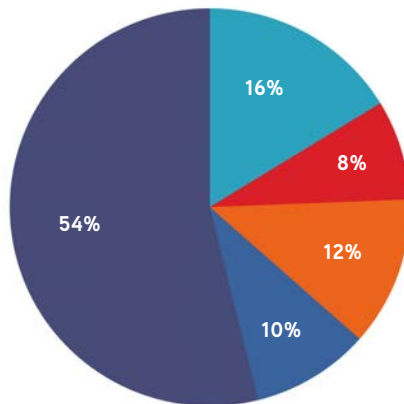
GREEN LAKE/WALLINGFORD/FREMONT
1,754 UNITS
-24% change in development pipeline from 2013 to 2014



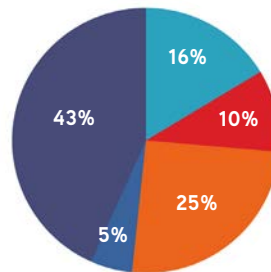
WEST SEATTLE
2,502 UNITS
-2% change in development pipeline from 2013 to 2014



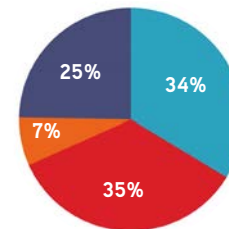
BALLARD
1,350 UNITS
-29% change in development pipeline from 2013 to 2014



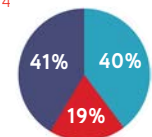
DOWNTOWN
4,363 UNITS
-20% change in development pipeline from 2013 to 2014



BELLTOWN
2,973 UNITS
50% change in development pipeline from 2013 to 2014



CAPITOL HILL
2,469 UNITS
-35% change in development pipeline from 2013 to 2014



S. DOWNTOWN/PIONEER SQUARE
838 UNITS
21% change in development pipeline from 2013 to 2014

Based on data provided by Dupre + Scott as of February 2014

Urban Neighborhood S.W.O.T. Analysis

Downtown (CBD)

Strengths: » Core location, proximity to jobs, concentration of retail, adjacency to waterfront and neighborhoods

Weaknesses: » Perception of danger/crime, concentration of social services, lack of parks

Opportunities: » Development of boutique and mid-priced apartment projects, retail redevelopment along pedestrian corridors

Threats: » Rising cost of all units, potential commoditization of product, crime, concentration of social services

Capitol Hill/First Hill

Strengths: » Unrivaled character, diverse retail, great nighttime activation, proximity to CBD/First Hill job centers, walkability, ease of access from Eastside, views

Weaknesses: » Proscriptive zoning for office development, lack of daytime activation, challenging to find sites for new development and/or owner's reluctance to sell, lack of parking

Opportunities: » Development of office and apartments along East Slope & South of Madison, retail development to meet rising needs, any use that promotes daytime activation, development capitalizing on emerging uses in Denny Triangle

Threats: » Loss of character, rising prices, commoditization of apartment product, lack of daytime activation

South Downtown/Pioneer Square

Strengths: » Proximity to CBD & waterfront, ease of access to multi-modal transit, flat topography, redevelopment & adaptive reuse of Pioneer Square buildings, development in the International District

Weaknesses: » Perception of crime, concentration of social services & homeless population, owner's reluctance to redevelop and/or sell

Opportunities: » Capitalization on new zoning, market rate housing, retail & office development, seizing opportunities related to Stadium District overlay & waterfront revitalization

Threats: » Crime, continued concentration of social services, lack of nighttime activation, dilapidation of unreinforced masonry buildings

Belltown

Strengths: » Proximity to CBD/SLU & Westlake job centers, proximity to soon-to-be revitalized waterfront, walkability, views, history of desirability

Weaknesses: » Current lack of character, poor/undesirable nighttime activation, lack of distinction block-by-block

Opportunities: » Retail redevelopment along pedestrian corridors, boutique development of retail, office & apartments, capitalization on waterfront revitalization, seizing opportunities as connection point between Amazon.com headquarters and waterfront

Threats: » Perception of and actual crime, concentration of nighttime activity, overdevelopment of high-cost apartments, lack of retailers coming to neighborhood

Urban Neighborhood S.W.O.T. Analysis

Queen Anne

- Strengths:**
- » Neighborhood character, good transition to single family neighborhood, proximity to CBD/SLU job centers, diversity of apartment stock and price-points, vibrant nightlife, views
-
- Weaknesses:**
- » Hard to overcome neighborhood NIMBYism, lack of character & “there-there” in Lower Queen Anne, lack of continuity of retail experience
-
- Opportunities:**
- » Renewal of retail, apartment development on Upper Queen Anne, capitalization on proximity to renewed SLU, boutique apartment development
-
- Threats:**
- » Potential of apartment oversupply in Lower Queen Anne, continued lack of character in Lower Queen Anne.

Green Lake/Wallingford/Fremont

- Strengths:**
- » Great neighborhood atmosphere & scale, waterfront & neighborhood amenities, great retail character, walkability
-
- Weaknesses:**
- » Restrictive parcel sizes & zoning, land owners resistant to selling land, need to travel to get to job centers
-
- Opportunities:**
- » Boutique apartment development, retail responsive to new apartment development, office development
-
- Threats:**
- » Potential of oversupply of apartments in micro-markets, lack of growth of retail amenities

South Lake Union (SLU)

- Strengths:**
- » Proximity to CBD, adjacency to Lake Union amenities & freeways, vibrant daytime activation, plethora of retail amenities, brand-name that attracts development capital, bursting employment opportunities, walkability
-
- Weaknesses:**
- » Lack of character/historic preservation, lack of topographic features, congestion of traffic, lack of nighttime attractions.
-
- Opportunities:**
- » Continued retail development, distinguishing any development by providing character, capitalization on new zoning, seizing opportunities based on location between CDB & University District
-
- Threats:**
- » Continued lack of character, traffic/congestion, overbuilding of apartments at same price-point, costliness of land & bonus density

University District

- Strengths:**
- » Dense student population, increasing private sector involvement with UW, proximity to CBD, light-rail in 2016, proximity to great neighborhoods, walkability
-
- Weaknesses:**
- » Crime/loitering, retail owners resistance to highest and best use of land, patchy new development
-
- Opportunities:**
- » Renewal of retail experience (especially along University Ave), student housing development, capitalization on proposed zoning changes
-
- Threats:**
- » Lack of character of neighborhood experience, oversupply of high price-point apartments, lack of higher-end retail amenities

Urban Neighborhood S.W.O.T. Analysis

West Seattle

- Strengths:**
- » Fantastic neighborhood setting & vibe, great retail core, proximity to waterfront amenities, protected views, proximity of necessary services, walkability, great single family housing stock, history of desirability, burgeoning retail amenities
-
- Weaknesses:**
- » Perception of distance to urban core, limited and congested transit routes to urban centers
-
- Opportunities:**
- » Unexploited zoning height limits within core neighborhoods, retail development to capture growing population and shifting demographic, pricing discount to core apartment product, aging stock of apartments
-
- Threats:**
- » Increased congestion on transit routes, potential oversupply of apartments at higher price-points

West Bellevue

- Strengths:**
- » Mature market with strong employer base and huge draw for new employers, delineated as an urban center for future growth, proximity to freeway access to all major freeways, fantastic retail core that continues to expand, great access to waterfront & park amenities
-
- Weaknesses:**
- » Large blocks that challenge walkability, rather sterile downtown experience, zoning & parking requirements that make development challenging, lack of authentic retail/restaurants, prevailing social/political pressures often at odds with urbanist psychology
-
- Opportunities:**
- » Development of market rate apartments, renewal of retail along Main Street, any development that will create unique & authentic place-making, nightlife amenities responsive to growing downtown population, retail amenities responsive to shifting demographics
-
- Threats:**
- » Pressure against mass transit & decision to locate transit above-ground, proscriptive zoning, traffic congestion to Seattle, lack of authenticity/character, concentration of high-priced apartments

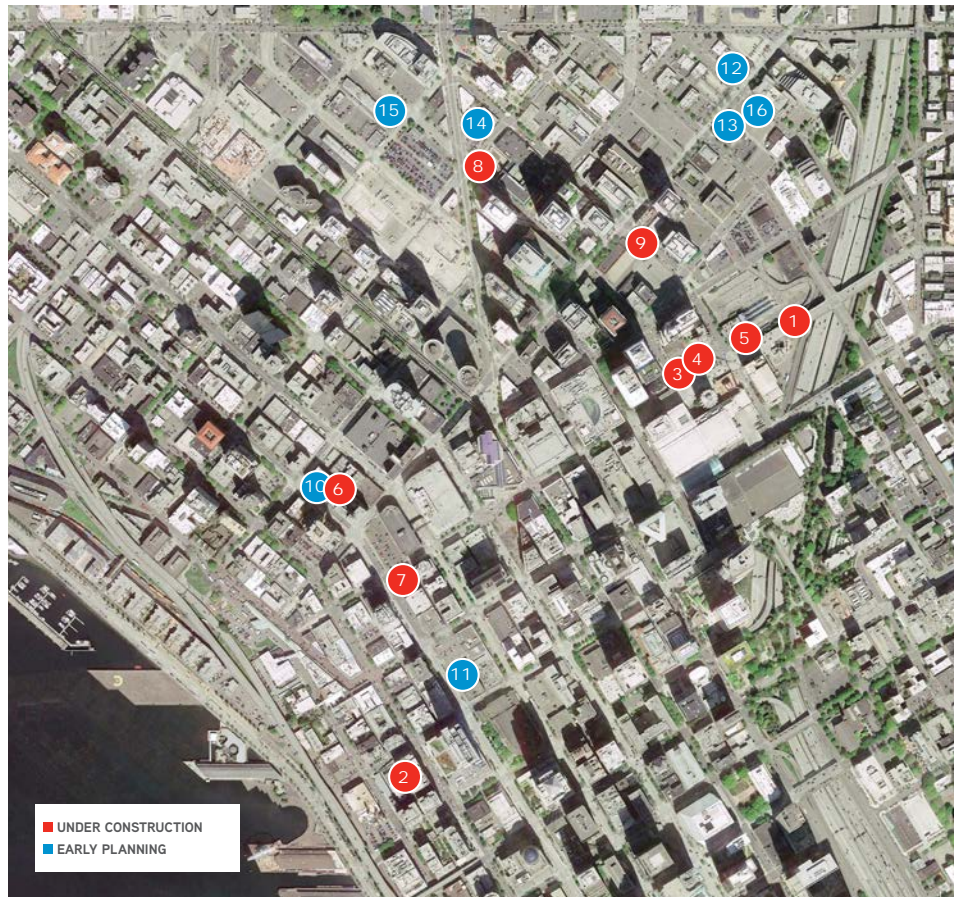
Ballard

- Strengths:**
- » Unmatched 'coolness' and caché, concentration of authentic & boutique retail, great neighborhood setting, good single family options close to retail core, walkability, availability of buildings for adaptive reuse development, relative proximity to Seattle's urban core, the "Ballard" brand
-
- Weaknesses:**
- » Limited transit routes to urban cores, lack of immediate freeway access, distance to Eastside employers
-
- Opportunities:**
- » Fantastic momentum in development community & capital markets, development of boutique apartments/condos/townhomes, development of retail & much needed office space, infill between Ballard and Fremont (aka Frelard or SoBa)
-
- Threats:**
- » Result of explosive growth is unknown, potential oversupply of high-priced apartments, increased congestion/traffic on arterials to job centers

DOWNTOWN



Deliveries				
2014	2015	2016	2017	Future
709	355	530	418	2,351



1	1021 PINE STREET 1021 Pine Street Units: 20 Delivery: 1Q 2017 Developer: Legacy Commercial
2	WESTERN & UNIVERSITY 1301 Western Avenue Units: 180 Delivery: 2Q 2016 Developer: Mack Urban
3	815 PINE 815 Pine Street Units: 386 Delivery: 4Q 2014 Developer: Holland Residential
4	AVA 802 Pine Street Units: 200 Delivery: 4Q 2016 Developer: Executive Group of Companies
5	9 + PINE 1601 9th Avenue Units: 74 Delivery: 4Q 2014 Developer: Teutsch Partners
6	VIKTORIA 1915 2nd Avenue Units: 249 Delivery: 2014 Developer: Goodman Real Estate
7	2ND AND PINE 1608 2nd Avenue Units: 398 Delivery: 1Q 2017 Developer: Equity Residential
8	2030 8TH AVENUE 2030 8th Avenue Units: 355 Delivery: 2Q 2015 Developer: GID Urban Development Group

9	807 STEWART STREET 807 Stewart Street Units: 150 Delivery: 2Q 2016 Developer: RC Hedreen
10	2ND & VIRGINIA - SOUTH TOWER 1933 2nd Avenue Units: 150 Delivery: Early planning or on Hold Developer: Credence Equity
11	WEST EDGE TOWER 1430 2nd Avenue Units: 157 Delivery: Early planning or on Hold Developer: Urban Visions
12	1200 STEWART 1200 Stewart Street Units: 550 Delivery: Early planning or on Hold Developer: Lexus Companies
13	1812 BOREN AVENUE 1812 Boren Avenue Units: 400 Delivery: Early planning or on Hold Developer: Touchstone Corporation
14	2101 9TH AVENUE 2101 9th Avenue Units: 300 Delivery: Early planning or on Hold Developer: GID Urban Development Group
15	2208 8TH AVENUE 2208 8th Avenue Units: 450 Delivery: Early planning or on Hold Developer: Beebe Realty
16	KINECTS 1823 Minor Avenue Units: 344 Delivery: Early planning or on Hold Developer: Security Properties

Based on data provided by Dupre + Scott
Rent and Vacancy Data as of Fall 2013

*Average rent for buildings with 50+units, built after 1950

†Historical Cumulative rent growth for buildings with 5+ units, built after 1900

**SOUTH DOWNTOWN/
PIONEER SQUARE**



Deliveries				
2014	2015	2016	2017	Future
333	158	0	0	347



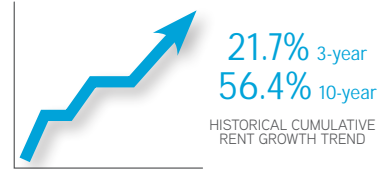
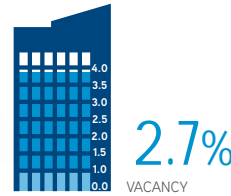
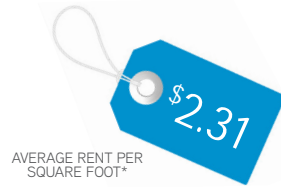
- 1 **WAVE**
 201 S King Street
 Units: 333
 Delivery: 3Q 2014
 Developer: Daniels Real Estate
- 2 **310 4TH AVENUE S**
 310 4th Avenue S
 Units: 158
 Delivery: 4Q 2015
 Developer: Goodman Real Estate
- 3 **CIVIC SQUARE**
 601 4th Avenue
 Units: 192
 Delivery: Early planning or on Hold
 Developer: Triad Development
- 4 **80 S MAIN STREET**
 80 S Main Street
 Units: 50
 Delivery: Early planning or on Hold
 Developer: Goodman Real Estate
- 5 **STADIUM TERRACE**
 589 Occidental Avenue S
 Units: 105
 Delivery: Early Planning
 Developer: Lakeside Capital Management

Based on data provided by Dupre + Scott
 Rent and Vacancy Data as of Fall 2013

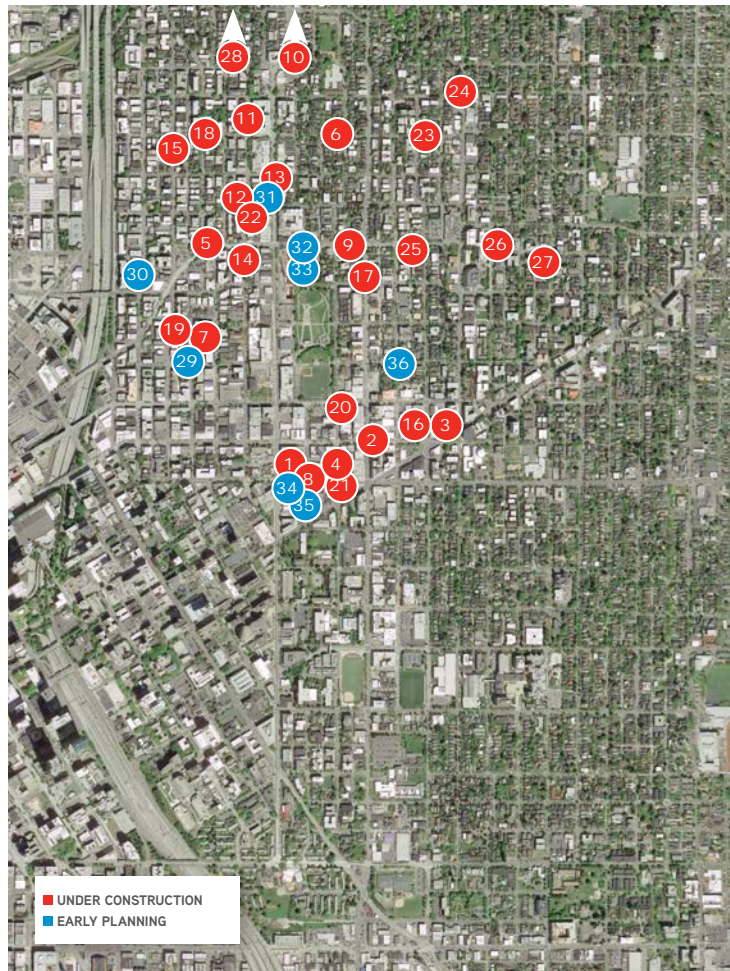
*Average rent for buildings with 50+units, built after 1950

†Historical Cumulative rent growth for buildings with 5+ units, built after 1900

CAPITOL HILL



Deliveries				
2014	2015	2016	2017	Future
828	862	161	0	618



1 10TH & UNION 954 E Union Street Units: 79 Delivery: 1Q 2014 Developer: Seawest Inv. Assoc.	10 GATSBY 1145 10th Avenue E Units: 70 Delivery: 2Q 2014 Developer: Continental	19 SUMMIT 1728 Summit Avenue Units: 41 Delivery: 1Q 2015 Developer: Triad Capital	28 LARSON BUILDING 3206 Harvard Avenue E Units: 47 Delivery: 3Q 2015
2 1200 E PIKE STREET 1200 E Pike Street Units: 88 Delivery: 1Q 2015 Developer: Tarragon	11 HARVARD ESTATES 515 Harvard Avenue E Units: 73 Delivery: 2Q 2015 Developer: Barrientos LLC	20 SUNSET ELECTRIC BLDG. 1530 11th Avenue Units: 92 Delivery: 2Q 2014 Developer: Wolff Company	29 CHARBERN II 1713 Belmont Avenue Units: 36 Delivery: Early Planning Developer: Epic Asset Mgmt.
3 1420 E MADISON STREET 1420 E Madison Street Units: 70 Delivery: 3Q 2015 Developer: Metropolitan Homes	12 HAVARD FLATS 802 E Thomas Street Units: 70 Delivery: 2Q 2015 Developer: WRP Associates	21 VIVA 1111 E Union Street Units: 105 Delivery: 2Q 2014 Developer: Alliance Residential	30 123 BELLEVUE AVENUE E 123 Bellevue Avenue E Units: 100 Delivery: Early Planning
4 1427 11TH AVENUE 1427 11th Avenue Units: 136 Delivery: 3Q 2016 Developer: Mill Creek Resid.	13 HOLLYWOOD LOFTS 127 Broadway Avenue E Units: 24 Delivery: 1Q 2015 Developer: Barrientos LLC	22 WESTSIDE 801 E Thomas Street Units: 48 Delivery: 2Q 2014 Developer: WRP Associates	31 SOUND TRANSIT SITE A 150 Broadway Avenue E Units: 132 Delivery: Early Planning
5 1650 E OLIVE WAY 1650 E Olive Way Units: 78 Delivery: 3Q 2014 Developer: B&O Development	14 LEXICON 120 Harvard Avenue E Units: 38 Delivery: 3Q 2014 Developer: Barrientos LLC	23 YARDHOUSE FLATS 1406 E Republican Street Units: 35 Delivery: 3Q 2014 Developer: Revolve Dev.	32 SOUND TRANSIT SITE B NORTH 175 10th Avenue E Units: 86 Delivery: Early Planning
6 505 11TH AVENUE E 505 11th Avenue E Units: 22 Delivery: 2Q 2015 Developer: Nik Chick	15 LOCAL 422 422 Summit Avenue E Units: 48 Delivery: 2Q 2015 Developer: InCity Properties	24 STREAM FIFTEEN 605 15th Avenue Units: 34 Delivery: 2Q 2015 Developer: Stream RE	33 SOUND TRANSIT SITE B SOUTH 125 10th Avenue E Units: 85 Delivery: Early Planning
7 611 E HOWELL STREET 611 E Howell Street Units: 25 Delivery: 1Q 2016	16 REO FLATS 1515 14th Avenue Units: 108 Delivery: 2Q 2014 Developer: Madrona	25 WEATHERFORD 133 14th Avenue E Units: 42 Delivery: 3Q 2014 Developer: Murray Franklyn	34 SOUND TRANSIT SITE C 1830 Broadway Avenue Units: 94 Delivery: Early Planning
8 BROADSTONE CAPITOL HILL 1020 E Union Street Units: 248 Delivery: 4Q 2015 Developer: Alliance Residential	17 SOLA 24 109 12th Avenue E Units: 23 Delivery: 2Q 2014 Developer: Sola 16 LLC	26 1600 E JOHN 1600 E John Street Units: 39 Delivery: 4Q 2014 Developer: Trinity Real Estate	35 SOUND TRANSIT SITE D 1821 Broadway Avenue Units: 44 Delivery: Early Planning
9 EAST JOHN 1117 E John Street Units: 47 Delivery: 4Q 2015 Developer: Paar Development	18 STREAM BELMONT 500 Belmont Avenue E Units: 71 Delivery: 2Q 2014 Developer: Stream RE	27 133 18TH AVENUE E 133 18th Avenue E Units: 50 Delivery: 3Q 2015 Developer: Odegard Gockel	36 1312 E OLIVE STREET 1312 E Olive Street Units: 41 Delivery: Early planning Developer: SECO Development

Based on data provided by Dupre + Scott
Rent and Vacancy Data as of Fall 2013

*Average rent for buildings with 50+units, built after 1950

†Historical Cumulative rent growth for buildings with 5+ units, built after 1900

FIRST HILL



Deliveries				
2014	2015	2016	2017	Future
131	1,248	0	0	876



- 1 AVA CAPITOL HILL**
600 E Pike Street
Units: 249
Delivery: 3Q 2015
Developer: Avalon Bay Communities

- 2 CIELO**
802 Seneca Street
Units: 335
Delivery: 2Q 2015
Developer: Laconia Development

- 3 CUE**
721 E Pine Street
Units: 95
Delivery: 2Q 2015
Developer: O&S Partners

- 4 DUNN AUTOMOTIVE**
501 E Pike Street
Units: 104
Delivery: 4Q 2015
Developer: Hunters Capital

- 5 EXCELSIOR**
301 E Pine Street
Units: 205
Delivery: 4Q 2015
Developer: Madison Development

- 6 PIKE MOTORWORKS**
714 E Pike Street
Units: 260
Delivery: 3Q 2015
Developer: Wolff Company

- 7 THREE20**
320 E Pine Street
Units: 131
Delivery: 1Q 2014
Developer: Stratford Company

- 8 1013 8TH AVENUE**
1013 8th Avenue
Units: 200
Delivery: Early Planning

- 9 601 E PIKE STREET**
601 E Pike Street
Units: 60
Delivery: Early Planning
Developer: Intracorp

- 10 800 COLUMBIA STREET**
800 Columbia Street
Units: 287
Delivery: Early Planning
Developer: Credence Equity

- 11 HARBOR VISTA**
500 Terry Avenue
Units: 329
Delivery: Early Planning
Developer: Credence Equity

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BELLTOWN



Deliveries				
2014	2015	2016	2017	Future
486	298	752	150	1,287



- 1 3031 WESTERN AVENUE**
 3031 Western Avenue
 Units: 100
 Delivery: 4Q 2016
 Developer: Martin Selig Real Estate
- 2 4TH AND DENNY**
 2720 4th Avenue
 Units: 161
 Delivery: 4Q 2015
 Developer: HB Capital
- 3 POTALA TOWER SEATTLE**
 2116 4th Avenue
 Units: 342
 Delivery: 4Q 2016
 Developer: Dargey Enterprises
- 4 N-HABIT BELLTOWN**
 2217 3rd Avenue
 Units: 49
 Delivery: 2014
 Developer: Daly Partners
- 5 WALTON LOFTS**
 2521 Western Avenue
 Units: 137
 Delivery: 3Q 2015
 Developer: Schuster Group
- 6 ARTHOUSE**
 2334 Elliott Avenue
 Units: 139
 Delivery: 2Q 2014
 Developer: The Pauls Corporation
- 7 CAR TOYS BUILDING**
 307 Broad Street
 Units: 150
 Delivery: 4Q 2017
 Developer: HB Capital

- 8 DIMENSION BY ALTA**
 2625 3rd Avenue
 Units: 298
 Delivery: 3Q 2014
 Developer: Wood Partners
- 9 600 WALL**
 600 Wall Street
 Units: 310
 Delivery: 4Q 2016
 Developer: Laconia Development
- 10 1601 2ND AVENUE**
 1601 2nd Avenue
 Units: 367
 Delivery: Early planning or on Hold
 Developer: Principal Financial Group
- 11 2603 3RD AVENUE**
 2603 3rd Avenue
 Units: 100
 Delivery: Early planning or on Hold
 Developer: HB Capital
- 12 2ND & WALL**
 210 Wall Street
 Units: 327
 Delivery: Early planning or on Hold
 Developer: Bentall Kennedy
- 13 3RD & VIRGINIA**
 2000 3rd Avenue
 Units: 493
 Delivery: Early planning or on Hold
 Developer: Bentall Kennedy

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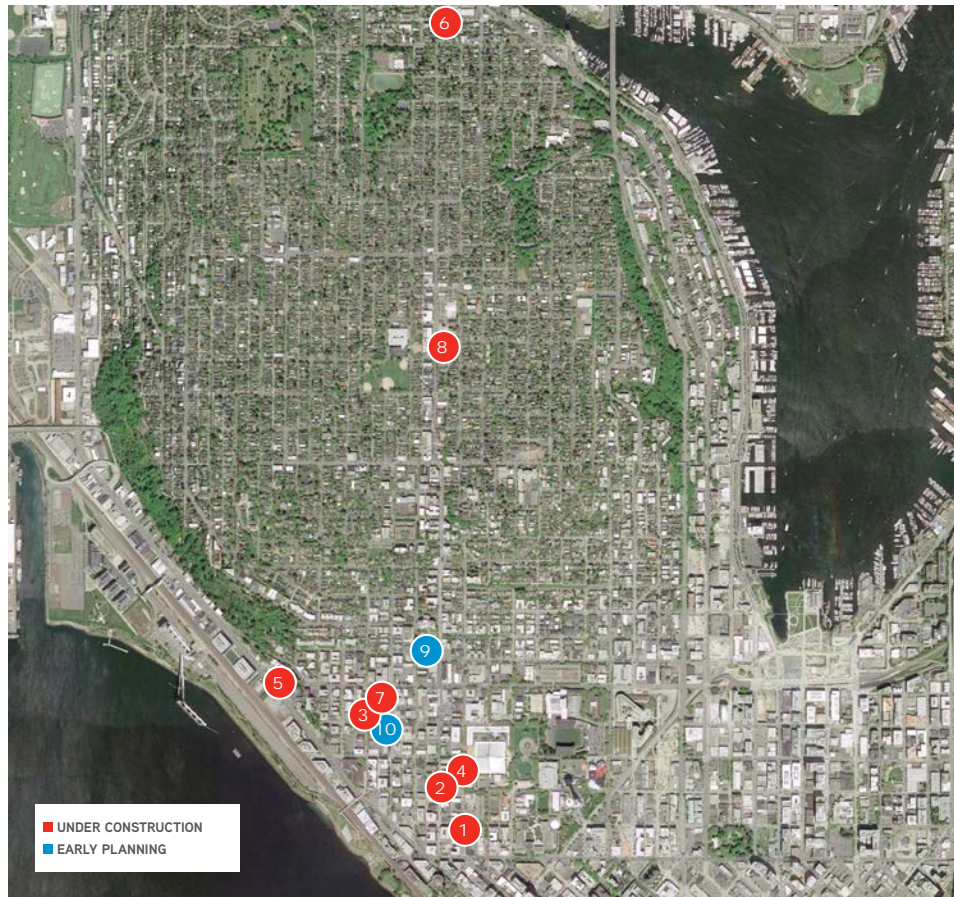
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QUEEN ANNE



Deliveries				
2014	2015	2016	2017	Future
379	265	103	0	114



- 1 101 JOHN**
101 John Street
Units: 20
Delivery: 1Q 2015
Development: Indonesian Developments

- 2 306 QA**
306 Queen Anne Avenue N
Units: 53
Delivery: 2Q 2014
Development: Gramor Development

- 3 3RD & REPUBLICAN**
500 3rd Avenue W
Units: 76
Delivery: 3Q 2014
Development: Continental Properties

- 4 ASTRO**
315 1st Avenue N
Units: 212
Delivery: 2Q 2015
Development: SRM Development

- 5 CANVAS**
600 Elliott Avenue W
Units: 124
Delivery: 4Q 2014
Development: Goodman Real Estate

- 6 N-HABIT ETRURIA**
22 Etruria Street
Units: 103
Delivery: 1Q 2016
Development: Daly Partners

- 7 QUEEN ANNE FLATS**
521 2nd Avenue W
Units: 33
Delivery: 1Q 2015
Development: Isola Homes

- 8 QUEEN ANNE TOWNE**
1900 Queen Anne Avenue N
Units: 126
Delivery: 2Q 2014
Development: Emerald Bay Equity

- 9 14 W ROY STREET**
14 W Roy Street
Units: 77
Delivery: Early Planning
Development: Metropolitan Homes

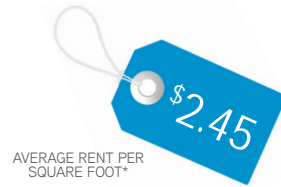
- 10 221 W REPUBLICAN**
221 W Republican Street
Units: 37
Delivery: Early Planning
Development: CJD Investments

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SOUTH LAKE UNION



AVERAGE RENT PER SQUARE FOOT*

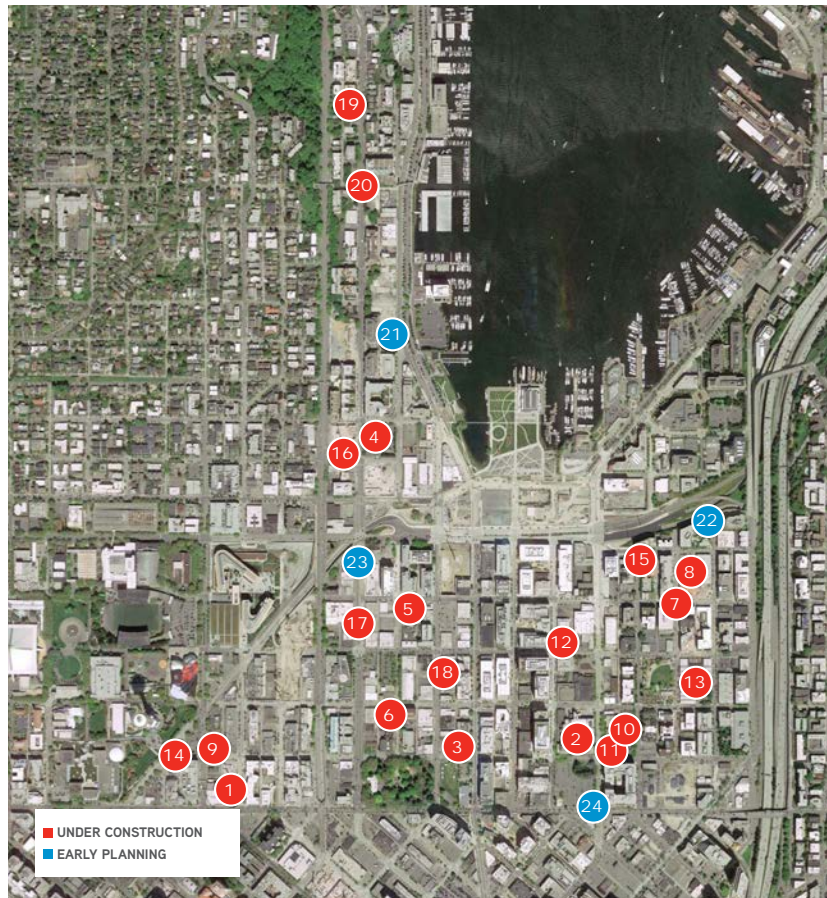


3.9%
VACANCY



19.7% 3-year
35.8% 10-year
HISTORICAL CUMULATIVE RENT GROWTH TREND†

Deliveries				
2014	2015	2016	2017	Future
959	985	921	1,650	1,200



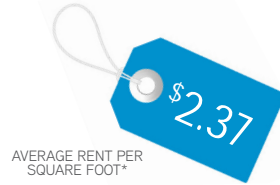
1	CENTURY 101 Taylor Avenue N Units: 258 Delivery: 3Q 2014 Developer: SRM Development	9	APERTURE ON FIFTH 500 John Street Units: 106 Delivery: 3Q 2014 Developer: L & P Partners	17	435 DEXTER AVENUE 435 Dexter Avenue Units: 275 Delivery: 1Q 2017 Developer: Mill Creek Residential
2	1120 JOHN STREET 1120 John Street Units: 800 Delivery: 3Q 2017 Developer: Onni Group	10	CASCADE 221 Minor Avenue N Units: 264 Delivery: 2Q 2016 Developer: Equity Residential	18	901 HARRISON STREET 901 Harrison Street Units: 200 Delivery: 2Q 2017 Developer: MacFarlane Partners
3	201 WESTLAKE 201 Westlake Avenue N Units: 78 Delivery: 4Q 2015 Developer: MacFarlane Partners	11	CASCADE II 222 Fairview Avenue N Units: 225 Delivery: 2Q 2016 Developer: Equity Residential	19	N-HABIT DEXTER 1701 Dexter Avenue N Units: 66 Delivery: 3Q 2015 Developer: Daly Partners
4	810 DEXTER 810 Dexter Avenue N Units: 370 Delivery: 2Q 2016 Developer: Holland Residential	12	ELAN SOUTH LAKE UNION 400 Boren Avenue N Units: 282 Delivery: 3Q 2015 Developer: Greystar Development	20	1415 DEXTER AVENUE N 1415 Dexter Avenue N Units: 62 Delivery: 1Q 2016
5	8TH & REPUBLICAN 430 8th Avenue N Units: 211 Delivery: 4Q 2015 Developer: Wolff Company	13	FLORIST BLOCK 1255 Harrison Street Units: 375 Delivery: 2Q 2017 Developer: Vulcan Northwest	21	1101 WESTLAKE AVENUE N 1101 Westlake Avenue N Units: 500 Delivery: Early Planning Developer: Holland Residential
6	8TH & THOMAS 777 Thomas Street Units: 174 Delivery: 3Q 2015 Developer: MacFarlane Partners	14	HYATT HOUSE 416 John Street Units: 56 Delivery: 1Q 2015 Developer: Kauri Investments	22	624 YALE AVENUE N 624 Yale Avenue N Units: 200 Delivery: Early planning or on Hold Developer: Blume Company
7	AMLI SLU I 1260 Republican Street Units: 175 Delivery: 2Q 2014 Developer: AMLI Residential	15	RIVET 1201 Mercer Street Units: 134 Delivery: 1Q 2014 Developer: Holland Residential	23	MERCER BLOCKS 550 Dexter Avenue N Units: 200 Delivery: Early planning or on Hold Developer: Vulcan Northwest
8	AMLI SLU II 528 Pontius Avenue N Units: 118 Delivery: 2Q 2015 Developer: AMLI Residential	16	TRUE NORTH 801 Dexter Avenue N Units: 286 Delivery: 1Q 2014 Developer: Holland Residential	24	DENNY/FAIRVIEW 105 Fairview Avenue N Units: 300 Delivery: Early planning or on Hold Developer: Onni Group

Based on data provided by Dupre + Scott
Rent and Vacancy Data as of Fall 2013

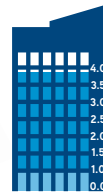
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**GREEN LAKE/
WALLINGFORD/
FREMONT**



AVERAGE RENT PER SQUARE FOOT*

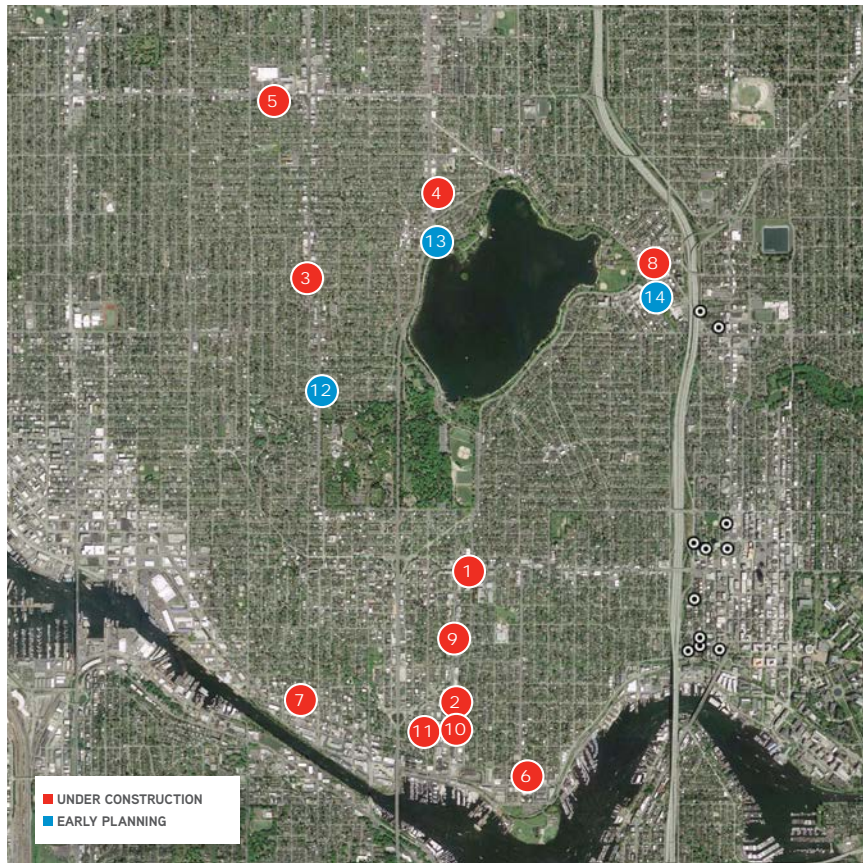


1.7%
VACANCY



16.9% 3-year
46.7% 10-year
HISTORICAL CUMULATIVE RENT GROWTH TREND†

Deliveries				
2014	2015	2016	2017	Future
468	1,042	125	0	119



1	1321 N 45TH STREET 1321 N 45th Street Units: 158 Delivery: 2Q 2015 Developer: Mack Urban	8	GREENLAKE VILLAGE 7104 Woodlawn Avenue NE Units: 297 Delivery: 2014 Developer: Lorig Associates
2	3801 STONE WAY N 3801 Stone Way N Units: 277 Delivery: 4Q 2015 Developer: Legacy Partners	9	PILLAR PROPERTIES STONE WAY 4106 Stone Way N Units: 125 Delivery: 3Q 2016 Developer: Pillar Properties
3	PHINNEY 6800 Greenwood Avenue N Units: 46 Delivery: 4Q 2015 Developer: Isola Capital Mgmt.	10	RAY 3636 Stone Way N Units: 119 Delivery: 2Q 2015 Developer: Mack Urban
4	77 AURORA AVENUE N 7612 Aurora Avenue N Units: 34 Delivery: 4Q 2015	11	VELO 3635 Woodland Park Avenue N Units: 171 Delivery: 3Q 2014 Developer: Mack Urban
5	85TH & 1ST 101 NW 85th Street Units: 104 Delivery: 3Q 2015 Developer: Security Properties	12	6010 PHINNEY AVENUE N 6010 Phinney Avenue N Units: 23 Delivery: Early Planning Developer: Horizon Realty Advisors
6	AML I WALLINGFORD 3400 Wallingford Avenue N Units: 240 Delivery: 3Q 2015 Developer: AMLI Residential	13	7216 AURORA AVENUE N 7216 Aurora Avenue N Units: 34 Delivery: Early Planning Developer: Lee & Associates
7	FREMONT GREEN 3601 Greenwood Avenue N Units: 64 Delivery: 2Q 2015 Developer: Gramor Development	14	414 NE RAVENNA BLVD 414 NE Ravenna Blvd, Seattle Units: 62 Delivery: Early Planning Developer: Royal Arms C.P.

Based on data provided by Dupre + Scott
Rent and Vacancy Data as of Fall 2013

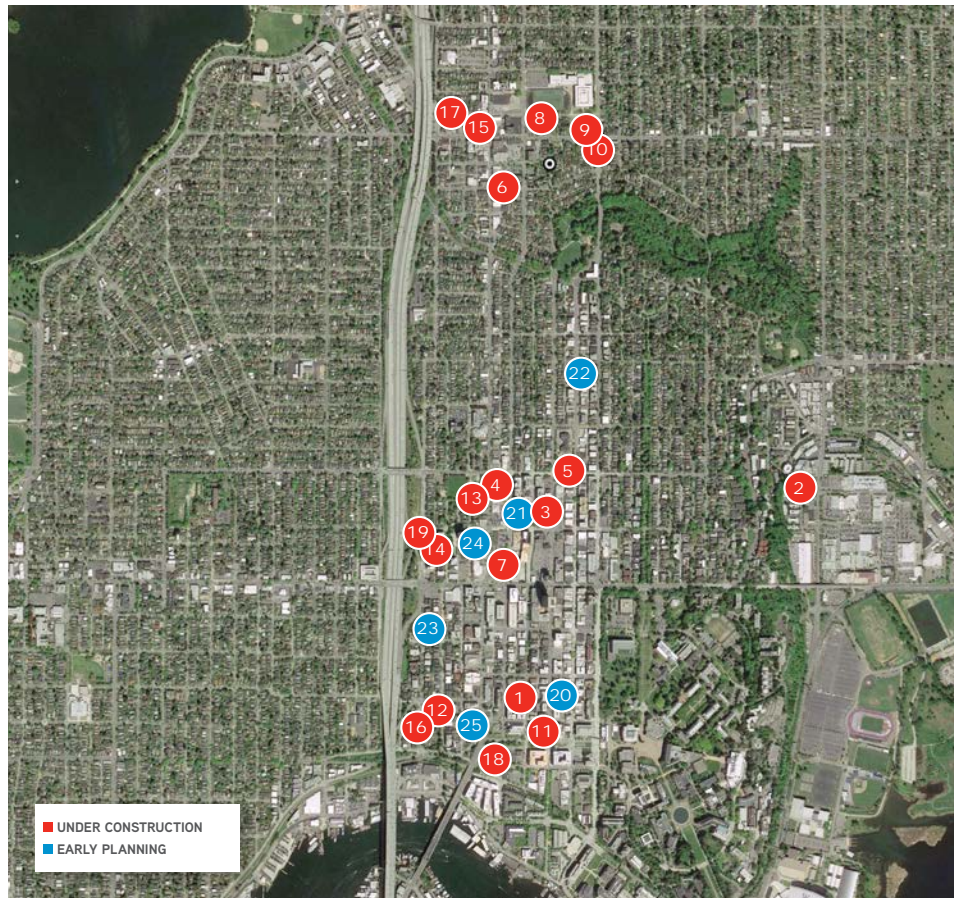
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UNIVERSITY DISTRICT



Deliveries				
2014	2015	2016	2017	Future
581	1,024	0	744	466



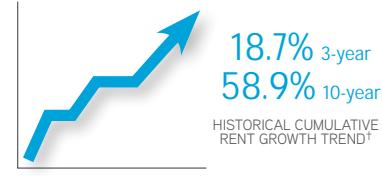
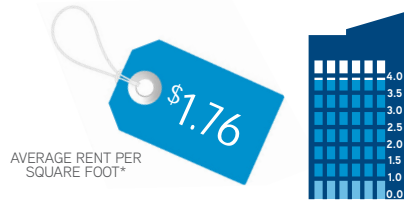
1	12TH AVENUE STUDIOS 4123 12th Avenue NE Units: 102 Delivery: 3Q 2014 Developer: Triad Capital	10	ROOSEVELT II 6505 15th Avenue NE Units: 220 Delivery: 3Q 2017 Developer: HB Capital	19	47+7 4558 7th Avenue NE Units: 24 Delivery: 3Q 2014 Developer: Wallace Properties
2	BAYVIEW 2249 NE 49th Street Units: 20 Delivery: 3Q 2015 Developer: Newmark Realty	11	41ST STREET STUDIOS 4106 12th Avenue NE Units: 106 Delivery: 3Q 2014 Developer: Triad Development	20	BROOKLYN PLACE 4128 Brooklyn Avenue NE Units: 84 Delivery: Early planning Developer: Horizon Realty
3	4717 BROOKLYN AVENUE NE 4717 Brooklyn Avenue NE Units: 56 Delivery: 3Q 2015 Developer: Fields Holdings	12	LAVITA 4055 8th Avenue NE Units: 60 Delivery: 1Q 2015 Developer: Money Grass	21	4710 11TH AVENUE NE 4710 11th Avenue NE Units: 40 Delivery: Early planning Developer: Money Grass
4	4750 ROOSEVELT WAY NE 4750 Roosevelt Way NE Units: 60 Delivery: 2Q 2015 Developer: A&T Investments	13	N-HABIT ROOSEVELT 4737 Roosevelt Way NE Units: 65 Delivery: 4Q 2015 Developer: Daly Partners	22	5260 UNIVERSITY WAY NE 5260 University Way NE Units: 68 Delivery: Early planning Developer: Ying Development
5	5000 UNIVERSITY WAY NE 5000 University Way NE Units: 115 Delivery: 4Q 2015 Developer: Cohanim LLC	14	LIGHTBOX 4545 8th Avenue NE Units: 162 Delivery: 2Q 2014 Developer: Intracorp	23	4302 7TH AVENUE NE 4302 7th Avenue NE Units: 47 Delivery: Early Planning Developer: 12 Bellevue Int'l.
6	SQUARE ONE 1020 NE 63rd Street Units: 112 Delivery: 2Q 2014 Developer: Intracorp	15	ROOSTER 835 NE 66th Street Units: 194 Delivery: 3Q 2015 Developer: Lake Union Partners	24	4555 ROOSEVELT WAY NE 4555 Roosevelt Way NE Units: 168 Delivery: Early Planning Developer: Amer. Campus
7	BRIDGES @ 11TH 4557 11th Avenue NE Units: 184 Delivery: 3Q 2015 Developer: Security Properties	16	7TH AVENUE NE STUDIOS 4029 7th Avenue NE Units: 75 Delivery: 4Q 2014 Developer: Triad Capital	25	ACADEMIA COURT 4039 8th Avenue NE Units: 59 Delivery: Early Planning Developer: Lukito Development
8	BROOKLYN COURT 6515 Brooklyn Avenue NE Units: 110 Delivery: 4Q 2017 Developer: HB Capital	17	800 NE 67TH STREET 800 NE 67th Street Units: 270 Delivery: 4Q 2015 Developer: Mack Urban		
9	ROOSEVELT I 6503 15th Avenue NE Units: 200 Delivery: 3Q 2017 Developer: HB Capital	18	GENESIS 4041 Roosevelt Way NE Units: 214 Delivery: 4Q 2017 Developer: Vulcan Northwest		

Based on data provided by Dupre + Scott
Rent and Vacancy Data as of Fall 2013

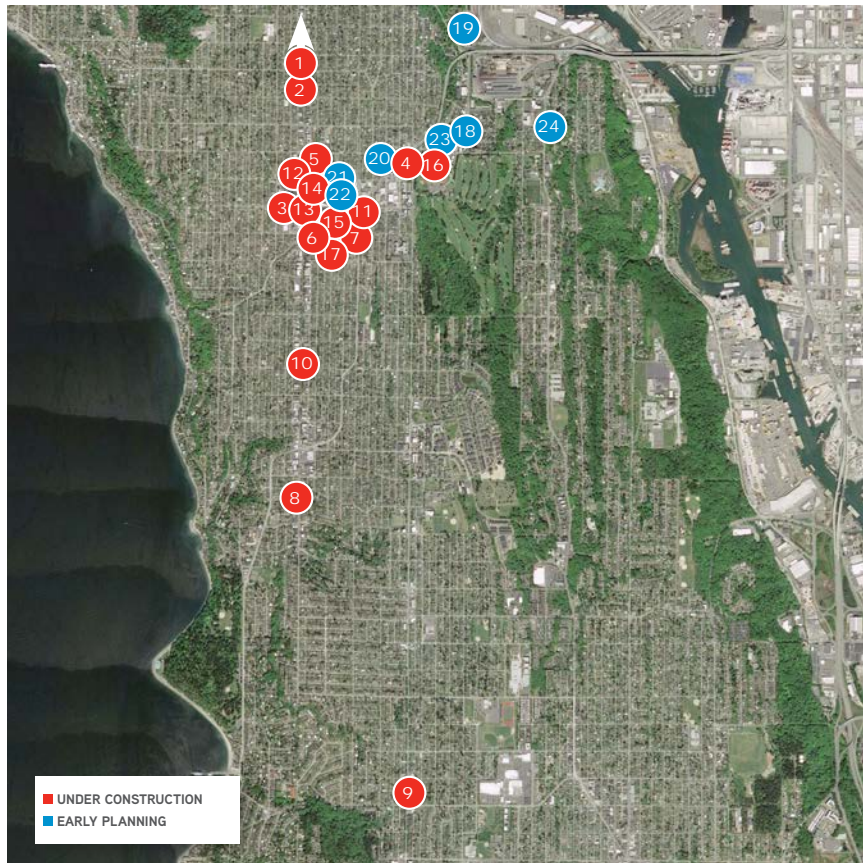
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WEST SEATTLE



Deliveries				
2014	2015	2016	2017	Future
651	922	422	0	507



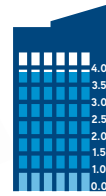
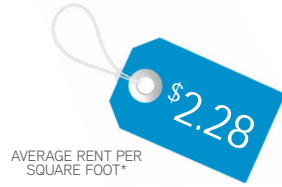
1	3210 CALIFORNIA AVENUE SW 3210 California Avenue SW Units: 149 Delivery: 4Q 2015 Developer: Intracorp	9	9030 35TH AVENUE SW 9030 35th Avenue SW Units: 40 Delivery: 1Q 2015 Developer: Linardic Design Group	17	WEST SEATTLE JUNCTION 4730 California Avenue SW Units: 206 Delivery: 2Q 2015 Developer: Equity Residential
2	3829 CALIFORNIA AVENUE SW 3829 California Avenue SW Units: 29 Delivery: 3Q 2015 Developer: Arrow Construction	10	BLAKE 5020 California Avenue SW Units: 103 Delivery: 3Q 2014 Developer: F&M Development	18	3064 SW AVALON WAY 3064 SW Avalon Way Units: 108 Delivery: Early planning Developer: Nor Pac Equities
3	4400 ALASKA 4400 SW Alaska Street Units: 40 Delivery: 4Q 2015 Developer: Isola Capital Mgmt.	11	BROADSTONE SKY 4745 40th Avenue SW Units: 151 Delivery: 2Q 2015 Developer: Alliance Residential	19	AQUA BELLA 3303 Harbor Avenue SW Units: 97 Delivery: Early planning Developer: Cadence Real Estate
4	4435 35TH AVENUE SW 4435 35th Avenue SW Units: 159 Delivery: 4Q 2015 Developer: Trinsic Residential	12	JUNCTION FLATS 4433 42nd Avenue SW Units: 80 Delivery: 4Q 2015 Developer: BCK Investments	20	ELLIOT TIRE SITE 4441 Fauntleroy Way SW Units: 60 Delivery: Early planning
5	4505 42ND AVENUE SW 4505 42nd Avenue SW Units: 50 Delivery: 2Q 2016 Developer: CAPCO Investments	13	LOFTS AT THE JUNCTION 4535 44th Avenue SW Units: 38 Delivery: 3Q 2015 Developer: Vending Solutions	21	4515 41ST AVENUE SW 4515 41st Avenue SW Units: 75 Delivery: Early planning Developer: BCK Investments
6	4730 4730 California Avenue SW Units: 88 Delivery: 4Q 2014 Developer: Wolff Company	14	OREGON 42 4502 42nd Avenue SW Units: 133 Delivery: 1Q 2014 Developer: ConAm	22	4532 42ND AVENUE SW 4532 42nd Avenue SW Units: 35 Delivery: Early planning Developer: Golden Stream 4106
7	WHITTAKER 4755 Fauntleroy Way SW Units: 372 Delivery: 4Q 2016 Developer: Lennar Multifamily	15	SPRUCE WEST SEATTLE 3922 SW Alaska Street Units: 216 Delivery: 4Q 2014 Developer: Madison Development	23	3078 SW AVALON WAY 3078 SW Avalon Way Units: 102 Delivery: Early planning Developer: Arrow Construction
8	6917 CALIFORNIA AVENUE SW 6919 California Avenue SW Units: 30 Delivery: 4Q 2015 Developer: Soleil Development	16	VUE 3261 SW Avalon Way Units: 111 Delivery: 1Q 2014 Developer: CFD LLC	24	4106 DELRIDGE WAY SW 4106 Delridge Way SW Units: 30 Delivery: Early planning Developer: Simpson & Simpson

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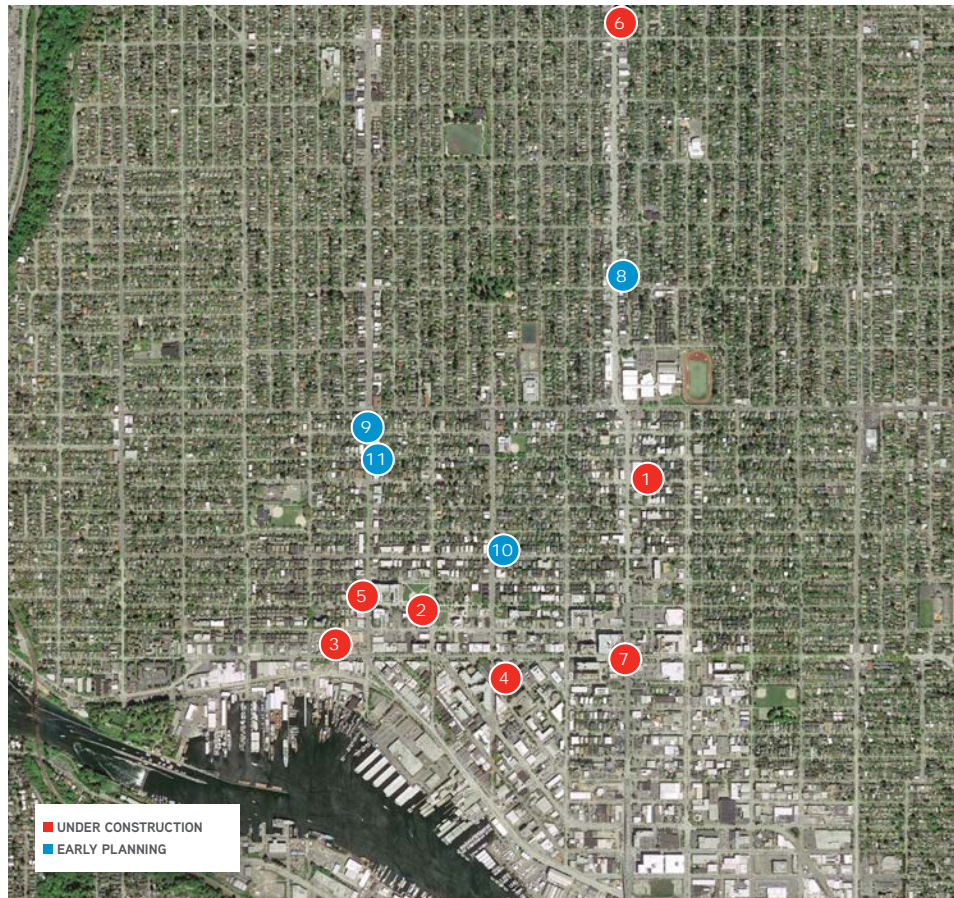
BALLARD



3.1%



Deliveries				
2014	2015	2016	2017	Future
616	441	82	0	211



- 1
1436 NW 62ND STREET
 1436 NW 62nd Street
 Units: 27
 Delivery: 3Q 2015
 Developer: Greenbuild Development
- 2
5601 22ND AVENUE NW
 5601 22nd Avenue NW
 Units: 82
 Delivery: 2Q 2016
- 3
AMLI BALLARD
 2428 NW Market Street
 Units: 304
 Delivery: 3Q 2014
 Developer: AMLI Residential
- 4
BALLARD TALLMAN
 5343 Tallman Avenue NW
 Units: 303
 Delivery: 3Q 2015
 Developer: Equity Residential
- 5
BALLARD WEST
 5711 24th Avenue NW
 Units: 111
 Delivery: 1Q 2015
 Developer: Pryde + Johnson
- 6
CROWN HILL
 8026 15th Avenue NW
 Units: 25
 Delivery: 4Q 2014
 Developer: Goodman Real Estate

- 7
URBANA
 1501 NW Market Street
 Units: 287
 Delivery: 1Q 2014
 Developer: Equity Residential
- 8
7016 15TH AVENUE NW
 7016 15th Avenue NW
 Units: 90
 Delivery: Early Planning
- 9
BALLARD LOFTS
 6404 24th Avenue NW
 Units: 72
 Delivery: Early Planning
 Developer: William Parks Inc
- 10
1762 NW 59TH STREET
 1762 NW 59th Street
 Units: 25
 Delivery: Early Planning
- 11
2248 NW 64TH STREET
 2248 NW 64th Street
 Units: 24
 Delivery: Early Planning
 Developer: William Parks Inc

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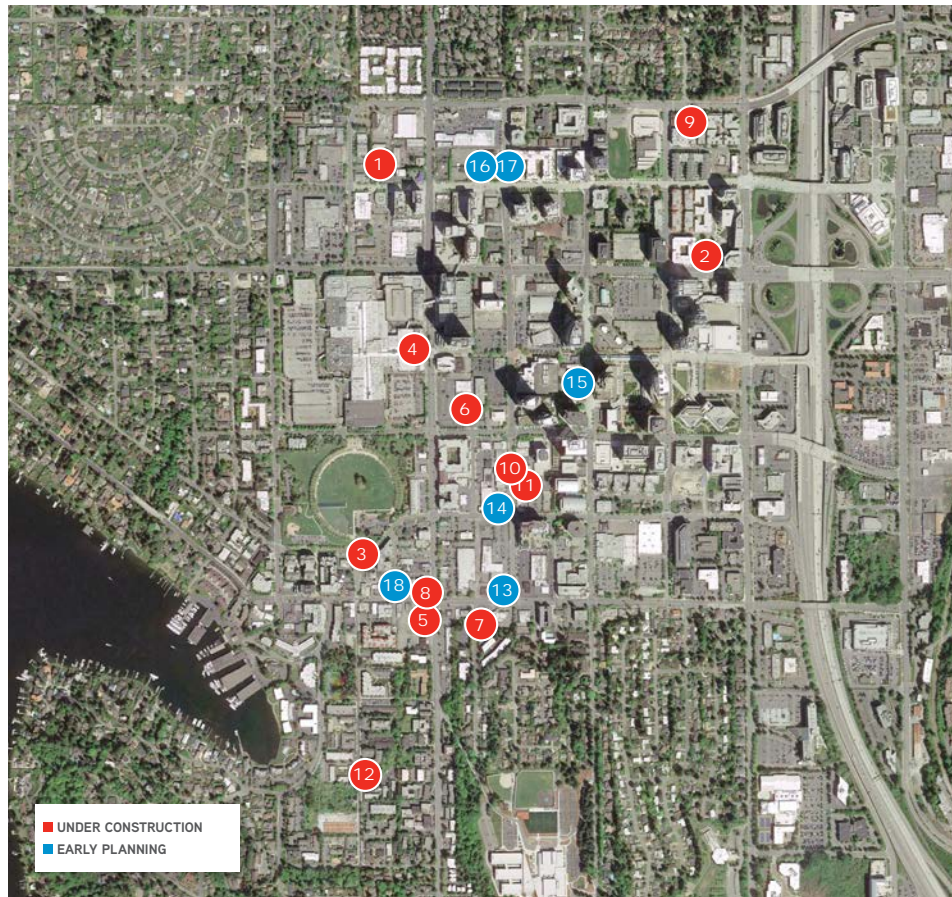
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WEST BELLEVUE



Deliveries				
2014	2015	2016	2017	Future
266	1,487	124	285	1,629



1	1019 103RD AVENUE NE 1019 103rd Avenue NE Units: 175 Delivery: 4Q 2015 Developer: Province Group	10	SOMA TOWERS I 288 106th Avenue NE Units: 148 Delivery: 2Q 2014 Developer: SU Development
2	ALLEY 111 11011 NE 9th Street Units: 260 Delivery: 3Q 2015 Developer: Skanska	11	SOMA TOWERS II 220 106th Avenue NE Units: 124 Delivery: 2Q 2016 Developer: SU Development
3	BELLEVUE PARK II 88 102nd Avenue NE Units: 160 Delivery: 4Q 2015 Developer: Cantera Development Group	12	TULUM DOWNS 515 102nd Avenue SE Units: 40 Delivery: 3Q 2014 Developer: Diller Associates
4	BELLEVUE SQUARE EXPANSION 401 Bellevue Way NE Units: 249 Delivery: 2Q 2018 Developer: Kemper Development	13	BELLEVUE PLAZA 10510 Main Street Units: 550 Delivery: Early planning Developer: United Dominion Realty
5	BELLEVUE AT MAIN 15 Bellevue Way SE Units: 262 Delivery: 2Q 2015 Developer: SRM Development	14	201 106TH AVENUE NE 201 106th Avenue NE Units: 100 Delivery: Early planning Developer: 12 Bellevue International Investment
6	LINCOLN SQUARE II 410 Bellevue Way NE Units: 285 Delivery: 2Q 2017 Developer: Kemper Development	15	437 108TH AVENUE NE 437 108th Avenue NE Units: 100 Delivery: Early planning Developer: NIU Enterprises
7	MAIN STREET 10505 Main Street Units: 260 Delivery: 2Q 2015 Developer: Alamo Manhattan	16	CADILLAC SITE I 1001 106th Avenue NE Units: 317 Delivery: Early planning Developer: United Dominion Realty
8	MAIN STREET GATEWAY 10360 Main Street Units: 370 Delivery: 4Q 2015 Developer: Vander Hoek Corp	17	CADILLAC SITE II 1001 106th Avenue NE Units: 183 Delivery: Early planning Developer: United Dominion Realty
9	PARK METRO 11017 NE 12th Street Units: 78 Delivery: 2014 Developer: Evergreen Point Development	18	NOMA 10246 Main Street Units: 130 Delivery: Early planning Developer: Vander Hoek Corp

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FROM THE AUTHOR

With nearly all of King County’s new apartment development slated for urban centers and neighborhoods, never has it been more important to study emerging trends on a micro-market level, as well as take into consideration interplay between all asset classes – including retail and office. The intention of this study is to provide clearer optics into trends in Seattle’s urban centers and neighborhoods and thereby assist clients with investment theses for the development, acquisition and disposition of multifamily assets.



Dylan Simon
Investment Sales

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