

FALL 2025

MULTIFAMILY *INVESTOR FORUM & LUNCHEON*

Presented by

DYLAN SIMON

Executive Vice President

Simon | Anderson Multifamily Team

September 30, 2025



DYLAN SIMON, EVP, KIDDER MATHEWS • 206.414.8575 | DYLAN.SIMON@KIDDER.COM • VISIT SIMONANDERSONTEAM.COM FOR LISTINGS

Kidder Mathews © Not to be Reproduced or Distributed

PRESENTATION

AGENDA

*Rent &
Vacancy*

01

*Development
Pipeline*

02

*Sales
Trends*

03

Forecast

04

*Broker
Roundtable*

05

RESEARCH REPORTS: [SIMONANDERSONTEAM.COM/RESEARCH](https://simonandersonsonetam.com/research)



THE BIG PICTURE – APARTMENT OPERATIONS

Finding Equilibrium



THE BIG PICTURE – CAPITAL MARKETS

Launch Sequence ...



01

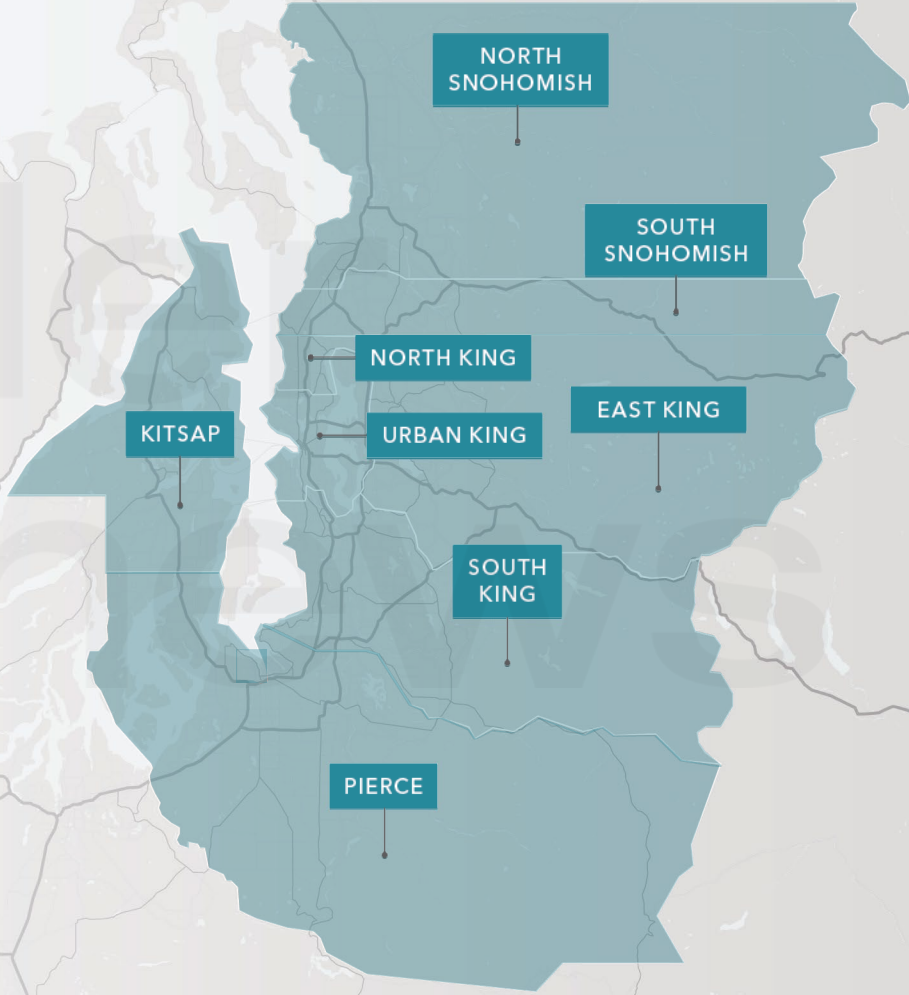
RENT & VACANCY

RENT & VACANCY TRENDS

REGIONAL OVERVIEW

	12 MONTHS AGO		90 DAYS AGO		LAST QUARTER
	Q3 2024	12-Month Change	Q1 2025	90-Day Change	Q2 2025
RENT	\$2,015	▲ 3.3%	\$2,049	▲ 2%	\$2,081
VACANCY	6.9%	▲ 20 bps	7.4%	▼ 30 bps	7.1%

	Q3 2024		Q3 2025	
	Rent	Vacancy	Rent	Vacancy
KING	\$2,135	6.7%	\$2,205	7.1%
SNOHOMISH	\$1,936	6.1%	\$1,974	6.3%
PIERCE	\$1,619	7.1%	\$1,677	6.8%
KITSAP	\$1,785	11.9%	\$1,900	8.2%

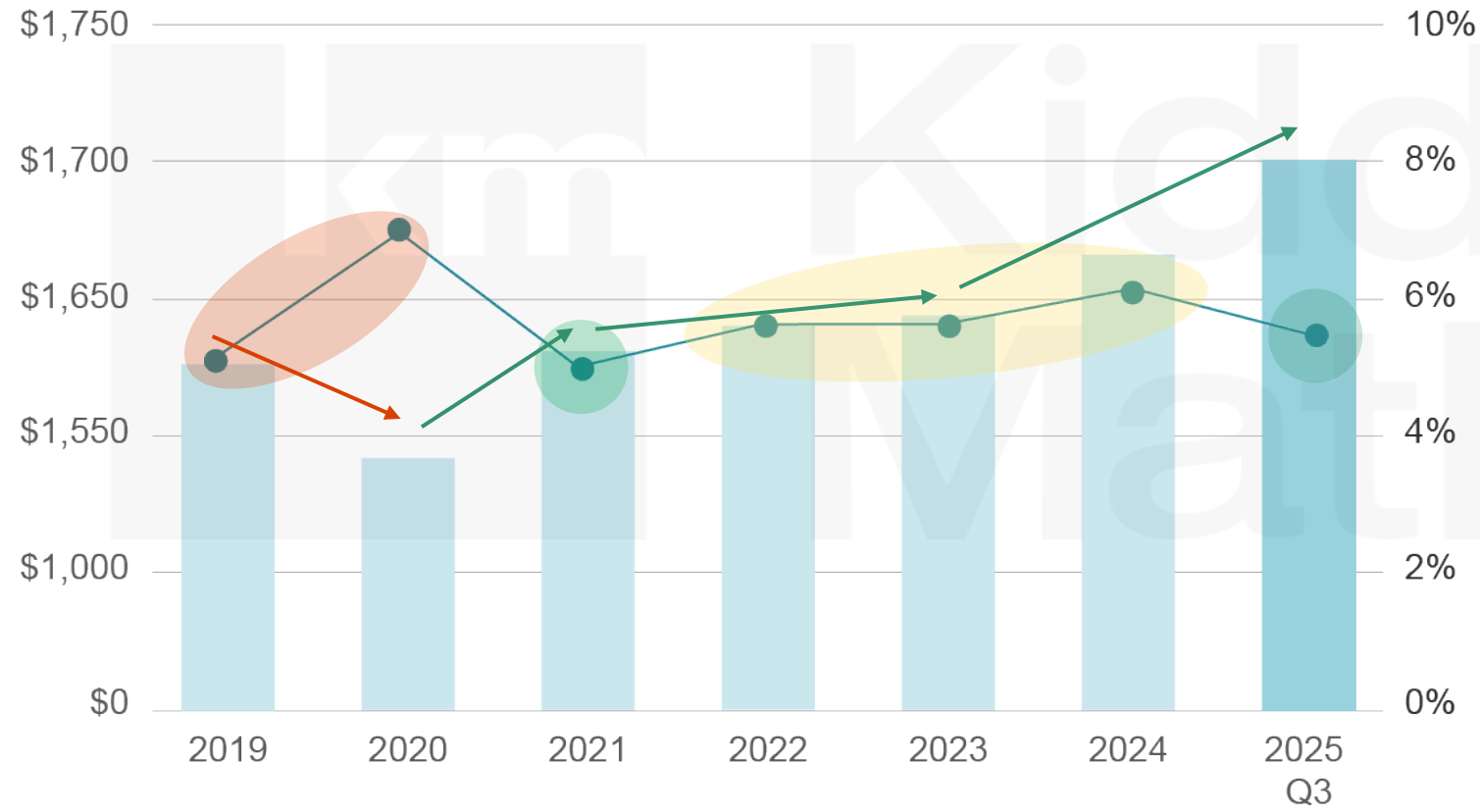


Source: CoStar, Simon Anderson Multifamily Team, Kidder Mathews

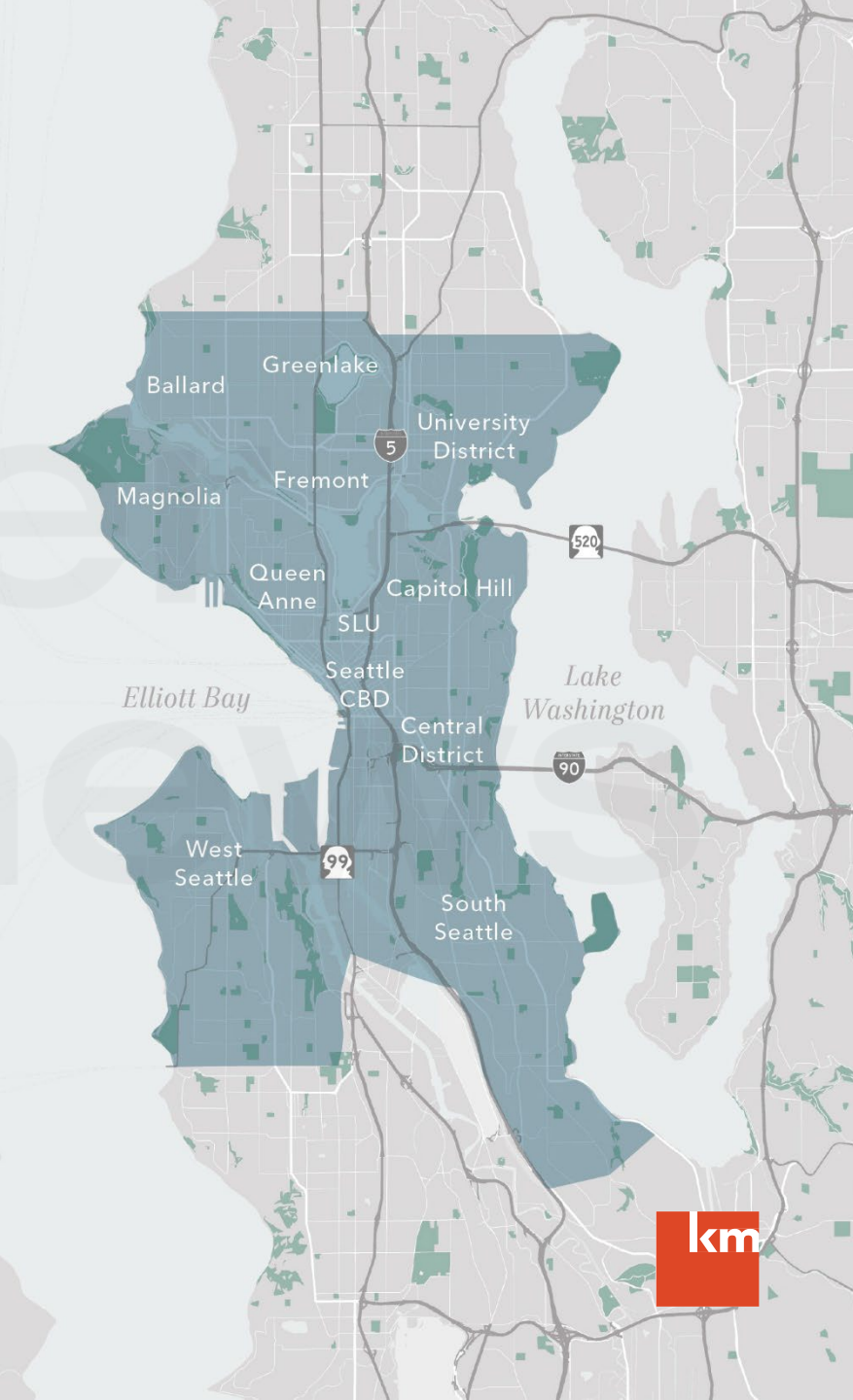


RENT & VACANCY TRENDS

SEATTLE NEIGHBORHOODS :: BUILT 1900 – 1999

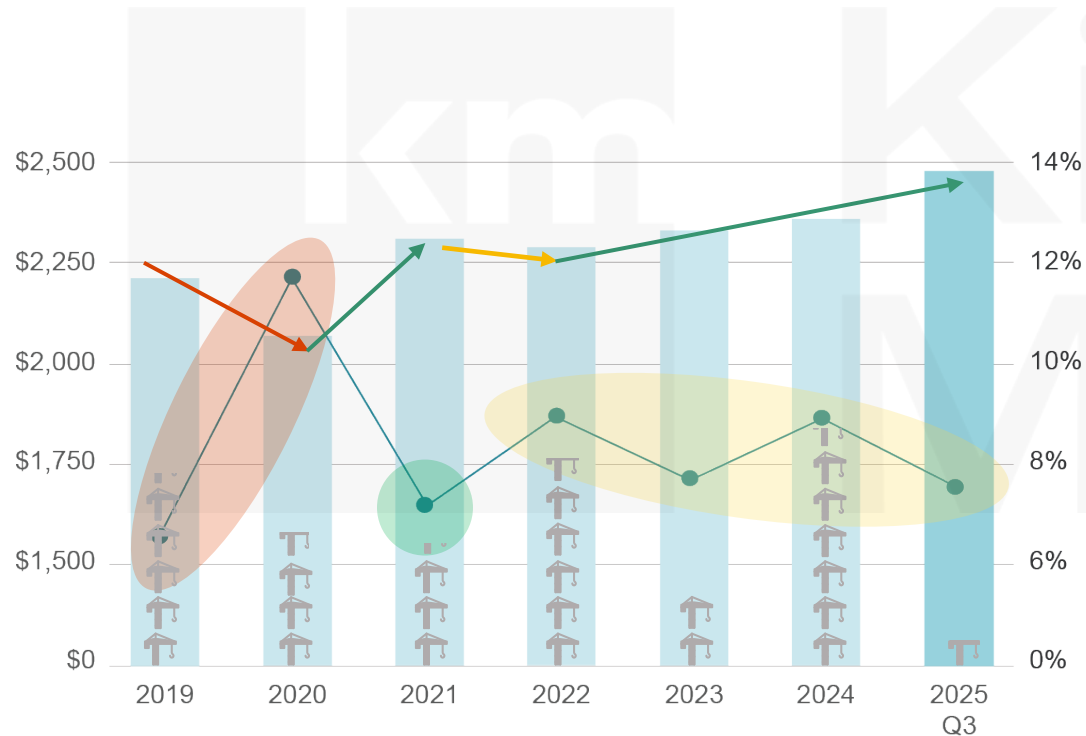


All building ages, 5+ unit apartment buildings



RENT & VACANCY TRENDS

SEATTLE NEIGHBORHOODS :: BUILT 2000 – 2025



UNITS DELIVERED	5,082	3,292	3,042	5,588	1,978	6,273	772
--------------------	-------	-------	-------	-------	-------	-------	-----

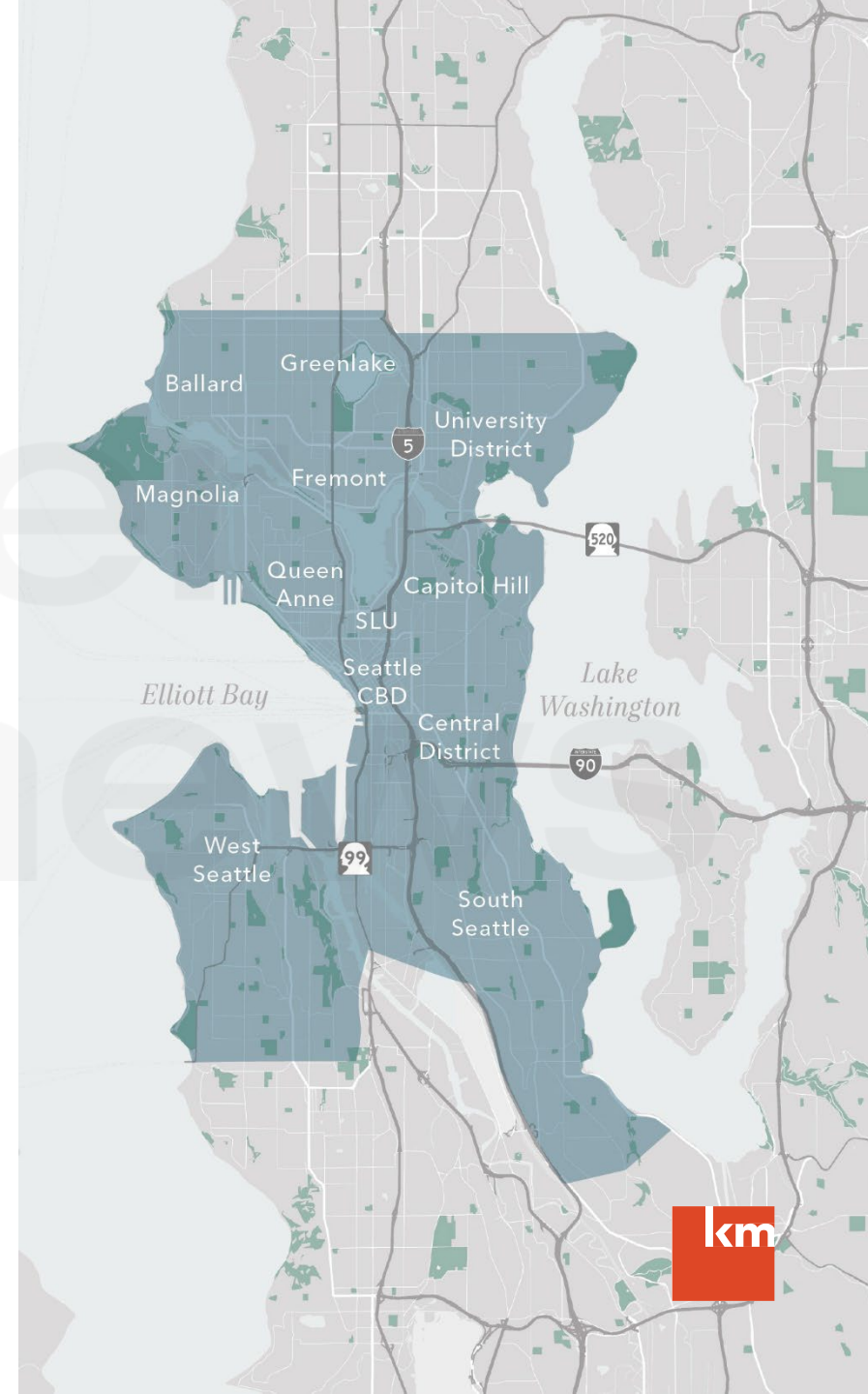
4,733 17,307

Units Under
Construction

Units
Permitted

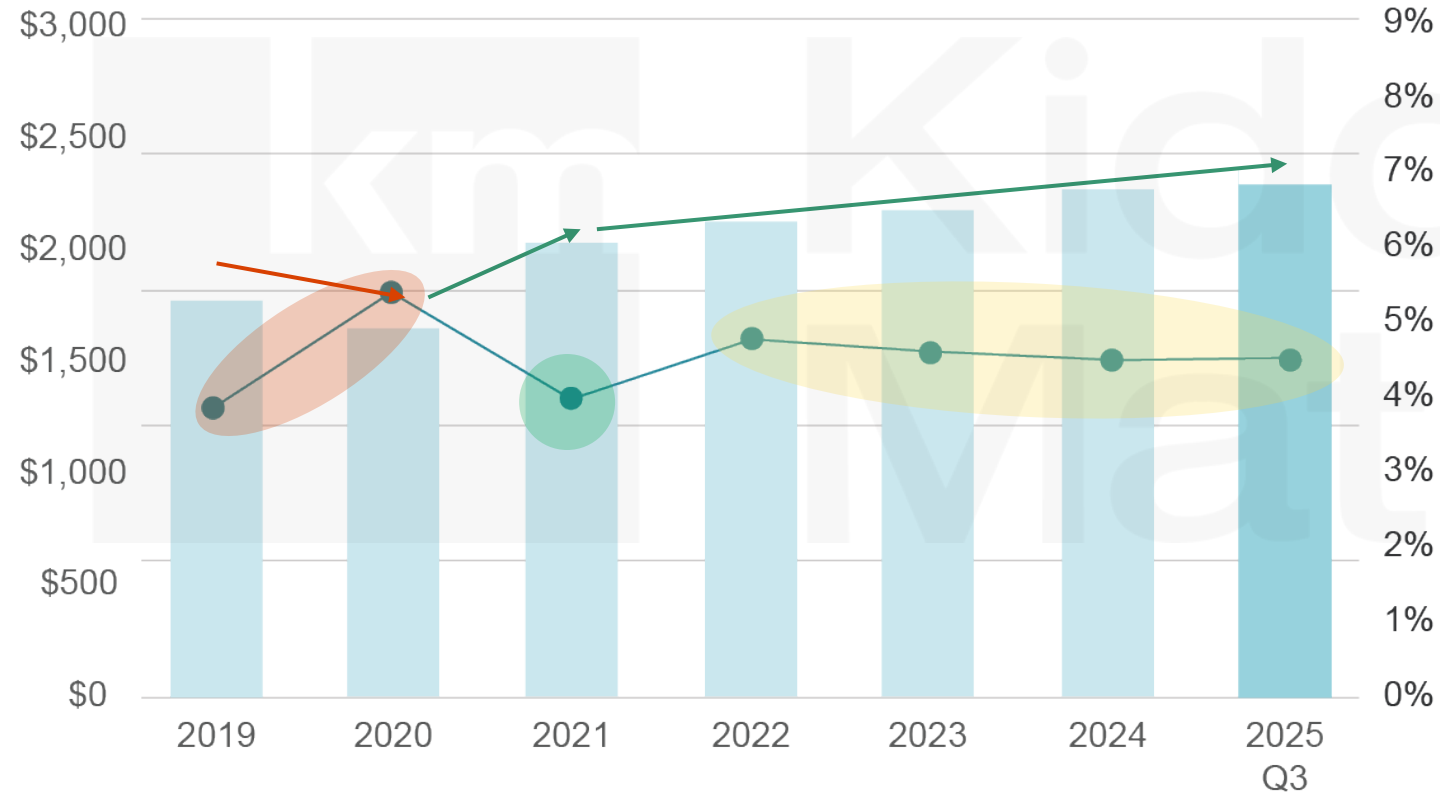
All building ages, 5+ unit apartment buildings

DYLAN SIMON, EVP, KIDDER MATHEWS • 206.414.8575 | DYLAN.SIMON@KIDDER.COM • VISIT SIMONANDERSONTEAM.COM FOR LISTINGS
Kidder Mathews © Not to be Reproduced or Distributed



RENT & VACANCY TRENDS

EAST KING :: BUILT 1900 – 1999

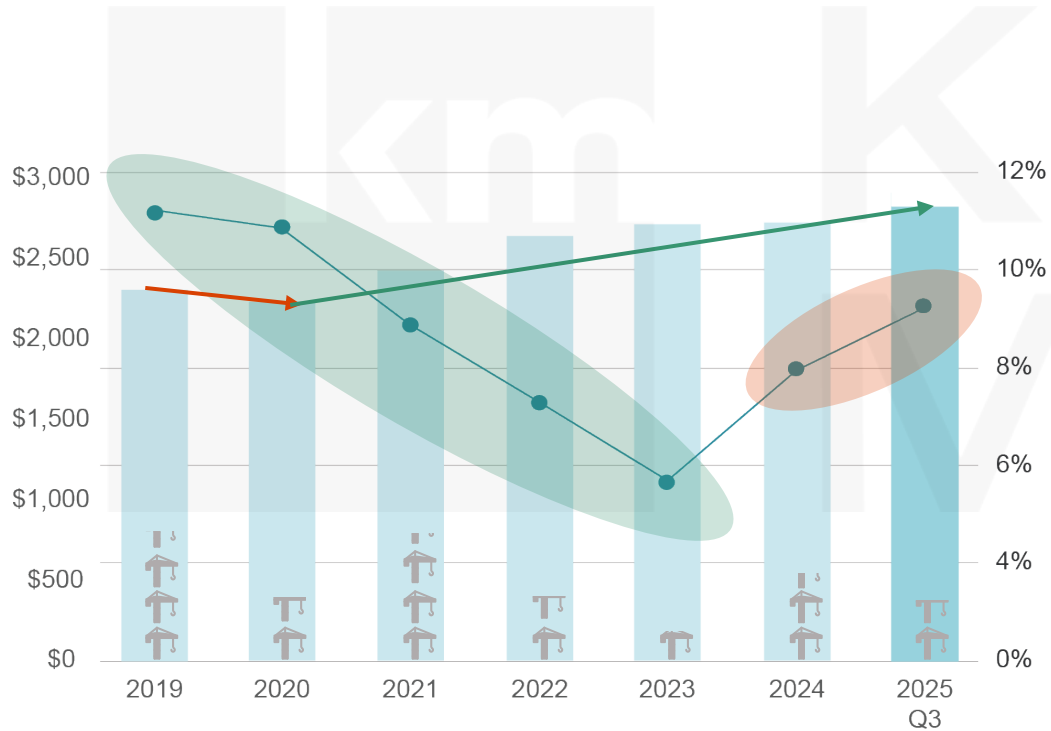


All building ages, 5+ unit apartment buildings



RENT & VACANCY TRENDS

EAST KING :: BUILT 2000 – 2025



UNITS DELIVERED 3,204 1,381 3,069 1,544 916 2,251 1,781



1,189

Units Under Construction



12,951

Units Permitted



All building ages, 5+ unit apartment buildings

DYLAN SIMON, EVP, KIDDER MATHEWS • 206.414.8575 | DYLAN.SIMON@KIDDER.COM • VISIT SIMONANDERSONTEAM.COM FOR LISTINGS

Kidder Mathews © Not to be Reproduced or Distributed



RENT & VACANCY TRENDS

SEATTLE VS EASTSIDE – KEY INSIGHT

BUILT 2000 – 2025

2019 – Average Rent

\$2,230 SEATTLE

\$2,358 EASTSIDE

Q3 2025 – Average Rent

\$2,443 SEATTLE

\$2,830 EASTSIDE

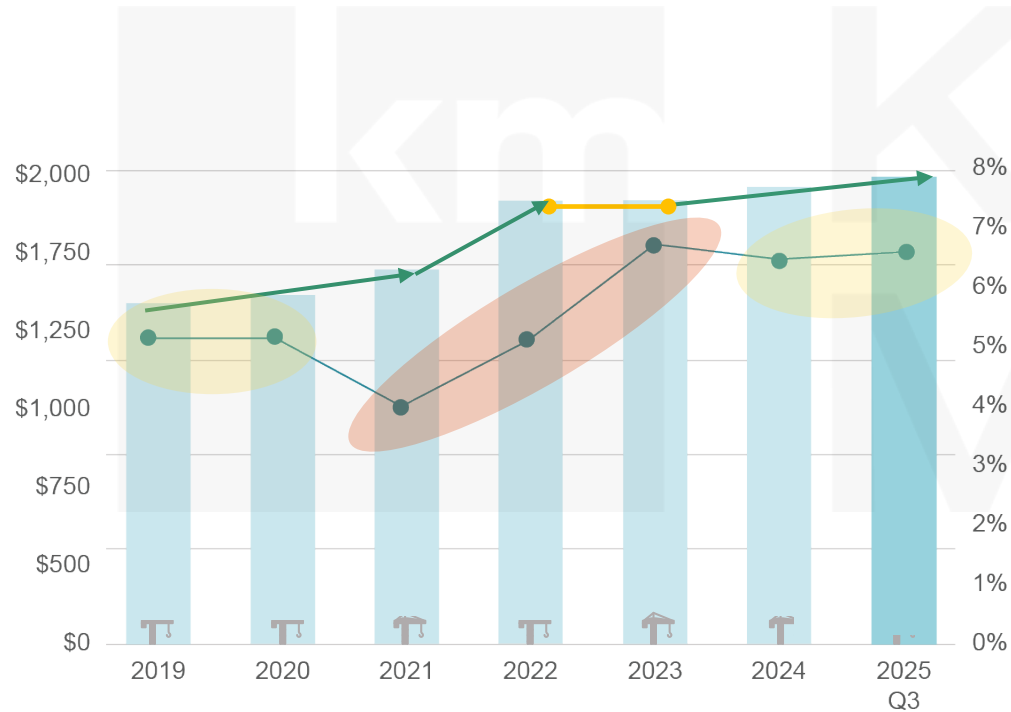
5+ Year Cumulative Growth

9% SEATTLE

20% EASTSIDE

RENT & VACANCY TRENDS

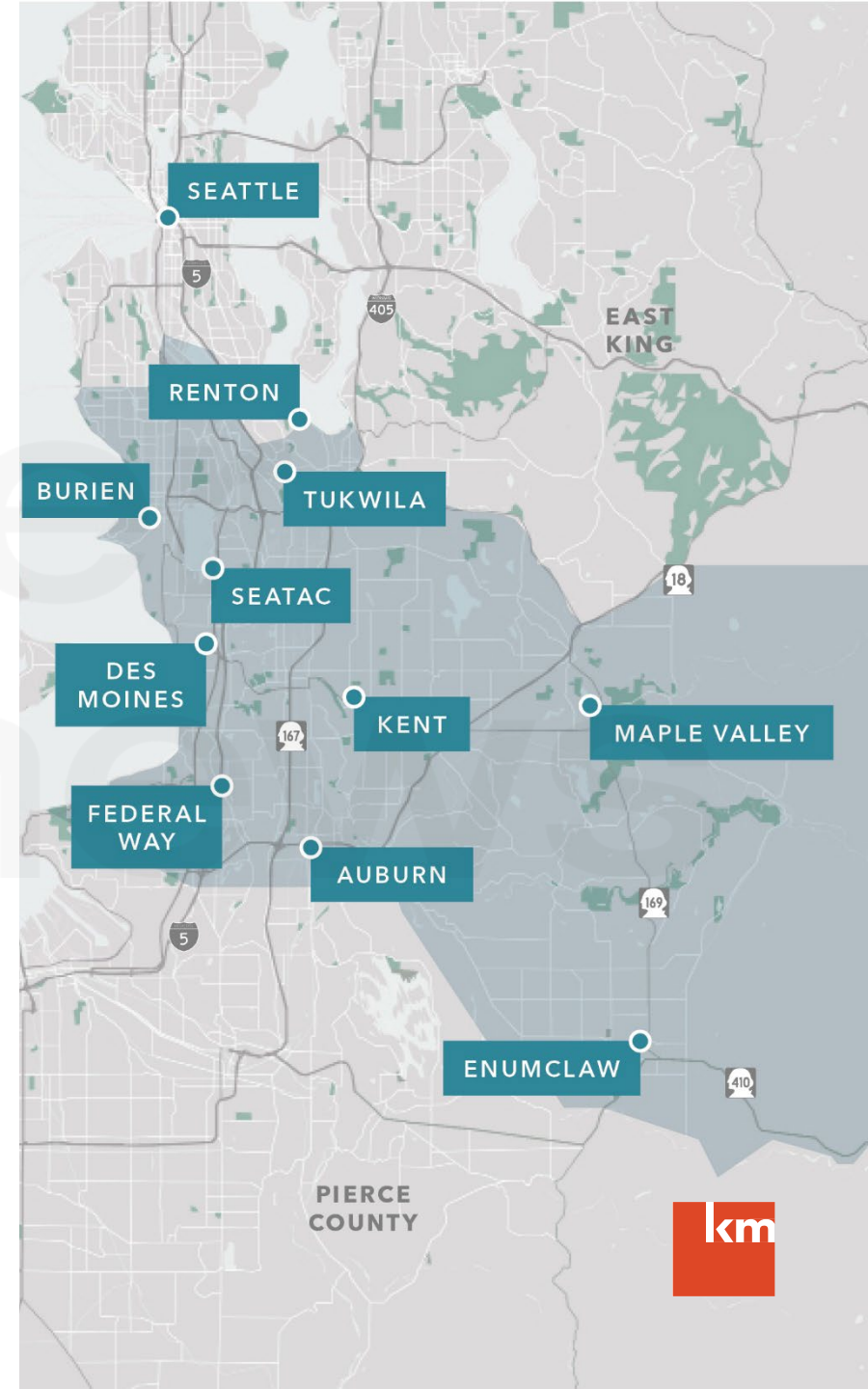
SOUTH KING



UNITS DELIVERED	570	425	655	463	1,014	860	285
--------------------	-----	-----	-----	-----	-------	-----	-----

685
Units Under
Construction

1,319
Units
Permitted

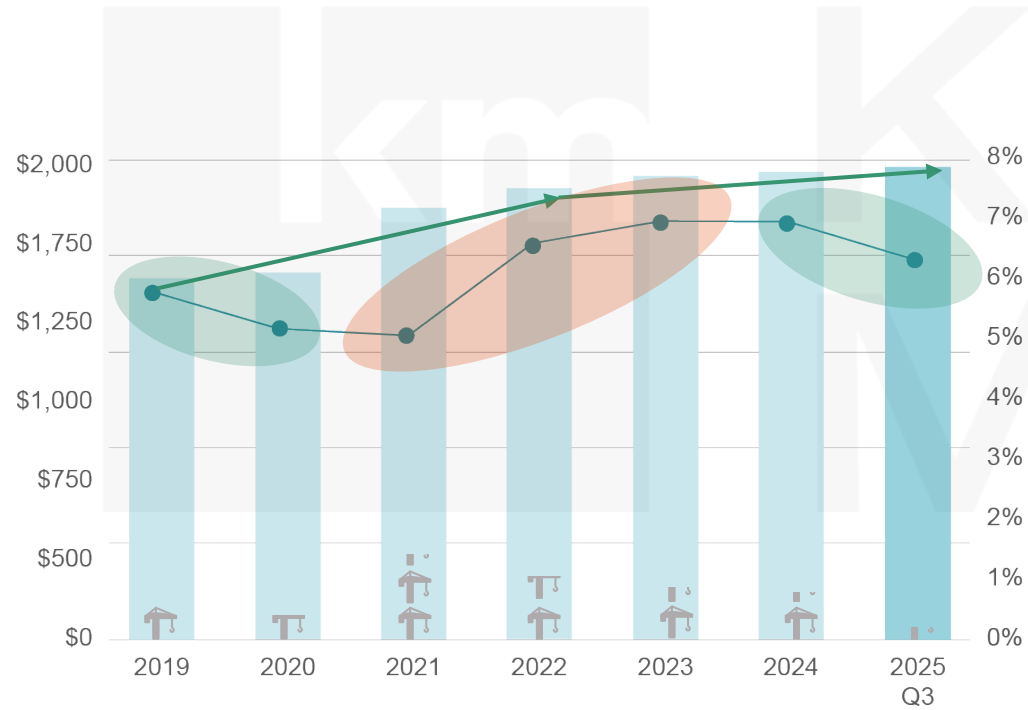


All building ages, 5+ unit apartment buildings



RENT & VACANCY TRENDS

SNOHOMISH



UNITS
DELIVERED

989

709

2,282

1,843

1,352

1,176

354



828

Units Under
Construction



3,189

Units
Permitted

All building ages, 5+ unit apartment buildings

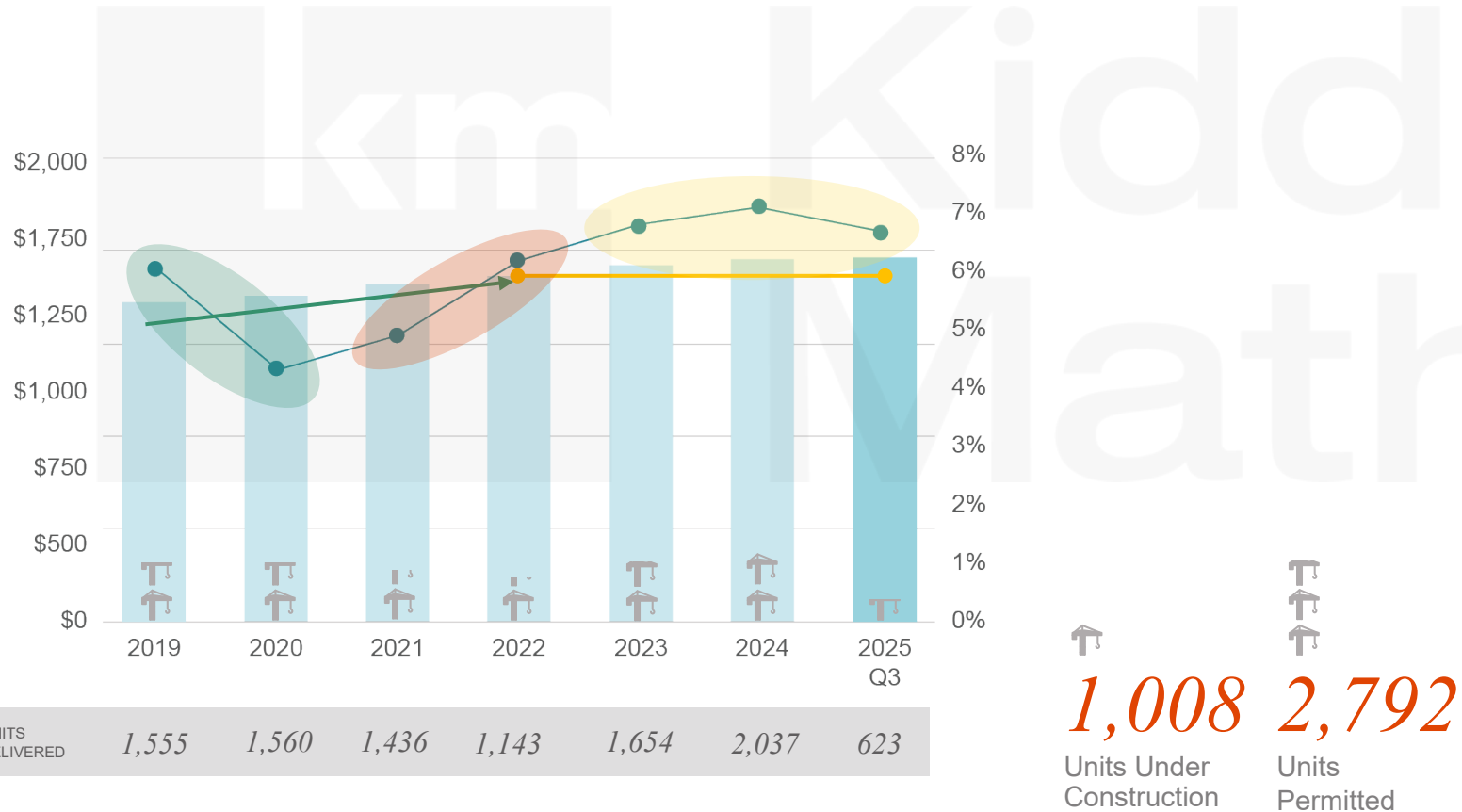
DYLAN SIMON, EVP, KIDDER MATHEWS • 206.414.8575 | DYLAN.SIMON@KIDDER.COM • VISIT SIMONANDERSONTEAM.COM FOR LISTINGS

Kidder Mathews © Not to be Reproduced or Distributed



RENT & VACANCY TRENDS

PIERCE

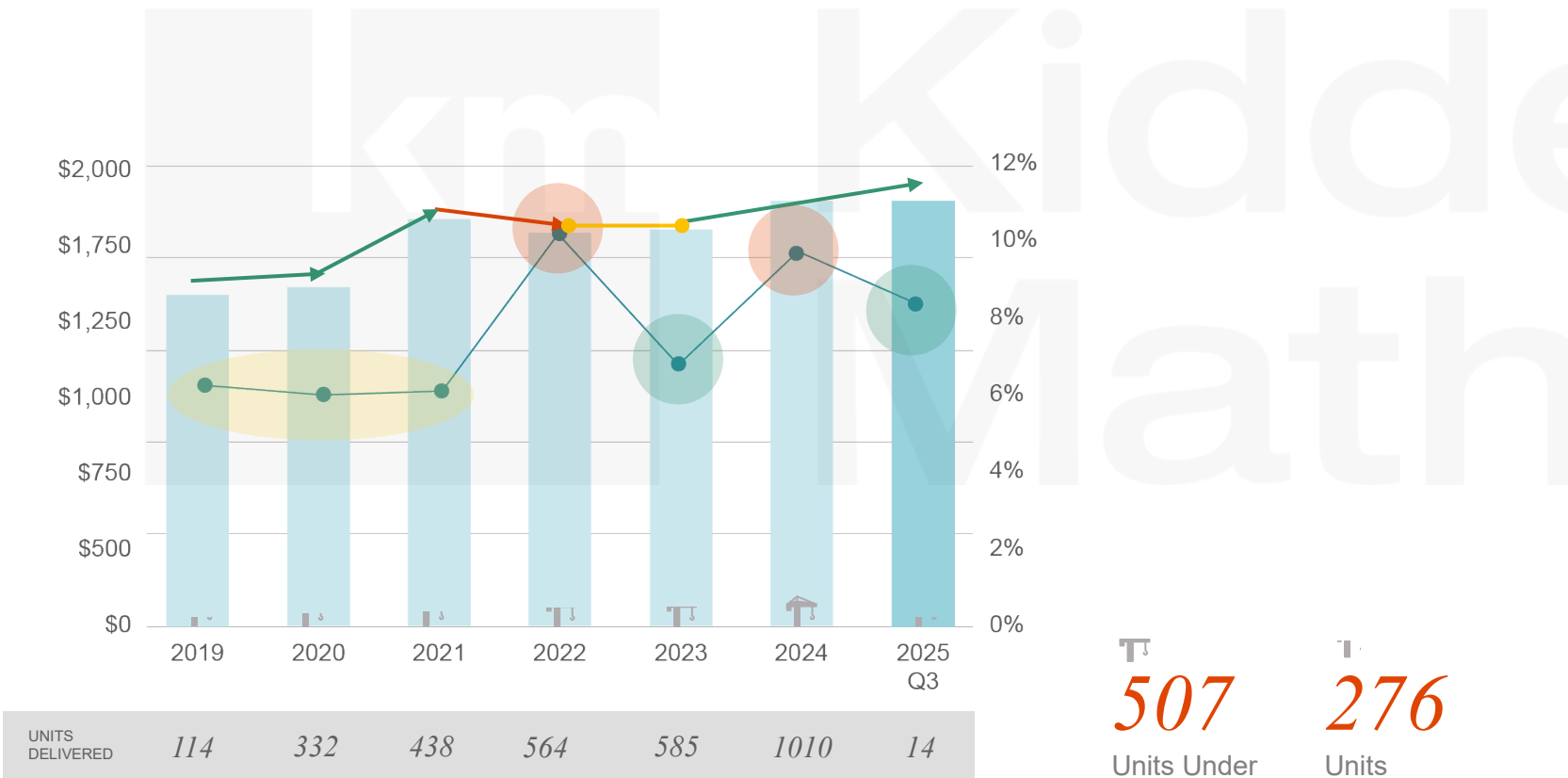


All building ages, 5+ unit apartment buildings



RENT & VACANCY TRENDS

KITSAP



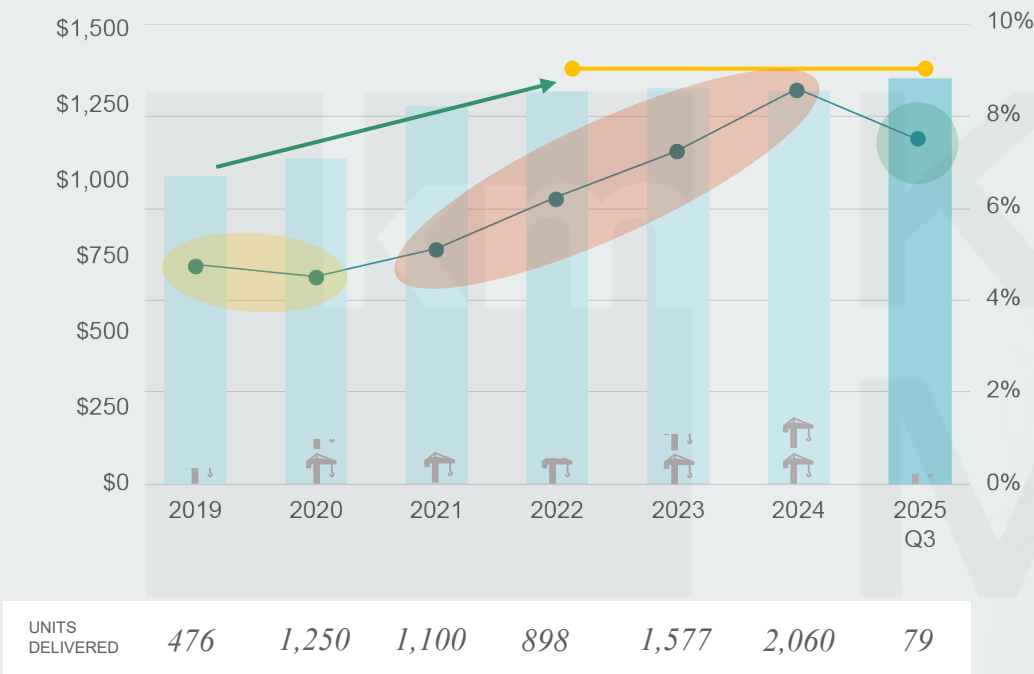
507
Units Under Construction


276
Units Permitted




All building ages, 5+ unit apartment buildings

EASTERN WA – SPOKANE



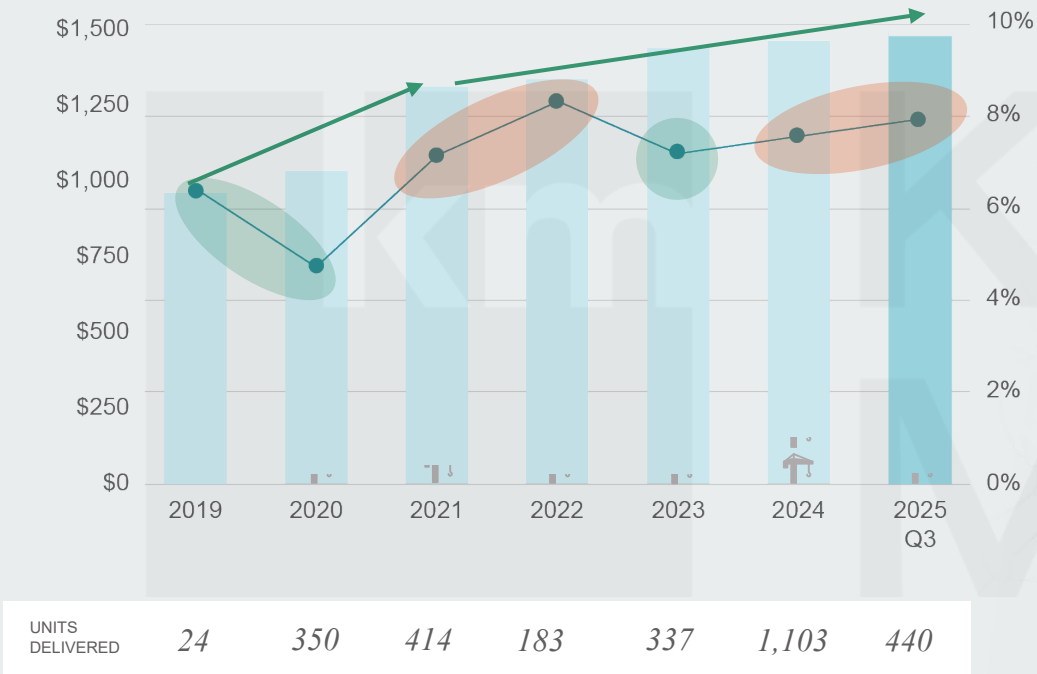

680
Units Under
Construction


1,080
Units
Permitted

All building ages, 5+ unit apartment buildings



EASTERN WA – TRI-CITIES



0

Units Under Construction

495

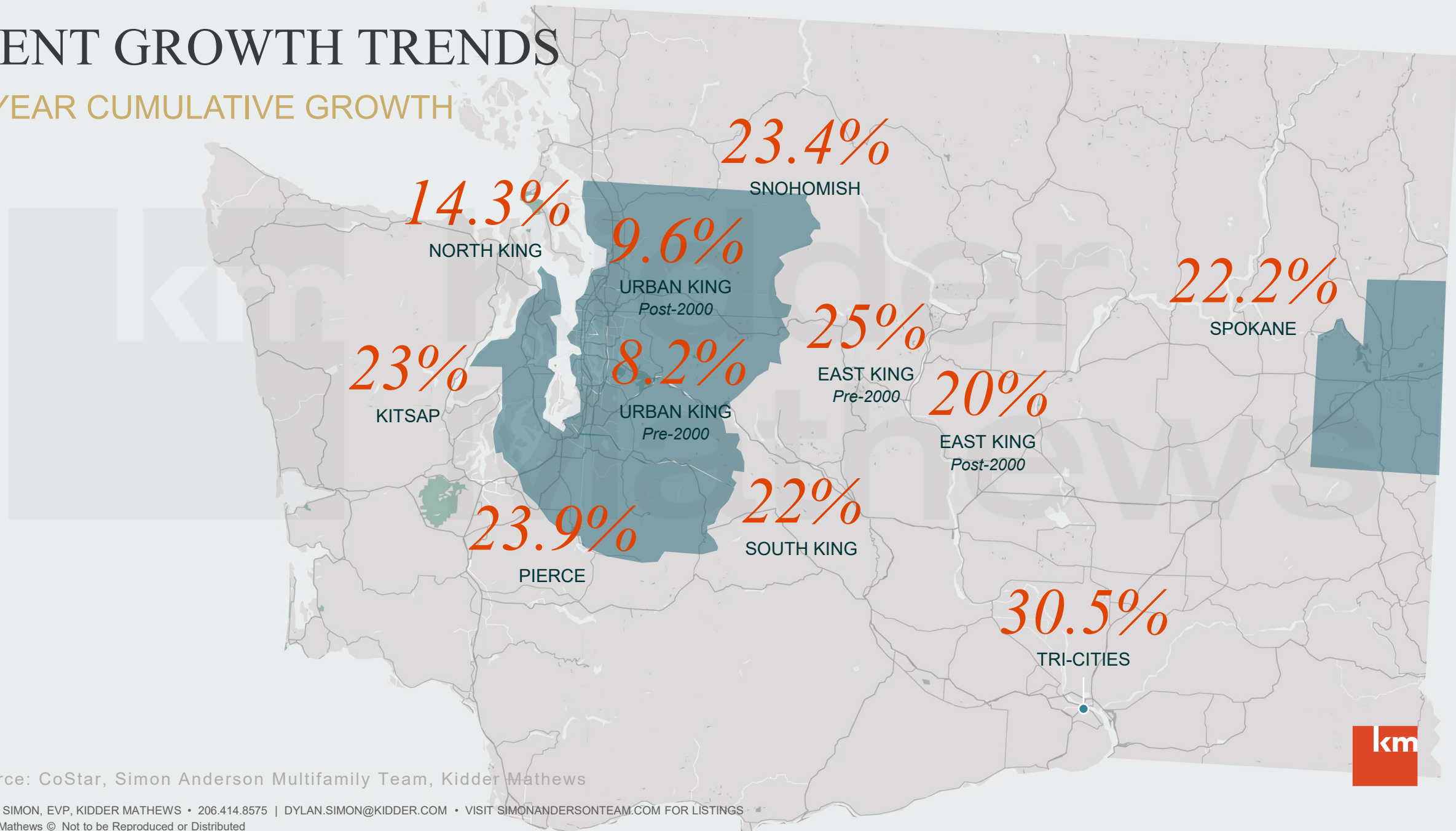
Units Permitted

All building ages, 5+ unit apartment buildings



RENT GROWTH TRENDS

6 YEAR CUMULATIVE GROWTH



Source: CoStar, Simon Anderson Multifamily Team, Kidder Mathews

Dylan Simon, EVP, Kidder Mathews • 206.414.8575 | Dylan.Simon@kidder.com • Visit SimonAndersonTeam.com for listings

Kidder Mathews © Not to be Reproduced or Distributed

km

RENT & VACANCY TRENDS | KEY TAKEAWAYS



RENT

Growth in EVERY market, the first time in four years



VACANCY

We are past the peak, vacancy trending down in all markets



CONCESSIONS

Concessions –or lack thereof – are a barometer for the health of each submarket



IMPACTS OF "WORK-FROM-HOME"

2024 Remarks: "The great migration is upon us ..."

2025 Remarks: "Yep!"



DEVELOPMENT PIPELINE

REGIONAL APARTMENT INVENTORY

400,000 UNITS IN REGION

111,000 UNITS DELIVERED 2014 - 2024

145,000 UNITS IN PIPELINE

90,000 UNITS IN PERMITTING PROCESS

38,000 UNITS PERMITTED

17,000 UNITS UNDER CONSTRUCTION

28,000

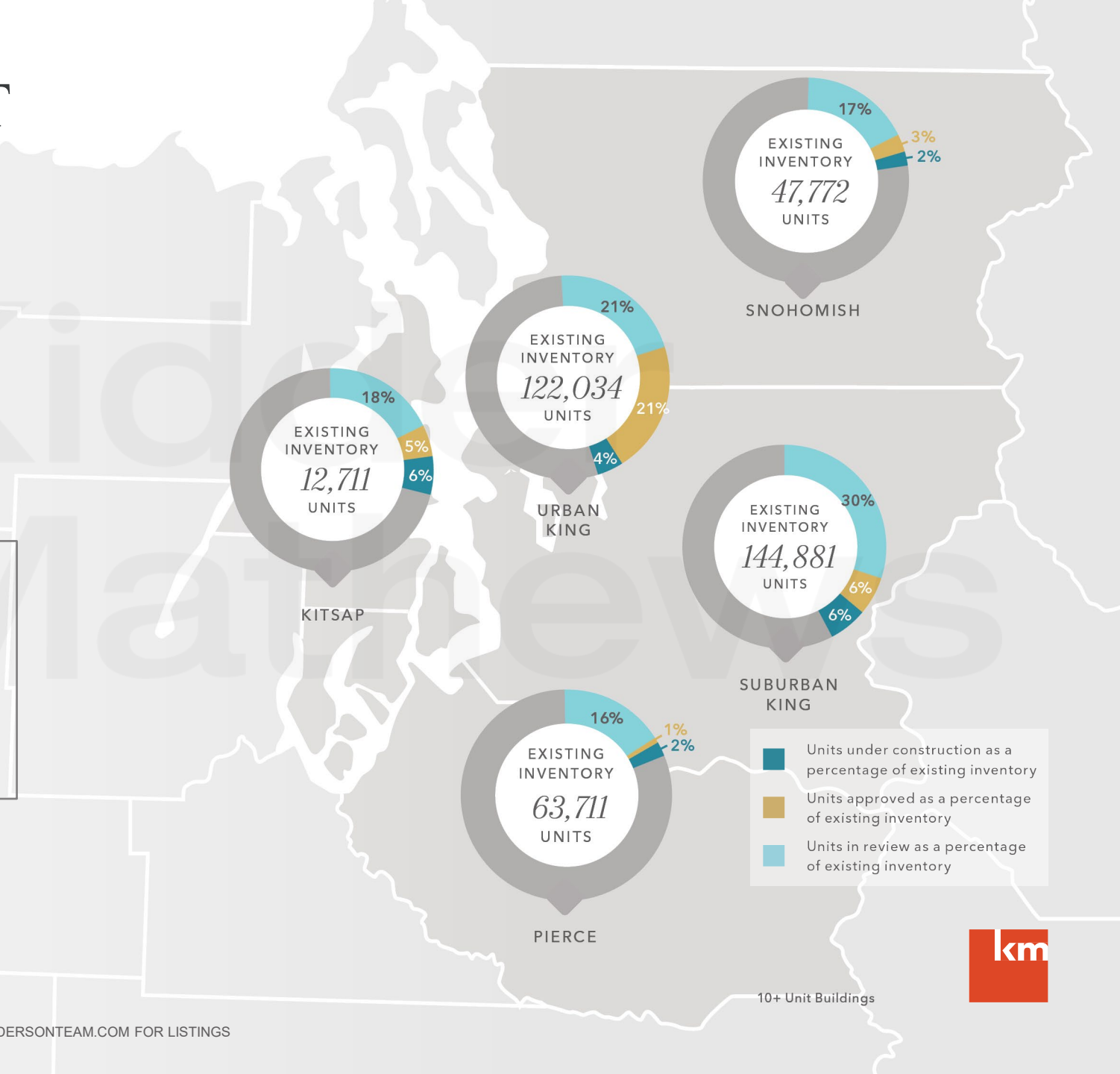
2024 PIPELINE REPORT

39,000

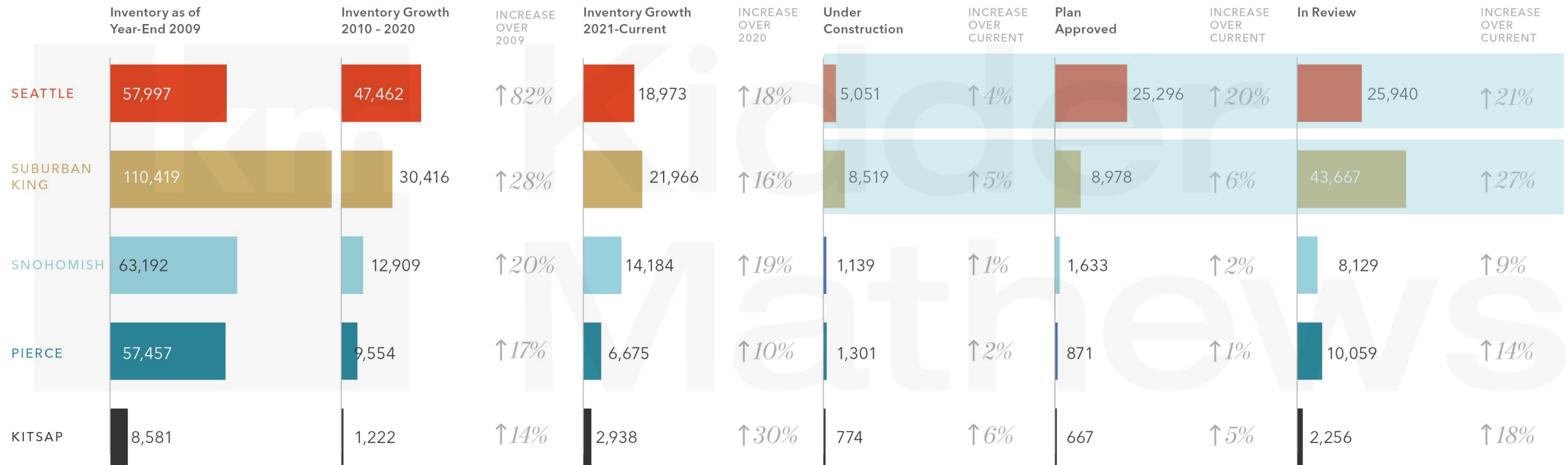
2023 PIPELINE REPORT

Source: Kidder Mathews research, multiple data providers
10+ unit buildings

DYLAN SIMON, EVP, KIDDER MATHEWS • 206.414.8575 | DYLAN.SIMON@KIDDER.COM • VISIT SIMONANDERSONTEAM.COM FOR LISTINGS
Kidder Mathews © Not to be Reproduced or Distributed



DEVELOPMENT PIPELINE | SUBMARKET SNAPSHOT



Source: Kidder Mathews research, multiple data providers

DYLAN SIMON, EVP, KIDDER MATHEWS • 206.414.8575 | DYLAN.SIMON@KIDDER.COM • VISIT SIMONANDERSONTEAM.COM FOR LISTINGS

Kidder Mathews © Not to be Reproduced or Distributed



URBAN APARTMENT DEVELOPMENT

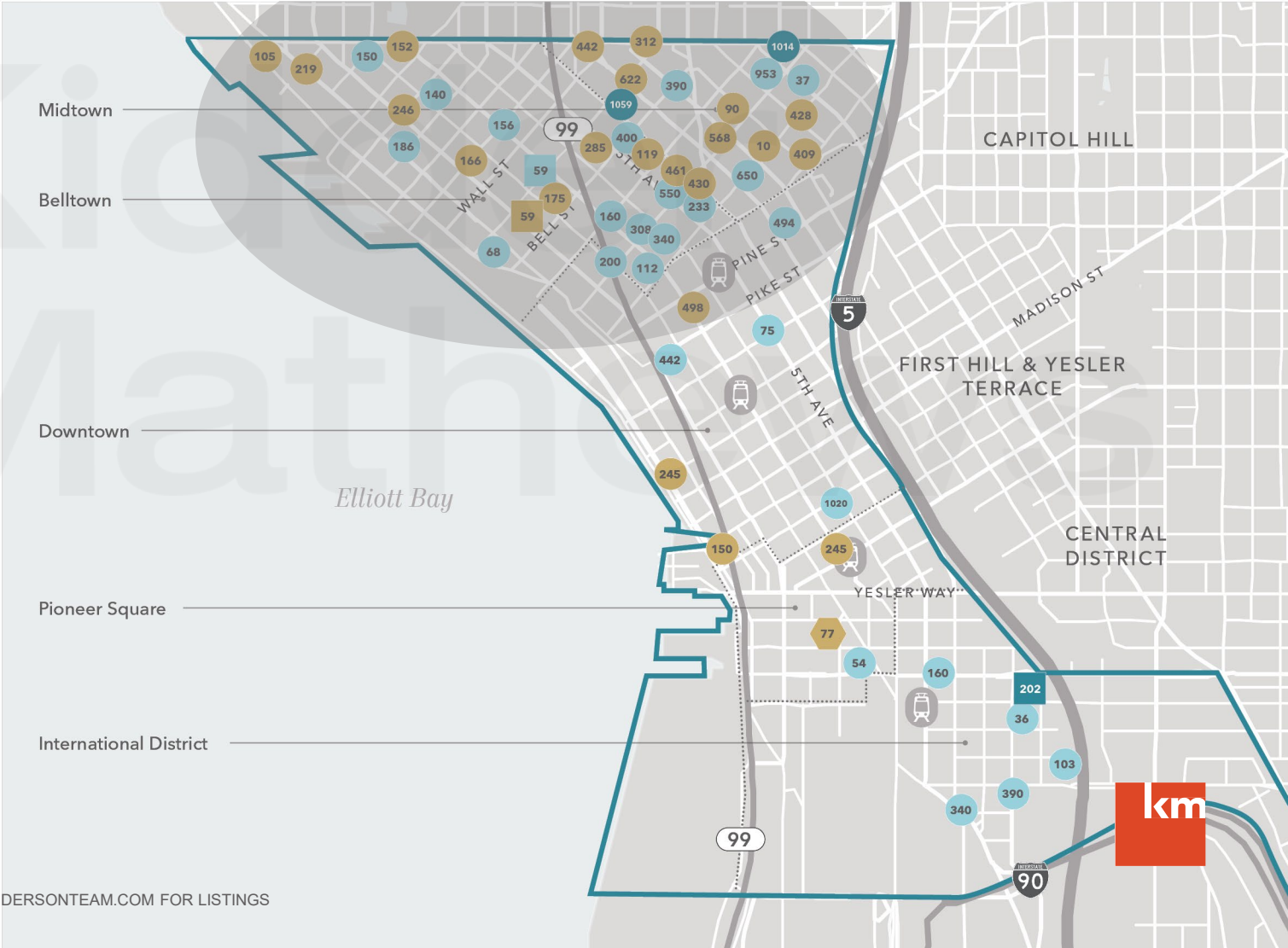
CONCENTRATION OF DEVELOPMENT

Belldtown, Downtown, Pioneer Square

Existing apartment inventory: 18,744 units

Construction	Approved	In Review	Total Pipeline
2,275	6,790	8,403	17,468
12%	36%	45%	93% of inventory

- APARTMENT
- ⬡ MICROHOUSING*
- MIXED*



Source: Kidder Mathews research, multiple data providers

“URBANIZING” APARTMENT DEVELOPMENT

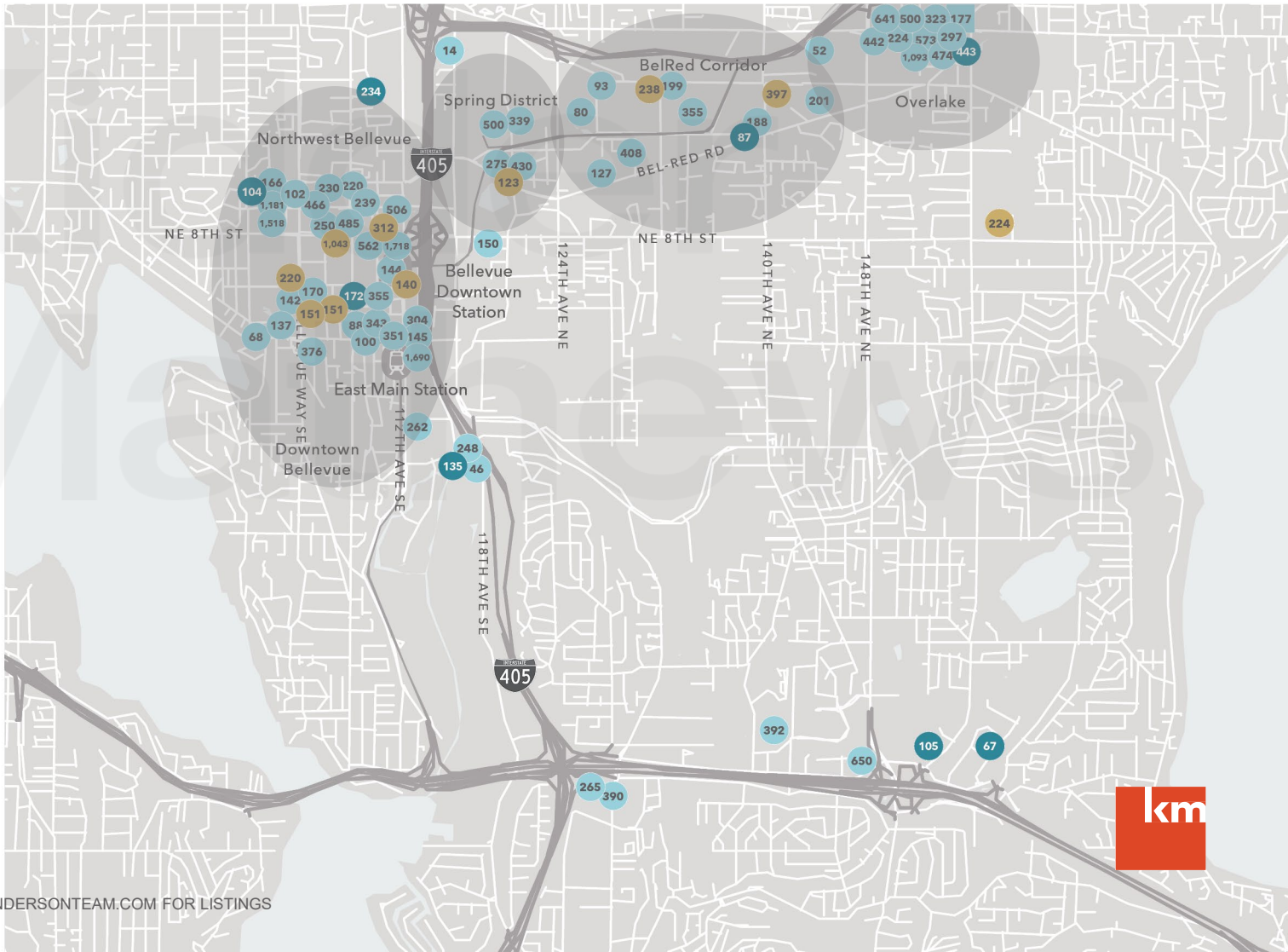
CONCENTRATION OF DEVELOPMENT

Downtown Bellevue & BelRed TOD

Existing apartment inventory: 20,782 units

Construction	Approved	In Review	Total Pipeline
904	2,999	19,071	22,974
4%	14%	92%	111% of inventory

- APARTMENT
- MICROHOUSING*
- MIXED*



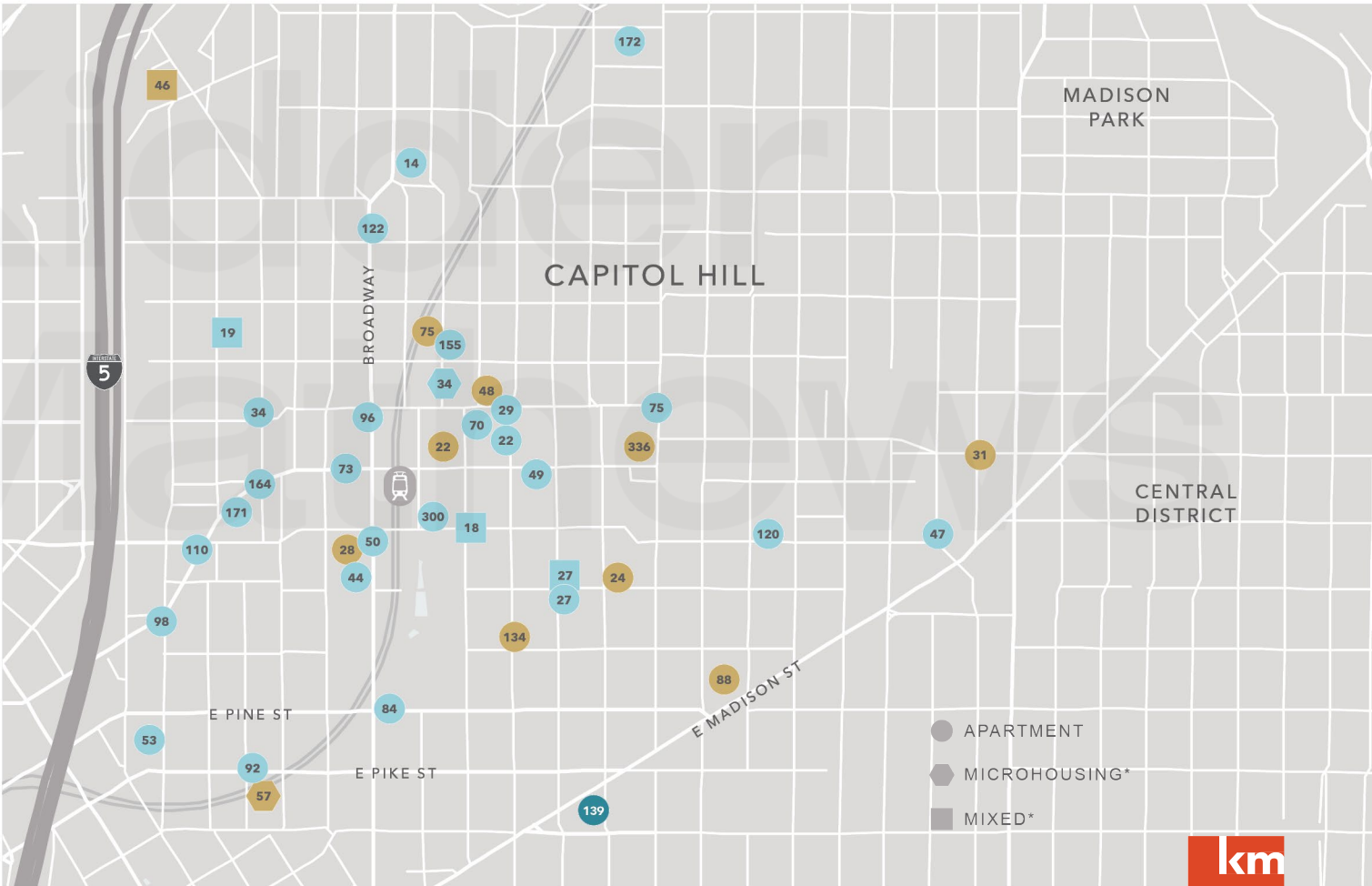
URBAN APARTMENT DEVELOPMENT

CHANGE IN SUPPLY

Capitol Hill

Existing apartment inventory: 19,470 units

Construction	Approved	In Review	Total Pipeline
139	875	2,470	3,484
1%	4%	13%	18% of inventory



Source: Kidder Mathews research, multiple data providers



DEVELOPMENT PIPELINE

COST VS VALUE

	Development Costs	Recent Sales
Low	\$400K/unit	\$350K/unit
Middle	\$450K/unit	\$425K/unit
High	\$500K/unit	\$500K/unit

DEVELOPMENT PIPELINE | KEY TAKEAWAYS



DELIVERIES SLOWING

Peak in new apartment deliveries slowing



SUBURBAN FOCUS

Developers clearly focused on suburban development



EASTSIDE FAVORED

Developers focused on Eastside development



NEW PROJECTS?

2025 marks the start of a new phase of development

2025 DEVELOPMENT STUDY

(published July 2025)

SimonAndersonTeam.com/Research

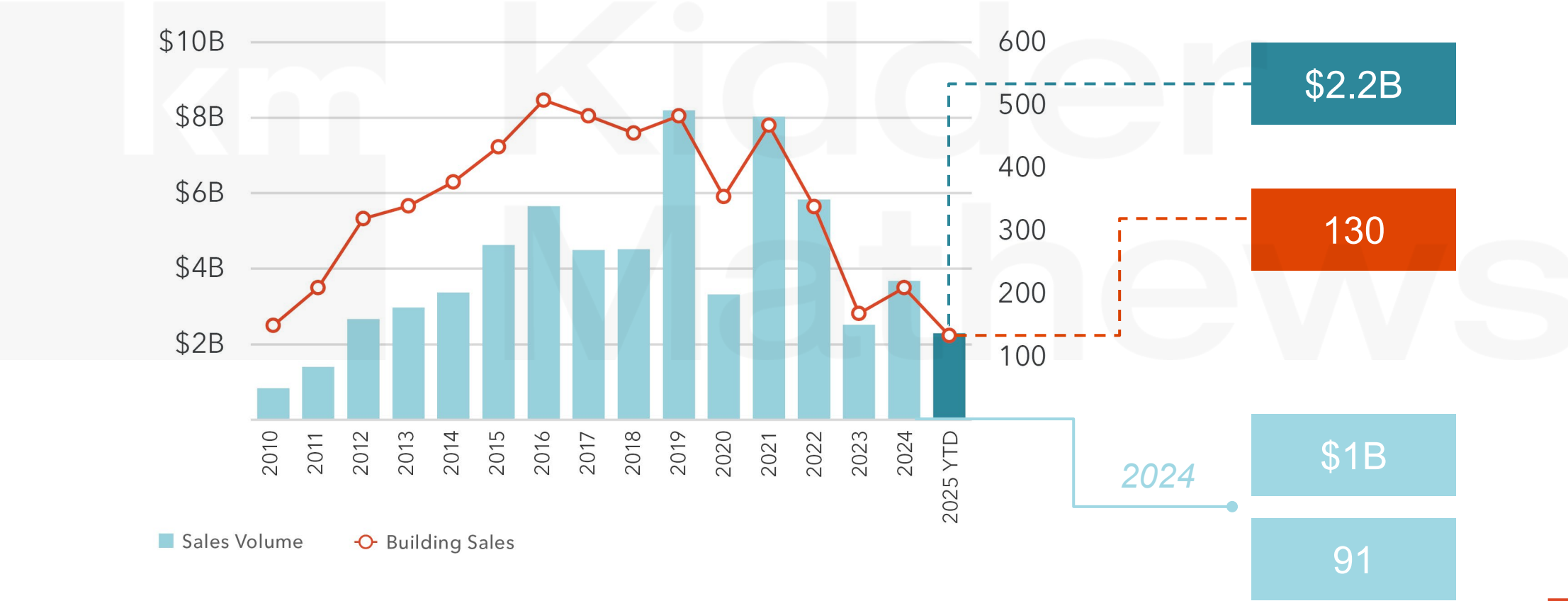


03

SALES TRENDS

REGIONAL SALES TRENDS

HISTORICAL SALES VOLUME

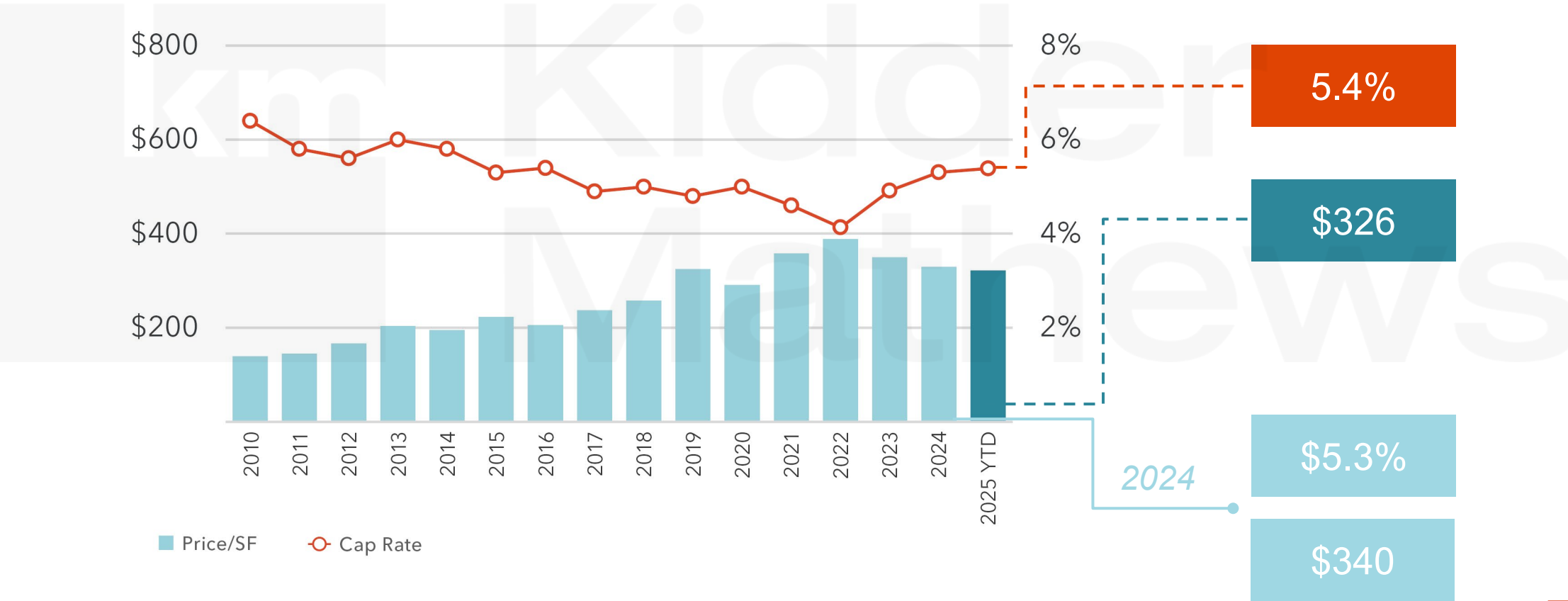


Source: Simon Anderson Multifamily Team, Kidder Mathews



REGIONAL SALES TRENDS

HISTORICAL SALES VALUES



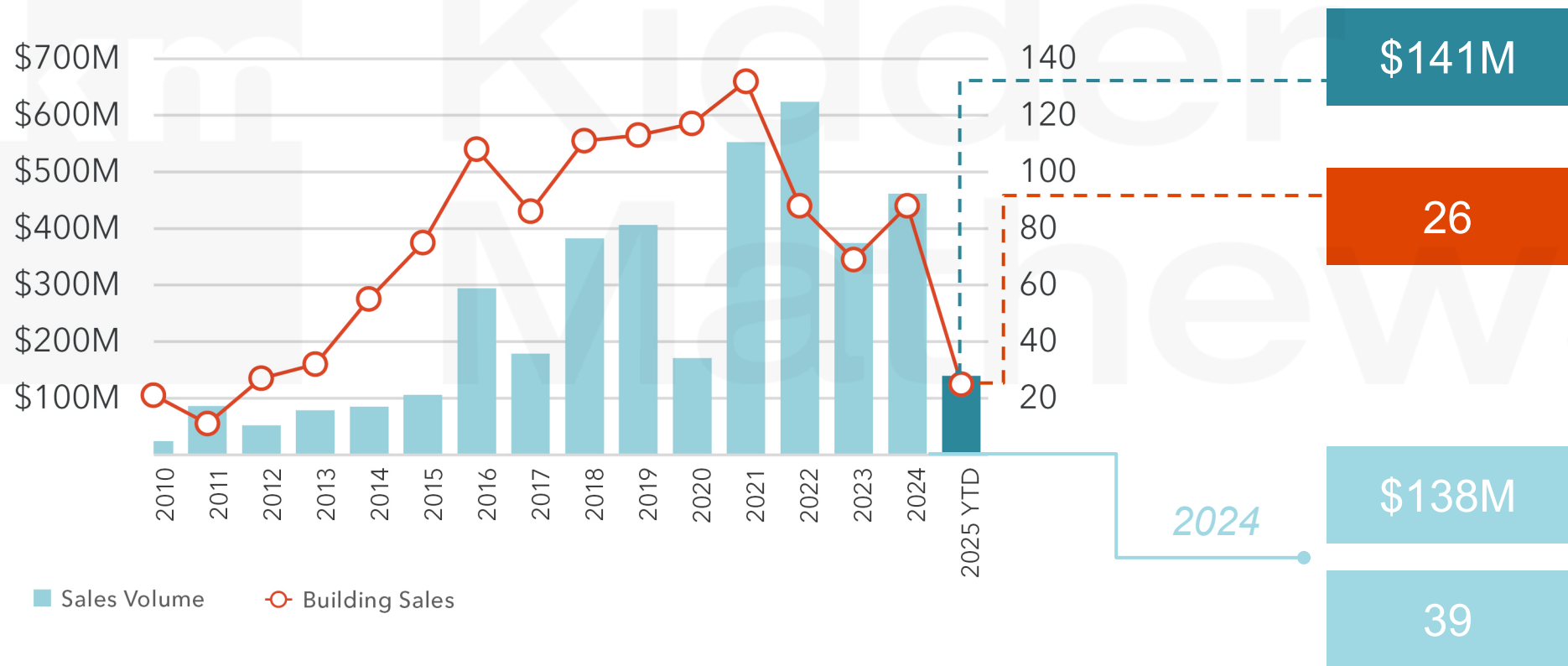
Source: Simon Anderson Multifamily Team, Kidder Mathews

DYLAN SIMON, EVP, KIDDER MATHEWS • 206.414.8575 | DYLAN.SIMON@KIDDER.COM • VISIT SIMONANDERSONTEAM.COM FOR LISTINGS
Kidder Mathews © Not to be Reproduced or Distributed



EASTERN WA SALES TRENDS

HISTORICAL SALES VOLUME

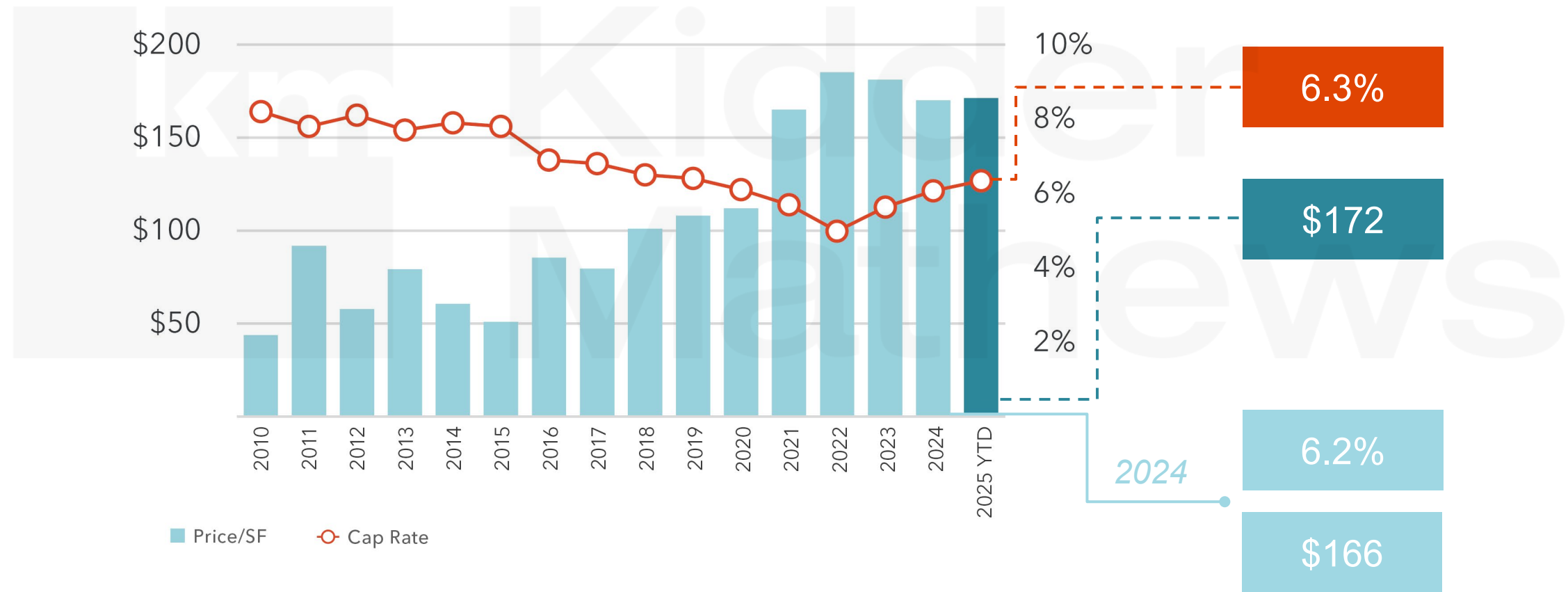


Source: Simon Anderson Multifamily Team, Kidder Mathews



EASTERN WA SALES TRENDS

HISTORICAL SALES VALUES



Source: Simon Anderson Multifamily Team, Kidder Mathews



EXAMPLE: CHANGE IN VALUE WITH CAP RATE EXPANSION

150 UNIT BUILDING

\$2,200 average rent

35% expense load

NOI = \$2.6M

Q2 2021
CAP RATE: 4%

Value = \$65M

Q2 2022
CAP RATE: 5%

Value = \$52M

~\$13M Value Decline
(20% decline)

Q2 2023
CAP RATE: 5.5%

Value = \$47M

~\$18M Value Decline
(28% decline)

Q2 2024
CAP RATE: 4.75%

Value = \$55M

~\$10M Value Decline
(15% decline)

SEATTLE
Q2 2025
CAP RATE: 4.75%

Value = \$55M

~\$10M Value Decline
(15% decline)

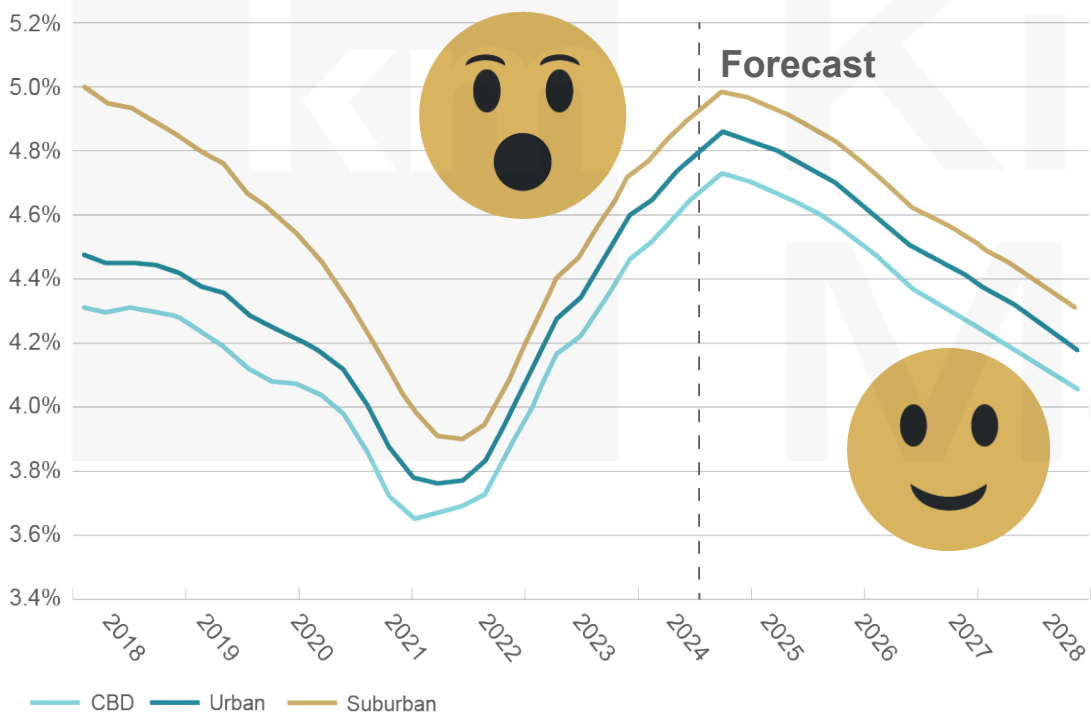
EASTSIDE
Q2 2025
CAP RATE: 4.5%

Value = \$58M

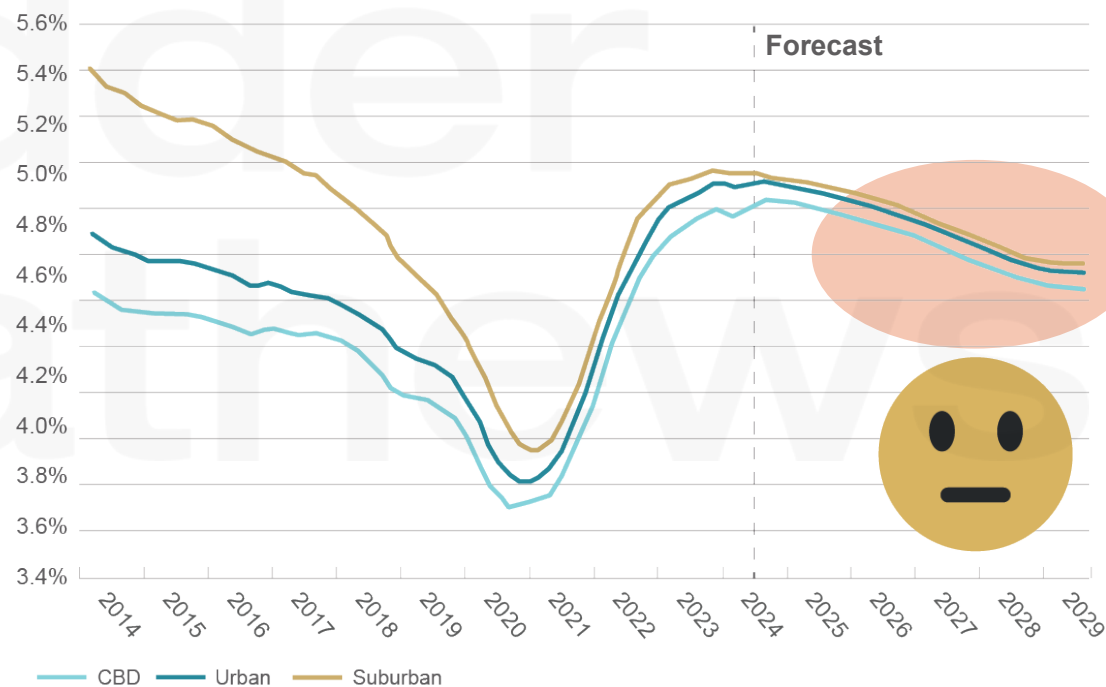
~\$7M Value Decline
(10% decline)

CAPITALIZATION RATES

PREDICTION – FALL 2024



PREDICTION – FALL 2025



Source: CoStar



SALES TRENDS | KEY TAKEAWAYS



SALES VOLUME

Sales volume increased by 100% since last year, close to “regular” years



SALES VALUES

We’re “off” the bottom, and values have stabilized



IT'S A RESET, NOT A REVERSION

We’re not going back to 2021-2022 values, yet we’re into the “next” cycle



WHAT'S THE DARLING?

Investors care most about quality and resilience

04

FORECAST

NEAR-TERM FORECAST | KEY TAKEAWAYS



RENTAL RATES

We will soon start to see more of a “landlord” market



OCCUPANCY RATES

Over the next 12 months all markets will recover



DEVELOPMENT

Its B-A-C-K ... slowly and cautiously
(A+ locations will go first)



SALES & DISTRESS?

The best-of-the-best is about to get expensive again ... the rest still offers opportunities



LONG-TERM FORECAST | KEY TAKEAWAYS



PNW BACK TO “DARLING MARKET” STATUS

Investors see the future and they are betting on the PNW



RENTAL RATES

Region will hit “new peak” in rents, yet still trailing SF/Bay Area



SALES

Abundance of capital + high replacement cost will push sales to new records



POLITICAL LANDSCAPE

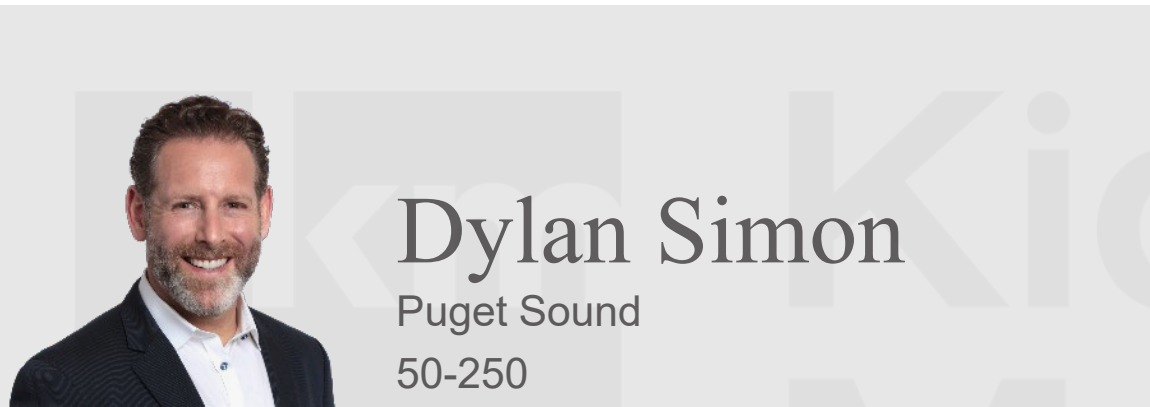
Bellevue’s foresight and Seattle’s “course correction” already paving a bright future

05

WHATS WORKING + NOT WORKING IN APARTMENT SALES

INSIGHTS FROM THE FRONT LINES

APARTMENT SALES INSIGHTS BY SUBMARKET



PURPOSE BUILT TO *SERVE YOU*



Dylan, JD, Jerrid
Puget Sound
50-250



Matt L., Matt J.,
Jack, Jerrid
Seattle
10-100



Elijah & Tony
Pierce, Kitsap, Thurston
10-100



Max
Eastern Washington
10-100



10 YEAR SALE TRENDS



DYLAN SIMON

King 50-250	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD	Avg
Price Per Unit	\$202,661	\$236,704	\$241,153	\$272,754	\$259,524	\$338,447	\$367,666	\$377,034	\$334,492	\$296,879	\$265,707	\$290,275
Cap Rate	5.1%	4.9%	4.7%	5.1%	4.8%	4.4%	3.9%	4.3%	5.0%	4.5%	5.7%	4.8%

MATT JOHNSTON

Seattle 10-100	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD	Avg
Price Per Unit	\$205,609	\$237,843	\$245,214	\$259,363	\$308,682	\$206,475	\$274,359	\$282,556	\$262,238	\$245,425	\$256,011	\$253,071
Cap Rate	4.7%	4.6%	4.6%	4.4%	4.3%	4.8%	4.6%	4.0%	5.0%	5.2%	5.4%	4.7%

ELIJAH PIPER | JD FULLER









Pierce, Kitsap, Thurston 10-100	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD	Avg
Price Per Unit	\$82,970	\$94,683	\$112,945	\$114,846	\$118,752	\$160,789	\$168,327	\$195,052	\$195,053	\$162,408	\$186,083	\$144,719
Cap Rate	6.7%	6.6%	5.7%	5.7%	5.6%	5.5%	4.8%	4.6%	5.7%	5.9%	6.5%	5.7%

MAX FRAME

Eastern WA 10-100	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD	Avg
Price Per Unit	\$59,189	\$67,934	\$67,710	\$78,608	\$90,222	\$94,762	\$114,653	\$126,753	\$138,051	\$120,685	\$128,465	\$98,821
Cap Rate	7.2%	6.9%	6.0%	6.6%	6.3%	6.0%	5.8%	5.5%	5.6%	6.9%	6.7%	6.3%

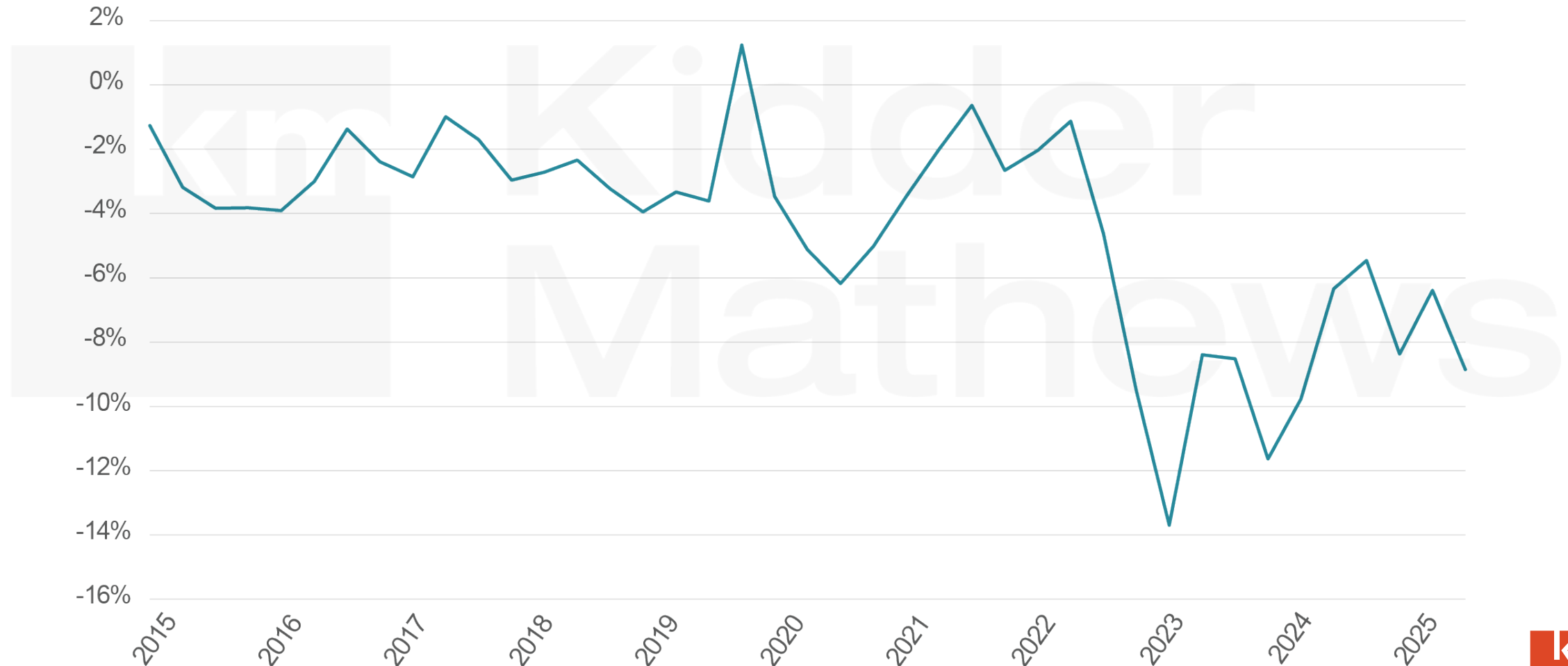
REAL DEALS



Broker	Wins	Losses
Dylan Puget Sound 50-250	 \$23M Sale 1960s, Kent, value-add	 \$30M 2020s, Queen Anne, new development
MJ Seattle 10-100	 \$22M sale, 2010, Roosevelt, sold old to buy new	 \$11M 2008, turn-key, but operational value-add
Elijah (JD) Pierce, Kitsap, Thurston 10-100	 \$21.5M under contract, 1940's, Lakewood, value-add	 \$7M 1970's, Lakewood, value-add
Max Eastern Washington 10-100	 \$7M Sale 2019, Yakima, turnkey, \$300k/unit	 \$3M 1907, value-add, under market rents

OPPORTUNITIES IN THE TRENCHES

SALE TO ASKING PRICE DIFFERENTIAL



Source: Simon Anderson Multifamily Team, Kidder Mathews

DYLAN SIMON, EVP, KIDDER MATHEWS • 206.414.8575 | DYLAN.SIMON@KIDDER.COM • VISIT SIMONANDERSONTEAM.COM FOR LISTINGS

Kidder Mathews © Not to be Reproduced or Distributed





DISTRESS VS. DRAMA



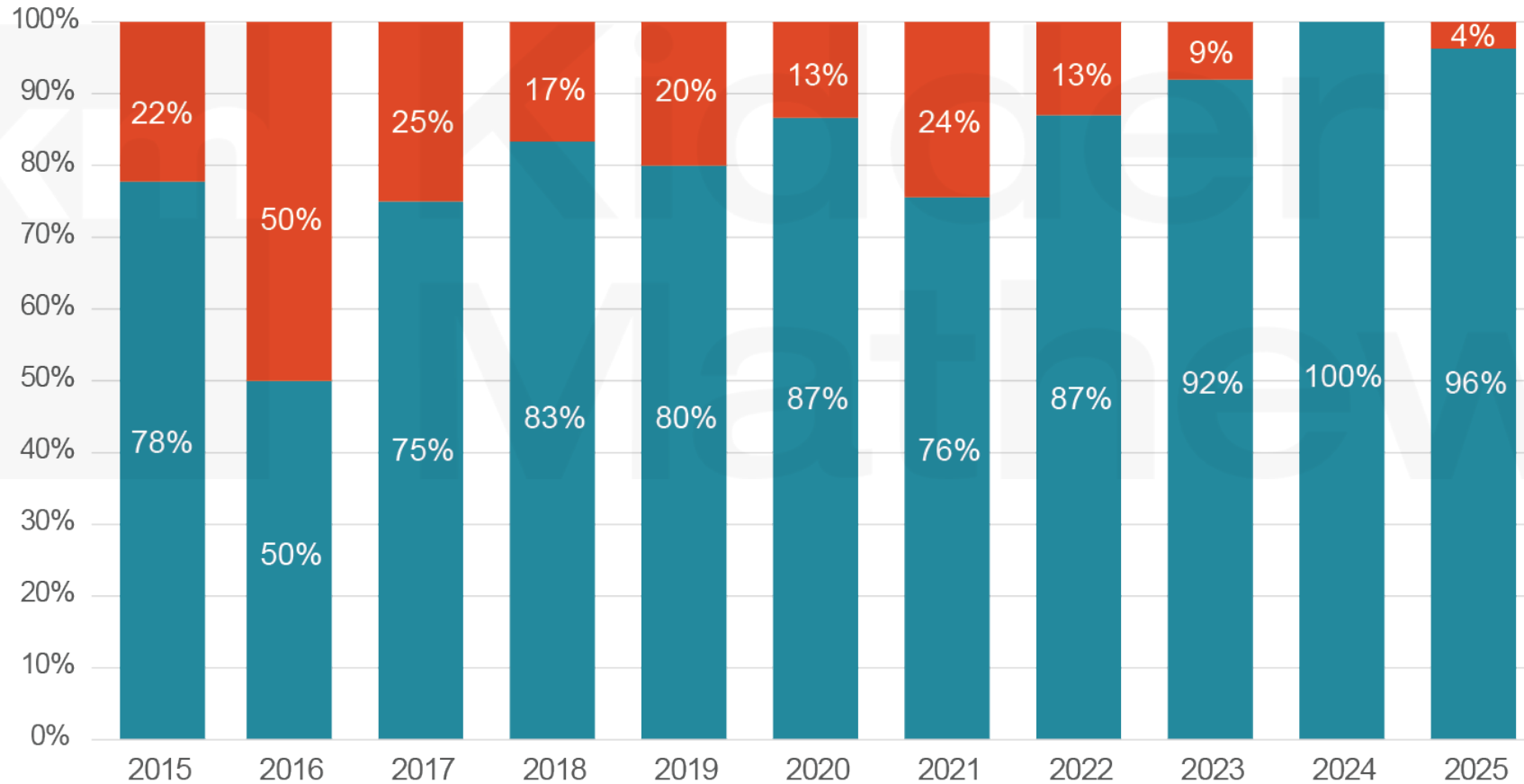
PREDICTIONS

Brokers	Buy/Sell/Hold	Buyer Behavior last 12, next 12
Dylan Puget Sound 50-250	Buy	Last 12: Buyer caution, waiting for pricing to hit bottom Next 12: Re-entry, buyers compete and run up pricing
MJ Seattle 10-100	Buy	Flight to quality for renters and investors, core locations and quality assets, less delinquency
Elijah (JD) Pierce, Kitsap, Thurston 10-100	Hold	Last 12: Caution, not wanting delinquency at the property and older vintage Next 12: Will continue to use caution with delinquency but older vintage plays
Max Eastern Washington 10-100	Sell	Prices went up 233% in 7 years, pricing and demand decreased after pandemic, several years before recovery



BONUS SLIDE!

EXISTING PROPERTIES VS. DEVELOPMENT LAND



■ Land % ■ Existing %

Source: Simon Anderson Multifamily Team, Kidder Mathews

DYLAN SIMON, EVP, KIDDER MATHEWS • 206.414.8575 | DYLAN.SIMON@KIDDER.COM • VISIT SIMONANDERSONTEAM.COM FOR LISTINGS

Kidder Mathews © Not to be Reproduced or Distributed



PURPOSE BUILT TO *SERVE YOU*



Dylan, JD, Jerrid
Puget Sound
50-250



Matt L., Matt J.,
Jack, Jerrid
Seattle
10-100



Elijah & Tony
Pierce, Kitsap, Thurston
10-100



Max
Eastern Washington
10-100



WASHINGTON STATE INVESTMENT SALES BROKERS

SIMON | ANDERSON MULTIFAMILY TEAM



Dylan Simon
Executive Vice President



Jerrod Anderson
Executive Vice President



Matt Laird
First Vice President



Max Frame
Vice President



Elijah Piper
Vice President



Matt Johnston
Vice President



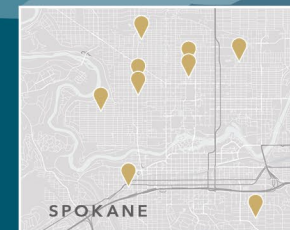
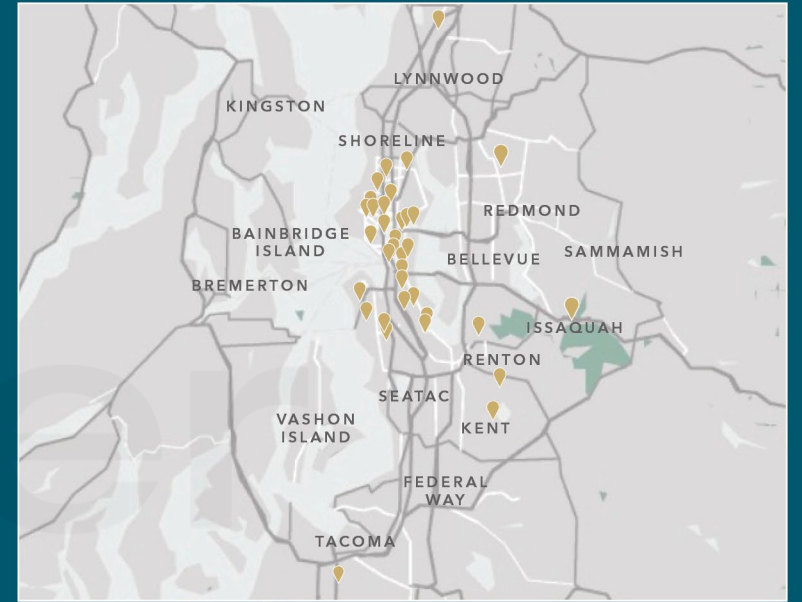
JD Fuller
Senior Associate



Jack Shephard
Senior Associate



Tony Herrmann
Associate



☎ 206.414.8575 | ✉ DYLAN.SIMON@KIDDER.COM | SIMONANDERSONTEAM.COM

DYLAN SIMON, EVP, KIDDER MATHEWS • 206.414.8575 | DYLAN.SIMON@KIDDER.COM • VISIT SIMONANDERSONTEAM.COM FOR LISTINGS
Kidder Mathews © Not to be Reproduced or Distributed

THANK YOU!

SIMON | ANDERSON
MULTIFAMILY INVESTMENT TEAM



Dylan Simon
Executive Vice President



Jerrid Anderson
Executive Vice President



Matt Laird
First Vice President



Max Frame
Vice President



Elijah Piper
Vice President



Matt Johnston
Vice President



JD Fuller
Senior Associate



Jack Shephard
Senior Associate



Ryder Tuttle
Financial Analyst



Keagan Barnwell
Associate



Tony Herrmann
Associate



Cassie Pieters
Broker Assistant



Winslow Lee
Transaction Manager



Ashley Woodliff
Marketing Coordinator

C 206.414.8575 | E DYLAN.SIMON@KIDDER.COM | SIMONANDERSONTEAM.COM

DYLAN SIMON, EVP, KIDDER MATHEWS • 206.414.8575 | DYLAN.SIMON@KIDDER.COM • VISIT SIMONANDERSONTEAM.COM FOR LISTINGS
Kidder Mathews © Not to be Reproduced or Distributed