Rents edge to record high as quarterly sales volume rises

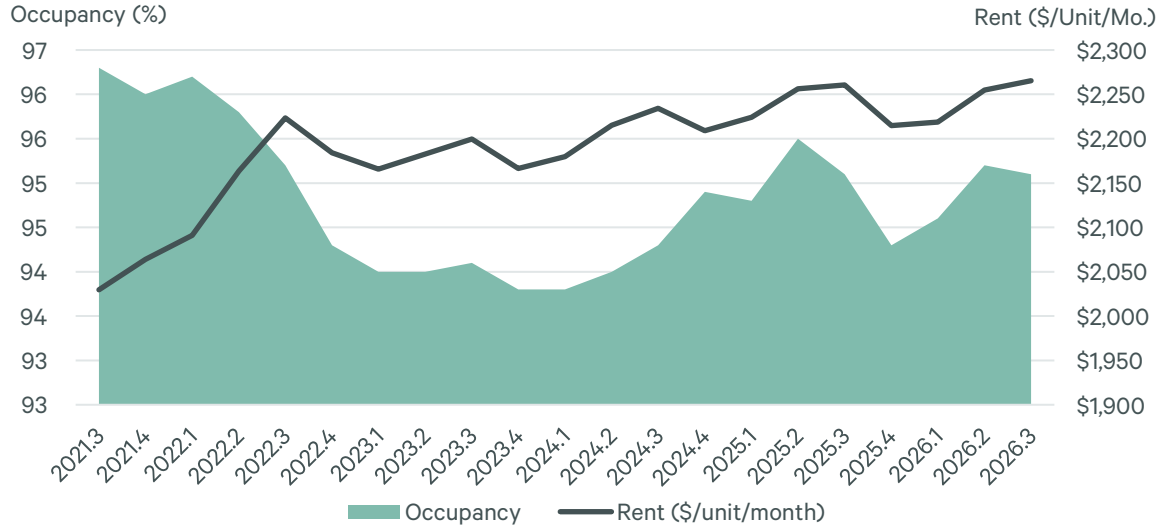
95.1%	$2,265	1,945	2,578	$4.1 B	(7.2%)
Occupancy Rate	Avg. Rental Rate (Unit/Mo.)	Quarterly Net Absorption (Units)	Quarterly Deliveries (Units)	Trailing 12-month Transaction Volume	Trailing 12-month Change in Transaction Volume

Note: Arrows indicate change from previous quarter unless otherwise indicated.

MARKET SUMMARY

- The Seattle multifamily market closed Q3 2026 with an occupancy rate of 95.1%, a marginal 10 basis-point (bps) decline from 95.2% in Q2 2026.
- Deliveries reached 2,578 units, up from 2,189 units in Q2 2026, and continued a steady trend of new construction supply.
- Net absorption reached 1,945 units in Q3 2026, up 139% year-over-year (YoY) despite a quarter-over-quarter (QoQ) decline from a recent high in Q2 2026.
- The average monthly rent per unit in Seattle ended Q3 2026 at $2,265, up 0.5% from Q2 2026, a difference of roughly $10 per unit per month.
- Investment sales rose to $1.5 billion in Q3 2026, up from $570.4 million in Q2 2026, marking the strongest quarter for transaction volume since Q4 2025.

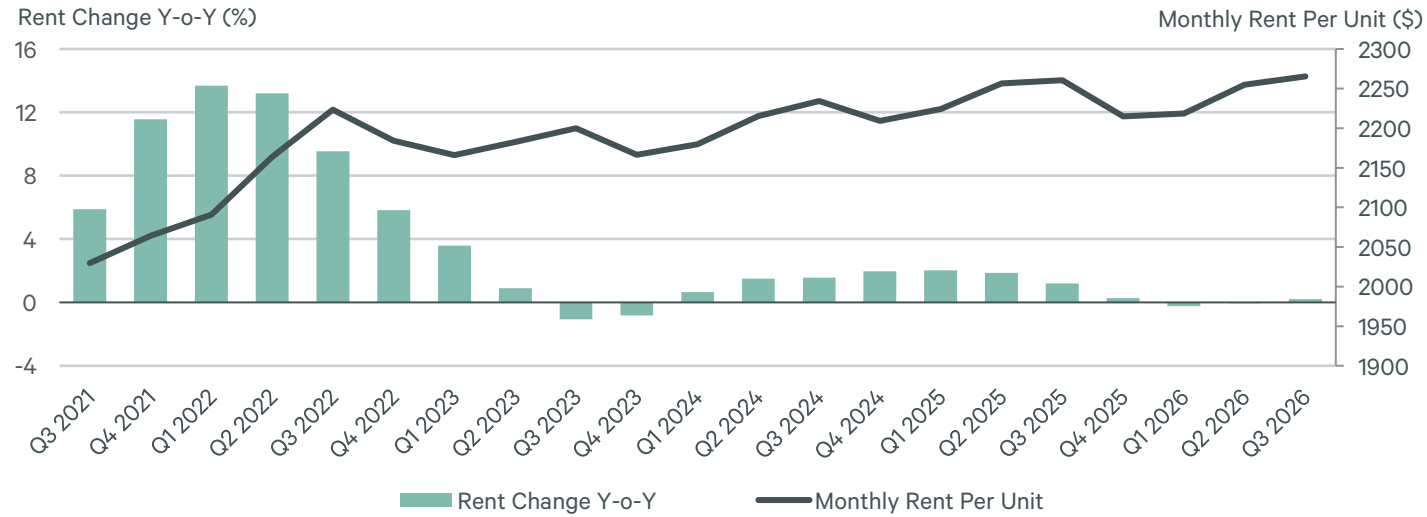
FIGURE 1: Occupancy and Average Asking Rental Rate



Source: CBRE Research, CBRE Econometric Advisors, Q3 2026

© 2026 CBRE, INC.

FIGURE 2: Rent Change Year over Year

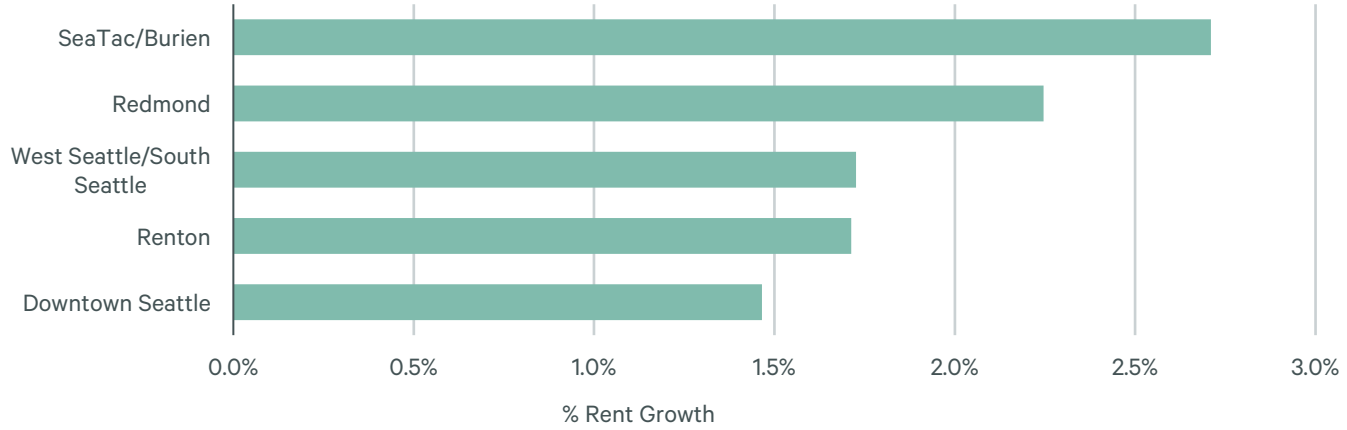


Source: CBRE Research, CBRE Econometric Advisors, Q3 2026.

Market Fundamentals

- Average asking rent edged up to a record $2,265 per unit per month in Q3 2026.
- Rents grew 0.5% QoQ, an increase of roughly $10.40 per unit per month.
- YoY growth remained modest at 0.2%, a gain of $4.69 per unit per month from Q3 2025.

FIGURE 3: Top 5 Submarkets by Rent Growth

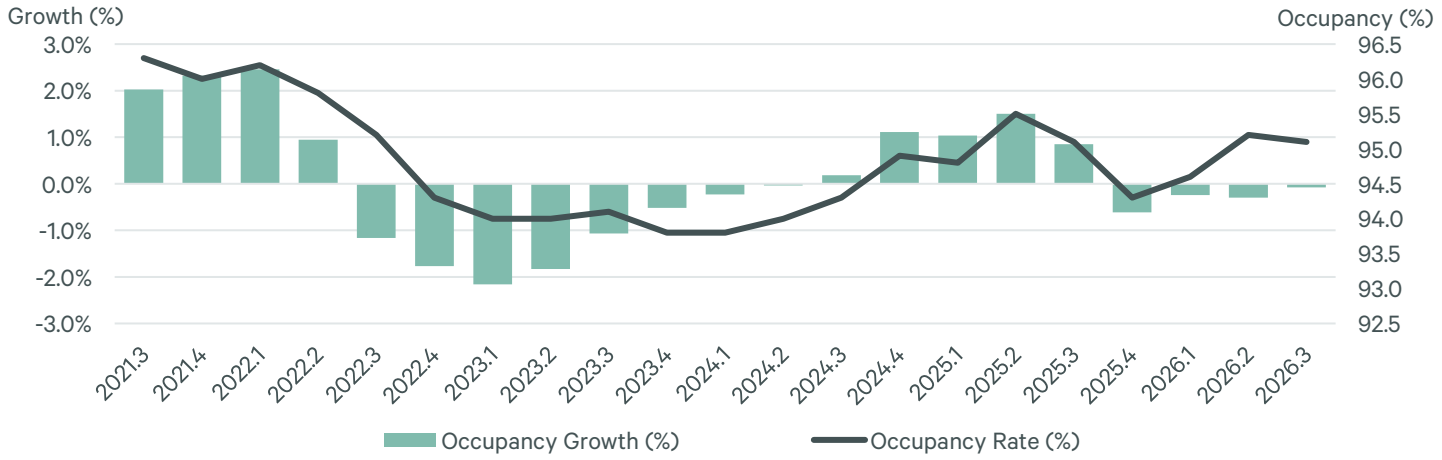


Source: CBRE Research, CBRE Econometric Advisors, Q3 2026.

- Half of the region's submarkets posted YoY rent gains as market-wide rent growth turned positive again in Q3 2026.
- SeaTac/Burien led the region at 2.7%, followed by Redmond at 2.2%, which also posted the region's largest YoY occupancy gain (+112 bps).

© 2026 CBRE, INC.

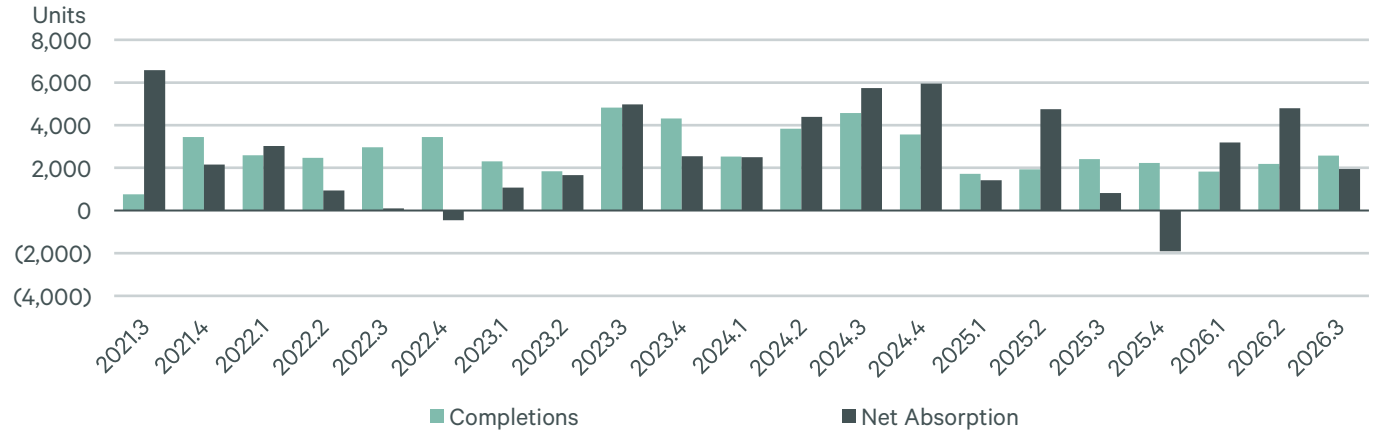
FIGURE 4: Occupancy Rate Change Year over Year



- Occupancy landed at 95.1% in Q3 2026, holding ground above the five-year average of 94.8%.
- Total occupied units reached a record 439,230 in Q3 2026, up 2.3% YTD.

Source: CBRE Research, CBRE Econometric Advisors, Q3 2026.

FIGURE 5: Completions and Absorption



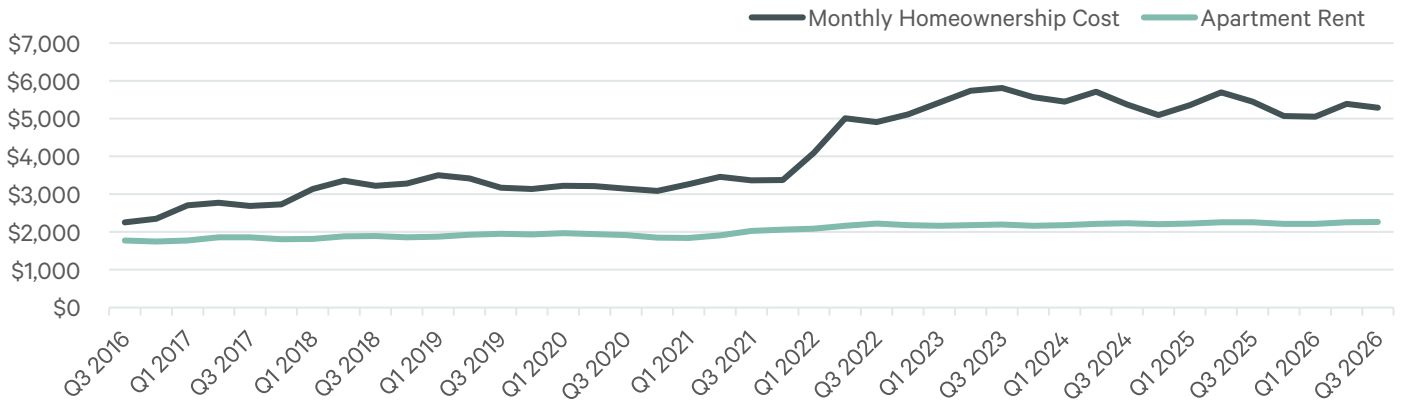
- Deliveries rose to 2,578 units in Q3 2026, the most in a quarter since Q4 2024. Renters absorbed 1,945 units, down from 4,800 in Q2 2026, but more than double the 813 units from the same quarter of the prior year.
- Net absorption totaled 9,931 units YTD, outpacing the 6,585 units delivered YTD in 2026.

*Net Absorption: The change in occupied units from one period to the next, recognized at the tenant move-in date.

Source: CBRE Research, CBRE Econometric Advisors, Q3 2026.

© 2026 CBRE, INC.

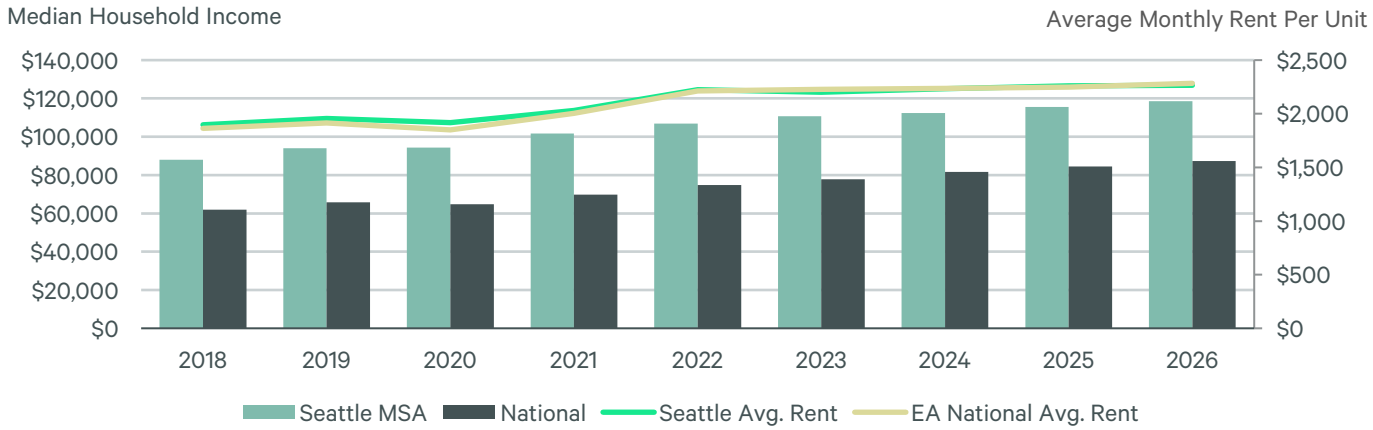
FIGURE 6: Monthly Rental Payment and Monthly Homeownership Cost



*Monthly homeownership cost was derived from the median single-family home price, with a 10% down payment, and current 30-year fixed mortgage rate.

- Homeownership in the Seattle metro area costs an average of 2.34 times as much as renting as of Q3 2026, or about $5,293 per month, compared with an average rent of $2,265 per unit per month.
- The affordability gap narrowed slightly from the 2.41 multiple recorded in Q3 2025, but high mortgage rates and limited for-sale inventory continue to keep many households renting.

FIGURE 7: Median Household Income and National Comparison



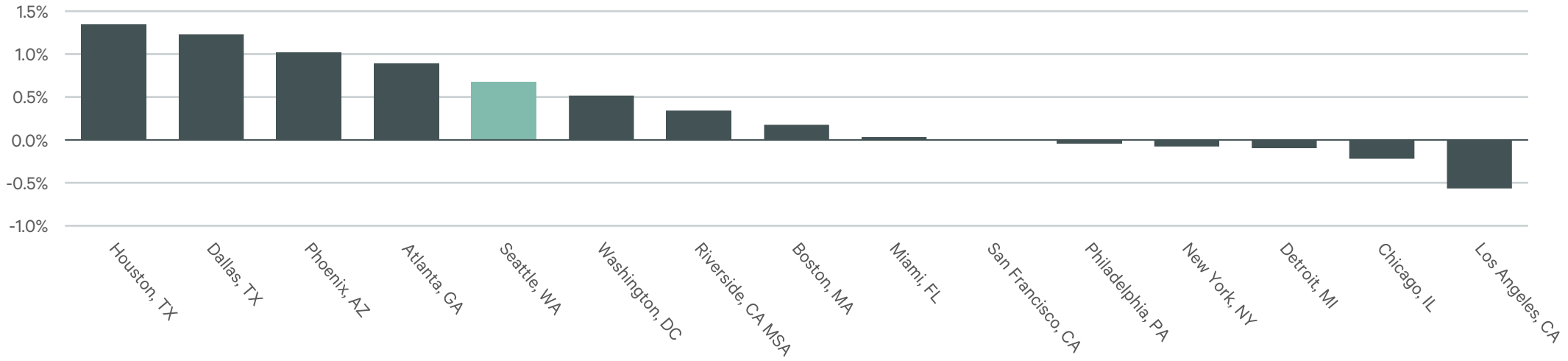
*EA's national average rent is a weighted calculation of the 69 largest multifamily markets in the US.

Source: CBRE Research, Oxford Economics, CBRE Econometric Advisors, Freddie Mac Primary Mortgage Market Survey, Q3 2026.

- Seattle's MSA median annual household income of $118,610 exceeds the national median annual household income of $87,290, a difference of 36%.
- The Seattle MSA rent-to-income ratio comes in at roughly 22.9% vs. a national rent-to-income ratio of 31.4%, based on the surveyed major multifamily metros.
- At $2,265 per unit per month, average Seattle-area rents remained well below West Coast peers such as San Francisco ($4,180), Los Angeles ($2,913) and San Diego ($2,895).

© 2026 CBRE, INC.

FIGURE 8: 2025-2026 Annual Population Growth among the 15 Most Populous MSAs in US



Source: CBRE Research, Oxford Economics, Q3 2026.

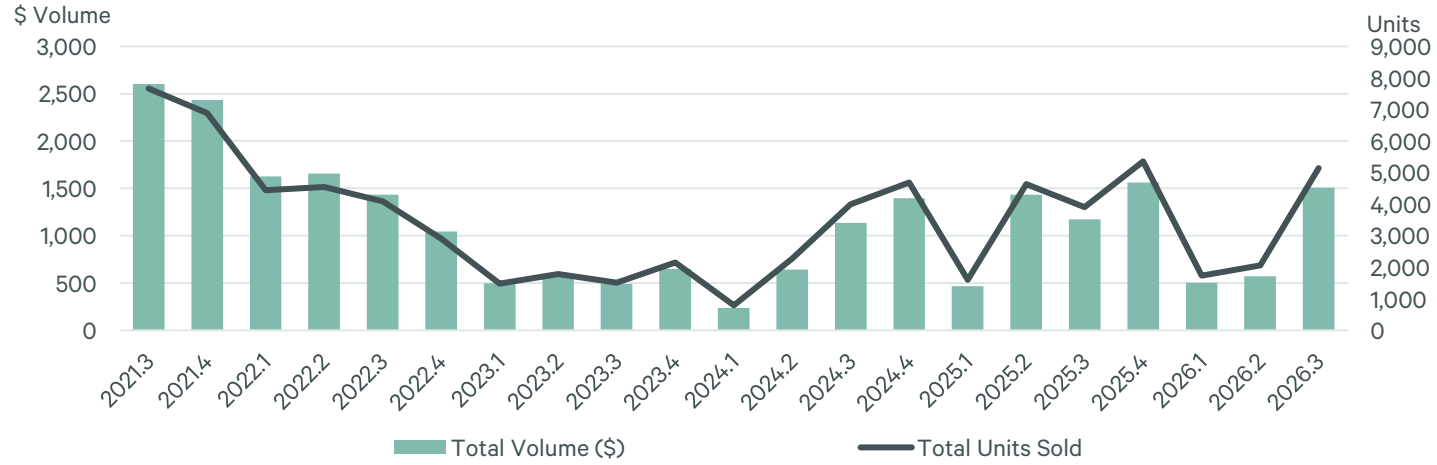
FIGURE 9: Notable Transactions

Property Name	City	Units	Year Built	Price	Sale Price ($/Unit)	Sale Price($/SF)	Sale Date
Windsor North Creek (Formerly Known As - Griffis North Creek)	Bothell	524	1999	$195,000,000	$372,137	$446	Sep-26
Island Square	Mercer Island	235	2007	$157,000,000	$668,085	$636	Jul-26
Arrivé (Apartment Only)	Seattle	344	2019	$155,000,000	$450,581	$570	Aug-26
Boulder Creek	Sammamish	204	2002	$102,000,000	$500,000	$449	Sep-26
Langara Apartments & Townhomes	Issaquah	134	2001	$55,100,000	$411,194	$395	Jul-26
Chambers Reserve	Lacey	125	2023	$53,000,000	$424,000	$244	Sep-26
Woodcreek	Lynnwood	164	2000	$53,000,000	$323,171	$318	Aug-26

Source: CBRE Research, CBRE PNW Multifamily, Q3 2026

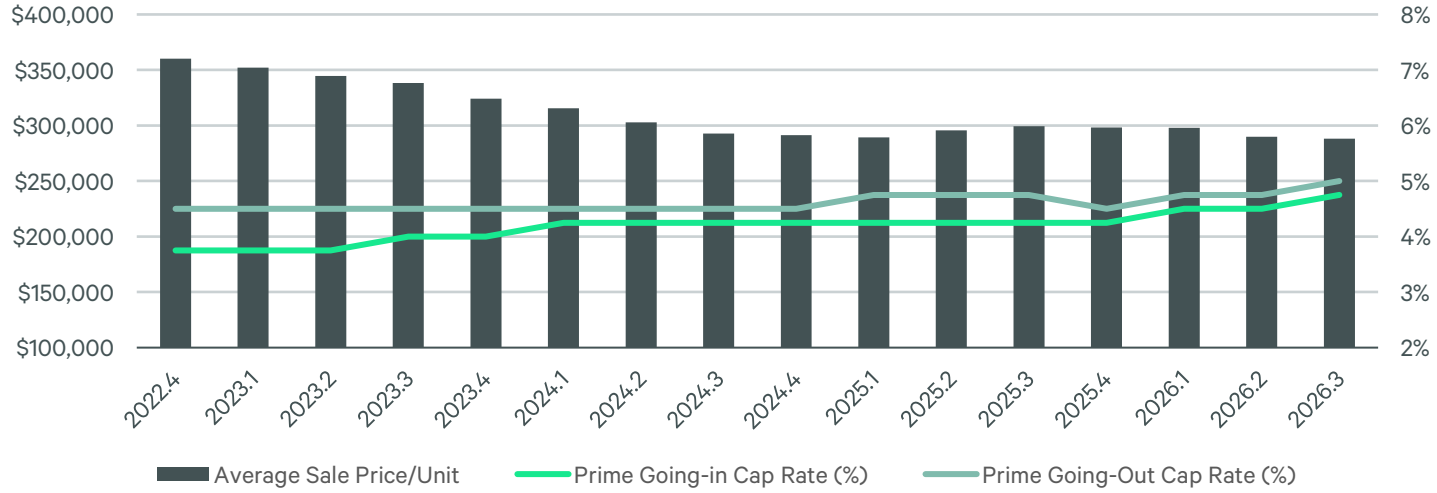
© 2026 CBRE, INC.

FIGURE 10: Transaction Volume



Source: MSCI Real Capital Analytics, CBRE Research, Q3 2026.

FIGURE 11: Puget Sound Trailing Average Sale Price per Unit vs. Prime Cap Rate



* Estimates are based on opinion of local CBRE Investment professionals.
Source: MSCI Real Capital Analytics, CBRE Research, Q3 2026.

Investment Sales

- Multifamily sales in the Puget Sound region totaled $4.1 billion in trailing 12-month investment volume, including $1.5 billion in Q3 2026 alone.
- An estimated 5,139 multifamily units transacted this quarter.
- The trailing 4-quarter average sales price per unit fell to $288,176 in Q3 2026, down roughly $1,714 per unit from the $289,890 trailing average recorded in Q2 2026.
- Both going-in prime cap rates and exit cap rates expanded by 25 bps to 4.75% and 5.00%, respectively.

© 2026 CBRE, INC.

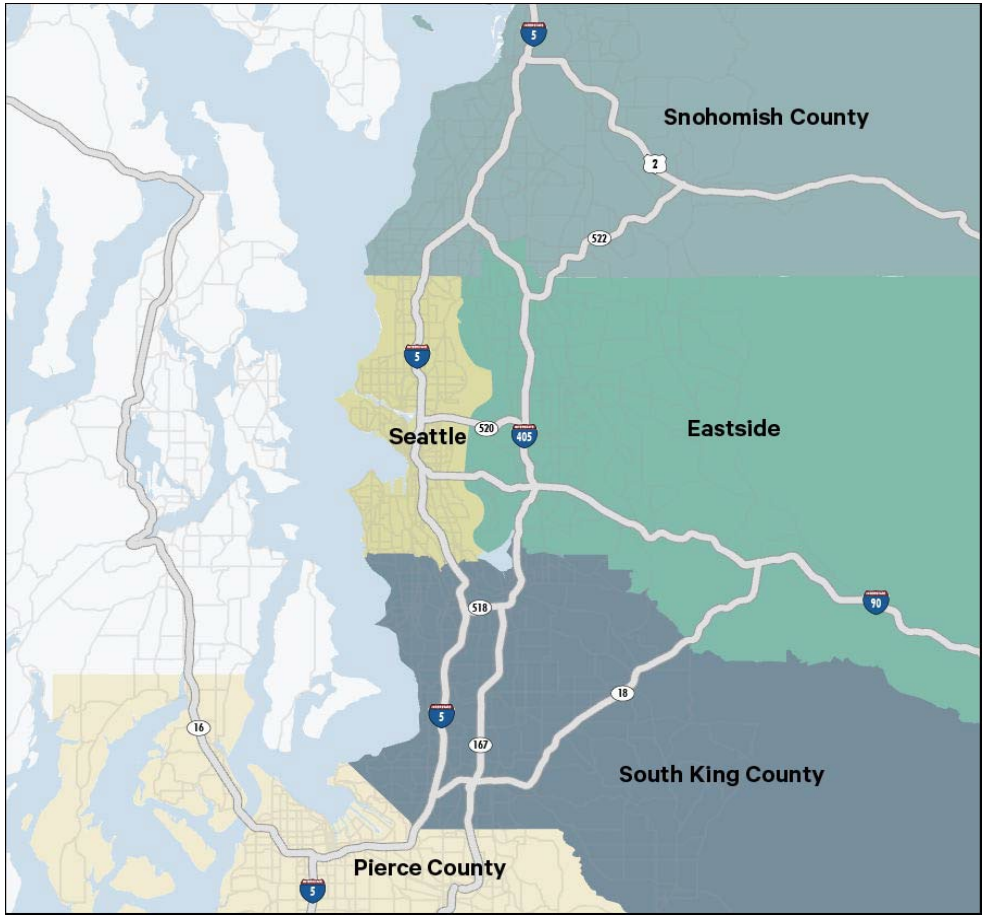
FIGURE 12: Market Statistics by Submarket

SUBMARKET	Inventory (Units)	Vacancy Rate (%)	Quarterly Net Absorption (Units)	Avg. Rent ($/Unit)	Avg. Rent ($/SF)	YoY Rent Growth (%)	YTD Net Absorption (Units)	YTD Deliveries (Units)
Close-in Seattle (Belltown, Downtown, Pioneer Square, Denny Triangle)	32,830	5.1	71	2,920	3.86	1.5%	345	-
South Lake Union / Queen Anne / Interbay / Magnolia	28,411	5.3	288	2,802	3.75	-0.3%	463	201
Capitol Hill / Eastlake / First Hill / Yesler Terrace / Central	43,320	5.8	869	2,107	3.40	-2.3%	1,137	256
University District / Greenlake / Wallingford / Fremont / Ballard	43,204	5.6	(95)	2,351	3.72	1.0%	572	407
North Seattle / Shoreline	25,113	6.1	(15)	1,974	2.54	-2.1%	1,159	893
West Seattle / South Seattle	21,932	5.9	20	2,182	3.16	1.7%	383	329
Seattle	194,810	5.6	1,138	2,391	3.45	-0.1%	4,059	2,086
Redmond	19,852	4.4	480	2,566	3.01	2.2%	891	693
Bellevue / Issaquah / Newcastle	32,922	4.7	(29)	2,759	2.99	-0.5%	632	376
Kirkland / Bothell / Woodinville	27,274	4.6	(148)	2,408	2.69	0.1%	859	642
Eastside	80,048	4.6	303	2,591	2.89	0.3%	2,382	1,711
Everett	28,558	5.1	65	1,939	2.24	0.3%	370	223
Lynnwood/Edmonds/Mukilteo	22,506	4.7	(23)	2,067	2.42	-0.3%	441	379
Snohomish County	51,064	4.9	42	1,996	2.32	0.0%	811	602
SeaTac/Burien	16,209	4.9	356	1,881	2.32	2.7%	443	289
Renton	15,248	4.7	(14)	2,181	2.40	1.7%	108	-
Federal Way/Des Moines	16,155	3.9	(7)	1,825	2.12	-0.9%	401	426
Kent/Auburn	25,361	4.5	(20)	1,924	2.17	-0.4%	268	-
South King County	72,973	4.5	315	1,946	2.24	0.6%	1,220	715
South Tacoma/University Place	10,559	5.3	94	1,731	2.04	-0.5%	373	343
North Tacoma	21,852	4.7	111	1,837	2.52	0.3%	514	129
East Pierce County	13,140	4.9	171	1,937	2.09	-0.2%	178	232
Southwest Pierce County	17,600	4.7	291	1,692	2.05	0.2%	706	767
Pierce County	63,151	4.9	667	1,800	2.20	0.0%	1,771	1,471
PUGET SOUND	462,046	4.9	1,945	2,265	2.76	0.2%	9,931	6,585

*Note: The vacancy rate in this table represents the vacancy rate of stabilized units.
Source: CBRE Research, CBRE Econometric Advisors, Q3 2026

© 2026 CBRE, INC.

Market Area Overview



Definitions

Net Absorption: The change in occupied units from one period to the next, recognized at the tenant move-in date.

Vacancy: Stabilized apartment units that are physically vacant.

Survey Criteria

Includes market-rate apartment buildings five units and greater in size in Seattle, Eastside, South King County, Snohomish County, and Pierce County. Includes buildings for which construction has begun as evidenced by site excavation or foundation work.

SEATTLE OFFICE

1420 5th Ave, Suite 3800
Seattle, WA 98101
+1 206 292 1600

BELLEVUE OFFICE

929 108th Ave NE, Suite 700
Bellevue, WA 98004
+1 425 455 8500

TACOMA OFFICE

710 Market St, Suite 100
Tacoma, WA 98402
+1 253 572 6355

Contacts

Tony Tran
Sr. Research Analyst
+1 206 292 6154
Tony.Tran3@cbre.com

Jacqueline Shaver
Research Analyst
+1 206 292 6197
Jacqueline.Shaver@cbre.com

Annie Han
Research Manager
+1 425 462 6936
Annie.Han@cbre.com

John R. Miller
Executive Managing Director
+1 206 292 6102
John.Miller@cbre.com

© Copyright 2026 All rights reserved. Information contained herein, including projections, has been obtained from sources believed to be reliable, but has not been verified for accuracy or completeness. CBRE, Inc. makes no guarantee, warranty or representation about it. Any reliance on such information is solely at your own risk. This information is exclusively for use by CBRE clients and professionals and may not be reproduced without the prior written permission of CBRE's Global Chief Economist.