

○ April | ○ 2017

SUMMERFIELD

C O M M E R C I A L

Summerfield Commercial specializes in the acquisition and disposition of multifamily assets in the Pacific Northwest.

Monthly Newsletter

Summerfield Commercial
Newsletter is Provided By

Robert Parmar
Principal Broker of
Oregon

541-292-9977

rparmar@smfield.com

Ryan Kidwell
Managing Broker of
Washington

425-889-6501

rkidwell@smfield.com

Barry Metsker
Broker

425-889-6518

bmetsket@smfield.com

Nick Klein
Analyst

425-889-6521

nklein@smfield.com

Please visit our website to
learn more about
Summerfield Commercial

Sacramento, Portland, Seattle Grow While National Rents Flatten

By Journal Staff, Rental Housing Journal

Year-over-year rents in metros such as Sacramento, Seattle and Portland rose during February, while most of the largest U.S. metros are reverting to flat or modest growth, according to the latest report in a release from Yardi Matrix.

Joining Seattle, Portland, Sacramento and the Inland Empire as year-over-year rent growth leaders in February were Phoenix and Los Angeles.

The anticipated deceleration in rents was expected as national rents held at an average of \$1,306. However multifamily fundamentals remain strong, the February report says.

Such deceleration “is not unexpected or a sign of long-term weakness in the sector,” the report says, noting that household formation and occupancy rates are expected to remain robust in 2017.

Looking ahead, the major unknown is how the economy will perform for the remainder of the year.

Continue reading [here](#)

Better Returns in the ‘Burbs

By Journal Staff, National Multifamily Housing Council

The high rents associated with multifamily in the urban core has fueled investor appetite for new development and acquisition deals in those central downtown areas. However, in the meantime, many suburban projects have quietly been putting up better returns, according to industry researchers.

“This broad trend [toward urban] reflects the changing investment appetite of investment capital,” said Adam Drucker, a managing director with RCLCO, at the 2017 NMHC Research Forum. “They came to this conclusion that urban development had more value and less risk. And we all happily participated. But I’m not so sure that’s true.”

But finding those prime suburban investment opportunities isn’t as simple as investors would like. Even defining urban versus suburban can be problematic. However, two real estate firms have developed new systems to help them identify prime suburban opportunities.

Matt Vance, director of research and analysis for CBRE and economist for CBRE Econometric Advisors, said just targeting CBDs wasn’t enough to guide the company’s investment decisions. In fact, when the company dug into rent growth by density, it found that while denser urban areas commanded a significant rent premium over less dense areas, in many cases, there was little distinction...

Continue reading [here](#)

This information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and verification of all matters deemed to be material, including, but not limited to, statements of income and expenses. Consult your attorney, accountant, or other professional advisor.

www.summerfieldservices.com

Multifamily News

Washington News

Summerfield Commercial Newsletter is Provided By

Robert Parmar
Principal Broker of Oregon

541-292-9977

rparmar@smfield.com

Ryan Kidwell
Managing Broker of Washington

425-889-6501

rkidwell@smfield.com

Barry Metsker
Broker

425-889-6518

bmetsket@smfield.com

Nick Klein
Analyst

425-889-6521

nklein@smfield.com

Please visit our website to learn more about Summerfield Commercial

Seattle's Banner Year

By Adina Marcu, Multi-Housing News

Seattle's vibrant economy has produced job growth in a broad range of sectors, supporting housing demand and kickstarting an apartment boom. Nearly 10,000 new units are planned to debut this year. Despite the surge in supply, affordability remains a concern, increasingly driving renters and investors out of the city's core and submarkets into the farflung suburbs.

Job growth isn't just in technology but in industries that are expanding to service and/or support the metro's main drivers. Trade, transportation and utilities (13,300 new jobs during the past year), hospitality, education and health services, and construction also grew at fairly robust levels. The prosperity starts with the metro's tech sector, though. Amazon, for example, is constructing a 306,000-square-foot office building in the Denny Triangle neighborhood.

Continue reading [here](#)

Multifamily Market Solid, New Reports Say

By Brian Miller, Seattle DJC

New Census Bureau figures and two recent apartment reports paint a strong — if not giddy — picture of the regional multifamily market.

Dallas-based research firm Axiometrics forecasts 3.3 percent average rent growth for greater Seattle this year. This is a decline from February's 4.6 percent, and consistent with a year-over-year downward trend. The firm's February 2016 figure was just over 7 percent.

Axiometrics says Tacoma is outperforming Seattle with a projected 5.2 percent average rent growth. However, average rents are much lower for Tacoma, at \$1,276, than Seattle's \$1,776.

Continue reading [here](#)

Seattle Expects Few Affordable Housing Units in Downtown and South Lake Union with Upzone

By Journal Staff, The Registry - Puget Sound

Taller buildings are heading for Seattle's South Lake Union and downtown areas, as the Seattle City Council passed on Monday a unanimous upzone, allowing developers to build even higher. But the additional height comes with one primary stipulation, more affordable housing units. Developers will either have to create a certain number of affordable housing units or pay into the city's affordable housing fund to ultimately help the city move toward its goal of 20,000 affordable homes.

...The Council said the idea of the SLU and Downtown Mandatory Affordability legislation is to legally require developers...

Continue reading [here](#)

Recent Transactions

Apartment	Transaction Date	Address	Units	Built	Price	Buyer
Carroll & Kensington	3/30/2017	305 Bellevue Ave East, Seattle, WA 98102	58	1908 / 1969	\$23,000,000	Mayfield Companies
Pavillion Apartments	3/10/2017	1900 SW Campus Drive, Federal Way, WA	518	1989	\$93,100,000	Prime Group
Wapato Creek Village	3/6/2017	2335 58th Avenue East, Fife, WA	116	1980	\$12,850,000	Goodman Real Estate

This information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and verification of all matters deemed to be material, including, but not limited to, statements of income and expenses. Consult your attorney, accountant, or other professional advisor.

Multifamily News

Oregon News

Summerfield Commercial Newsletter is Provided By

Robert Parmar
Principal Broker of Oregon

541-292-9977

rparmar@smfield.com

Ryan Kidwell
Managing Broker of Washington

425-889-6501

rkidwell@smfield.com

Barry Metsker
Broker

425-889-6518

bmetsket@smfield.com

Nick Klein
Analyst

425-889-6521

nklein@smfield.com

Please visit our website to learn more about Summerfield Commercial

Across the River, a City is Growing

By Chuck Slothower, DJC Oregon

Vancouver's waterfront and downtown are due for a transformation unlike any the South-west Washington city has seen in decades.

Barry Cain, owner and president of Gramor Development, is responsible for The Waterfront – a sprawling, \$1.5 billion development 12 years in the making.

The Waterfront is fast attracting commercial tenants, and other developers are beginning to ride its coattails.

“As our (Waterfront) development progresses, we're going to see more things happening downtown as a result,” he said.

That's beginning to happen: 600 multifamily units are in the downtown Vancouver pipeline.

“The biggest projects that we're seeing right now are multifamily,” said Teresa Brum, the city's economic development manager.

Continue reading [here](#)

Building Interest in Beaverton

By Chuck Slothower, DJC Oregon

Developers are increasingly finding attractive opportunities in Beaverton, where city officials are banking on a new round of projects to spur growth.

As in Portland, multifamily development in Beaverton has been brisk, and interest has picked up as developers have broadened their scope. Meanwhile, a hotel project that has languished could finally be on the way to The Round, and the Westgate area and Old Town are seeing some of the mixed-use buildings that have transformed Portland neighborhoods east of the Willamette River.

Continue reading [here](#)

Portland-Metro Home Prices Continue to Rise

By Chuck Slothower, DJC Oregon

Portland's single-family real estate market is poised for another spring and summer of tight inventory and rising prices, agents say.

Portland has less than two months of inventory, and it's only going to get tighter, said Kerri Hartnett, president of the Portland Metropolitan Association of Realtors and a Keller Williams agent. “We're pretty much in a seller's market on steroids, if you will,” Hartnett said. “I kind of see that continuing. Every spring between April and July or August, that's when the market really takes to tightening. I feel like it's going to get tighter.”

Any further appreciation would exacerbate Portland's already costly home prices.

Continue reading [here](#)

Recent Transactions

Apartment	Transaction Date	Address	Units	Built	Price	Buyer
Modera Goose Hollow	3/23/2017	2004 SW Jefferson Street, Portland, OR	134	2015	\$47,500,000	Liberty Mutual
Riverwood Apartments	3/15/2017	1625 SE N Street, Grants Pass, OR	171	1989	\$13,728,313	Private Investor
Stoneridge at Cornell	2/28/2017	14800 NW Cornell Road, Portland, OR	233	1985	\$46,500,000	Starwood Capital Group

This information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and verification of all matters deemed to be material, including, but not limited to, statements of income and expenses. Consult your attorney, accountant, or other professional advisor.