

o May | o 2020

SUMMERFIELD

C O M M E R C I A L

SUMMERFIELD COMMERCIAL SPECIALIZES IN BROKERING THE ACQUISITION AND DISPOSITION OF MULTIFAMILY ASSETS IN THE PACIFIC NORTHWEST.

MONTHLY NEWSLETTER

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COVID-19 and Multifamily: An Update

By Bill Johnson, Yield Pro

On May 6, Yardi Matrix hosted a webinar on the impact of the COVID-19-related shutdown on the economy and its effect on multifamily housing. This article focuses on the multifamily-specific portion of the presentation.

A closer look at collections

Yardi is a participant in NMHC's rent tracker project. After recapping the solid rent collections performance seen in April, Jeff Adler, vice president of Yardi Matrix, spent time looking how the results varied by region and product class.

Unit types that are considered troubled include small floor plan units in Class A properties in major cities. Young renters of these units are extinguishing leases and either moving home or doubling up. Also troubled are corporate rentals where companies are either delaying payments or abandoning leases, and short term rentals.

Continue reading [here](#)

There's a Rental Crisis Coming. Here's How to Avoid it

By Yuliya Panfil and Tim Robustelli, Politico

The Covid-19 pandemic is wreaking havoc on the U.S. rental market. Approximately 9 million households have so far failed to pay their May rent, according to industry data. Last month, 1.4 million fewer households paid their rent compared with this time last year.

The country's 44 million rental households are uniquely vulnerable amid the current public health and economic crises. Renters often lack financial security and legal protections, not to mention bargaining power vis-a-vis their landlords. Worse, many are now being hit by the worst economic downturn since the Great Depression. Low-income renters, especially, work in industries crippled by Covid-related job loss: retail, hospitality and leisure, restaurants, and construction. Data suggests that 16.5 million renter households have already lost income because of the economic shutdown.

Faced with the specter of massive housing loss, policymakers have taken some steps to keep tenants in their homes, not only to help the renters but also as a critical public health measure — after all, it's hard to comply with a “stay at home” order if you don't have a home, or to socially distance if you're forced to move into tight quarters with family or friends. The CARES Act has temporarily protected many renters by providing billions of dollars for emergency housing assistance, significantly expanded unemployment benefits and halted some evictions through July. Dozens of states and cities have also..

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WASHINGTON MULTIFAMILY NEWS

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It Will Be A 'Long, Slow Climb' Out of Recession for Downtown Seattle

By Shawna De La Rosa, Bisnow

Just a few weeks ago, Seattle's downtown economy was booming, Downtown Seattle Association President and CEO Jon Scholes said last week.

"We were at the top of our game, in many respects, in February in downtown," Scholes said during Bisnow's The State of Seattle's Downtown Urban Core webinar last week.

Between 2010 and 2019, the number of jobs in the city grew by 52% with 108,000 new positions. Meanwhile, the residential population surged by 60,000 people. Retail and office vacancy rates dropped significantly.

That was then, Scholes said. This is now.

"We were firing on all eight cylinders and then the first case of COVID-19 was discovered in our region and early March came," he said. "I was surprised, frankly, by how quickly downtown became quiet."

Since March 1, Seattle's downtown core lost about 14% of its jobs, or about 45,000. Restaurant sales dropped 80%, and hotel revenue was down 80% from the previous year.

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Construction Industry Has a 3-Prong Plan to Restart

By Benjamin Minnick, Seattle DJC

A construction advisory group developing a three-phase plan to safely resume construction statewide has sent its initial recommendation to Gov. Jay Inslee.

There's been a lot of talk since Inslee issued the stay-at-home order on March 23 about which construction projects are "essential" and can continue without interruption. Inslee's stay-at-home order was extended a month to May 4, and could be extended again.

...The group also agreed upon a four-page phase one restart proposal that outlines additional safety measures. This includes requiring all contractors to develop and post a comprehensive COVID-19 exposure control, mitigation and recovery plan at each jobsite.

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Coronavirus Has Cost More Than 100,000 People Around Seattle Their Jobs. So Why Aren't Rents Going Down?

By Sydney Brownstone and Katherine Long, Seattle Times

As the novel coronavirus ravages the region's economy, resulting in the fastest pace of layoffs on record, Seattle-area rents are continuing to rise, surprising new data shows.

The information arrives at the same time local leaders are calling for rent and mortgage freezes in the face of widespread economic fallout, and complaints about rent increases have drawn the attention of the state attorney general.

Rents on new listings in Seattle rose 0.5% in March over..

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Recent Transactions

| Apartment | Transaction Date | Address | Units | Built | Price | Buyer |
|--------------------------------|------------------|--------------------------------------|-------|-------|--------------|--------------------------|
| Waterscape Juanita Village | 5/4/2020 | 11728 97th Lane NE, Kirkland, WA | 196 | 2013 | \$92,730,000 | Stream Real Estate |
| Inlet View Apartments | 3/23/2020 | 9890 Bushlac Lane NW, Silverdale, WA | 100 | 1985 | \$16,200,000 | Goodman Real Estate |
| King James and Gate Apartments | 3/23/2020 | 3707 East 18th Street, Vancouver, WA | 80 | 1970 | \$29,300,000 | Transpacific Investments |

OREGON MULTIFAMILY NEWS

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Coronavirus in Oregon (May 16): Business Returns to Life Across the State

By Journal Staff, Oregon Live

New rules that took effect Friday allow most Portland area retailers to welcome customers.

Although the tri-county area remained relatively quiet, that wasn't the case across Oregon. Business hummed back to life within the 31 counties that received approval this week for a Phase 1 gradual reopening.

It was the first time since March that Oregonians in much of the state were able to hit the gym or salon, have a sit-down meal or step inside their favorite boutique.

Here are more developments to know this weekend:

BUSINESS: Oregon retailers across the state were allowed to remain Friday. But retailers remain concerned that they will be unable to recover after being shuttered for two months.

CAMPS: Oregon will allow day camps to move forward with significant restrictions, but overnight camps will not be allowed to operate this summer.

COURTS: Most Oregon state courts will slowly start hearing more cases this summer as their counties begin to reopen.

Continue reading [here](#)

No Delay for \$1B Oregon Business Tax Start, Governor Indicates

By Jonathan Bach, Portland Business Journal

Oregon business leaders holding their breath for a delayed start to the \$1 billion Corporate Activity Tax might want to exhale after Gov. Kate Brown indicated the state will keep the tax's implementation on schedule.

Brown fielded questions about the new tax during an online webinar this week hosted by business advocates including the Portland Business Alliance, a regional chamber of commerce. The tax was passed last year to pull fresh revenue into the state's underfunded schools. It's essentially a 0.57 percent tax on Oregon businesses' gross receipts and is meant to generate \$1 billion a year.

Continue reading [here](#)

New Portland-Area Home Listings Plummet 32%, But Prices Rise

By Jonathan Bach, Portland Business Journal

Residential listings were harder to spot in the Portland metro area in April, but heftier prices weren't.

New listings in April plummeted more than 32 percent year-over-year as the average sale price topped \$465,000 from the start of the year through April, according to residential real estate data released by the Regional Multiple Listing Service.

The drop in listings came as no surprise because of COVID-19, said Matthew Gardner, chief economist with Windermere Real Estate. People who might have considered selling their homes are holding off for multiple reasons.

Continue reading [here](#)

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| Apartment | Transaction Date | Address | Units | Built | Price | Buyer |
|---------------------------|------------------|-------------------------------------|-------|-------|--------------|------------------------------|
| Behtany West | 3/31/2020 | 16107 NW Brugger Road, Portland, OR | 82 | 2019 | \$24,500,000 | Private Investor |
| Columbia Ridge Apartments | 3/27/2020 | 16018 NE Sandy Blvd, Portland, OR | 144 | 1990 | \$27,100,000 | Fairfield Residential |
| Glendoveer Estates | 3/20/2020 | 601 NE 162nd Ave, Portland, OR | 78 | 1973 | \$9,125,000 | Cohen Rojas Capital Partners |