

Industrial Market Overview

Real Estate Insight

2019 – Trends continue, but can it last?

We're well underway in 2019! I think most would agree that the first quarter was bustling with activity and provided strong results across many major categories. Within the Puget Sound commercial market, we saw similar trends from 2018 continue – high demand for property, low inventory, rising rental rates, and rising property values. Our low vacancy rate is averaging around

3% dependent on submarket-coupled with rate hikes it has made it incredibly difficult for tenants to find space that works for their business and bottom line. Owners on the other hand are more bullish than ever and continue to wait out their vacant spaces for the right tenants and terms. Looking outside of the commercial market, the economy continues to grow both nationally and regionally. GDP growth is expected to remain between the 2% to 3% ideal range. Unemployment remains low and in fact, most businesses are citing their largest problem right now is finding and retaining employees. I'm looking forward to seeing what Q2 2019 has to offer!

Kidder Mathews offers an alternative to typical transaction-based real estate services, providing independent, third party commercial real estate services for both private and public-sector owners and investors. The firm's goal is to leverage its experience, relationships, and resources to empower its clients to successfully achieve their business objectives. By working with my team and I, you can feel safe knowing that your needs will be placed first and above all else. I am a firm believer that long-term relationships and doing what's in the best interest of my clients is what is best for my business. Transactions will come and go but adding value by reducing risk and doing the right thing guarantees healthy longevity for both of us. Thank you for your consideration and continued business.

Market Forecast

	Current / Projection	
Vacancy	4.1%	↑
Construction	5.8M sf	↑
Rental Rate	\$0.80/sf, NNN	↔
Absorption	-110k	↓

Provided by



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Matt is an industrial market specialist focused on adding value and negotiating on his clients' behalf. Matt's tireless work ethic and positive attitude allow him to maximize returns in all transactions he participates in. His ability to quickly build relationships enables him to move at a fast pace, ultimately savings his clients' time and money. To find more information on Matt's services, please [click here](#).

SERVICES

- Tenant Representation
- Landlord Representation
- Leasing/Sales
- Investment Offerings
- Industrial Valuation
- Market Information

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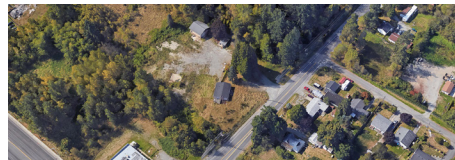
Recent Market Transactions



8,720 SF (828 SF OFFICE)
Industrial Lease (Kent)

\$0.70 PSF shell / \$0.85 PSF office add-on

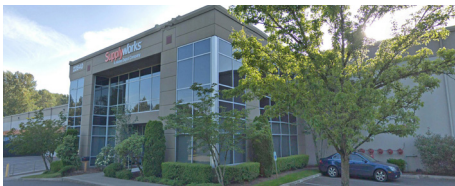
New lease. 62 month term. 2 months of free rent. Space taken as-is.



1.77 AC
Industrial Yard Lease (Tacoma)

\$0.15 PSF

121 month lease term. Staggered annual increases. Site includes small office & shop.



148,550 SF (6,832 SF OFFICE)
Industrial Lease (Kent)

\$0.65 PSF shell / \$0.85 PSF office add-on

New lease. 74 month term. 2 months of free rent. \$25k TI Allowance.



97,600 SF MANUFACTURING BUILDING
Industrial Sale (Kent)

\$12,700,000 (\$130 PSF)

Buyer intends to complete an entire overhaul of upgrades – building in poor shape at time of purchase.