



QUARTERLY REAL ESTATE REVIEW | Q4 2019

# INDUSTRIAL MARKET OVERVIEW

## Riding the success of 2019 into 2020

It seems like just yesterday I was sitting at the end of 2018 wondering what 2019 may bring. I was optimistic then and it appears my feelings were supported when looking back at the past 3 quarters of the year. As we work on wrapping up the end of the year and approach 2020 the question now becomes, what will next year bring? There is plenty of continued discussion surrounding the ongoing trade war. Talks of pending recession are still prevalent. Local policy changes such as an increased excise tax are coming. 2020 will be a different year than 2019 but I believe it will be another great one for our market. Continued economic growth, limited inventory, and a local population that's increasing daily are all key driving factors in our market continuing to progress. Q4 2019 is going to bring a strong close to the year and help us ride smoothly into 2020.

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.

## 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 saving his clients' time and money. To find more information on Matt's services, click here.

## SERVICES

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

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**Kidder Mathews**



**RECENT MARKET TRANSACTIONS**

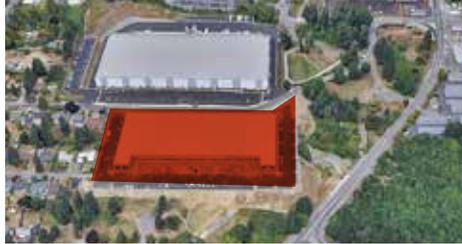


**57,546 SF (0 SF OFFICE)**

Industrial Sublease (Kent)

\$0.66 PSF blended

Sublease. New construction. 63 month term. 3 months of free rent. Space taken as-is.



**161,573 SF (5,000 SF OFFICE)**

Industrial Lease (Burien)

\$0.68 PSF Shell | \$1.00 PSF office add-on

New lease. New construction. 125 month term. 5 months of free rent. Turn-key office build-out. \$4.50 PSF additional TI allowance.



**1.07 AC**

Industrial Lease (Pacific)

\$0.14 PSF

60 month term. Landlord discounted rental rate for Tenant paying \$600/month utilities bill.



**15,454 SF INDUSTRIAL BUILDING**

Industrial Sale (Auburn)

\$2,350,000 | \$152 PSF

Owner/user purchase. New owner intends to renovate and release the building.

**Market Forecast Trends**

VACANCY	
Current	Projection
4.95%	◄►

CONSTRUCTION	
Current	Projection
\$3.7M	▲

RENTAL RATE (SF, NNN)	
Current	Projection
\$0.86	▲

ABSORPTION	
Current	Projection
-\$300K	▼

