



Eastside – Market Statistics

Submarket	# Bldgs.	Total Square Feet	Vacant Square Feet	Vacancy Rate	Sublease Available	Vacant w/ Sublease	Future Available	Average Rental Rate	Absorption (YTD)
520/Overlake	113	3,478,183	407,964	11.73%	206,043	17.65%	52,594	\$26.81	51,240
Bellevue CBD	66	10,540,061	1,679,829	15.94%	624,434	21.86%	77,659	\$38.41	479,990
Bellevue Suburban	245	5,529,328	921,654	16.67%	198,274	20.25%	64,987	\$29.30	(37,012)
Bothell/Woodinville	89	3,772,220	699,613	18.55%	42,108	19.66%	42,197	\$22.44	29,964
I-90 Corridor	186	8,196,889	860,029	10.49%	214,872	13.11%	430,906	\$28.75	1,517
Kirkland/Totem Lake	124	3,823,987	361,129	9.44%	123,491	12.67%	222,636	\$30.06	(11,443)
Redmond/Willows	100	4,454,927	476,857	10.70%	178,442	14.71%	50,514	\$24.65	13,377
GRAND TOTAL	923	39,795,595	5,407,075	13.59%	1,578,664	17.58%	941,493	\$30.13	527,633

Local job growth, housing prices, minimum wage and office rents are hovering at all-time highs across the Puget Sound region. Roughly 6.8M/SF of total office space is being developed in both Bellevue and Seattle alone. Video game developer Valve leased 9 floors (11-19) at the new Lincoln Square (+/-225K/SF). This type of absorption is critical in the Bellevue CBD. Vacancies remain over 13% across the Eastside, not including subleases. Expedia is on the way out (+500K/SF), therefore remaining large blocks of Bellevue CBD space must be absorbed to alleviate the Eastside market becoming overbuilt. We say “Eastside”, because if the CBD gets overbuilt it will have negative absorption impact on most submarkets. Technology oriented space users are representing over one-third of the office space demand in Bellevue and Seattle.

Eastside – New Office Projects

Building	Submarket	Total	Available	Percent	Asking Rate	
		RSF*	RSF	Preleased	Min	Max
400 Lincoln Square	Bellevue CBD	719,623	324,750	23.61%	N/A	N/A
Summit III	Bellevue CBD	332,303	332,303	0.00%	\$2.33N	\$2.92N
The Spring District - Block 16	Bellevue Suburban	325,000	94,799	70.83%	\$2.67N	\$2.92N
The Spring District - Block 24	Bellevue Suburban	165,000	26,405	84.00%	\$2.67N	\$2.92N
Esterra Park	Bothell/Woodinville	1,030,000	1,030,000	0.00%	\$3.00N	\$3.17N
North Creek Office Plaza	Bothell/Woodinville	101,000	101,000	0.00%	\$2.08N	\$2.08N
Woodlands Technology Center @ Canyon Park	Bothell/Woodinville	602,000	602,000	0.00%	N/A	N/A
Nexus Snoqualmie II	I-90 Corridor	76,000	76,000	0.00%	N/A	N/A
Snoqualmie Ridge Business Park - Mt. Si Bldg	I-90 Corridor	100,000	100,000	0.00%	\$1.71N	\$1.71N
Talus Corporate Center	I-90 Corridor	612,568	612,568	0.00%	N/A	N/A
Kirkland Park Place (Office) II	Kirkland/Totem Lake	350,000	350,000	0.00%	\$2.92N	\$2.92N
Kirkland Urban	Kirkland/Totem Lake	1,200,000	1,025,000	14.58%	\$3.17N	\$3.17N
Lakeview Lane	Kirkland/Totem Lake	20,363	20,363	0.00%	\$2.92N	\$2.92N
Park Place North	Kirkland/Totem Lake	59,689	59,689	0.00%	\$2.50N	\$2.67N
Subtotal	14 Buildings	5,693,546	4,754,877	12.53%		

*The above table represents space available or being marketed for lease. Does not include build-to-suit development(s). **RED** indicates the project has broken ground.

Hayman Properties of Los Angeles paid \$37M for the three bldg. 145K/SF Redmond Woods project off 148th Ave Northeast. AAA of Washington purchased the Once Newport building off I-90 for \$29M (\$324psf). Saltchuck leased 90K/SF at 450 Alaskan on the Pioneer Square Waterfront. In the biggest real estate deal of the year so far, Vestas Investment Management of Seoul, South Korea purchase the Safeco Plaza bldg. for \$387M. Another Korean investment group called Mirae Asset Global Investments paid \$246M for a Vulcan owned building in SLU (Amazon leased). Beacon Capital Partners sold the three building 460K/SF Sunset North project for \$155.3M. Silver Cloud Inns & Hotels acquired a large 3-parcel block at 435-437 108th Ave N.E. from Niu Enterprises for \$23.56M.

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