NAR Commercial Real Estate Metro Market Report | 2021.Q4 Bellingham, WA

Core-Based Statistical Area Code: 13380

The Bellingham, WA commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index* 64.0

Overall economic conditions are stronger than nationally.

The apartment property market is stronger than nationally.

The office property market is stronger than nationally.

The industrial property market is about the same than nationally.

The retail property market is not as strong than nationally.

The hotel/lodging property market is stronger than nationally.

	Relli	ngham, WA			U.S.		
Economic	2021 Q4 (Nov) 2		2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	95	93	89	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	6	6	(7)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	6.6%	6.6%	-7.6%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	4.0%	5.3%	6.6%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$951	\$984	\$970	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year	-3.3%	1.1%	3.1%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally
(data are as of last month of the quarter)							
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-5.3%	9.8%	8.6%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$69,372	\$62,268	\$61,186	\$87,470	\$84,423	\$81,284	
Wedian nousehold income	303,372	302,208	301,180	387,470	304,423	301,204	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	1.9	3.0	2.7	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	231	229	225	331,501	328,330	326,838	
Population growth (%)	1.02%	1.59%	1.66%	0.97%	0.46%	0.53%	Population is growing faster than nationally
II. Multifamily							
Demand indicators	2021 Q4	2021 03	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	1.9%	1.8%	3.8%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	42	99	180	78,063	189,629	94,740	, , , , , , , , , , , , , , , , , , , ,
Absorption of units in past 12 months	452	590	225	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	5.0%	6.6%	2.6%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,366	\$1,358	\$1,300	\$1,543	\$1,532	\$1,387	The area has stronger assorption than nationally
Market asking rent per unit, y/y % chg	5.1%	4.9%	3.0%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,361	\$1,355	\$1,293	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	5.3%	5.0%	2.8%	12.2%	11.6%	-0.1%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	16.5%	15.8%	15.3%	16.3%	16.3%	15.2%	Renting is less affordable than nationally
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Supply indicators Inventory	9,030	8,988	8,578	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	280	505	306	369,993	387,542	434,591	
Net delivered units in past 12 months Net delivered units, as % of inventory	3.1%	5.6%	3.6%	2.2%	2.3%	2.6%	
Units under construction	350	398	234	681,402	692,701	687,551	
Units under construction, as % of inventory	3.9%	4.4%	2.7%	4.0%	4.1%	4.2%	Construction is weaker than nationally
Ratio of jobs created to net delivered units	21.1	11.5	(23.9)	16.2	14.7	(21.3)	More jobs per delivered units than nationally
(as of latest available month of the quarter)	21.1	11.5	(23.3)	10.2	14.7	(21.5)	more jobs per denvered aims than nationally
(as of rotest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$)	\$42	\$10	\$3	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$271,883	\$382,000	\$131,692	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.6%	4.6%	4.7%	5.2%	5.2%	5.3%	Cap rates are lower than nationally
III. Office							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	The same has a few series of the series of t
Vacancy rate	2.1%	2.9%	3.5%	12.2%	2.9%	3.5%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	29,338	46,638	7,493	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	52,056	30,211 0.9%	65,671 1.9%	(39,446,204)	(88,926,760) -1.2%	(74,605,520)	The same has about a short the same and a same as
Absorption in past 12 months as % of inventory	1.5% \$24.5	\$24.4	1.9% \$23.8	-0.5% \$34.4	-1.2% \$34.3	-1.0% \$34.3	The area has stronger absorption than nationally
Market rent per sq.ft.	3.3%	3.3%	\$23.8 0.8%	\$34.4 0.1%	\$34.3 -0.3%	-1.5%	Rents are rising faster than nationally
Market rent growth, y/y % chg. Y/Y chg.in professional/business services jobs ('000)	0.3	0.3	(0.2)	1,134	1,092	-1.5% (870)	Slower office job creation than nationally
(as of latest available month of the quarter)	0.5	0.5	(0.2)	1,134	1,092	(870)	Slower Office Job Creation than nationally
(as of rotest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	3,541,353	3,512,015	3,489,297	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	-	=	-	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	-	-	-	0.8%	0.8%	0.6%	
Under construction in sq.ft.	15,000	15,000	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.4%	0.4%	-	2.0%	2.0%	2.1%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$4	\$6	\$1	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$102	\$165	\$227	\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	7.4%	7.4%	7.5%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Bellingham, WA

Bellingham, WA

Core-Based Statistical Area Code:

IV. Industrial

Under construction in sq.ft.

Transaction sale price per sq.ft.

Sales transactions

Market cap rate

VI. Hotel/Lodging

Under construction, as % of inventory

Total investment acquisitions (in million \$)

Leisure and hospitality payroll workers ('000)

Y/Y change ('000) % share to nonfarm payroll employment

	Be	ellingham, WA		U.S.			
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	0.7%	0.8%	2.3%	4.2%	4.6%	5.5%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	13,534	169,587	9,773	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	192,582	188,821	220,979	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	1.7%	1.6%	1.9%	3.0%	2.7%	1.4%	The area has lower absorption than nationally
Market rent per sq.ft.	\$9.7	\$9.5	\$9.1	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	6.0%	5.0%	3.8%	8.6%	7.2%	4.6%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	11,540,422	11,526,888	11,347,840	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	11,200	14,071	119,247	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.1%	0.1%	1.1%	1.7%	1.8%	1.9%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	29,750	29,750	39,750	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	0.3%	0.3%	0.4%	3.0%	2.8%	2.1%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$32	\$4	\$3	\$34,773	\$30,151	\$29,578	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$107	\$94	\$82	\$144	\$127	\$110	Prices are rising faster nationally
Market cap rate	5.9%	5.9%	6.0%	6.3%	6.3%	6.4%	Cap rates are lower than nationally
V. Retail							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	1.1%	1.8%	1.7%	4.6%	4.8%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	68,093	685	27,632	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	52,840	12,379	76,009	76,321,048	48,774,088	(28,079,124)	
Absorption in past 12 months as % of inventory Market rent per sq.ft.	0.5% \$18.2	0.1% \$17.9	0.8% \$17.2	0.7% \$22.5	0.4% \$22.3	-0.3% \$21.9	The area has lower absorption than nationally
	5.6%	\$17.9 4.3%	1.3%	\$22.5 2.8%	\$22.3 2.1%		One to the distance of the state of the stat
Market rent growth, y/y % chg.	0.50	0.00	(0.90)	372.10	387.70	0.8%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.30	0.00	(0.90)	372.10	387.70	(473.90)	The area has stronger retail trade job treation than nationally
Supply indicators							
Inventory in sq. ft.	9,632,013	9,563,920	9,579,173	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	-			21,047,385	28,105,270	41,736,234	
Net delivered units, as % of inventory	-	-	-	0.2%	0.3%	0.4%	

0.5%

\$24,585

15,362

7.0%

2021 Q4 (Nov) 2021 Q3 (Sept)

50,577,712

0.5%

\$21,801

15.397

7.0%

53,660,692

0.5%

\$18,723

2020 Q4 (Dec)

12.896 (3,541.0) 9.0%

7.0%

52,556,572

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally

\$17

7.4%

9.9

2021 Q4 (Nov) 2021 Q3 (Sept) 2020 Q4 (Dec)

\$14

7.3%

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

\$10

7.4%

9.8

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor

Visit NAR's Commercial Research webpage at https://www.nar.realtor/research-and-statistics/research-reports/commercial-research



Sales transactions are not rising as fast than nationally

Job creation in the leisure industry is stronger than national Higher fraction of workers in leisure industry than national

Prices are rising faster nationally

Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Bremerton-Silverdale, WA

Core-Based Statistical Area Code: 1474

The Bremerton-Silverdale, WA commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index* 64.0

Overall economic conditions are stronger than nationally. The apartment property market is stronger than nationally.

The office property market is stronger than nationally.

The industrial property market is about the same than nationally.

The retail property market is not as strong than nationally.

The hotel/lodging property market is stronger than nationally.

Bremerton-Silverdale, WA U.S.											
Economic	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)					
Total non-farm employment ('000)	92	91	90	150,098	147,650	143,602					
Y/Y chg.in nonfarm payroll employment ('000)	2	1	(6)	5,977	5,704	(9,244)					
Y/Y % chg. in nonfarm payroll employment	2.1%	0.9%	-6.4%	4.1%	4.0%	-6.0%	Job creation is weaker than nationally				
Unemployment rate (%)	3.4%	4.4%	5.4%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally				
Average weekly wages	\$1,026	\$991	\$945	\$1,080	\$1,073	\$1,038					
Wage growth, year-over-year	8.5%	7.7%	9.0%	4.8%	4.5%	6.7%	Wages are rising faster than nationally				
(data are as of last month of the quarter)			2010			****					
CDDth (0/)	2020 0.5%	2019 1.6%	2018 2.7%	2020 -3.4%	2019 2.3%	2018 2.9%					
GDP growth (%)	0.5%	1.6%	2.1%	-3.4%	2.3%	2.9%					
	2019	2018	2017	2019	2018	2017					
Median household income	\$79,624	\$76,945	\$73,026	\$87,470	\$84,423	\$81,284					
	7.0,021	4.0,0.0	4.0,000	+,	70.7.20	+,					
Demographic	2020	2019	2018	2020	2019	2018					
Net domestic migration ('000)	0.0	1.9	2.2	0	0	0	Area is experiencing net domestic in-migration				
Population ('000)	273	272	270	331,501	328,330	326,838					
Population growth (%)	0.18%	1.01%	1.11%	0.97%	0.46%	0.53%	Population growth is slower than nationally				
II. Multifamily											
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4					
Vacancy rate	4.5%	3.4%	5.8%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally				
Absorption of units over the quarter	23	66	128	78,063	189,629	94,740					
Absorption of units in past 12 months	409	514	277	714,672	731,349	376,273					
Absorption in past 12 months as % of inventory	4.4%	5.5%	3.1%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally				
Market asking rent per unit	\$1,728	\$1,759	\$1,479	\$1,543	\$1,532	\$1,387					
Market asking rent per unit, y/y % chg	16.8%	19.7%	2.3%	11.3%	10.6%	0.5%					
Effective rent per unit	\$1,722	\$1,754	\$1,467	\$1,534	\$1,523	\$1,367					
Effective rent per unit, y/y % chg	17.4%	20.0%	2.2%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally				
Rent as a percent of 2-person annual wage income	19.3%	20.4%	17.9%	16.3%	16.3%	15.2%	Renting is less affordable than nationally				
Supply indicators											
Inventory	9,353	9,330	8,945	17,112,020	17,034,566	16,401,950					
Net delivered units in past 12 months	300	186	276	369,993	387,542	434,591					
Net delivered units, as % of inventory	3.2%	2.0%	3.1%	2.2%	2.3%	2.6%					
Units under construction	120	256	284	681,402	692,701	687,551					
Units under construction, as % of inventory	1.3%	2.7%	3.2%	4.0%	4.1%	4.2%	Construction is weaker than nationally				
Ratio of jobs created to net delivered units	6.3	4.3	(22.5)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally				
(as of latest available month of the quarter)											
Sales transactions											
Total investment acquisitions (in million \$)	\$92	\$98	\$15	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally				
Transaction sales price per unit	\$425,926	\$302,615	\$225,358	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally				
Market cap rate	4.6%	4.6%	4.8%	5.2%	5.2%	5.3%	Cap rates are lower than nationally				
III. Office											
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4					
Vacancy rate	4.3%	4.1%	5.1%	12.2%	4.1%	5.1%	The area has a lower vacancy rate than nationally				
Absorption in sq.ft. over the quarter	(13,186)	29,420	(23,704)	14,567,728	5,676,582	(34,912,824)					
Absorption in sq.ft. over 12 months	39,657	29,139	(21,489)	(39,446,204)	(88,926,760)	(74,605,520)					
Absorption in past 12 months as % of inventory	0.8%	0.6%	-0.4%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally				
Market rent per sq.ft.	\$23.1	\$23.1	\$22.5	\$34.4	\$34.3	\$34.3					
Market rent growth, y/y % chg.	2.7%	3.2%	1.1%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally				
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	0.2	0.3	(0.1)	1,134	1,092	(870)	Slower office job creation than nationally				
(us of latest available month of the quarter)											
Supply indicators											
Inventory in sq. ft.	5,132,805	5,145,991	5,093,148	7,237,517,312	7,222,925,312	7,276,806,144					
Net delivered over 12 months, in sq.ft.	-	-	-	59,502,409	57,367,205	45,533,641					
Net delivered units, as % of inventory	-	-	-	0.8%	0.8%	0.6%					
Under construction in sq.ft.	-	-	-	142,297,840	141,203,264	155,258,080					
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%					
Sales transactions											
Total investment acquisitions (in million \$)	\$18	\$8	\$9	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally				
Transaction sale price per sq.ft.	\$160	\$146	\$122	\$305	\$306	\$301	Prices are rising faster nationally				
Market cap rate	7.8%	7.8%	7.9%	7.0%	7.0%	7.0%	Cap rates are higher than nationally				

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Bremerton-Silverdale, WA

Bremerton-Silverdale, WA

Core-Based Statistical Area Code: 14

IV. Industrial

Market cap rate

VI. Hotel/Lodging

Leisure and hospitality payroll workers ('000)

Y/Y change ('000) % share to nonfarm payroll employment

	Bremert	on-Silverdale, W	Ά				
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	1.5%	1.3%	1.3%	4.2%	4.6%	5.5%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(2,755)	11,203	122,595	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	12,261	137,611	162,707	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	0.3%	3.8%	4.5%	3.0%	2.7%	1.4%	The area has lower absorption than nationally
Market rent per sq.ft.	\$11.9	\$11.7	\$11.2	\$9.8	\$9.5	\$9.0	· · ·
Market rent growth, y/y % chg.	6.3%	5.5%	3.6%	8.6%	7.2%	4.6%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	3,659,713	3,662,468	3,647,452	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	18,638	131,189	134,781	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.5%	3.6%	3.7%	1.7%	1.8%	1.9%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	27,186	31,986	23,638	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	0.7%	0.9%	0.6%	3.0%	2.8%	2.1%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$2	\$3	\$3	\$34,773	\$30,151	\$29,578	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$138	\$152	\$73	\$144	\$127	\$110	Prices are rising faster nationally
Market cap rate	6.2%	6.2%	6.2%	6.3%	6.3%	6.4%	Cap rates are lower than nationally
V. Retail							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	3.3%	3.4%	3.4%	4.6%	4.8%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	19.841	(1,730)	2,165	28,236,304	29,377,518	689.343	,
Absorption in sq.ft. over 12 months	16,709	(967)	(38,419)	76,321,048	48,774,088	(28,079,124)	
Absorption in past 12 months as % of inventory	0.1%	0.0%	-0.3%	0.7%	0.4%	-0.3%	The area has lower absorption than nationally
Market rent per sq.ft.	\$17.6	\$17.4	\$16.7	\$22.5	\$22.3	\$21.9	,
Market rent growth, y/y % chg.	5.3%	4.2%	1.4%	2.8%	2.1%	0.8%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	(0.10)	0.10	0.20	372.10	387.70	(473.90)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)	(***)					, , , ,	,
Supply indicators							
Inventory in sq. ft.	13,221,119	13,201,278	13,204,410	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.			7,398	21,047,385	28,105,270	41,736,234	
Net delivered units, as % of inventory	-	-	0.1%	0.2%	0.3%	0.4%	
Under construction in sq.ft.	19,500	-	-	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.1%	-	-	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$24	\$17	\$18	\$24,585	\$21,801	\$18,723	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$127	\$163	\$171	\$237	\$204	\$192	Prices are not rising as fast than nationally
Mandred and ones	7.004	7 201	7.00/	7.00/	7.00/	7.00/	

U.S.

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally

7.2%

9.8

2021 Q4 (Nov) 2021 Q3 (Sept) 2020 Q4 (Dec)

7.2%

7.1 (2.8) 7.9% 7.0%

15,362

2021 Q4 (Nov) 2021 Q3 (Sept)

7.0%

15.397

7.0%

2020 Q4 (Dec)

12,896 (3,541.0) 9.0% Cap rates are higher than nationally

Job creation in the leisure industry is stronger than nationally Higher fraction of workers in leisure industry than nationally

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

7.2%

9.5

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



NAR Commercial Real Estate Metro Market Report | 2021.Q4 Kennewick-Richland, WA

Core-Based Statistical Area Code: 28420

The Kennewick-Richland, WA commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index* 76.0

Overall economic conditions are stronger than nationally.

The apartment property market is stronger than nationally.

The office property market is stronger than nationally.

The industrial property market is about the same than nationally.

The retail property market is stronger than nationally.

The hotel/lodging property market is stronger than nationally.

	Konnow	ick-Richland. WA			U.S.		
Economic	2021 Q4 (Nov)		2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	119	119	114	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	5	6	(5)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	4.3%	4.8%	-4.5%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	4.0%	5.3%	6.2%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$1,109	\$1,100	\$1,211	\$1,080	\$1,073	\$1,038	, , , , , , , , , , , , , , , , , , , ,
Wage growth, year-over-year	-7.0%	-3.2%	12.0%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally
(data are as of last month of the quarter)							,,,,,,,
, , , ,	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-2.0%	3.7%	2.8%	-3.4%	2.3%	2.9%	
5 8 ()							
	2019	2018	2017	2019	2018	2017	
Median household income	\$68,283	\$64,908	\$63,617	\$87,470	\$84,423	\$81,284	
	7,	7-1,	+/	******	7-7,	+/	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	1.4	1.7	2.6	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	304	300	295	331,501	328,330	326.838	
Population growth (%)	1.30%	1.52%	1.76%	0.97%	0.46%	0.53%	Population is growing faster than nationally
r opalation growth (%)	1.5070	1.5270	2.7070	0.5770	0.1070	0.5570	r operation is growing juster than nationally
II. Multifamily							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	3.2%	3.5%	4.8%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	28	75	27	78,063	189,629	94,740	
Absorption of units in past 12 months	527	526	251	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	4.5%	4.5%	2.3%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,249	\$1,240	\$1,092	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	14.4%	14.0%	5.5%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,244	\$1,236	\$1,085	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	14.7%	14.0%	6.0%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	12.9%	12.9%	10.3%	16.3%	16.3%	15.2%	Renting is more affordable than nationally
Supply indicators							
Inventory	11,607	11,579	11,081	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	352	640	288	369,993	387,542	434,591	
Net delivered units, as % of inventory	3.0%	5.5%	2.6%	2.2%	2.3%	2.6%	
Units under construction	219	159	352	681,402	692,701	687,551	
Units under construction, as % of inventory	1.9%	1.4%	3.2%	4.0%	4.1%	4.2%	Construction is weaker than nationally
Ratio of jobs created to net delivered units	13.9	8.6	(18.8)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$)	\$105	\$63	\$15	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$187,632	\$187,841	\$94,163	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	5.0%	5.0%	5.3%	5.2%	5.2%	5.3%	Cap rates are lower than nationally
III. Office							
III. Office							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	6.2%	6.9%	5.9%	12.2%	6.9%	5.9%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	53,842	(112,319)	93,103	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	14,347	53,608	(24,803)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.2%	0.7%	-0.3%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$22.4	\$22.3	\$21.8	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.7%	3.2%	0.9%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	(1.7)	(1.7)	(0.4)	1,134	1,092	(870)	Stronger office job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Supply indicators	7 075 705	7 224 254	7 264 252	7 227 547 245	7 222 625 245	7 276 005 111	
Inventory in sq. ft.	7,375,706	7,321,864	7,361,359	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	41,422	66,422	25,000	59,502,409	57,367,205	45,533,641	Many delicered ages relations in the second second
Net delivered units, as % of inventory	0.6%	0.9%	0.3%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	15,800	15,800	53,422	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.2%	0.2%	0.7%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
Sales transactions							
	\$4	éaa	\$9	630.034	¢20.074	621.646	Cales transportions are not vising as fact that will are
Total investment acquisitions (in million \$) Transaction sale price per sq.ft.	\$4 \$141	\$22 \$152	\$9 \$102	\$28,031 \$305	\$29,974 \$306	\$21,646 \$301	Sales transactions are not rising as fast than nationally Prices are rising faster nationally
Market cap rate	7.8%	7.8%	7.8%	7.0%	7.0%	7.0%	Cap rates are higher than nationally
manace cap rate	7.076	7.0/6	7.070	7.0%	7.076	7.070	cap rases are ingrier than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Kennewick-Richland, WA

Core-Based Statistical Area Code:

Net Section	
Vacancy rate 3.3% 3.2% 5.4% 4.2% 4.6% 5.5% The area has lower vacancy rate than nationally Absorption in sq.ft. over the quarter Absorption in sq.ft. over 12 months 245,316 305,183 (24,145) 502,819,872 4543,49,376 223,162,272 Absorption in past 12 months as % of inventory 2.3% 2.9% -0.2% 3.0% 2.7% 1.4% The area has lower absorption than nationally Market rent per sq.ft. 59.9 59.7 59.3 59.8 59.5 59.0 Market rent growth, y/y % chg. 5.9% 4.9% 3.6% 8.6% 7.2% 4.6% Rent growth is slower than nationally Supply indicators Inventory in sq. ft. 10,622,324 10,638,321 10,377,008 16,815,425,536 16,680,851,456 16,312,040,448 Net delivered over 12 months, in sq.ft. 21,300 37,300 69,620 283,714,234 297,459,785 307,128,078	
Absorption in sq.ft. over the quarter Absorption in sq.ft. over 12 months 245,316 305,183 241,415 502,819,872 454,349,376 223,162,272 Absorption in past 12 months as % of inventory 2.3% 2.9% -0.2% 3.0% 2.7% 1.4% The area has lower absorption than nationally Market rent per sq.ft. 59.9 59.9 4.9% 3.6% 8.6% 7.2% 4.6% Rent growth is slower than nationally Supply indicators Inventory in sq. ft. 10,622,324 10,638,321 10,377,008 16,815,425,536 16,680,851,456 16,312,040,448 Net delivered over 12 months, in sq.ft. 21,300 37,300 69,620 283,714,234 297,459,785 307,128,078	
Absorption in sq.ft. over 12 months 245,316 305,183 (24,145) 502,819,872 454,349,376 223,162,272 Absorption in past 12 months as % of inventory 2.3% 2.9% -0.2% 3.0% 2.7% 1.4% 1.4% The area has lower absorption than nationally Market rent per sq.ft. \$9.9 \$9.7 \$9.3 \$9.8 \$9.5 \$9.0 Market rent growth, y/9 % chg. 5.9% 4.9% 3.6% 8.6% 7.2% 4.6% Rent growth is slower than nationally Supply indicators Inventory in sq.ft. 10,622,324 10,638,321 10,377,008 16,815,425,536 16,680,851,456 16,312,040,448 Net delivered over 12 months, in sq.ft. 21,300 37,300 69,620 283,714,234 297,459,785 307,128,078	
Absorption in past 12 months as % of inventory 2.3% 2.9% -0.2% 3.0% 2.7% 1.4% The area has lower absorption than nationally Market rent per sq.ft. 59.9 59.7 59.3 59.8 59.5 59.0 Market rent growth, y/y % chg. 5.9% 4.9% 3.6% 8.6% 7.2% 4.6% Rent growth is slower than nationally Supply indicators Inventory in sq. ft. 10,622,324 10,638,321 10,377,008 16,815,425,536 16,680,851,456 16,312,040,448 Net delivered over 12 months, in sq.ft. 21,300 37,300 69,620 283,714,234 297,459,785 307,128,078	
Market rent per sq.ft. \$9.9 \$9.7 \$9.3 \$9.8 \$9.5 \$9.0 Market rent growth, y/y % chg. 5.9% 4.9% 3.6% 8.6% 7.2% 4.6% Rent growth is slower than nationally Supply indicators Inventory in sq. ft. 10,622,324 10,638,321 10,377,008 16,815,425,536 16,680,851,456 16,312,040,448 Net delivered over 12 months, in sq.ft. 21,300 37,300 69,620 283,714,234 297,459,785 307,128,078	
Market rent growth, y/y % chg. 5.9% 4.9% 3.6% 8.6% 7.2% 4.6% Rent growth is slower than nationally Supply indicators Inventory in sq. ft. 10,622,324 10,638,321 10,377,008 16,815,425,536 16,680,851,456 16,312,040,448 Net delivered over 12 months, in sq.ft. 21,300 37,300 69,620 283,714,234 297,459,785 307,128,078	
Supply indicators 10,622,324 10,638,321 10,377,008 16,815,425,536 16,680,851,456 16,312,040,448 Net delivered over 12 months, in sq.ft. 21,300 37,300 69,620 283,714,234 297,459,785 307,128,078	
Inventory in sq. ft. 10,622,324 10,638,321 10,377,008 16,815,425,536 16,680,851,456 16,312,040,448 Net delivered over 12 months, in sq.ft. 21,300 37,300 69,620 283,714,234 297,459,785 307,128,078	
Net delivered over 12 months, in sq.ft. 21,300 37,300 69,620 283,714,234 297,459,785 307,128,078	
Net delivered units, as % of inventory 0.2% 0.4% 0.7% 1.7% 1.8% 1.9% Less deliveres relative to inventory than nationally	
Under construction in sq.ft. 16,500 16,500 32,400 508,025,152 466,780,896 340,499,936	
Under construction, as % of inventory 0.2% 0.2% 0.3% 3.0% 2.8% 2.1% Less delivered space relative to inventory than nationally	lly
Sales transactions	
Total investment acquisitions (in million \$) \$17 \$4 \$9 \$34,773 \$30,151 \$29,578 Sales transactions are rising faster than nationally	
Transaction sale price per sq.ft. \$607 \$111 \$105 \$144 \$127 \$110 Prices are rising faster nationally	
Market cap rate 6.0% 6.0% 6.0% 6.3% 6.3% Cap rates are lower than nationally	
V. Retail	
Demand indicators 2021 Q4 2021 Q3 2020 Q4 2021 Q4 2021 Q3 2020 Q4	
Vacancy rate 3.4% 3.6% 4.3% 4.6% 4.8% 5.1% The area has a lower vacancy rate than nationally	
Absorption in sq.ft. over the quarter 45,199 27,973 (49,675) 28,236,304 29,377,518 689,343	
Absorption in sq.ft. over 12 months 163,556 68,682 13,423 76,321,048 48,774,088 (28,079,124)	
Absorption in past 12 months as % of inventory 1.3% 0.5% 0.1% 0.7% 0.4% -0.3% The area has stronger absorption than nationally	
Market rent per sq.ft. \$16.5 \$16.3 \$15.8 \$22.5 \$22.3 \$21.9	
Market rent growth, y/y % chg. 4.4% 3.8% 1.6% 2.8% 2.1% 0.8% Rents are rising faster than nationally	
Y/Y chg.in retail trade payroll employment ('000) 0.90 1.10 0.10 372.10 387.70 (473.90) The area has stronger retail trade job creation than national	ionally
(as of latest available month of the quarter)	
Supply indicators	
Inventory in sq. ft. 13,016,598 12,971,399 12,853,042 11,209,097,216 11,180,823,552 11,132,858,368	
Net delivered over 12 months, in sq.ft. 35,056 34,530 26,717 21,047,385 28,105,270 41,736,234 Relatively more units delivered than nationally	
Net delivered units, as % of inventory 0.3% 0.3% 0.2% 0.2% 0.3% 0.4% More delivered space relative to inventory than nationally	ally
Under construction in sq.ft. 18,845 21,314 36,030 50,577,712 53,660,692 52,556,572	
Under construction, as % of inventory 0.1% 0.2% 0.3% 0.5% 0.5% 0.5% Construction activity is slower than nationally	
Sales transactions	
Total investment acquisitions (in million \$) \$30 \$37 \$18 \$24,585 \$21,801 \$18,723 Sales transactions are rising faster than nationally	
Transaction sale price per sq.ft. \$245 \$152 \$138 \$237 \$204 \$192 Prices are rising faster nationally	
Market cap rate 6.9% 6.9% 6.9% 7.0% 7.0% 7.0% Cap rates are lower than nationally	
VI. Hotel/Lodging 2021 04 (Nov) 2021 03 (Sept) 2020 04 (Dec) 2021 04 (Nov) 2021 03 (Sept) 2020 04 (Dec)	
Leisure and hospitality payroll workers ('000') 11.4 11.8 8.5 15,362 15,397 12,896 Y/Y change ('000') 2.0 2.2 (3.6) 2,533.0 1,841.0 (3,541.0) Job creation in the leisure industry is stronger than nation	tionally.
177 change (UU) 2.0 2.2 (3.5) 2,533.0 1,841.0 (3.941.0) Job creation in the lessure industry than national 4.5 (3.941.0) share to nonfarm payroll employment 9.5% 9.9% 7.5% 10.2% 10.4% 9.0% Lower fraction of workers in leisure industry than national 4.5 (3.941.0) share to nonfarm payroll employment 9.5% 9.9% 7.5% 10.2% 10.4% 9.0% Lower fraction of workers in leisure industry than national 4.5 (3.941.0) share the nonfarm payroll employment 9.5% 9.9% 7.5% 10.2% 10.4% 9.0% 10.4%	
	,

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally. NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor



NAR Commercial Real Estate Metro Market Report | 2021.Q4 Longview, WA

Core-Based Statistical Area Code: 31020

The Longview, WA commercial real estate market is about the same compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index* 50.0

Overall economic conditions are stronger than nationally. The apartment property market is not as strong than nationally. The office property market is stronger than nationally. The industrial property market is about the same than nationally. The retail property market is not as strong than nationally.

The hotel/lodging property market is stronger than nationally.

Economic		ngview, WA	2020 O4 (Des)	2021 Q4 (Nov)	U.S. 2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	2021 Q4 (Nov) 41	2021 Q3 (Sept) 41	40	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	2	1		5,977			
Y/Y % chg. in nonfarm payroll employment	4.8%	1.7%	(1) -3.2%	4.1%	5,704 4.0%	(9,244) -6.0%	Job creation is stronger than nationally
Unemployment rate (%)	5.2%	5.7%	7.0%	4.1%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$1,035	\$994	\$947	\$1,080	\$1,073	\$1,038	Onemployment rate is higher than hationally
Wage growth, year-over-year	13.1%	12.7%	9.2%	4.8%	4.5%	6.7%	Wages are rising faster than nationally
(data are as of last month of the quarter)	15.176	12.776	9.2%	4.076	4.3%	0.7%	wages are rising juster than hationally
(duta are as of last month of the quarter)	2020	2019	2010	2020	2019	2010	
CDDth (0/)	2020 -2.6%	5.2%	2018 4.4%	2020 -3.4%	2.3%	2018 2.9%	
GDP growth (%)	-2.6%	5.2%	4.4%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$55,497	\$59,225	\$49,456	\$87,470		\$81,284	
Wedian nousenold income	\$35,497	\$39,223	\$49,450	\$67,470	\$84,423	\$61,264	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	1.0	1.7	1.8	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	111	110	109	331,501	328,330	326,838	Area is experiencing her domestic in-inigration
Population (600)	0.89%	1.58%	1.75%	0.97%	0.46%	0.53%	Population growth is slower than nationally
Population growth (%)	0.89%	1.36%	1./5%	0.97%	0.46%	0.55%	Population growth is slower than nationally
II. Multifamily							
,							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.8%	4.7%	4.3%	4.6%	4.6%	6.6%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	(2)	(6)	12	78,063	189,629	94,740	, , , , , , , , , , , , , , , , , , , ,
Absorption of units in past 12 months	(13)	1	(12)	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	-0.5%	0.0%	-0.4%	4.2%	4.3%	2.3%	The area has lower absorption than nationally
Market asking rent per unit	\$1,109	\$1,107	\$1,087	\$1,543	\$1,532	\$1,387	, , , , , , , , , , , , , , , , , , , ,
Market asking rent per unit, y/y % chg	2.0%	1.9%	1.8%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,103	\$1,101	\$1,082	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	1.9%	2.0%	1.7%	12.2%	11.6%	-0.1%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	12.3%	12.8%	13.1%	16.3%	16.3%	15.2%	Renting is more affordable than nationally
nent as a percent of 2 person annual wage meonic	12.570	12.070	13.170	10.570	20.570	13.270	nenting is more approached than nationally
Supply indicators							
Inventory	2,663	2,665	2,677	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	_,	-,	-,	369,993	387,542	434,591	
Net delivered units, as % of inventory		_	_	2.2%	2.3%	2.6%	
Units under construction	_	_	_	681,402	692,701	687,551	
Units under construction, as % of inventory	_	_	_	4.0%	4.1%	4.2%	
Ratio of jobs created to net delivered units	_	_	_	16.2	14.7	(21.3)	
(as of latest available month of the quarter)				10.2	21.7	(22.5)	
()							
Sales transactions							
Total investment acquisitions (in million \$)	\$9	\$9	\$7	\$86,764	\$63,211	\$47,522	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$70,746	\$91,832	\$110,606	\$235,199	\$231,697	\$212,033	Prices are not rising as fast than nationally
Market cap rate	6.0%	6.0%	6.0%	5.2%	5.2%	5.3%	Cap rates are higher than nationally
III. Office							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	2.2%	2.2%	2.6%	12.2%	2.2%	2.6%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	240	11,307	2,727	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	7,057	9,544	(3,470)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.4%	0.6%	-0.2%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$20.5	\$20.4	\$19.9	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	3.1%	3.8%	1.0%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	-	-	-	1,134	1,092	(870)	
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	1,727,063	1,726,823	1,720,006	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	=	-	-	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	-	-	-	0.8%	0.8%	0.6%	
Under construction in sq.ft.	=	-	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$0	\$24	\$0	\$28,031	\$29,974	\$21,646	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$0	\$439	\$91	\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	7.7%	7.7%	7.8%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Longview, WA

Core-Based Statistical Area Code: 31020

IV.	Industrial	

	Longview, WA			U.S.			
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	1.2%	1.6%	2.7%	4.2%	4.6%	5.5%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	50,140	12,696	50,100	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	134,110	134,070	18,970	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	1.8%	1.8%	0.3%	3.0%	2.7%	1.4%	The area has lower absorption than nationally
Market rent per sq.ft.	\$7.9	\$7.7	\$7.4	\$9.8	\$9.5	\$9.0	·
Market rent growth, y/y % chg.	6.9%	5.5%	4.4%	8.6%	7.2%	4.6%	Rent growth is slower than nationally
							,
Supply indicators							
Inventory in sq. ft.	7,345,130	7,294,990	7,211,020	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	23,900			283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.3%	-	-	1.7%	1.8%	1.9%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	30,000	53,900	23,900	508,025,152	466,780,896	340,499,936	,
Under construction, as % of inventory	0.4%	0.7%	0.3%	3.0%	2.8%	2.1%	Less delivered space relative to inventory than nationally
onder construction, as 75 or inventory	0.170	0.770	0.570	3.070	2.070	2.170	2000 delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$0	\$3	\$3	\$34,773	\$30,151	\$29,578	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$53	\$144	\$73	\$144	\$127	\$110	Prices are not rising as fast than nationally
Market cap rate	5.8%	5.8%	5.9%	6.3%	6.3%	6.4%	Cap rates are lower than nationally
Warker cap rate	3.070	5.070	3.370	0.570	0.570	0.170	cup rates are rower than nationally
V. Retail							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	2.5%	2.6%	2.2%	4.6%	4.8%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	6,796	(1,859)	3,092	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	(7,010)	(10,714)	33,869	76,321,048	48,774,088	(28,079,124)	
Absorption in past 12 months as % of inventory	-0.1%	-0.2%	0.6%	0.7%	0.4%	-0.3%	The area has lower absorption than nationally
Market rent per sq.ft.	\$14.2	\$13.9	\$13.5	\$22.5	\$22.3	\$21.9	·
Market rent growth, y/y % chg.	4.7%	3.5%	1.4%	2.8%	2.1%	0.8%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	0.20	0.20	0.30	372.10	387.70	(473.90)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)						()	,
(,							
Supply indicators							
Inventory in sq. ft.	5,371,647	5,364,851	5,378,657	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	6,200	6,200	-	21,047,385	28,105,270	41,736,234	
Net delivered units, as % of inventory	0.1%	0.1%	-	0.2%	0.3%	0.4%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	_	-	6,200	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	_	-	0.1%	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$5	\$9	\$0	\$24,585	\$21,801	\$18,723	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$238	\$155	\$81	\$237	\$204	\$192	Prices are rising faster nationally
Market cap rate	7.0%	7.1%	7.2%	7.0%	7.0%	7.0%	Cap rates are higher than nationally
VI. Hotel/Lodging							
	2021 Q4 (Nov)		2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	3.6	3.7	2.8	15,362	15,397	12,896	
Y/Y change ('000)	0.5	0.5	(0.7)	2,533.0	1,841.0	(3,541.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	8.7%	9.1%	7.1%	10.2%	10.4%	9.0%	Lower fraction of workers in leisure industry than nationally

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally. NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



NAR Commercial Real Estate Metro Market Report | 2021.Q4 Mount Vernon-Anacortes, WA

Core-Based Statistical Area Code: 34580

The Mount Vernon-Anacortes, WA commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index* 62.5

Overall economic conditions are stronger than nationally. The apartment property market is stronger than nationally. The office property market is stronger than nationally. The industrial property market is about the same than nationally. The retail property market is not as strong than nationally. The hotel/lodging property market is stronger than nationally.

	Mount Ve	rnon-Anacortes,	WA		U.S.		
Economic	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	51	51	48	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	3	2	(4)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	6.0%	3.9%	-7.7%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	4.2%	5.5%	7.1%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$1,064	\$1,087	\$1,046	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year	-4.7%	7.0%	2.6%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally
(data are as of last month of the quarter)							
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-5.4%	0.9%	1.6%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$67,175	\$73,206	\$66,066	\$87,470	\$84,423	\$81,284	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	1.3	1.0	1.6	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	131	129	128	331,501	328,330	326,838	
Population growth (%)	1.24%	1.14%	1.49%	0.97%	0.46%	0.53%	Population is growing faster than nationally
II Marchifornily							
II. Multifamily							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	3.9%	0.7%	3.2%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	35	1	47	78,063	189,629	94,740	The area has a lower vacancy rate than hattoriany
Absorption of units in past 12 months	80	92	73	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	4.4%	5.1%	4.2%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,369	\$1,361	\$1,311	\$1,543	\$1,532	\$1,387	The drea has stronger absorption than nationally
Market asking rent per unit, y/y % chg	4.5%	4.5%	2.9%	11.3%	10.6%	0.5%	
	\$1,359	\$1,357	\$1,305	\$1,534	\$1,523	\$1,367	
Effective rent per unit Effective rent per unit, y/y % chg	4.2%	4.4%	2.9%	12.2%	11.6%	-0.1%	Rents are rising more slowly than nationally
	14.7%	14.4%	14.4%	16.3%	16.3%	15.2%	Renting is more affordable than nationally
Rent as a percent of 2-person annual wage income	14.7%	14.476	14.476	10.5%	10.5%	15.2%	kenting is more ajjoraable than nationally
Supply indicators							
Inventory	1,821	1,787	1,741	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	96	72	72	369,993	387,542	434,591	
Net delivered units, as % of inventory	5.3%	4.0%	4.1%	2.2%	2.3%	2.6%	
Units under construction	-	96	96	681,402	692,701	687,551	
Units under construction, as % of inventory		5.4%	5.5%	4.0%	4.1%	4.2%	
Ratio of jobs created to net delivered units	30.2	26.4	(55.6)	16.2	14.7	(21.3)	More jobs per delivered units than nationally
(as of latest available month of the quarter)	****		()			(==:=/	,
Sales transactions							
Total investment acquisitions (in million \$)	-	\$1	\$13	\$86,764	\$63,211	\$47,522	
Transaction sales price per unit	-	\$127,778	\$203,238	\$235,199	\$231,697	\$212,033	
Market cap rate	5.2%	5.2%	5.2%	5.2%	5.2%	5.3%	Cap rates are lower than nationally
III. Office							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	0.7%	0.6%	2.3%	12.2%	0.6%	2.3%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(1,642)	9,744	7,557	14,567,728	5,676,582	(34,912,824)	,,
Absorption in sq.ft. over 12 months	22,587	31,786	16,226	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	1.6%	2.2%	1.1%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$23.7	\$23.6	\$23.0	\$34.4	\$34.3	\$34.3	The area has stronger absorption than nationally
Market rent growth, y/y % chg.	3.0%	3.6%	1.1%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	3.070	5.0%	1.170	1,134	1,092	(870)	nents are rising juster than nationally
(as of latest available month of the quarter)				1,134	1,032	(670)	
(us of fatest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	1,452,475	1,454,117	1,429,888	7.237.517.312	7.222.925.312	7.276.806.144	
Net delivered over 12 months, in sq.ft.	_, .52, .75	_, .5 .,	7,800	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	_	_	0.5%	0.8%	0.8%	0.6%	
Under construction in sq.ft.		_	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	1	-	_	2.0%	2.0%	2.1%	
				2.370	2.070	2.270	
Sales transactions							
Total investment acquisitions (in million \$)	\$1	\$8	\$2	\$28,031	\$29,974	\$21,646	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$41	\$146	\$75	\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	7.9%	7.8%	8.0%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Mount Vernon-Anacortes, WA

Core-Based Statistical Area Code:

IV. Industrial							
	Mount V	ernon-Anacorte	s, WA	U.S.			
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	1.1%	1.6%	7.8%	4.2%	4.6%	5.5%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	23,561	295,222	111,041	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	336,288	423,768	(34,559)	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	7.3%	9.2%	-0.8%	3.0%	2.7%	1.4%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$9.0	\$8.9	\$8.5	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	5.7%	5.9%	5.2%	8.6%	7.2%	4.6%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	4,624,848	4,601,287	4,288,560	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	28,000	28,000	-	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.6%	0.6%	-	1.7%	1.8%	1.9%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	-	-	28,000	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	-	0.7%	3.0%	2.8%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$1	\$24	\$2	\$34,773	\$30,151	\$29,578	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$108	\$78	\$27	\$144	\$127	\$110	Prices are rising faster nationally
Market cap rate	6.6%	6.5%	6.4%	6.3%	6.3%	6.4%	Cap rates are higher than nationally
V. Retail							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.3%	4.2%	1.9%	4.6%	4.8%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	727	(6,051)	53,236	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	(155,564)	(103,055)	142,444	76,321,048	48,774,088	(28,079,124)	
Absorption in past 12 months as % of inventory	-2.4%	-1.6%	2.1%	0.7%	0.4%	-0.3%	The area has lower absorption than nationally
Market rent per sq.ft.	\$19.5	\$19.2	\$18.3	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	6.2%	4.7%	1.5%	2.8%	2.1%	0.8%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	0.40	0.40	(0.40)	372.10	387.70	(473.90)	The area has weaker retail trade job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	6,481,221	6,480,494	6,635,777	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	3,010	-	3,062	21,047,385	28,105,270	41,736,234	Relatively more units delivered than nationally
Net delivered units, as % of inventory	0.0%	-	0.0%	0.2%	0.3%	0.4%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	-	3,010	-	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	-	0.0%	-	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$3	\$2	\$8	\$24,585	\$21,801	\$18,723	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$81	\$148	\$244	\$237	\$204	\$192	Prices are not rising as fast than nationally
Market cap rate	7.1%	7.1%	7.0%	7.0%	7.0%	7.0%	Cap rates are higher than nationally
VI. Hotel/Lodging	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 O4 (Das)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	2021 Q4 (NOV) 4.8	4.9	3.7	2021 Q4 (NOV) 15,362	2021 Q3 (Sept) 15,397	12,896	
Y/Y change ('000)	0.7	0.6	(1.4)	2,533.0	1,841.0	(3,541.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	9.4%	9.7%	7.7%	2,533.0	1,841.0	(3,541.0)	Lower fraction of workers in leisure industry than nationally
	5.476	3.770	/0	13.276	10.470	5.070	

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally. NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

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NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

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NAR Commercial Real Estate Metro Market Report | 2021.Q4 Olympia-Tumwater, WA

Core-Based Statistical Area Code: 36500

The Olympia-Tumwater, WA commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index* 72.0

Overall economic conditions are stronger than nationally.

The apartment property market is stronger than nationally.

The office property market is stronger than nationally. The industrial property market is stronger than nationally.

The retail property market is stronger than nationally.

The hotel/lodging property market is about the same than nationally.

	Olymp	ia-Tumwater, WA	١		U.S.		
Economic	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	123	122	117	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	6	7	(5)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.3%	5.6%	-4.4%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	3.5%	4.5%	5.8%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$1,100	\$1,093	\$1,140	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year	-4.3%	-1.5%	9.9%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally
(data are as of last month of the quarter)							
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-2.2%	1.9%	6.2%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$78,512	\$72,703	\$71,765	\$87,470	\$84,423	\$81,284	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	3.7	3.1	4.5	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	294	290	286	331,501	328,330	326,838	
Population growth (%)	1.52%	1.40%	1.93%	0.97%	0.46%	0.53%	Population is growing faster than nationally
II Baulaife							
II. Multifamily							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	2.7%	2.7%	6.0%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	47	40	169	78,063	189,629	94,740	
Absorption of units in past 12 months	718	840	448	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	5.3%	6.2%	3.5%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,535	\$1,510	\$1,395	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	10.0%	9.7%	5.4%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,528	\$1,504	\$1,390	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	9.9%	9.7%	5.5%	12.2%	11.6%	-0.1%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	16.0%	15.8%	14.0%	16.3%	16.3%	15.2%	Renting is more affordable than nationally
Supply indicators							
Inventory	13,673	13,627	12,980	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	235	662	756	369,993	387,542	434,591	
Net delivered units, as % of inventory	1.7%	4.9%	5.8%	2.2%	2.3%	2.6%	
Units under construction	732	765	605	681,402	692,701	687,551	
Units under construction, as % of inventory	5.4%	5.6%	4.7%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units	26.4	9.8	(7.1)	16.2	14.7	(21.3)	More jobs per delivered units than nationally
(as of latest available month of the quarter)			` ′			, -,	, , , , , , , , , , , , , , , , , , , ,
Sales transactions							
	\$101	ćco.	\$3	ć0C 7C4	662.244	647.522	S-1 +
Total investment acquisitions (in million \$) Transaction sales price per unit	\$338.233	\$69 \$215,155	\$134,375	\$86,764 \$235,199	\$63,211 \$231,697	\$47,522 \$212,033	Sales transactions are rising faster than nationally Prices are rising faster nationally
Market cap rate	4.6%	4.6%	4.7%	5.2%	5.2%	5.3%	Cap rates are lower than nationally
market cap rate	1.070	1.070	11770	3.270	3.270	3.570	cap rates are rower than nationally
III. Office							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	2.6%	2.7%	3.0%	12.2%	2.7%	3.0%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	11,559	46,445	(14,489)	14,567,728	5,676,582	(34,912,824)	, , , , , , , , , , , , , , , , , , , ,
Absorption in sq.ft. over 12 months	47.358	21,310	(36,585)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.4%	0.2%	-0.3%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$23.5	\$23.4	\$23.0	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.1%	2.4%	0.6%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	0.2	0.8	0.1	1,134	1,092	(870)	Stronger office job creation than nationally
(as of latest available month of the quarter)	0.2	0.0	0.1	2,23	1,032	(0,0)	stronger oppiet job treation than nationally
,,							
Supply indicators							
Inventory in sq. ft.	11,302,559	11,291,000	11,255,201	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	-	4,853	36,853	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	-	0.0%	0.3%	0.8%	0.8%	0.6%	
Under construction in sq.ft.	11,000	11,000	11,000	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.1%	0.1%	0.1%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$4	\$55	\$8	\$28,031	\$29,974	\$21,646	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$99	\$157	\$212	\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	7.8%	7.8%	7.8%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Olympia-Tumwater, WA

Olympia-Tumwater, WA

2021 Q3

2021 Q4

Vacancy rate	4.1%	3.1%	3.2%	4.2%	4.6%	5.5%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(40,094)	12,875	77,916	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	3,409,152	3,527,162	235,012	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	18.5%	19.1%	1.6%	3.0%	2.7%	1.4%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$8.3	\$8.1	\$7.8	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	7.3%	6.2%	5.0%	8.6%	7.2%	4.6%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	18,434,042	18,474,136	15,024,890	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	3,702,424	3,560,540	109,400	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	20.1%	19.3%	0.7%	1.7%	1.8%	1.9%	More deliveries relative to inventory than nationally
Under construction in sq.ft.	67,476	209,360	3,702,424	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	0.4%	1.1%	24.6%	3.0%	2.8%	2.1%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$2	\$2	\$18	\$34,773	\$30,151	\$29,578	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$106	\$64	\$151	\$144	\$127	\$110	Prices are not rising as fast than nationally
Market cap rate	5.3%	5.4%	5.4%	6.3%	6.3%	6.4%	Cap rates are lower than nationally

21,047,385

50,577,712

0.2%

0.5%

\$24,585

2021 Q4 (Nov)

15.362

7.0%

2021 Q3

0.4%

0.5%

\$18,723

2020 Q4 (Dec)

12.896 (3,541.0)

7.0%

52,556,572

28,105,270

53,660,692

0.3%

0.5%

\$21,801

2021 Q3 (Sept)

15.397

7.0%

V	R	е	ta	į

Sales transactions

Market cap rate

VI. Hotel/Lodging

Net delivered over 12 months, in sq.ft.

Net delivered units, as % of inventory

Under construction, as % of inventory

Total investment acquisitions (in million \$)

Leisure and hospitality payroll workers ('000)

Y/Y change ('000) % share to nonfarm payroll employment

Under construction in sq.ft.

Transaction sale price per sq.ft.

IV. Industrial

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
Vacancy rate	2.3%	2.6%	3.5%	4.6%	4.8%	5.1%
Absorption in sq.ft. over the quarter	49,486	3,936	(63,789)	28,236,304	29,377,518	689,343
Absorption in sq.ft. over 12 months	200,873	87,598	(177,538)	76,321,048	48,774,088	(28,079,124)
Absorption in past 12 months as % of inventory	1.4%	0.6%	-1.2%	0.7%	0.4%	-0.3%
Market rent per sq.ft.	\$19.6	\$19.3	\$18.8	\$22.5	\$22.3	\$21.9
Market rent growth, y/y % chg.	4.3%	3.3%	1.0%	2.8%	2.1%	0.8%
Y/Y chg.in retail trade payroll employment ('000)	0.40	0.80	0.20	372.10	387.70	(473.90)
(as of latest available month of the quarter)						
Supply indicators						
Inventory in sq. ft.	14,449,627	14,400,141	14,248,754	11,209,097,216	11,180,823,552	11,132,858,368

16.228

0.1%

8,582

0.1%

\$33

\$191

6.5%

10.4

2021 Q4 (Nov) 2021 Q3 (Sept) 2020 Q4 (Dec)

16.228

27,857

0.1%

0.2%

\$35

6.5%

11.0

54,500

0.4%

\$48

\$170

6.5%

The area has a lower vacancy rate than nationally

The area has stronger absorption than natio

Rents are rising faster than nationally

The area has stronger retail trade job creation than natio

Less delivered space relative to inventory than nationally

Construction activity is slower than nationally

Sales transactions are not rising as fast than nationally Prices are rising faster nationally Cap rates are lower than nationally

Job creation in the leisure industry is weaker than nationally Lower fraction of workers in leisure industry than nationally

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor



Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

^{*}An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Portland-Vancouver-Hillsboro, OR-WA

Core-Based Statistical Area Code: 38900

The Portland-Vancouver-Hillsboro, OR-WA commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index* 60.0

Overall economic conditions are stronger than nationally. The apartment property market is about the same than nationally. The office property market is stronger than nationally. The industrial property market is about the same than nationally. The retail property market is not as strong than nationally.

The hotel/lodging property market is stronger than nationally.

Economic		ouver-Hillsboro,		2021 Q4 (Nov)	U.S.	2020 Q4 (Dec)	
	2021 Q4 (Nov)		1,133	2021 Q4 (NoV) 150,098	2021 Q3 (Sept) 147,650		
Total non-farm employment ('000) Y/Y chg.in nonfarm payroll employment ('000)	1,212 65	1,190 59	(113)	5,977	5,704	143,602 (9,244)	
Y/Y % chg. in nonfarm payroll employment	5.6%	5.2%	-9.1%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	4.1%	4.7%	7.3%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$1,163	\$1,139	\$1,107	\$1,080	\$1,073	\$1,038	Onemployment rate is lower than nationally
Wage growth, year-over-year	4.3%	6.4%	2.3%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally
(data are as of last month of the quarter)	4.576	0.476	2.370	4.076	4.576	0.776	wages are rising at a slower pace than nationally
(duta are as of last month of the quarter)	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-3.2%	2.1%	5.4%	-3.4%	2.3%	2.9%	
doi growar (70)	3.270	2.170	3.470	5.470	2.570	2.570	
	2019	2018	2017	2019	2018	2017	
Median household income	\$78,439	\$75,599	\$71,931	\$87,470	\$84,423	\$81,284	
Wicdian nodschold income	\$70,433	Ç13,333	\$71,551	307,470	304,423	Q01,204	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	10.3	7.4	6.4	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	2,510	2,492	2,475	331,501	328,330	326,838	· · · · · · · · · · · · · · · · · · ·
Population growth (%)	0.71%	0.70%	0.73%	0.97%	0.46%	0.53%	Population growth is slower than nationally
							,,
II. Multifamily							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.7%	4.6%	6.8%	4.6%	4.6%	6.6%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	712	2,588	1,322	78,063	189,629	94,740	
Absorption of units in past 12 months	10,377	10,987	6,201	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	5.1%	5.4%	3.2%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,516	\$1,522	\$1,388	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	9.3%	9.3%	0.8%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,505	\$1,508	\$1,366	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	10.2%	10.0%	0.6%	12.2%	11.6%	-0.1%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	14.9%	15.2%	14.2%	16.3%	16.3%	15.2%	Renting is more affordable than nationally
Supply indicators							
Inventory	202,964	202,246	192,642	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	6,459	6,875	7,178	369,993	387,542	434,591	
Net delivered units, as % of inventory	3.2%	3.4%	3.7%	2.2%	2.3%	2.6%	
Units under construction	4,487	5,000	8,923	681,402	692,701	687,551	
Units under construction, as % of inventory	2.2%	2.5%	4.6%	4.0%	4.1%	4.2%	Construction is weaker than nationally
Ratio of jobs created to net delivered units	10.0	8.5	(15.7)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)							
Sales transactions	44.545	44.054	4770	405.754	452.244	447.500	
Total investment acquisitions (in million \$) Transaction sales price per unit	\$1,515 \$296,474	\$1,054 \$249,265	\$773 \$266,952	\$86,764 \$235,199	\$63,211 \$231,697	\$47,522 \$212,033	Sales transactions are rising faster than nationally Prices are rising faster nationally
Market cap rate	4.5%	4.6%	4.6%	5.2%	5.2%	5.3%	Cap rates are lower than nationally
Market cap rate	4.576	4.076	4.076	3.276	3.276	5.576	cup rates are lower than nationally
III. Office							
51.105							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	11.4%	11.4%	9.8%	12.2%	11.4%	9.8%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	54,755	(59,596)	(903,611)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	(512,957)	(1,471,323)	(1,913,502)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	-0.5%	-1.5%	-1.9%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$28.8	\$28.8	\$28.0	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.9%	2.7%	-0.1%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	15.6	19.3	(5.8)	1,134	1,092	(870)	Slower office job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	99,810,560	99,755,808	100,297,120	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	1,439,088	1,578,248	1,178,672	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	1.4%	1.6%	1.2%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	888,966	930,451	2,139,363	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.9%	0.9%	2.1%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
Sales transactions						,	
Total investment acquisitions (in million \$)	\$161	\$107	\$396	\$28,031	\$29,974	\$21,646	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$240	\$177	\$584	\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	6.3%	6.2%	6.3%	7.0%	7.0%	7.0%	Cap rates are lower than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Portland-Vancouver-Hillsboro, OR-WA

Core-Based Statistical Area Code:

IV. Industrial							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.0%	4.6%	4.6%	4.2%	4.6%	5.5%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	1,768,798	739,885	(1,087,166)	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	3,107,888	251,924	1,615,841	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	1.3%	0.1%	0.7%	3.0%	2.7%	1.4%	The area has lower absorption than nationally
Market rent per sq.ft.	\$10.4	\$10.2	\$9.7	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	7.0%	5.9%	5.5%	8.6%	7.2%	4.6%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	234,533,024	232,764,224	231,425,136	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	1,817,230	1,807,149	3,812,689	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.8%	0.8%	1.6%	1.7%	1.8%	1.9%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	4,972,770	5,052,069	4,379,505	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	2.1%	2.2%	1.9%	3.0%	2.8%	2.1%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$349	\$200	\$241	\$34,773	\$30,151	\$29,578	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$192	\$139	\$100	\$144	\$127	\$110	Prices are rising faster nationally
Market cap rate	5.7%	5.7%	5.7%	6.3%	6.3%	6.4%	Cap rates are lower than nationally
V. Retail							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.1%	4.1%	4.1%	4.6%	4.8%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	77,902	289,680	(287,206)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	114,431	(250,677)	(973,661)	76,321,048	48,774,088	(28,079,124)	
Absorption in past 12 months as % of inventory	0.1%	-0.2%	-0.8%	0.7%	0.4%	-0.3%	The area has lower absorption than nationally
Market rent per sq.ft.	\$23.0	\$22.7	\$22.7	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	1.4%	0.3%	2.2%	2.8%	2.1%	0.8%	Rent growth is slower than nationally
Y/Y chg.in retail trade payroll employment ('000)	1.10	1.90	(3.40)	372.10	387.70	(473.90)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	118,920,976	118,843,080	118,806,544	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	113,151	30,844	155,069	21,047,385	28,105,270	41,736,234	Relatively more units delivered than nationally
Net delivered units, as % of inventory	0.1%	0.0%	0.1%	0.2%	0.3%	0.4%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	530,500	598,393	479,488	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.4%	0.5%	0.4%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$297	\$196	\$138	\$24,585	\$21,801	\$18,723	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$261	\$246	\$241	\$237	\$204	\$192	Prices are not rising as fast than nationally
Market cap rate	6.6%	6.6%	6.6%	7.0%	7.0%	7.0%	Cap rates are lower than nationally
VI. Hotel/Lodging							
Louging	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 O4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	104.3	102.4	71.8	15,362	15,397	12,896	
Y/Y change ('000)	16.7	15.0	(53.7)	2,533.0	1,841.0	(3,541.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	8.6%	8.6%	6.3%	10.2%	10.4%	9.0%	Lower fraction of workers in leisure industry than nationally

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally. NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types. For information about this report, email data@nar.realtor



NAR Commercial Real Estate Metro Market Report | 2021.Q4 Seattle-Tacoma-Bellevue, WA

Core-Based Statistical Area Code: 42660

The Seattle-Tacoma-Bellevue, WA commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index* 72.0

Overall economic conditions are stronger than nationally.

The apartment property market is stronger than nationally.

The office property market is stronger than nationally.

The industrial property market is about the same than nationally.

The retail property market is stronger than nationally.

The hotel/lodging property market is stronger than nationally.

		oma-Bellevue, \		2024 24 (1)	U.S.	2020 04 (2)	
Economic (1999)	2021 Q4 (Nov)			2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	2,079	2,061	1,964	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	107	103	(160)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.4%	5.3%	-7.5%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	3.5%	4.9%	6.1%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$1,411	\$1,398	\$1,380	\$1,080	\$1,073	\$1,038	Management of the second of th
Wage growth, year-over-year	-0.2%	2.2%	-0.7%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally
(data are as of last month of the quarter)		2010	2010				
CDD 11 (01)	2020	2019	2018	2020	2019	2018	
GDP growth (%)	0.0%	4.5%	7.8%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
AA 15 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1							
Median household income	\$94,027	\$87,910	\$82,133	\$87,470	\$84,423	\$81,284	
D	2020	2019	2018	2020	2019	2018	
Demographic							A tototo
Net domestic migration ('000)	9.4	2.2	7.0	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	4,019	3,978	3,938	331,501	328,330	326,838	
Population growth (%)	1.03%	1.02%	1.25%	0.97%	0.46%	0.53%	Population is growing faster than nationally
II. Multifamily							
n. Multifarmiy							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.9%	4.7%	7.1%	4.6%	4.6%	6.6%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	1,266	4,282	1,140	78,063	189,629	94,740	The area has a migher vacancy rate than hadonany
Absorption of units in past 12 months	17,178	17,052	2,936	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	5.0%	5.0%	0.9%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,863	\$1,879	\$1,684	\$1,543	\$1,532	\$1,387	The drea has stronger absorption than hationally
Market asking rent per unit, y/y % chg	10.7%	10.4%	-2.7%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,850	\$1,866	\$1,646	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	12.4%	12.0%	-3.9%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	15.1%	15.4%	13.7%	16.3%	16.3%	15.2%	Renting is more affordable than nationally
Kent as a percent of 2-person annual wage income	13.1/6	13.476	13.776	10.5/6	10.376	13.276	Kenting is more affordable than nationally
Supply indicators							
Inventory	340,927	339,708	323,916	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	9,708	9,496	7,637	369,993	387,542	434,591	
Net delivered units, as % of inventory	2.8%	2.8%	2.4%	2.2%	2.3%	2.6%	
Units under construction	23,067	22,097	21,983	681,402	692,701	687,551	
Units under construction, as % of inventory	6.8%	6.5%	6.8%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units	11.0	10.9	(21.0)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)	11.0	10.5	(21.0)	10.2	14.7	(21.5)	rewer jobs per denvered aims than nationally
(us of facest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$)	\$3,229	\$3,060	\$1,592	\$86.764	\$63.211	\$47.522	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$341,743	\$361,965	\$266,226	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.1%	4.1%	4.2%	5.2%	5.2%	5.3%	Cap rates are lower than nationally
·							· ·
III. Office							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	9.6%	9.7%	7.4%	12.2%	9.7%	7.4%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	968,506	315,225	(1,025,274)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	(1,074,667)	(3,068,447)	748,638	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	-0.5%	-1.5%	0.4%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$38.2	\$38.2	\$37.8	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	1.1%	0.2%	-3.3%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	18.9	23.5	(1.3)	1,134	1,092	(870)	Slower office job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	199,952,560	198,984,064	201,027,232	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	4,075,670	3,826,764	4,678,663	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	2.0%	1.9%	2.3%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	10,282,322	10,965,960	10,974,314	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	5.1%	5.5%	5.5%	2.0%	2.0%	2.1%	Construction activity is more robust than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$1,417	\$2,550	\$2,806	\$28,031	\$29,974	\$21,646	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$349	\$540	\$666	\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	5.6%	5.6%	5.6%	7.0%	7.0%	7.0%	Cap rates are lower than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Seattle-Tacoma-Bellevue, WA

Core-Based Statistical Area Code:

IV. Industrial							
	Seattle-	Tacoma-Bellevue	, WA	U.S.			
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.3%	4.7%	5.1%	4.2%	4.6%	5.5%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	2,525,653	3,413,087	1,462,302	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	7,516,199	6,452,848	2,376,886	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	2.3%	2.0%	0.7%	3.0%	2.7%	1.4%	The area has lower absorption than nationally
Market rent per sq.ft.	\$12.4	\$12.2	\$11.4	\$9.8	\$9.5	\$9.0	, , , , , , , , , , , , , , , , , , , ,
Market rent growth, y/y % chg.	8.7%	8.2%	4.2%	8.6%	7.2%	4.6%	Rents are rising faster than nationally
Supply indicators							
Inventory in sq. ft.	324,802,592	322,276,960	317,286,496	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	5,061,623	4,197,228	4,024,832	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	1.6%	1.3%	1.3%	1.7%	1.8%	1.9%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	8,627,801	9,709,956	5,995,245	508,025,152	466,780,896	340,499,936	zess denvenes relative to inventory than hadonany
Under construction, as % of inventory	2.7%	3.0%	1.9%	3.0%	2.8%	2.1%	Less delivered space relative to inventory than nationally
onder construction, as % of inventory	2.770	3.076	1.576	3.0%	2.676	2.176	Less denvered space relative to inventory than nationally
Sales transactions Total investment acquisitions (in million \$)	\$747	\$735	\$841	\$34,773	\$30,151	\$29,578	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$236	\$194	\$166	\$144	\$127	\$110	Prices are rising faster nationally
	\$236 4.8%		4.9%	6.3%			
Market cap rate	4.8%	4.9%	4.9%	6.3%	6.3%	6.4%	Cap rates are lower than nationally
V. Retail							
		2024 00					
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	The area has a favorable and a share and a share and a self-
Vacancy rate	2.6%	2.8%	2.7%	4.6%	4.8%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	141,401	432,243	221,500	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	(195,634)	(115,535)	139,105	76,321,048	48,774,088	(28,079,124)	
Absorption in past 12 months as % of inventory	-0.1%	-0.1%	0.1%	0.7%	0.4%	-0.3%	The area has lower absorption than nationally
Market rent per sq.ft.	\$27.6	\$27.5	\$26.7	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.1%	3.6%	2.7%	2.8%	2.1%	0.8%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	3.30	3.90	4.70	372.10	387.70	(473.90)	The area has stronger retail trade job creation than nationally
Supply indicators							
Inventory in sq. ft.	177,417,024	177,275,632	177,612,672	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	-254,822	-186,799	465,835	21,047,385	28,105,270	41,736,234	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	-0.1%	-0.1%	0.3%	0.2%	0.3%	0.4%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	1,384,401	1,237,987	503,393	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.8%	0.7%	0.3%	0.5%	0.5%	0.5%	Construction activity is more robust than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$547	\$534	\$247	\$24,585	\$21,801	\$18,723	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$332	\$352	\$322	\$237	\$204	\$192	Prices are not rising as fast than nationally
Market cap rate	5.9%	5.9%	6.0%	7.0%	7.0%	7.0%	Cap rates are lower than nationally
VI. Hotel/Lodging							
	2021 Q4 (Nov)	2021 Q3 (Sept)		2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	179.3	180.2	125.7	15,362	15,397	12,896	
Y/Y change ('000)	38.8	36.2	(81.4)	2,533.0	1,841.0	(3,541.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	8.6%	8.7%	6.4%	10.2%	10.4%	9.0%	Lower fraction of workers in leisure industry than nationally

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally. NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



NAR Commercial Real Estate Metro Market Report | 2021.Q4 Spokane-Spokane Valley, WA

Core-Based Statistical Area Code: 44060

The Spokane-Spokane Valley, WA commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index* 64.0

Overall economic conditions are stronger than nationally.

The apartment property market is about the same than nationally.

The office property market is stronger than nationally.

The industrial property market is about the same than nationally.

The retail property market is stronger than nationally.

The hotel/lodging property market is stronger than nationally.

Control Income Cont		Snokana S	Enokano Vallov V	MA.		U.S.		
Total such memployment (1000) 170 170 170 170 170 170 170 170 170 170	Economic				2021 Q4 (Nov)		2020 Q4 (Dec)	
\(Vert Act is nonlema parcol encloyers (100) \text{Vert Act is nonlema parcol enclosers (100) \text{Ve								
Virtic Line 10 10 10 10 10 10 10 1								
Marcage proachy wages wage		7.1%	7.0%					Job creation is stronger than nationally
Mages and sequence 4.5% 5.5% 5.6% 5.6% 5.5% 5.7% 1.5%		3.7%	4.9%	6.4%				
Section are of just month of the quanter) 1000 2019 2018 3000 2019 2018 2019 2019 2018 2019	Average weekly wages	\$1,092	\$1,073	\$1,044	\$1,080	\$1,073	\$1,038	
2006 2015 2016 2016 2016 2017 2018 2018 2.7%		4.5%	3.5%	5.4%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally
Page	(data are as of last month of the quarter)							
Median household income								
Demographic 1955	GDP growth (%)	-2.1%	2.7%	5.0%	-3.4%	2.3%	2.9%	
Demographic 1955								
Demographic 2020 2019 2018 2020 2019 2018 2020 2019 2018 2020 2019 2018 2020								
Next deniests: migration (1000) 5.7 8.0 7.1 9.0 0.0	Median household income	\$59,646	\$58,546	\$53,321	\$87,470	\$84,423	\$81,284	
Next deniests: migration (1000) 5.7 8.0 7.1 9.0 0.0	Daman makir	2020	2010	2010	2020	2010	2010	
Population (1000) 575 568 559 331,501 322,330 22,838 Population (1000)								Area is experiencing not domestic in migration
Deputation pronch No 1.15% 1.65% 1.55% 0.97% 0.04% 0.55% Pagulation is growing faster than nationally						-	-	Area is experiencing net domestic in-migration
Nultifamily								Population is growing factor than nationally
Demand Indications 2021 Q4 2021 Q3 2020 Q4 2021 Q3 2021 Q3 2020 Q4 2020 Q4 2021 Q3 2021 Q3 2021 Q3 2020 Q4 2021 Q3 202	ropulation growth (%)	1.13/6	1.03/6	1.55%	0.5776	0.40%	0.55%	ropulation is growing juster than hationally
Nationary case 4,0%	II. Multifamily							
Nationary case 4,0%	Demand indicators	2021 04	2021 03	2020 04	2021 04	2021 03	2020 04	
Absorption of units upset 12 months See 3 489 78,063 189,629 94,700 Absorption in grant 12 months 795 1,266 1,235 1,146,772 73,149 37,072 Absorption in grant 12 months 87,073 3,574 4,274 4,374 2,374 Absorption in grant 12 months 57,074 1,147 1,147 1,147 1,147 Absorption in grant 12 months 51,273 3,574 3,574 4,474 1,1674 1,147 1,147 Absorption in grant 12 months 51,273 3,1474 1,1674 1,147 1,147 1,147 Absorption in grant 12 months 51,273 51,273 51,374 1,1574 1,1674 1,174 1,								The area has a lower vacancy rate than nationally
Absorption of nutris in past 12 months Absorption of nutris in past 12 months with office S. 1.25 S. 1								
Absorption in past 12 months as % of inventory Absorption in past 12 months a			-					
Market asking rem per unit, Yi % chg Effective ent per per unit, Yi % chg Effective ent per unit. Effec								The area has lower absorption than nationally
Market asking rent per unit, \mathcal{Y}, \mathcal{V} chig								,
Effective rent per unit S1,213 S1,213 S1,073 S1,534 S1,523 S1,075 Rent are rising faster than nationally Rent are rising faster rising faster than nationally Rent are rising faster than nationally Rent are rising faster								
Effective rent per unit, y/y % chg 13.0% 13.0% 13.0% 13.0% 13.0% 11.8% 12.2% 11.6% -0.1% Rents are rising faster than nationally								
Rent as percent of 2-person annual wage income 12.8% 13.3% 11.8% 16.3% 16.3% 15.2% Renting is more affordable than nationally	Effective rent per unit, y/y % chg							Rents are rising faster than nationally
Next delivered units in past 12 months 839 1,196 1,295 3,899.33 387,512 434,911 Next delivered units, as % of inventory 1,25% 3,4% 3,3% 2,2% 2,3% 2,6% Units under construction 1,426 1,323 1,44 681,402 697,710 687,551 Units under construction 3,46% 3,3% 4,3% 4,0% 4,1% 4,2% Construction is stronger than nationally (as of inventory 4,1% 3,3% 4,3% 4,0% 4,1% 4,2% Construction is stronger than nationally (as of inventory 2,0% 3,1% 4,3% 4,0% 4,1% 4,2% Construction is stronger than nationally (as of inventory 2,0% 3,1% 5,1% 5,1% 5,1% Sales transactions 2,0% 4,1% 4,1% 4,2% Construction is stronger than nationally (as of inventory 4,1% 5,1% 5,1% 5,1% 5,1% Sales transactions 2,0% 4,1% 4,1% 5,1% 5,1% Construction is stronger than nationally (as of inventory 4,1% 4,2% 4,1% 4,2% Construction is stronger than nationally (as of inventory 4,1% 5,1% 5,2		12.8%		11.8%	16.3%	16.3%	15.2%	
Newtoday 1,4756 34,694 33,960 17,112,020 17,034,566 16,401,550 16,4								
Net delivered units in past 12 months 859 1,196 1,295 38,099 337,542 434,591 Net delivered units, as % of inventory 2,5% 3,4% 3,8% 4,3% 4,0% 4,1% 42% Units under construction 1,426 1,323 1,474 681,402 692,701 687,551 Units under construction 2,03 14,2 (13.5) 16.2 14.7 (21.3) Ratio of jobs created to net delivered units 20.3 14,2 (13.5) 16.2 14.7 (21.3) Soles transactions 1,426 1,426 1,426 1,426 1,427 (21.3) Soles transactions 1,426 1,426 1,426 1,427 (21.3) Soles transactions 1,426 1,426 1,426 1,427 (21.3) Soles transactions 1,426 1,		34 756	3/1 69/1	33 960	17 112 020	17 034 566	16 401 950	
Net delivered units, as No finwentory 2.5% 3.4% 3.8% 2.2% 2.3% 2.6% 2.3% 2.2% 2.3% 2.6% 2.3% 2.2% 2.								
Links under construction 1,426 1,323 1,474 681,402 692,701 687,551 Construction as % of inventory Ratio of jobs created to net delivered units (as of intest available month of the quarter) 20.3 14.2 (13.5) 16.2 14.7 (21.3)								
Units under construction, as % of inventory at 4.1% and 3.8% at 4.3% at 4.3% at 4.1% at 4.2% at 5.2% a								
Ratio of jobs created to net delivered units 20.3 14.2 (13.5) 16.2 14.7 (21.3) More jobs per delivered units than nationally (as of latest available month of the quarter) 50 50 50 50 50 50 50 5								Construction is stronger than nationally
Sales transactions Sales t								
Section Sect				, , ,			, -,	,
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Signature Sign		440	404	474	405 754	452.244	447.500	
Market cap rate 5.2% 5.2% 5.4% 5.2% 5.2% 5.3% 5.3% Cap rates are higher than nationally								
Demand Indicators 2021 Q4 2021 Q3 2020 Q4 2020 Q4 2021 Q3 2020 Q4 2020								
Demand Indicators 2021 Q4 2021 Q3 2020 Q4 2020	Warket cap rate	3.276	3.276	3.476	3.2/6	3.2/6	3.376	cup rates are nigher than nationally
Vacancy rate 6.9% 7.6% 7.7% 12.2% 7.6% 7.7% 7.6% 7.7% 12.2% 7.6% 7.7% 7.6% 7.7% Absorption in sq.ft. over 12 months as % of inventory 0.9% 0.0% 0.8% -0.5% -1.2% -1.0% 14,661,520) Absorption in past 12 months as % of inventory 0.9% 0.0% 0.8% -0.5% -1.2% -1.0% 1-1.0%	III. Office							
Vacancy rate 6.9% 7.6% 7.7% 12.2% 7.6% 7.7% 12.2% 7.6% 7.7% 12.2% 7.6% 7.7% 12.2% 7.6% 7.7% 7.8% 7.7% 7.8% 7.7% 7.8% 7.7% 7.8% 7.7% 7.8% 7.7% 7.8% 7.7% 7.8% 7.7% 7.8% 7.7% 7.8% 7.7% 7.8% 7.7% 7.8% 7.8% 7.7% 7.8% 7.2% 7.	Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Absorption in sq.ft. over the quarter	Vacancy rate							The area has a lower vacancy rate than nationally
Absorption in sq.ft. over 12 months Absorption in past 12 months as % of inventory Absorption in past 12 months as % of inventory O.9% O.0% O.8% O.8% O.5% O.5% O.5% O.5% O.5% O.5% O.5% O.5	•				14,567,728			
Absorption in past 12 months as % of inventory 0.9% 0.0% 0.8% 0.5% 1.2% 1.2% 1.0% 1.5% Rents are rising faster than nationally 1.5% 1.5% Rents are rising faster than nationally 1.0% 1.0% 1.0% 1.0% 1.1% 1.0% 1.								
Market rent growth, y/y % chg. Market growth, y/y % cho. Market growth, y/y % cho. Market growth, y/y chol. Market growth, y/2 (6,5) Market growth, y/2 (8,00) Market growth, y/2		0.9%		0.8%				The area has stronger absorption than nationally
\(\frac{\text{V/c} \choose \c	Market rent per sq.ft.	\$20.6	\$20.6	\$20.0	\$34.4	\$34.3	\$34.3	
Supply indicators		3.3%	3.2%	2.4%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Supply indicators 10,446 21,349,360 21,204,738 21,160,648 7,237,517,312 7,222,925,312 7,276,806,144 4 Net delivered over 12 months, in sq.ft. 10,446 (22,740) 141,614 59,502,409 57,367,205 45,533,641 45,533,641 Net delivered units, as % of inventory 0.0% -0.1% 0.7% 0.8% 0.8% 0.6% More delivered space relative to inventory than not inventory than not inventory than not inventory. Under construction in sq.ft. 41,500 41,500 32,283 142,297,840 141,203,264 155,258,080 Construction activity is slower than nationally. Under construction, as % of inventory 0.2% 0.2% 0.2% 2.0% 2.0% 2.1% Construction activity is slower than nationally. Sales transactions Total investment acquisitions (in million \$) \$25 \$58 \$10 \$28,031 \$29,974 \$21,646 Sales transactions are rising faster than nationally. Transaction sale price per sq.ft. \$191 \$178 \$99 \$305 \$306 \$301 Prices are rising faster nationally. <td>Y/Y chg.in professional/business services jobs ('000)</td> <td>1.0</td> <td>1.7</td> <td>(0.5)</td> <td>1,134</td> <td>1,092</td> <td>(870)</td> <td>Slower office job creation than nationally</td>	Y/Y chg.in professional/business services jobs ('000)	1.0	1.7	(0.5)	1,134	1,092	(870)	Slower office job creation than nationally
Inventory in sq. ft. 21,349,360 21,204,738 21,160,648 7,237,517,312 7,222,925,312 7,276,806,144 Net delivered over 12 months, in sq.ft. 10,446 (22,740) 141,614 59,502,409 57,367,205 45,533,641 Nor delivered space relative to inventory than not not need to be a construction in sq.ft. 41,500 41,500 32,283 142,297,840 141,203,264 155,258,080 Construction activity is slower than nationally	(as of latest available month of the quarter)							
Inventory in sq. ft. 21,349,360 21,204,738 21,160,648 7,237,517,312 7,222,925,312 7,276,806,144 Net delivered over 12 months, in sq.ft. 10,446 (22,740) 141,614 59,502,409 57,367,205 45,533,641 Nor delivered space relative to inventory than not not need to be a construction in sq.ft. 41,500 41,500 32,283 142,297,840 141,203,264 155,258,080 Construction activity is slower than nationally	Supply indicators							
Net delivered over 12 months, in sq.ft. 10,446 (22,740) 141,614 59,502,409 57,367,205 45,533,641 More delivered space relative to inventory than not inventory than not inventory than not inventory than not inventory in sq.ft. 0.0% -0.1% 0.7% 0.8% 0.8% 0.6% More delivered space relative to inventory than not inventory than not inventory than not inventory than not inventory in sq.ft. 0.2% 2.0% 141,203,264 155,258,080 Construction activity is slower than nationally in solver than nationally in sq.ft. Sales transactions Total investment acquisitions (in million \$) \$25 \$58 \$10 \$28,031 \$29,974 \$21,646 Sales transactions are rising faster than nationally in the nationally in the price per sq.ft. \$99 \$305 \$306 \$301 Prices are rising faster nationally in the price per sq.ft.		21,349,360	21,204,738	21,160,648	7,237,517,312	7,222,925,312	7,276,806,144	
Under construction in sq.ft. 41,500 41,500 32,283 142,297,840 141,203,264 155,258,080 Construction activity is slower than nationally Sales transactions Total investment acquisitions (in million \$) \$25 \$58 \$10 \$28,031 \$29,974 \$21,646 \$30les transactions are rising faster than nationally Transaction sale price per sq.ft. \$191 \$178 \$99 \$305 \$306 \$301 Prices are rising faster nationally								
Under construction, as % of inventory 0.2% 0.2% 0.2% 2.0% 2.0% 2.1% Construction activity is slower than nationally Sales transactions Total investment acquisitions (in million \$) \$25 \$58 \$10 \$28,031 \$29,974 \$21,646 \$21,6	Net delivered units, as % of inventory	0.0%	-0.1%		0.8%	0.8%	0.6%	More delivered space relative to inventory than nation
Under construction, as % of inventory 0.2% 0.2% 0.2% 2.0% 2.0% 2.1% Construction activity is slower than nationally Sales transactions Total investment acquisitions (in million \$) \$25 \$58 \$10 \$28,031 \$29,974 \$21,646 \$21,6	Under construction in sq.ft.		41,500				155,258,080	
Total investment acquisitions (in million \$) \$25 \$58 \$10 \$28,031 \$29,974 \$21,646 \$ Sales transactions are rising faster than nationally Transaction sale price per sq.ft. \$191 \$178 \$99 \$305 \$306 \$301 \$ Prices are rising faster nationally	Under construction, as % of inventory	0.2%	0.2%		2.0%	2.0%	2.1%	Construction activity is slower than nationally
Transaction sale price per sq.ft. \$191 \$178 \$99 \$305 \$306 \$301 Prices are rising faster nationally	Sales transactions							
	Total investment acquisitions (in million \$)	\$25	\$58	\$10	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Market cap rate 8.0% 8.0% 8.1% 7.0% 7.0% 7.0% Cap rates are higher than nationally								
	Market cap rate	8.0%	8.0%	8.1%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Spokane-Spokane Valley, WA

Core-Based Statistical Area Code:

IV. Industrial							
	Spokane	-Spokane Valley	, WA	U.S.			
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	3.3%	3.2%	3.4%	4.2%	4.6%	5.5%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	1,523,943	253,019	254,118	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	1,836,221	566,396	854,093	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	3.7%	1.2%	1.8%	3.0%	2.7%	1.4%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$7.7	\$7.6	\$7.3	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	6.3%	5.2%	3.9%	8.6%	7.2%	4.6%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	49,083,864	47,559,920	47,247,640	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	1,826,400	366,703	1,047,415	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	3.7%	0.8%	2.2%	1.7%	1.8%	1.9%	More deliveries relative to inventory than nationally
Under construction in sq.ft.	368,642	1,975,642	2,066,500	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	0.8%	4.2%	4.4%	3.0%	2.8%	2.1%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$181	\$18	\$16	\$34,773	\$30,151	\$29,578	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$121	\$69	\$63	\$144	\$127	\$110	Prices are rising faster nationally
Market cap rate	6.7%	6.7%	6.6%	6.3%	6.3%	6.4%	Cap rates are higher than nationally
							, , , , , , , , , , , , , , , , , , , ,
V. Retail							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	3.6%	3.9%	4.4%	4.6%	4.8%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	99,192	140,421	46,046	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	386,600	333,454	(17,765)	76,321,048	48,774,088	(28,079,124)	
Absorption in past 12 months as % of inventory	1.1%	0.9%	0.0%	0.7%	0.4%	-0.3%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$14.7	\$14.4	\$14.0	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	5.1%	3.8%	1.4%	2.8%	2.1%	0.8%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	0.80	0.20	(0.90)	372.10	387.70	(473.90)	The area has weaker retail trade job creation than nationally
(as of latest available month of the quarter)			(5.55)			()	, , , , , , , , , , , , , , , , , , , ,
(,,							
Supply indicators							
Inventory in sq. ft.	36,743,164	36,643,972	36,356,564	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	102,764	102,246	33.974	21,047,385	28,105,270	41,736,234	Relatively more units delivered than nationally
Net delivered units, as % of inventory	0.3%	0.3%	0.1%	0.2%	0.3%	0.4%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	35,096	40,987	100,764	50,577,712	53,660,692	52,556,572	, , , , , , , , , , , , , , , , , , , ,
Under construction, as % of inventory	0.1%	0.1%	0.3%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
onder construction, as 70 or inventory	0.170	0.270	0.570	0.570	0.570	0.570	construction activity is stored than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$42	\$40	\$16	\$24,585	\$21,801	\$18,723	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$209	\$103	\$145	\$237	\$204	\$192	Prices are rising faster nationally
Market cap rate	7.3%	7.4%	7.4%	7.0%	7.0%	7.0%	Cap rates are higher than nationally
	7.570	7.470		7.070	7.070	070	
VI. Hotel/Lodging							
,5 5	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	22.6	23.7	15.2	15,362	15,397	12,896	
Y/Y change ('000)	4.5	4.4	(9.3)	2,533.0	1,841.0	(3,541.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	8.6%	9.1%	6.3%	10.2%	10.4%	9.0%	Lower fraction of workers in leisure industry than nationally

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally. NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types. For information about this report, email data@nar.realtor



NAR Commercial Real Estate Metro Market Report | 2021.Q4 Walla Walla, WA

Core-Based Statistical Area Code: 47460

The Walla Walla, WA commercial real estate market is not as strong compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index* 44.0

Overall economic conditions are stronger than nationally.

The apartment property market is stronger than nationally.

The office property market is not as strong than nationally.

The industrial property market is not as strong than nationally.

The retail property market is not as strong than nationally.

The hotel/lodging property market is about the same than nationally.

	Walla	Walla, WA			U.S.		
Economic	2021 Q4 (Nov) 2	021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	30	30	28	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	1	2	(1)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	4.6%	5.7%		4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	3.9%	4.1%		4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$869	\$886		\$1,080	\$1,073	\$1,038	,
Wage growth, year-over-year	-4.6%	-2.7%		4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally
(data are as of last month of the quarter)	1.070	2.770	15.570	1.070	1.570	0.770	rages are rising at a sioner pace than nationally
(data are as of last month of the quarter)	2020	2019	2018	2020	2019	2018	
CDDth (W)			1.0%			2.9%	
GDP growth (%)	-7.2%	-1.2%	1.0%	-3.4%	2.3%	2.9%	
	****	2010	2017	****	2010		
	2019	2018		2019	2018	2017	
Median household income	\$61,285	\$59,704	\$54,157	\$87,470	\$84,423	\$81,284	
Demographic	2020	2019		2020	2019	2018	
Net domestic migration ('000)	0.2	0.1	0.0	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	61	61	61	331,501	328,330	326,838	
Population growth (%)	0.38%	0.47%	0.16%	0.97%	0.46%	0.53%	Population growth is slower than nationally
II. Multifamily							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	3.0%	6.0%	3.1%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	27	58	2	78,063	189,629	94,740	
Absorption of units in past 12 months	134	109	(3)	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	15.2%	12.8%		4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$975	\$969		\$1,543	\$1,532	\$1,387	, , , , , , , , , , , , , , , , , , , ,
Market asking rent per unit, y/y % chg	3.9%	4.1%		11.3%	10.6%	0.5%	
	\$969	\$966		\$1,534	\$1,523	\$1,367	
Effective rent per unit	3.6%	3.9%					On the secondary second allowed the second second
Effective rent per unit, y/y % chg		12.5%		12.2%	11.6%	-0.1%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	12.8%	12.5%	13.0%	16.3%	16.3%	15.2%	Renting is more affordable than nationally
Supply indicators							
Inventory	879	852	745	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	137	137	-	369,993	387,542	434,591	
Net delivered units, as % of inventory	15.6%	16.1%		2.2%	2.3%	2.6%	
Units under construction		-	137	681,402	692,701	687,551	
Units under construction, as % of inventory	-	-	18.4%	4.0%	4.1%	4.2%	
Ratio of jobs created to net delivered units	9.5	11.7	-	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$)		-		\$86,764	\$63,211	\$47,522	
Transaction sales price per unit		-	-	\$235,199	\$231,697	\$212,033	
Market cap rate	5.0%	5.0%	5.1%	5.2%	5.2%	5.3%	Cap rates are lower than nationally
							·
III. Office							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	2.6%	3.3%	0.7%	12.2%	3.3%	0.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	5,343	(233)	-	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	(14,242)	(19,585)	20,470	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	-2.0%	-2.7%	2.8%	-0.5%	-1.2%	-1.0%	The area has lower absorption than nationally
Market rent per sq.ft.	\$20.2	\$20.1	\$19.5	\$34.4	\$34.3	\$34.3	, , , , , , , , , , , , , , , , , , , ,
Market rent growth, y/y % chg.	3.4%	3.8%		0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	0.0	0.1	0.0	1,134	1,092	(870)	Rents are rising juster than hationally
(as of latest available month of the quarter)	0.0	0.1	0.0	1,134	1,032	(870)	
()							
Supply indicators							
Inventory in sq. ft.	726,739	721,396	740,981	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	-	=	-	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	-	-	-	0.8%	0.8%	0.6%	
Under construction in sq.ft.	-	-	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$0	\$0	\$3	\$28,031	\$29,974	\$21,646	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$0	\$0		\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	7.5%	7.5%		7.0%	7.0%	7.0%	Cap rates are higher than nationally
market cap race	7.576	7.576	7.076	7.076	7.076	7.076	cap rates are ingiter than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Walla Walla, WA

Core-Based Statistical Area Code:

IV. Industrial							
	Wa	lla Walla, WA		U.S.			
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	12.4%	12.5%	11.2%	4.2%	4.6%	5.5%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	4,000	15,506	(2,443)	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	(43,678)	(50,121)	(136,882)	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	-1.4%	-1.6%	-4.2%	3.0%	2.7%	1.4%	The area has lower absorption than nationally
Market rent per sq.ft.	\$7.7	\$7.5	\$7.3	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	5.9%	4.9%	3.8%	8.6%	7.2%	4.6%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	3,210,027	3,206,027	3,253,705	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	-	-	-	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	-	-	-	1.7%	1.8%	1.9%	
Under construction in sq.ft.	-	-	-	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	-	-	3.0%	2.8%	2.1%	
Sales transactions							
		_	\$1	\$34,773	\$30,151	\$29,578	
Total investment acquisitions (in million \$)	-	-	\$91	\$144	\$127	\$29,578	
Transaction sale price per sq.ft. Market cap rate	5.9%	5.9%	6.0%	6.3%	6.3%	6.4%	Cap rates are lower than nationally
Market cap rate	5.9%	5.9%	6.0%	6.3%	0.3%	6.4%	Cap rates are lower than nationally
V. Retail							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	6.4%	3.5%	4.2%	4.6%	4.8%	5.1%	The area has a higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	(78,419)	21,492	22,923	28,236,304	29.377.518	689.343	
Absorption in sq.ft. over 12 months	(49,815)	51,527	(47,194)	76,321,048	48,774,088	(28,079,124)	
Absorption in past 12 months as % of inventory	-1.9%	1.9%	-1.8%	0.7%	0.4%	-0.3%	The area has lower absorption than nationally
Market rent per sq.ft.	\$13.9	\$13.7	\$13.1	\$22.5	\$22.3	\$21.9	·
Market rent growth, y/y % chg.	5.9%	4.6%	1.5%	2.8%	2.1%	0.8%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	0.00	0.00	0.20	372.10	387.70	(473.90)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	2,589,968	2,668,387	2,639,783	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	9.100	29,183	20,977	21,047,385	28,105,270	41,736,234	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.4%	1.1%	0.8%	0.2%	28,103,270	0.4%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	0.476	1.1/6	0.676	50,577,712	53,660,692	52,556,572	wiore delivered space relative to inventory than nationally
Under construction, as % of inventory				0.5%	0.5%	0.5%	
onact construction, as 70 of inventory		-		0.5%	0.5%	0.376	
Sales transactions							
Total investment acquisitions (in million \$)	\$5	\$8	\$23	\$24,585	\$21,801	\$18,723	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$99	\$96	\$163	\$237	\$204	\$192	Prices are not rising as fast than nationally
Market cap rate	7.1%	7.1%	6.9%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

2021 Q4 (Nov) 2021 Q3 (Sept)

15,397

15,362

2020 Q4 (Dec)

12,896 (3,541.0) 9.0%

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar* market areas.

2.2 (0.4) 7.9%

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

2021 Q4 (Nov) 2021 Q3 (Sept) 2020 Q4 (Dec)

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor

VI. Hotel/Lodging

Leisure and hospitality payroll workers ('000)

Y/Y change ('000) % share to nonfarm payroll employment

Visit NAR's Commercial Research webpage at https://www.nar.realtor/research-and-statistics/research-reports/commercial-research



Job creation in the leisure industry is stronger than nationally Lower fraction of workers in leisure industry than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Wenatchee, WA

Core-Based Statistical Area Code: 48300

The Wenatchee, WA commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index* 62.5

Overall economic conditions are stronger than nationally. The apartment property market is stronger than nationally. The office property market is stronger than nationally. The industrial property market is about the same than nationally. The retail property market is not as strong than nationally.

The hotel/lodging property market is stronger than nationally.

Wenatchee, WA U.S.											
Economic		2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)					
Total non-farm employment ('000)	45	46	43	150,098	147,650	143,602					
Y/Y chg.in nonfarm payroll employment ('000)	2	1	(4)	5,977	5,704	(9,244)					
Y/Y % chg. in nonfarm payroll employment	4.9%	3.2%	-8.0%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally				
Unemployment rate (%)	4.6%	4.9%	6.3%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally				
Average weekly wages	\$815	\$732	\$697	\$1,080	\$1,073	\$1,038					
Wage growth, year-over-year	16.3%	8.8%	-0.6%	4.8%	4.5%	6.7%	Wages are rising faster than nationally				
(data are as of last month of the quarter)											
CDDth (0/)	2020	2019	2018	2020	2019	2018					
GDP growth (%)	-0.6%	-1.8%	1.8%	-3.4%	2.3%	2.9%					
	2019	2018	2017	2019	2018	2017					
Median household income	\$60,532	\$61,714	\$58,990	\$87,470	\$84,423	\$81,284					
median nodsenoid meonie	Ų00,33 <u>2</u>	<i>\$01,71</i> 1	\$30,330	Q07,170	ÇO 1, 123	Q01,201					
Demographic	2020	2019	2018	2020	2019	2018					
Net domestic migration ('000)	0.5	0.7	0.6	0	0	0	Area is experiencing net domestic in-migration				
Population ('000)	121	120	119	331,501	328,330	326,838					
Population growth (%)	0.69%	0.99%	0.81%	0.97%	0.46%	0.53%	Population growth is slower than nationally				
II. Multifamily											
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4					
Vacancy rate	7.2%	4.3%	13.8%	4.6%	4.6%	6.6%	The area has a higher vacancy rate than nationally				
Absorption of units over the quarter	70	31	45	78,063	189,629	94,740					
Absorption of units in past 12 months	260	235	164	714,672	731,349	376,273					
Absorption in past 12 months as % of inventory	13.4%	12.5%	9.7%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally				
Market asking rent per unit	\$1,566	\$1,541	\$1,384	\$1,543	\$1,532	\$1,387					
Market asking rent per unit, y/y % chg	13.1%	11.4%	4.1%	11.3%	10.6%	0.5%					
Effective rent per unit	\$1,558	\$1,531	\$1,374	\$1,534	\$1,523	\$1,367					
Effective rent per unit, y/y % chg	13.4%	11.1%	3.5%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally				
Rent as a percent of 2-person annual wage income	22.0%	24.0%	22.7%	16.3%	16.3%	15.2%	Renting is less affordable than nationally				
Supply indicators											
Inventory	1,943	1,873	1,684	17,112,020	17,034,566	16,401,950					
Net delivered units in past 12 months	142	205	296	369,993	387,542	434,591					
Net delivered units, as % of inventory	7.3%	10.9%	17.6%	2.2%	2.3%	2.6%					
Units under construction	7.570	137	142	681,402	692,701	687,551					
Units under construction, as % of inventory	_	7.3%	8.4%	4.0%	4.1%	4.2%					
Ratio of jobs created to net delivered units	14.8	6.8	(12.5)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally				
(as of latest available month of the quarter)	11.0	0.0	(12.5)	10.2	,	(22.5)	remer jous per demered annes and mademany				
,,											
Sales transactions											
Total investment acquisitions (in million \$)	-	\$4	\$31	\$86,764	\$63,211	\$47,522					
Transaction sales price per unit	-	\$264,286	\$138,556	\$235,199	\$231,697	\$212,033					
Market cap rate	5.0%	5.0%	5.1%	5.2%	5.2%	5.3%	Cap rates are lower than nationally				
III. Office											
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4					
Vacancy rate	0.1%	0.4%	0.6%	12.2%	0.4%	0.6%	The area has a lower vacancy rate than nationally				
Absorption in sq.ft. over the quarter	4,071	4,080	0.0%	14,567,728	5,676,582	(34,912,824)	The drea has a lower vacancy rate than hattoriany				
Absorption in sq.ft. over the quarter	7.222	3,151	(4.081)	(39,446,204)	(88,926,760)	(74,605,520)					
Absorption in past 12 months as % of inventory	0.5%	0.2%	-0.3%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally				
Market rent per sq.ft.	\$23.4	\$23.3	\$22.7	\$34.4	\$34.3	\$34.3	The area has stronger absorption than nationally				
Market rent growth, y/y % chg.	3.1%	3.7%	1.0%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally				
Y/Y chg.in professional/business services jobs ('000)	5.170	5.770	1.070	1,134	1,092	(870)	nents are rising juster than nationally				
(as of latest available month of the quarter)				2,23	2,032	(0,0)					
(== 5)											
Supply indicators											
Inventory in sq. ft.	1,540,158	1,536,087	1,532,936	7,237,517,312	7,222,925,312	7,276,806,144					
Net delivered over 12 months, in sq.ft.	-			59,502,409	57,367,205	45,533,641					
Net delivered units, as % of inventory	-	-	-	0.8%	0.8%	0.6%					
Under construction in sq.ft.	-	-	-	142,297,840	141,203,264	155,258,080					
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%					
Sales transactions											
Total investment acquisitions (in million \$)	\$0	\$8	\$0	\$28,031	\$29,974	\$21,646					
Transaction sale price per sq.ft.	\$0	\$197	\$0	\$305	\$306	\$301					
Market cap rate	7.4%	7.4%	7.4%	7.0%	7.0%	7.0%	Cap rates are higher than nationally				

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Wenatchee, WA

Core-Based Statistical Area Code: 48300

IV. Industrial								
	Wenatchee, WA		U.S.					
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4		
Vacancy rate	0.0%	0.0%	1.3%	4.2%	4.6%	5.5%	The area has lower vacancy rate than nationally	
Absorption in sq.ft. over the quarter	0	0	7,000	134,147,704	163,473,664	85,677,192		
Absorption in sq.ft. over 12 months	43,235	50,235	(30,659)	502,819,872	454,349,376	223,162,272		
Absorption in past 12 months as % of inventory	1.3%	1.5%	-0.9%	3.0%	2.7%	1.4%	The area has lower absorption than nationally	
Market rent per sq.ft.	\$11.3	\$11.0	\$10.6	\$9.8	\$9.5	\$9.0		
Market rent growth, y/y % chg.	6.0%	5.0%	3.9%	8.6%	7.2%	4.6%	Rent growth is slower than nationally	
Supply indicators								
Inventory in sq. ft.	3.356.242	3,356,242	3.313.007	16,815,425,536	16,680,851,456	16,312,040,448		
Net delivered over 12 months, in sq.ft.	3,330,212		-	283,714,234	297,459,785	307,128,078		
Net delivered units, as % of inventory	_	_		1.7%	1.8%	1.9%		
Under construction in sq.ft.	_	_	_	508,025,152	466,780,896	340,499,936		
Under construction, as % of inventory	_	_	_	3.0%	2.8%	2.1%		
Sales transactions								
Total investment acquisitions (in million \$)	-	\$1	\$2	\$34,773	\$30,151	\$29,578		
Transaction sale price per sq.ft.	-	\$186	\$100	\$144	\$127	\$110		
Market cap rate	5.7%	5.7%	5.7%	6.3%	6.3%	6.4%	Cap rates are lower than nationally	
V. Retail								
v. Retali								
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4		
Vacancy rate	0.6%	0.5%	0.6%	4.6%	4.8%	5.1%	The area has a lower vacancy rate than nationally	
Absorption in sq.ft. over the quarter	(2,000)	16,000	8,402	28,236,304	29,377,518	689,343		
Absorption in sq.ft. over 12 months	1,785	12,187	2,853	76,321,048	48,774,088	(28,079,124)		
Absorption in past 12 months as % of inventory	0.0%	0.3%	0.1%	0.7%	0.4%	-0.3%	The area has lower absorption than nationally	
Market rent per sq.ft.	\$16.5	\$16.2	\$15.6	\$22.5	\$22.3	\$21.9		
Market rent growth, y/y % chg.	5.8%	4.5%	1.4%	2.8%	2.1%	0.8%	Rents are rising faster than nationally	
Y/Y chg.in retail trade payroll employment ('000)	0.00	0.10	(0.10)	372.10	387.70	(473.90)	The area has stronger retail trade job creation than nationally	
(as of latest available month of the quarter)								
Cumulu indicatore								
Supply indicators Inventory in sq. ft.	4,811,214	4,813,214	4,809,429	11,209,097,216	11,180,823,552	11,132,858,368		
Net delivered over 12 months, in sq.ft.	4,011,214	4,013,214	4,003,423	21,047,385	28,105,270	41,736,234		
Net delivered units, as % of inventory		_	_	0.2%	0.3%	0.4%		
Under construction in sq.ft.	_	_	_	50,577,712	53,660,692	52,556,572		
Under construction, as % of inventory	_	_	_	0.5%	0.5%	0.5%		
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Sales transactions								
Total investment acquisitions (in million \$)	\$8	\$4	\$2	\$24,585	\$21,801	\$18,723	Sales transactions are rising faster than nationally	
Transaction sale price per sq.ft.	\$316	\$208	\$113	\$237	\$204	\$192	Prices are rising faster nationally	
Market cap rate	7.3%	7.3%	7.4%	7.0%	7.0%	7.0%	Cap rates are higher than nationally	
M. Hatal /I adains								
VI. Hotel/Lodging	2021 04 (N=)	2021 02 (54-4)	2020 O4 (De-1	2021 04 (N=)	2021 02 (5 ==+)	2020 O4 (D)		
Leisure and hospitality payroll workers ('000)	2021 Q4 (Nov) 6.2	2021 Q3 (Sept) 6.5	2020 Q4 (Dec) 4.7	2021 Q4 (Nov) 15,362	2021 Q3 (Sept) 15,397	2020 Q4 (Dec) 12,896		
Y/Y change ('000)	0.9	0.9	(2.1)	2,533.0	1,841.0	(3,541.0)	Job creation in the leisure industry is stronger than nationally	
% share to nonfarm payroll employment	13.7%	14.3%	11.0%	10.2%	10.4%	9.0%	Higher fraction of workers in leisure industry than nationally	

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally. NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

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NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor



NAR Commercial Real Estate Metro Market Report | 2021.Q4 Yakima, WA

Core-Based Statistical Area Code: 49420

The Yakima, WA commercial real estate market is not as strong compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index* 48.0

Overall economic conditions are not as strong than nationally. The apartment property market is not as strong than nationally. The office property market is stronger than nationally. The industrial property market is not as strong than nationally. The retail property market is stronger than nationally. The hotel/lodging property market is stronger than nationally.

	Y	akima. WA			U.S.		
Economic	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	88	88	84	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	4	4	(4)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.2%	4.7%	-4.0%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	5.9%	6.3%	7.7%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$971	\$980	\$915	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year (data are as of last month of the quarter)	5.9%	12.2%	6.8%	4.8%	4.5%	6.7%	Wages are rising faster than nationally
(duta dre as of last month of the quarter)	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-0.3%	1.1%	5.1%	-3.4%	2.3%	2.9%	
GDI growth (76)	0.570	1.170	5.170	3.470	2.370	2.370	
	2019	2018	2017	2019	2018	2017	
Median household income	\$69,560	\$65,127	\$64,557	\$87,470	\$84,423	\$81,284	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	(1.6)	(1.2)	(0.7)	0	0	0	Area is experiencing net domestic out-migration
Population ('000)	252	252	251	331,501	328,330	326,838	
Population growth (%)	0.13%	0.37%	0.31%	0.97%	0.46%	0.53%	Population growth is slower than nationally
II. Multifamily							
		2024 02			2024 02	2000 0 4	
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	The area have been also as a second at the s
Vacancy rate	2.1%	2.1% 38	5.1% 74	4.6% 78,063	4.6% 189,629	6.6% 94,740	The area has a lower vacancy rate than nationally
Absorption of units over the quarter Absorption of units in past 12 months	174	248	305	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	3.1%	4.4%	5.6%	4.2%	4.3%	2.3%	The area has lower absorption than nationally
Market asking rent per unit	\$877	\$875	\$830	\$1,543	\$1,532	\$1,387	The area has lower absorption than hationally
Market asking rent per unit, y/y % chg	5.7%	6.9%	1.9%	11.3%	10.6%	0.5%	
Effective rent per unit	\$875	\$873	\$828	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	5.6%	6.8%	1.8%	12.2%	11.6%	-0.1%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	10.4%	10.2%	10.4%	16.3%	16.3%	15.2%	Renting is more affordable than nationally
Supply indicators							
Inventory	5,609	5,610	5,436	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months			426	369,993	387,542	434,591	
Net delivered units, as % of inventory	_	-	7.8%	2.2%	2.3%	2.6%	
Units under construction	168	168	-	681,402	692,701	687,551	
Units under construction, as % of inventory	3.0%	3.0%	-	4.0%	4.1%	4.2%	Construction is weaker than nationally
Ratio of jobs created to net delivered units	-	-	(8.2)	16.2	14.7	(21.3)	
(as of latest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$)	\$6	\$3	\$2	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$121,765	\$96,286	\$96,875	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	6.4%	6.4%	6.4%	5.2%	5.2%	5.3%	Cap rates are higher than nationally
III. Office							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	6.3%	6.9%	6.9%	12.2%	6.9%	6.9%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	33,582	(18,679)	6,901	14,567,728	5,676,582	(34,912,824)	The area has a lower vacancy rate than hadonany
Absorption in sq.ft. over 12 months	36,467	9,786	24,142	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.7%	0.2%	0.5%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$20.1	\$20.0	\$19.5	\$34.4	\$34.3	\$34.3	,
Market rent growth, y/y % chg.	2.9%	3.1%	1.4%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	0.1	0.2	0.1	1,134	1,092	(870)	Stronger office job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	5,258,446	5,224,864	5,221,979	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	-	-	44,095	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	-	-	0.8%	0.8%	0.8%	0.6%	
Under construction in sq.ft.	-	-	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$6	\$2	\$16	\$28,031	\$29,974	\$21,646	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$124	\$27	\$143	\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	8.2%	8.2%	8.3%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4 Yakima, WA

Core-Based Statistical Area Code: 49420

IV. Industrial							
		Yakima, WA		U.S.			
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	1.7%	1.9%	3.0%	4.2%	4.6%	5.5%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	62,036	197,224	(450,533)	134,147,704	163,473,664	85,677,192	, , , , , , , , , , , , , , , , , , ,
Absorption in sq.ft. over 12 months	311,320	(201,249)	(467,446)	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	1.3%	-0.9%	-2.0%	3.0%	2.7%	1.4%	The area has lower absorption than nationally
Market rent per sq.ft.	\$7.3	\$7.1	\$6.8	\$9.8	\$9.5	\$9.0	The area has lower assorption than hattonary
Market rent growth, y/y % chg.	6.2%	5.2%	4.1%	8.6%	7.2%	4.6%	Rent growth is slower than nationally
Market left growth, y/y % chg.	0.276	3.276	4.170	8.0%	7.270	4.076	Kent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	23,216,552	23,154,516	22,905,232	16,815,425,536	16,680,851,456	16,312,040,448	
	17,940	23,134,310	22,303,232	283,714,234	297,459,785	307,128,078	
Net delivered over 12 months, in sq.ft.	0.1%	-	-				Landellineine veletine to immediate them well and the
Net delivered units, as % of inventory	0.1%	17.040	17.040	1.7%	1.8%	1.9%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.		17,940	17,940	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	0.1%	0.1%	3.0%	2.8%	2.1%	
Calan Assessment and							
Sales transactions Total investment acquisitions (in million \$)	\$29	\$2	\$8	\$34,773	\$30.151	\$29.578	Sales transactions are rising faster than nationally
							• • • • • • • • • • • • • • • • • • • •
Transaction sale price per sq.ft.	\$49	\$8	\$29	\$144	\$127	\$110	Prices are rising faster nationally
Market cap rate	6.5%	6.4%	6.4%	6.3%	6.3%	6.4%	Cap rates are higher than nationally
V. Retail							
v. Retail							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	2.2%	2.5%	2.8%	4.6%	4.8%	5.1%	The area has a lower vacancy rate than nationally
·	43.515	9,102				689,343	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter			(2,923)	28,236,304	29,377,518		
Absorption in sq.ft. over 12 months	116,791	70,353	438	76,321,048	48,774,088	(28,079,124)	
Absorption in past 12 months as % of inventory	0.9%	0.5%	0.0%	0.7%	0.4%	-0.3%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$14.4	\$14.2	\$13.7	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	5.3%	4.0%	1.6%	2.8%	2.1%	0.8%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	0.90	0.30	0.30	372.10	387.70	(473.90)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	12,967,439	12,923,924	12,850,648	11,209,097,216	11,180,823,552		
Net delivered over 12 months, in sq.ft.	35,930	41,615	9,945	21,047,385	28,105,270	41,736,234	Relatively more units delivered than nationally
Net delivered units, as % of inventory	0.3%	0.3%	0.1%	0.2%	0.3%	0.4%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	6,000	-	35,430	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.0%	-	0.3%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$14	\$19	\$9	\$24,585	\$21,801	\$18,723	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$307	\$137	\$93	\$237	\$204	\$192	Prices are rising faster nationally
Market cap rate	7.1%	7.1%	7.3%	7.0%	7.0%	7.0%	Cap rates are higher than nationally
VI. Hotel/Lodging							
	2021 Q4 (Nov)	2021 Q3 (Sept)		2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	7.6	7.8	5.7	15,362	15,397	12,896	
Y/Y change ('000)	1.3	1.3	(2.4)	2,533.0	1,841.0	(3,541.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	8.6%	8.9%	6.8%	10.2%	10.4%	9.0%	Lower fraction of workers in leisure industry than nationally

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally. NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

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Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

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