



QUARTERLY REAL ESTATE REVIEW | Q3 2020

INDUSTRIAL MARKET OVERVIEW

4 months in - how long will this continue?

It feels like just yesterday I was typing my second quarter update just as the COVID-19 pandemic was beginning and states across the country were shutting down. Well here we are 4 months later and my has the world changed. States have been shifting periodically in and out of different phases of reopening. Cases have spiked, flattened, and spiked again. We all know the news, but what does this mean for the Puget Sound industrial market? Despite a slight lag from the early days of March, our market has continued on without too much interruption. Deal volume has dropped however rental rates, pricing, terms, etc. have remained fairly static. Some are seeing a "COVID discount" here and there but it's a rarity. At this stage I have no reason to believe that while continued down time and recovery is inevitable, we won't bounce back and bounce back strong.

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

Thank you for your consideration and continued business.

Provided by

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

SERVICES

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

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RECENT MARKET TRANSACTIONS



9,600 SF (494 SF OFFICE)

Industrial Lease (Kent)

\$0.83 PSF shell | \$1.00 PSF office add-on, NNN
New deal. 63 month term. 3 months free.
New carpet and paint. Tenant to perform all
business-specific TI's.



32,585 SF (2,640 SF OFFICE)

Industrial Lease (Lakewood)

\$0.53 PSF shell | \$0.90 PSF office add-on, NNN
New deal. 61 month term. 1 month free. TI's
include new flooring, paint in office restrooms,
\$5k lighting TI allowance.



68,580 SF (13,985 SF OFFICE)

Sale (Auburn)

\$155.11 PSF
Sold out of receivership. Vacant at time of
purchase.



287,168 SF

Land Sale (Lakewood)

\$21.24 PSF
Land value purchase for future redevelopment.

Market Forecast Trends

VACANCY	
Current	Projection
◀▶	▲

CONSTRUCTION	
Current	Projection
▲	▲

RENTAL RATE (SF, NNN)	
Current	Projection
◀▶	◀▶

ABSORPTION	
Current	Projection
▲	▼

