

Seattle Property Management

Dave Poletti & Associates Presents:

The Seattle Landlord Report

A Monthly Publication to Keep our Clients Informed

October 2012



Seattle Makes Changes to Energy Benchmarking Requirements For Multifamily Buildings

SEATTLE- The Seattle City Council passed legislation yesterday to revise the reporting requirements for buildings covered under the City's pioneering Energy Benchmarking and Reporting Ordinance in order to strengthen the program and make it easier for owners of nonresidential and multifamily residential properties to comply. Benchmarking energy use helps building owners determine the total amount of energy that their buildings use, which can help them track and control costs and prioritize energy and money-saving upgrades.

As a result of the changes, owners of mid-sized non-residential buildings and multifamily buildings (20,000-49,999 sq. ft.) will have an additional six months, until April 1, 2013, to evaluate their buildings' energy use and report results to the City of Seattle.

The legislation also modifies the rules for owners of buildings smaller than 20,000 sq. ft., which will change their participation in the City's benchmarking program from mandatory to voluntary.

Meanwhile, owners and managers of large apartment and condo complexes (50,000 sq. ft. or greater) are gearing up to meet the October 1, 2012 deadline to report their buildings' energy use.

To date, about 45% of large non-residential buildings have reported, representing nearly 82 million square feet of building stock. Non-residential buildings 50,000 sq. ft. or greater that missed the April 1, 2012 deadline were recently sent overdue notices. The revisions to Seattle's benchmarking law will streamline fines for property owners who fail to report building energy use on time.

Vacancy Update: Apartment Vacancy Rates Remain Low in Seattle



"Apartment vacancy rates have tightened to 3 percent in Seattle in all but two Seattle sub-markets, according to a third-quarter report from Tom Cain of Apartment Insights, a research firm in Seattle.

Apartment Insights tracks apartment complexes with 50 or more units in 33 sub-markets in King and Snohomish counties. Vacancies are also below 3 percent in Snohomish County in the sub-market that includes Arlington and Monroe. The two holdouts: downtown Seattle with a Q3 vacancy rate of 4.66 percent and West Seattle with a vacancy rate of 4.63 percent.

Overall, rents have climbed for the third consecutive quarter in King and Snohomish Counties and landlords have cut back on

"Seattle was one of the first cities in the country to develop a benchmarking program to increase the efficiency of our existing building stock," said Jill Simmons, Director of the Seattle Office of Sustainability and Environment. "This legislation will make the benchmarking program more effective, and allow for additional outreach to building owners," Simmons said.

This is the first year the benchmarking law has applied to multifamily residential buildings. The City requires apartment and condo buildings 50,000 sq. ft. or larger to report their 2011 energy use to the City by October 1st, 2012 and annually thereafter. Reports are for whole buildings, not individual apartments or condo units. Multifamily buildings represent about 87.4 million sq. ft. of Seattle's building stock.

"Forty-two percent of large buildings in Seattle are apartments or condos, and there is a tremendous opportunity in these buildings to save money and energy," said Rebecca Baker, Energy Benchmarking Program Manager for the Seattle Office of Sustainability and Environment. "Benchmarking is an essential first step to help owners and managers understand how energy is being wasted, so they can take measures to reduce their energy expenses," Baker said.

The City has developed free services to help building owners learn about the requirements and help them comply, including a drop-in help center, benchmarking workshops, and a how-to guide.

Upcoming free workshops are scheduled for September 20 and 25.

To learn more, call the benchmarking helpline at **(206) 7278484** or Visit www.seattle.gov/EnergyBenchmarking

concessions, Cain said. **"The equilibrium line between a renter's market and an owner's market is 5 percent," Cain said. "Vacancies are now less than 5 percent, so it's an owner's market."**

The downtown Seattle rental market has been buoyed by strong hiring at Amazon.com, which is located in South Lake Union. In the second quarter, there was a spate of leasing by new Amazonians moving to downtown Seattle from out of the area, said Cain, "There was a surge of highly paid technology workers all at once."

For a slide show of new apartment buildings opening in Seattle in the past several months, [click here](#). Apartment Insights reports that there are 10,450 units under construction in King and Snohomish counties. Of these, 7,137 units are set to open in 2013, with an additional 285 units poised to break ground for delivery next year, bringing the total to 7,422 units. Three-fourths of the units now being built are located in Seattle. Counting all the units under construction or planned, there are 30,70 units in the pipeline in King and Snohomish counties, according to the report."

**Puget Sound
Business Journal
By: Jeanne Lang Jones**



SUMMARY OF REVISIONS:

Building Type & Size Threshold	NEW Reporting Deadlines	Annual Reporting Deadlines
Non-Residential 50,000 SF or Greater	April 1, 2012 FOR 2011 DATA: <u>PAST DUE!</u>	Reporting is required each April 1st for the previous year's building energy use. For example, 2012 data will be due on April 13, 2013.
Multifamily 50,000 SF or Greater	October 1, 2012 FOR 2011 DATA	
Non-Residential & Multifamily 20,000 to 49,999 SF	April 1, 2013 FOR 2012 DATA	
Non-Residential & Multifamily Less Than 20,000 SF	VOLUNTARY REPORTING	VOLUNTARY REPORTING

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