

Office Developments

No Seattle office development news was reported in September 2026.

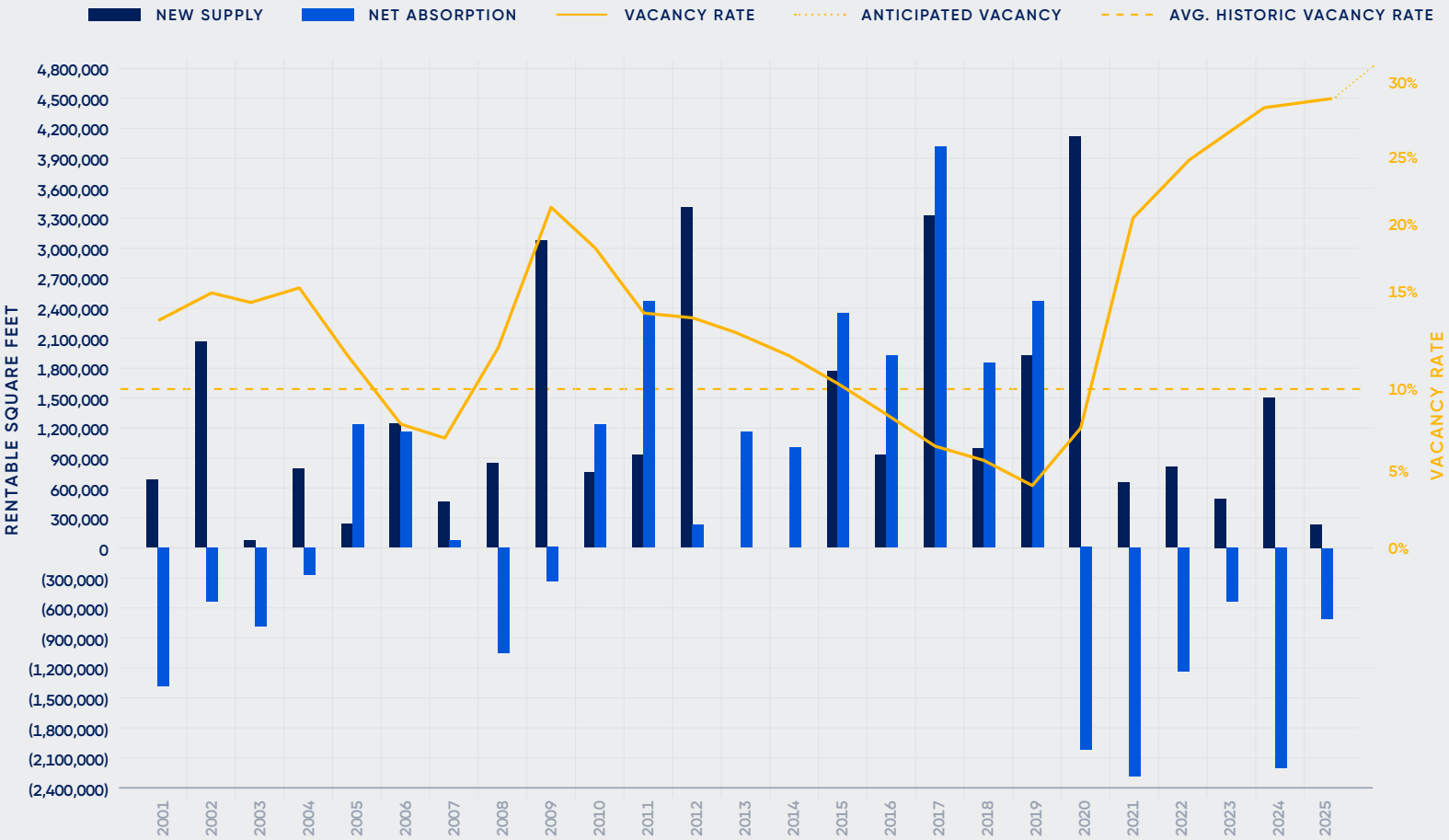
Seattle’s construction market showed increased activity in September 2026, with 13 active cranes, up four from February, Rider Levett Bucknall’s latest Crane Index found. Multifamily and mixed-use projects drove the increase, adding eight cranes since the previous count, while [no cranes were recorded for commercial](#) or healthcare projects. RLB also reported improving construction momentum across North America, with 11 of the 18 markets surveyed recording increases in crane activity.

Office Leases

Hudson Pacific Properties [announced](#) in September that LendingTree has signed a 39,000-square-foot lease at 83 King Street in Seattle’s Pioneer Square submarket. LendingTree’s QuoteWizard subsidiary will relocate from the nearby Interurban Building and occupy most of the seventh and all of the eighth floor. The eight-story, 184,000-square-foot office building currently has approximately 65,000 square feet available. Gateway Construction Services and JPC Architects are handling the tenant improvements, and a move-in date has not yet been announced.

Expected to open in early 2027, General Motors recently [signed](#) a 43,000-square-foot lease at West8, 2001 Eighth Ave. The office, located in Seattle’s Denny Triangle submarket, will accommodate a couple hundred GM employees, including teams focused on digital products, autonomous vehicles, IT, human resources, marketing, artificial intelligence and machine learning. GM said the Seattle expansion is intended to tap into the region’s technology talent and expand its existing concentration of technical employees.

It was also reported in September that Anthropic is [expanding](#) to approximately 163,000-square-foot lease at Dexter Yard, 700 Dexter Ave. N., in Seattle’s South Lake Union submarket. The AI company will occupy seven floors of the north tower under an initial 11-year lease term. The building is owned by BioMed Realty, a Blackstone company. Turner Construction is completing the tenant improvements with Weaver Architects. Dexter Yard’s north and south towers contain approximately 500,380 square feet of combined office and lab space, and the north tower is now fully leased.



Helion Energy [opened](#) a 15,631-square-foot office at 8th + Olive in downtown Seattle’s Central Business District this September. The fusion-energy company plans to accommodate approximately 100 employees at the location, owned by Morgan Stanley. The office will host employees working primarily in business operations, recruiting and finance, while maintaining its headquarters and major technical operations in Everett. The expansion comes as Helion’s total workforce has grown to approximately 800 employees.

Also in September, Outreach announced plans to [relocate](#) its headquarters to 701 N. 34th St. at Fremont Lake Union Center in Seattle’s Fremont submarket in early 2027. The sales technology company will lease one floor of the four-story building, relocating from its current headquarters at 333 Elliott in Interbay. Kilroy Realty is the landlord and owns the approximately 424,000-square-foot, three-building Fremont Lake Union Center campus. Each floor at 701 N 34th is approximately 40,000 square feet.



Inflation | Consumer Spending

U.S. economic conditions remained relatively resilient through September despite persistent inflation and higher borrowing costs. The Commerce Department reported Sept. 30 that its PCE price index [rose](#) 3.4% year over year in August, below economists’ 3.7% expectation. Core inflation was 3.0%. Consumer spending increased 0.9% month over month, and separate government data showed the economy expanding at a 2.2% annualized rate in the third quarter. Earlier in September, retail sales exceeded expectations, [increasing](#) 1.2% in August.

The producer price index for inputs to new nonresidential construction [increased](#) 8.9% year over year in August, an Associated General Contractors of America analysis found. Key materials experienced significantly larger increases, including diesel fuel at 77.8%, aluminum at 27.3%, steel at 23.4%, and copper and brass at 20.9%. Construction wages also increased 5% year over year, compared with 3.3% across the broader private sector. An AGC member survey found that 55% of contractors had experienced projects being canceled, postponed or scaled back during the prior six months. Rising costs were among the primary factors.

Locally, inflation continued to run hotter than the national average, with prices in the Seattle-Tacoma-Bellevue area [increasing](#) 4.4% year over year in August, compared with 3.4% nationally. Seattle-area grocery prices rose 4.5%, restaurant prices increased 6%, recreation costs climbed 7%, and motor fuel prices increased 18.2%. Higher energy costs remained a significant contributor to inflation.

Seattle’s minimum wage will [increase](#) from \$21.30 to \$22.14 per hour on Jan. 1, 2027, the Seattle Office of Labor Standards announced. The 84-cent increase is required under the city’s Minimum Wage Ordinance and is adjusted annually for inflation using the Consumer Price Index for the Seattle-Tacoma-Bellevue area.



Jobs

Nationally, the labor market remained relatively stable through September. U.S. employers [added](#) 162,000 jobs in August. This significantly exceeded expectations, while unemployment remained at 4.1%. Wage growth slowed to 3.1% year over year, and the information sector lost 23,000 jobs during the month and 97,000 since the beginning of 2026.

More recent data showed signs of [softer](#) labor demand, with U.S. job openings declining to 7.08 million in August from 7.34 million in July, the lowest level since March. Layoffs also declined, while hiring remained relatively subdued. Employers added an average of approximately 80,000 jobs per month so far in 2026. Below the 166,000 monthly averages recorded in 2023 and 2024.

Seattle, however, continued to lag the broader region. Seattle [lost](#) 18,605 jobs in 2025, a 3% decline, with tech employment falling 15% to 42,344 jobs. Downtown accounted for approximately 13,000 of those losses, or 70% of the citywide decline. By comparison, Bellevue added 5,375 jobs, while its tech employment grew 27% to 27,560 jobs. Employment across the broader Seattle metro increased just 1.7% between 2019 and 2025, trailing 19 other major U.S. metro areas.



Office Building Sales | Repositionings

Orton Development [acquired](#) Plaza 600, a 209,256-square-foot office building at 600 Stewart St. in Seattle’s Denny Triangle submarket in September. They purchased the building for \$12.5 million, or approximately \$60 per square foot. The seller was an ownership venture led by BGO, with Urban Renaissance Group retaining a minority interest. The 20-story building, constructed in 1969, is currently approximately 51% leased. Orton plans to continue operating Plaza 600 as office space while adding amenities and renovated move-in-ready suites.

The roughly 110,000-square-foot office building at 744 N. 34th St. in Seattle’s Fremont submarket received a new \$48 million [refinancing](#) package from WaFd, replacing prior financing from Lincoln National Life Insurance and Umpqua Bank. The property is owned through Troll Avenue LLC. Salesforce/Tableau occupies the building’s office space and recently extended its lease beyond 2029.

Integrus began [marketing](#) its approximately 26,890-square-foot Union Trust Annex at 117 S. Main St. in Pioneer Square for sale. No price has been disclosed. The four-story building can be delivered vacant and is also available for lease by floor, or as a whole. Integrus, which purchased and renovated the property in 2007, plans to relocate nearby to the Reedo Building at 542 First Ave. S.



Housing

The US housing market remained challenged in September as higher mortgage rates continued to weigh on sales nationally. Existing U.S. home sales [declined](#) 2% month over month and 1.2% year over year in August. Inventory increased 5.9% year over year, bringing supply to 4.9 months, the highest level in more than a decade. Despite weaker sales, the median home price increased 1.6% to \$429,100.

Seattle experienced particular [weakness](#) at the higher end of the market. Pending sales among the top 5% of Seattle-area homes fell 15% year over year during the three months through July. Homes priced above \$2 million in six of the region’s most expensive suburbs averaged 44 days on market during the first half of 2026, compared with 25 days in 2025 and nine days in 2022. The slowdown was particularly evident in affluent Eastside communities such as Bellevue and Sammamish.



Interest Rates

The Federal Reserve [raised](#) its benchmark interest rate to approximately 3.9% in September as persistent inflation and continued economic growth kept upward pressure on borrowing costs. Longer-term rates also remained elevated, with the 10-year Treasury yield exceeding 5% during the year and the average 30-year mortgage rate reaching 7.03%, its highest level in more than a year and a half. Economists cited strong consumer spending, significant AI-related investment, supply constraints and federal borrowing as factors contributing to the higher-rate environment.

By the end of September 2026, the average long-term U.S. mortgage rate increased to the highest rate since January 2025. The month [began](#) at 6.71%, [edged up](#) slightly to 6.76% the second week, then [climbed](#) to 6.95% in week three, before rising [again](#) to 7.03% in the final week. The elevated mortgage rates are driving more prospective homebuyers to adjustable-rate mortgages, or ARMs because they typically offer lower initial interest rates than traditional 30-year, fixed-rate mortgages.



Economy

Seattle [ranked](#) No. 4 globally, behind only New York, London and Paris, in the Oxford Economics Global Cities Index 2026. This index evaluates economics, human capital, quality of life, environment and governance. The region generated \$632 billion in GDP in 2025 and had the fourth-highest income per person globally at \$152,000. Oxford Economics also ranked Seattle 22nd globally for quality of life and 28th for environment, while identifying high housing costs, income inequality, crime and its 198th-place governance ranking as vulnerabilities.

The U.S. economy [grew](#) at a 2.2% annualized rate in the second quarter as reported by the Commerce Department. Slowing from 2.5% in Q1 but substantially above its previous 1.5% estimate. Consumer spending increased 3.8%, while nonresidential business investment rose 9%, driven in part by continued AI-related investment. Oxford Economics noted that recent growth has become increasingly dependent on AI investment and spending by higher-income households.



Other News

In 2027, Amazon is expected to let its lease [expire](#) at 428 Westlake Ave. N. in South Lake Union, an 81,000-square-foot office building. Amazon’s Seattle workforce has fallen below 50,000 from roughly 60,000 in 2020, while its Bellevue workforce grew from 11,000 in 2023 to approximately 14,300 in 2024. Despite recent leasing activity from companies including GM, Databricks, Apple and Anthropic, new demand has not yet been sufficient to offset space returned by Amazon and other downsizing tenants.

Northgate Station has been [re branded](#) as The District at Northgate as Simon Property Group continues transforming the 55-acre property into a mixed-use neighborhood. The first phase of Everis recently opened with 234 apartments, with another 186 units expected by next summer. Simon Property Group says four planned apartment buildings, including Everis, are entitled for

approximately 1,000 units total, while another roughly 300-unit building is anticipated to break ground in early 2028. Plans for office development remain uncertain due to current market conditions, and Simon is considering a potential longer-term shift toward additional residential uses.

Pioneer Square’s Sinking Ship parking garage has partially [reopened](#) under new operator Premium Parking after temporarily closing earlier this year. The rooftop level reopened in June, with additional levels expected to open based on parking demand. Premium Parking says it has added security cameras, daily on-site employees and nightly security guards following several violent incidents at the property. King County property records value the site at \$7.7 million in 2026, nearly \$1 million below its value the prior year.

