



Seattle
Office of Housing

2025 Multifamily Tax Exemption (MFTE) Annual Report

Executive Summary

The City of Seattle's Multifamily Property Tax Exemption (MFTE) program offers property tax exemptions to owners of multifamily rental properties who elect to participate. The tax exemption applies to the entire value of the property excluding land and non-residential improvements like retail spaces. To receive the exemption, multifamily property owners agree to reserve a share of total units for eligible renters, subject to income and rent limits established by City ordinance. The present set-aside share is either 20% or 25% of all units depending on the types of units within the building. The income-eligibility threshold varies from 40-90% of the area median income (AMI) depending on the type of unit. The term of the exemption and set-aside requirement is 12 years; however, participating owners may elect to apply for a 12-year extension, for a total exemption term of 24 years.

While the MFTE program is available to certain publicly funded multifamily homeownership and rental affordable housing developments that do not otherwise qualify for a property tax exemption according to State of Washington revenue statutes, these account for a negligible number of properties in Seattle's MFTE portfolio; moreover, these properties already restrict income-eligibility and housing costs in the absence of an exemption. This report addresses only multifamily rental housing developed and owned by private for-profit entities.

MFTE Activity in 2025

- **Pipeline:** The Seattle Office of Housing approved MFTE applications for 17 multifamily development projects in 2025. These projects had not completed construction as of January 1, 2026.
- **New Exemptions:** Nine new developments completed construction and received final certificates of tax exemption in 2025. Their 12-year tax exemption period commenced on January 1, 2026. The projects provide 1,860 total units, including 391 restricted units.
- **Expirations and Extensions:** Eighteen MFTE properties' initial 12-year tax exemptions were scheduled to expire at the end of 2025. Owners of 11 of these properties elected not to extend their MFTE status and their exemptions ended, effective 2026. One property was ineligible to apply for an extension of their tax exemption due to non-compliance. Owners of the remaining six properties applied for and received approval for an additional 12-year MFTE term that now expires in 2037. Four of these six properties are buildings with individually leased sleeping room/micro units and the other two are standard midrise apartment buildings. Collectively, these six properties provide a total of 109 restricted units. Owners of a substantially increasing number of multifamily properties in Seattle are expected to seek extended property tax exemptions in the coming years.
- **Conversions to MFTE Program 7:** City Council reauthorized Seattle's MFTE program with adoption of Ordinance 127316 in September 2025. This latest version of the MFTE program, as amended, is called MFTE P7. The legislation authorizes the conversion of applications, agreements, and final certificates of tax exemption to P7 for the nine projects that completed construction in 2025, in addition to 25 pipeline projects (MFTE applications for 17 of these were

approved in 2025 and eight were approved in prior years). As of mid-2026, developers of 15 multifamily projects have applied for conversion to P7, and additional requests are expected.

Seattle's MFTE Portfolio

- **Properties with Active Exemptions:** As of January 1, 2026, the City of Seattle has 304 multifamily properties totaling 36,190 units in its portfolio of MFTE properties. This includes 7,477 restricted units. Nineteen of these properties have property tax exemptions now extended to 24 years (2,825 total units, including 572 restricted units).
- **Types of Restricted Units:** Units with no bedroom, including studios, efficiencies, and sleeping room/micro units, account for about 38% of all restricted units in the City's MFTE portfolio. One-bedroom units account for 49% of the restricted units. Multi-bedroom units (including 26 units with three bedrooms) account for the remaining 13%. These percentages have held relatively steady over the years.
- **Market Context:** In Seattle's multifamily rental market, the estimated supply of no-bedroom units jumped from 18,894 in 2010 to 55,802 in 2024—a 195% increase—while 3-bedroom units grew by only 11%. Properties in Seattle's MFTE portfolio have unit mixes that closely mirror these prevailing development patterns.

Rents, Vacancies, and Renter Characteristics

- **Rents for Restricted and Unrestricted Units:** Based on 2025 data from property managers, rents for restricted units are 24% lower on average than rents for unrestricted units overall. They are only 17% lower than rents for unrestricted units on a per-square-foot basis given that restricted units are about 40 square feet smaller on average. The variability in rent differentials is substantial depending on unit type, number of bedrooms, unit size, and location of the property. Average per square foot rent reductions are greatest for multi-bedroom units (24% reduction for 2-bedroom units and 30% reduction for 3-bedroom units). Compared to unrestricted units, average rents citywide are 10% lower for restricted units with fewer than 400 square feet of living space; the average reduction falls to 5% for units classified as sleeping room/micro units. Rent reductions are also minimal in certain parts of West Seattle and North Seattle (2% and 8% reductions, respectively).
- **Vacancy Rates:** Average vacancy rates reported for 2025 for restricted and unrestricted units in MFTE properties are similar (10.5% and 9.9% respectively). As with rents, vacancies vary by unit type, unit configuration and size, and location, but on average are over 10% for restricted units in all but in a few Seattle market areas. Overall, MFTE properties have a higher average vacancy rate (10% for restricted and unrestricted units combined) compared to Seattle's multifamily rental market (6%).
- **Residents' Income Levels and Housing Cost Burden:** Although 82% of restricted units in MFTE properties are regulated at levels affordable to households with incomes of 65% of AMI and higher, the average income reported for resident households is approximately 56% of AMI. The discrepancy between affordability restrictions (i.e., percentage of AMI) and actual incomes of

resident households is most pronounced for larger households. Nearly one-quarter of all resident households are severely cost burdened, meaning that they pay over half of their monthly income in rent. Fewer than 10% of households living in restricted units have rent assistance vouchers to mitigate their housing cost burden. Rapid escalation in the median family income for the Seattle area, as calculated by the U.S. Department of Housing and Urban Development (HUD), is an important factor behind the widening gap between actual incomes for people with occupations such as EMT, mechanic, childcare worker, and retail worker and the AMI percentages that serve as a proxy for housing affordability.

- **Residents' Demographics:** The average household size for residents of restricted units was 1.3 persons in 2025. The largest share (27%) of heads of resident households leasing restricted units are of White or European ancestry, followed by 15% Asian, and 13% Black or African American. Racial demographic information is not available for 22% of resident households, either because they opted not to provide it or the data was not collected.

MFTE Program Costs

- **Assessed Value of Exempt Improvements:** The assessed value for all MFTE properties in Seattle with tax exemptions active as of January 1, 2026, is \$9.6 billion. When multiplied by the tax rate per \$1,000 of assessed value, the exemptions yield tax savings of \$95 million in 2026 for the owners of these properties.
- **Shifted Tax Burden:** Property taxes owed for MFTE properties are shifted to and paid by non-exempt taxpayers. For the 2025 tax year, the owner of a median value home in Seattle paid an additional \$157 to cover the property tax bill for MFTE-supported development. The shifted tax burden from MFTE increases nearly 13% to \$177 in 2026 after accounting for all MFTE program activity taking place in 2025.
- **Lost Revenue:** Although property taxes for MFTE properties are paid in full by non-exempt taxpayers, the MFTE program is not revenue-neutral. The total value of new construction for MFTE developments is not always added to tax rolls at the time a property is issued a final certificate of tax exemption. This means some amount of revenue that would otherwise be generated from new construction value cannot be factored into potential revenue collections. For this reason, the City of Seattle is forgoing an estimated \$14.7 million in this 2026 tax year and an estimated \$37.9 million is forgone by all taxing districts that share in revenue generated by Seattle property taxpayers; these amounts reflect all MFTE program activity taking place in 2025. Revenue losses due to the deferral of new construction value compounds every year until tax exemptions expire. Since inception, Seattle's MFTE program has reduced potential revenue collection by \$303.8 million.

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Definitions Used in this 2025 Report

AMI: “AMI” stands for area median income, a metric used to regulate income and rents for units subject to restrictive housing covenants. AMI is calculated based on income limits published annually by the U.S. Department of Housing and Urban Development (HUD). Corresponding rent limits are based on income for the presumed average size of the tenant household depending on the number of bedrooms in a unit (i.e., one person for 0-bedroom units and 1.5 persons per bedroom for other units). Affordability limits are expressed as a percentage of AMI. *See Appendix B of this report for dollar amount equivalents of percentages of AMI referenced in this report.*

Efficiency units: Efficiency units, sometimes referred to in this report simply as efficiencies, are units that are smaller than standard apartments (generally 400 square feet or less). Efficiencies include SEDUs and other small units where provisions for living, sleeping, eating, and cooking may be in a single room. Efficiencies do not include sleeping room/micro units, which are defined below.

Final certificate of tax exemption: Following a project’s completion, OH issues this certificate to communicate to the King County Assessor that the property should be tax-exempt due to MFTE participation. Certificates are issued throughout the year; tax exemptions take effect on January 1 of the calendar year following the date of issuance.

MFTE property status:

Pipeline: As of December 31, 2025, the Office of Housing conditionally approved an initial MFTE application for a multifamily housing development. A final certificate of tax exemption has not been issued yet, and unit counts are estimates until construction is completed.

Active 12-Year: As of December 31, 2025, the Office of Housing issued a final certificate of tax exemption for a property with restricted units, consistent with terms of a recorded agreement between the property owner and the City.

Active 24-Year: As of December 31, of years 2021 through 2025, the initial 12-year tax exemption expired and the owner opted to extend their tax exemption for an additional 12 years (i.e., a total of 24 years), conditioned on current program requirements and, for MFTE P6, AMI limits 10% lower than required for newly constructed MFTE properties.

Opted out: As of December 31, 2025, the owner of a property with an issued final certificate of tax exemption chose to relinquish the tax exemption prior to its expiration date and rent/income restrictions ended upon expiration or renewal of leases for restricted units.

Expired: As of December 31, 2025, the maximum 10- or 12-year term, as applicable, of the tax exemption ended and rent/income restrictions ended upon expiration or renewal of leases for restricted units.

OH: The City of Seattle’s Office of Housing.

Permanent supportive housing or “PSH”: Low-income housing that is paired with on- or off-site voluntary human services to support people living with complex and disabling behavioral health or physical health conditions and experiencing homelessness or at imminent risk of homelessness prior to moving into such housing

Residential Target Area or “RTA”: This is a geographic area or areas designated by City Council after a public hearing, consistent with Washington state statute requirements, where MFTE can be used. Current criteria for designation of a neighborhood as an RTA include a mix of uses (e.g., shops, offices, banks, restaurants, and government agencies), adequate infrastructure (e.g., streets, sidewalks, lighting, transit, and water and sewer), and other measures of quality of life (e.g., cultural and recreational opportunities). The State of Washington now requires that RTAs meet Growth Management Act anti-displacement requirements.

Resident household: A household certified as income-eligible to lease a restricted unit in an MFTE property. Resident households are also sometimes referred to as income-eligible renters.

Restricted unit: A unit with rent limits for income-eligible renters. The number of restricted units is specified in the final certificate of tax exemption, subject to an MFTE agreement. Restricted units are provided as a condition of the property tax exemption.

SEDU: This is an acronym for small efficiency dwelling unit, which is a specific unit type according to the land use code. A SEDU is a self-contained unit (minimum 220 square feet), with private kitchen and bathroom facilities.

Sleeping room/micro unit: These are very small (generally 150 to 220 square feet), independently rented, private rooms for living and sleeping. A sleeping room/micro unit might include a kitchenette (e.g., microwave and mini fridge) and sometimes buildings include communal areas with cooking facilities shared by residents.

Chapter 1: MFTE Introduction and Context

The City of Seattle has operated its MFTE program for over 25 years. City Council has substantially altered program rules over time, but the Seattle program's essence has always constituted a tradeoff: public subsidy in the form of property tax exemptions for market-rate developers and owners in exchange for development of multifamily rental housing with a set-aside of restricted units for income-eligible renters.

About this Report

This report's contents are dictated in part by Ordinance 127316, which reauthorized Seattle's MFTE program. Specified reporting requirements are listed in Appendix A. **All development discussed in this report is for-profit multifamily rental housing.**

In addition to the contextual information provided in this chapter, the report addresses:

- MFTE activity in the 2025 calendar year
- Multifamily housing developers' utilization of MFTE since program inception
- Rent levels and vacancy rates
- Housing affordability outcomes for and characteristics of resident households
- MFTE-related costs borne by the public
- State legislative changes to MFTE that took effect in 2025, and
- MFTE labor data.

The Appendices to this report provide additional information:

- Appendix A: Required Report Elements
- Appendix B: 2025 Income and Rent Limits for MFTE P3 through P7
- Appendix C: High Level Overview of MFTE Program Versions P1 through P7
- Appendix D: MFTE Program Administration and Compliance Monitoring
- Appendix E: Units in MFTE Properties by Community Reporting Area
- Appendix F: MFTE Properties with High Restricted Unit Vacancies
- Appendix G: MFTE Properties by Council District and Market Area
- Appendix H: Units in MFTE-Subsidized Multifamily Housing Developments as a Share of Total Multifamily Units Built
- Appendix I: Notes about Report Data
- Appendix J: Map of Market Areas Used for CoStar Rental Data Analyses
- Appendix K: Notes on Tax Analysis Methodology
- Appendix L: Low-Income Housing Subsidized by Public Capital Funding and MFTE
- Appendix M: New Policies Adopted with MFTE P7

Most of the activity captured in this report occurred under MFTE program rules in effect through the fall of 2025. In September of that year, City Council approved the seventh iteration of MFTE, commonly referred to as MFTE P7, with a modified program purpose and range of revised requirements, including less stringent income limits, rent limits, and comparability requirements for restricted units, intended to

stimulate development activity at a time of slowing permit applications and construction starts. Appendix M summarizes key P7 policy changes, which took effect for new MFTE applications on November 14, 2025. Significantly, the legislation allows owners of certain MFTE projects already approved under prior program versions to reapply under P7's new rules. As a result, some data findings reported in this 2025 Annual MFTE Report are preliminary. Future annual reports may reflect different outcomes for the cohort of multifamily rental housing that transitions to regulatory terms under new MFTE P7 agreements.

MFTE's Origin and Objectives

The State of Washington's Growth Management Act (GMA), adopted in 1990, set the stage for more comprehensive local planning for a range of needs, including housing supply and affordability. In 1995 the State legislature, under Chapter 84.14 RCW, authorized certain local governments to establish MFTE programs in growth areas. These jurisdictions could offer 8-year property tax exemptions to encourage the development of multifamily housing without affordability restrictions, and longer-term exemptions (e.g., 12 years) to encourage the development of market-rate multifamily housing with a set-aside of units carrying income-eligibility and rent restrictions. Starting in 2021, a 12-year extension option was added to the RCW to lengthen the term of the tax exemption and maintain income restrictions for a total of 24 years.

Under the GMA, the State periodically estimates housing needs by affordability level and counties establish affordable housing targets for local jurisdictions through a collaborative process. A key part of the process analyzes the gap between housing needs and availability of units by household income band. The King County and City of Seattle targets are summarized in Table 1.1. The > 120% of AMI column of the table is greyed out because cities are required to plan for and allocate specific affordable housing targets for households with extremely low, very low, low, and moderate incomes, and moderate income is defined as up to 120% of AMI ([Countywide Planning Policies](#) for King County, Policy H-1).

Table 1.1: Countywide Planning Policies, Net New Housing Need/Growth Targets, 2019-2044

Jurisdiction	0-30% of AMI	> 30-50% of AMI	> 50-80% of AMI	> 80-100% of AMI	> 100-120% of AMI	> 120% of AMI
King County	124,323, including 42,892 PSH units	48,091	22,247	14,816	16,805	81,165
City of Seattle's share	43,596, including 15,024 PSH units	19,144	7,986	5,422	6,150	29,702

Projected housing needs are greatest for households with incomes in the lowest income bands. Of the City of Seattle's target of roughly 82,300 net new units affordable to households with incomes up to 120% of AMI, over three-quarters are for households with incomes of 50% of AMI and lower. Over one-

half the 82,300-unit target alone is for households with extremely low incomes (i.e., 30% of AMI and lower). Policy solutions to address these most severe shortfalls in housing supply typically involve publicly funded capital and operating subsidies.

The lighter subsidy provided through property tax exemptions was created as a policy solution to address housing shortfalls more generally. The 8-year program features no affordability requirements, and the subsidy provided through the 12-year program is not always deep enough to support development of market-rate housing affordable to households with incomes in the lowest quartile of income levels. State law for the 12-year tax exemption that is conditioned on housing affordability allows income and rent limits as high as 115% of AMI; most market-rate rental units in Seattle and throughout the State have rents well below that level.

Ultimately, Seattle's MFTE program is intended to spur development of market-rate multifamily rental housing advancing housing affordability for households whose incomes are too high to qualify for housing with capital funding awards from public agencies. The two Market Context sections of this chapter discuss market dynamics, economic conditions, and the housing needs of these households.

Basics of Seattle's MFTE Program

The City of Seattle established its MFTE program in 1998. Seattle has never offered an 8-year property tax exemption. Instead, the City of Seattle made a policy choice to use MFTE not only to spur multifamily housing production but also incentivize housing affordability. More recent versions of Seattle's MFTE program (e.g., P5 and P6) have aimed to promote housing set-asides affordable to households with incomes between 40% of AMI for very small units and 90% of AMI for the largest ones. The income limits for restricted units in Seattle's MFTE portfolio in 2025 range from roughly \$44,000 to \$140,000. See Appendix B for income and rent limits, which vary depending on a property's MFTE agreement (i.e., P3, P4, P5, or P6).

Owners of MFTE properties are exempt from property tax obligations for all residential improvements in the property, including common areas, on-site amenities, and structured parking. The exemption does not apply to land or non-residential improvements. Under the terms of P6, the required set-aside for restricted units is 25% of total units. This set-aside is reduced to 20% if 8% of all units in the building have two or more bedrooms. The duration of the property tax exemption and affordability restrictions on restricted units is 12 years. Owners of buildings with expiring exemptions can apply to extend the term by another 12 years (24 years total).

The MFTE program is generally treated as budget-neutral, with tax revenue that would have been generated from the tax-exempt buildings still collected. This is achieved by shifting the equivalent tax burden to non-exempt taxpayers. Separate from the tax shift, however, MFTE also reduces available property tax revenue for the City, County, and State because 100% of the value of new construction for MFTE developments is not always added to the tax base at the time construction is completed. Consistent with most tax exemption and tax credit programs, government entities do not budget for the implicit cost of forgone revenue.

The City's MFTE program is codified in [Chapter 5.73](#) of the Revenue, Finance, and Taxation title of the Seattle Municipal Code (SMC).

Program Evolution

City Council has authorized seven different versions of Seattle’s MFTE program since 1998 (i.e., P1, P2, P3, P4, P5, P6, and P7). The MFTE program is typically reauthorized every four years. Reauthorization legislation and amendments between reauthorizations typically respond to emerging issues. For example, just a few months before City Council adopted MFTE P5, P4 was amended to include a class of units newly defined by Seattle’s land use code as small efficiency dwelling units (SEDUs). The amendments included deeper affordability limits for SEDUs, which could not command market-rate rents typical of studio apartments given their small size. City Council amended MFTE P6 more times than any other version of MFTE, in part to respond to State law changes, including the opportunity to extend property tax exemptions to 24 years, and to push out the MFTE program’s sunset date several times beyond its scheduled four-year evaluation timeline.

Appendix C provides a high-level overview of the differences between each iteration of MFTE in terms of duration of the property tax exemption, restricted unit set-asides, income and rent limits, areas where MFTE is available to developers, and rules for income certifications.

Market Context: Development Landscape

MFTE operates within the context of the broader real estate market and regulatory environment. Throughout 2025, obtaining project financing was challenging for real estate developers. Cost drivers included high interest rates, increased construction costs for both labor and materials, higher infrastructure costs, higher capitalization rate requirements, and new building codes and other regulatory requirements. These cost pressures were exacerbated by weakening demand for some types of rental units – especially smaller ones, which were produced in great quantity over the past ten years. Weakening demand led to softening rents and lower revenue forecasts. As one indicator, in April 2026, CoStar presented data showing the annual rate of growth for market rents in Seattle had moderated from almost 9% in Q1 2021 to less than 1% in Q4 2025.

Capital available to finance new projects can dry up when production costs increase and rents moderate. Lenders and equity investors consider these and other factors when evaluating whether rents will support sufficient long-term revenue to cover the costs of financing construction, meet ongoing operating costs, and deliver desired returns on investment. As the supply of and demand for rental housing fluctuates, rising and falling rents and vacancy rates reflect cyclical peaks and valleys in real estate production levels. Within this context, the MFTE program reduces one major component of a building’s operating costs – property taxes. Eliminating this draw on rent revenues improves net operating income over time, and thus a project’s projected profitability and capacity to attract investors. In doing so, MFTE seeks to mitigate multifamily development challenges in periods when costs rise and the rental market weakens.

City of Seattle permit data illustrates the fluctuating development cycles that persist despite interventions such as MFTE. Chart 1.2 compares total units for permit applications and project completions from 2014 through 2025. The decline in permit activity is especially significant in the years since 2020. By 2025, permit applications hit a low of 529 units classified as apartments, SEDUs, and congregate sleeping rooms. Project completions were lowest in 2020 and 2021, largely because of Covid-related backlogs. Production increased after then and peaked in 2024 at 9,248 multifamily units.

Chart 1.2: Comparison of Total Units for Multifamily Development Permit Applications and Project Completions, by Year

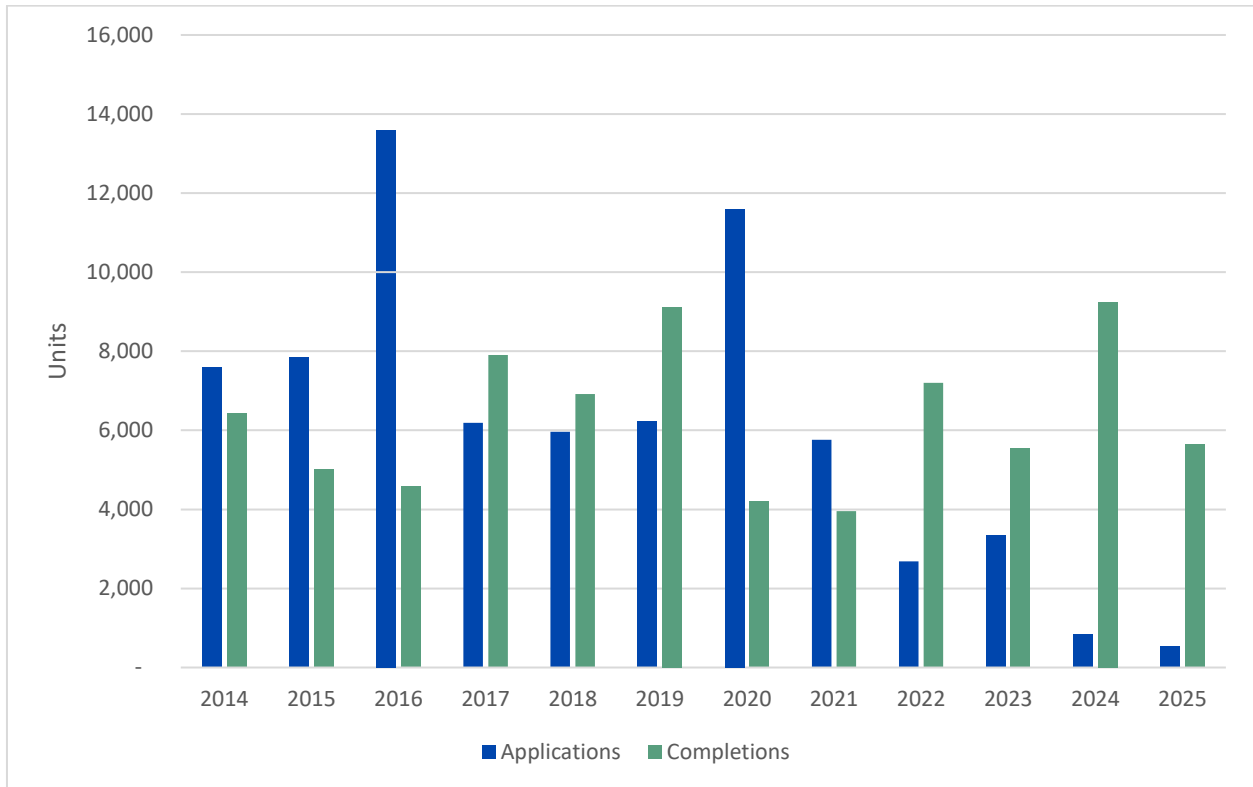


Chart Caption: Chart 1.2 is a bar graph showing total units for new permit applications and project completions by year. Chart data is in the tables below.

Year	Permit Applications, Total Units	Project Completions, Total Units
2014	7,605	6,449
2015	7,846	5,020
2016	13,606	4,596
2017	6,190	7,902
2018	5,959	6,915
2019	6,239	9,127
2020	11,593	4,226
2021	5,762	3,954
2022	2,683	7,204
2023	3,338	5,538
2024	858	9,248
2025	529	5,654

Fluctuations in the rental market create a circular challenge for incentive-based housing policies and programs like MFTE. Affordability requirements respond to real estate and economic conditions specific to a point in time in the market cycle but remain in place even as conditions change. This makes it difficult to predict the extent to which a given MFTE affordability restriction will generate meaningful rent reductions compared to market rents for income-eligible renters. A dynamic market (and unavailability of project-level development proformas) also frustrates efforts to estimate the level of housing production specifically attributable to MFTE as compared to housing production that would have been feasible without public subsidy.

A 2024 evaluation report prepared by the University of Washington researchers declined to “opine on whether additional production is a true benefit of the program.... Our assessment is that there is a positive, yet indeterminate supply benefit of the MFTE program.” This finding echoes similar conclusions drawn by the Washington State Joint Legislative Audit and Review Committee in 2019.

Market Context: Rents and Affordability

As noted above, the 2024 spike in project completions and a pullback in demand in response to slowing job growth moderated 2025 rent increases compared to prior years. Renters seeking studio (or smaller) apartments benefited the most, especially if residents were able to share the cost of rent with a partner or roommate. Seattle experienced a surge in the construction of rental units designed for one person over the past decade. In Seattle, 0-bedroom units jumped from 18,894 in 2010 to 55,802 in 2024—a 195% increase (American Community Survey 1-year estimates, 2010-2024). An important factor driving production of small units is their comparably higher per-square-foot rent. New supply of 3-bedroom multifamily rental units grew by only 11% between 2010 and 2024. Thus, while market-rate rents softened for smaller units, lower-income families seeking multi-bedroom apartments they can afford particularly continued to struggle with housing cost burden.

In recent years, affordability challenges facing renters searching for – or already residing in – restricted units have been exacerbated by steep escalation of the area median income (AMI). Changing demographics, and especially the growing prevalence of high-income households in the Seattle area, has had a profound effect on the rate of growth in the Seattle area’s AMI. Between 2001 and 2021, year-over-year growth in the AMI averaged around 3%. From 2022 through 2025 year-over-year growth in the AMI more than doubled from prior years to an average of 8%. The rate of increase over time is evident in Chart 1.3, which closes out 2025 with a median family income of \$157,000 for renters and homeowners combined.

Chart 1.3: HUD Median Family Income with Trendlines

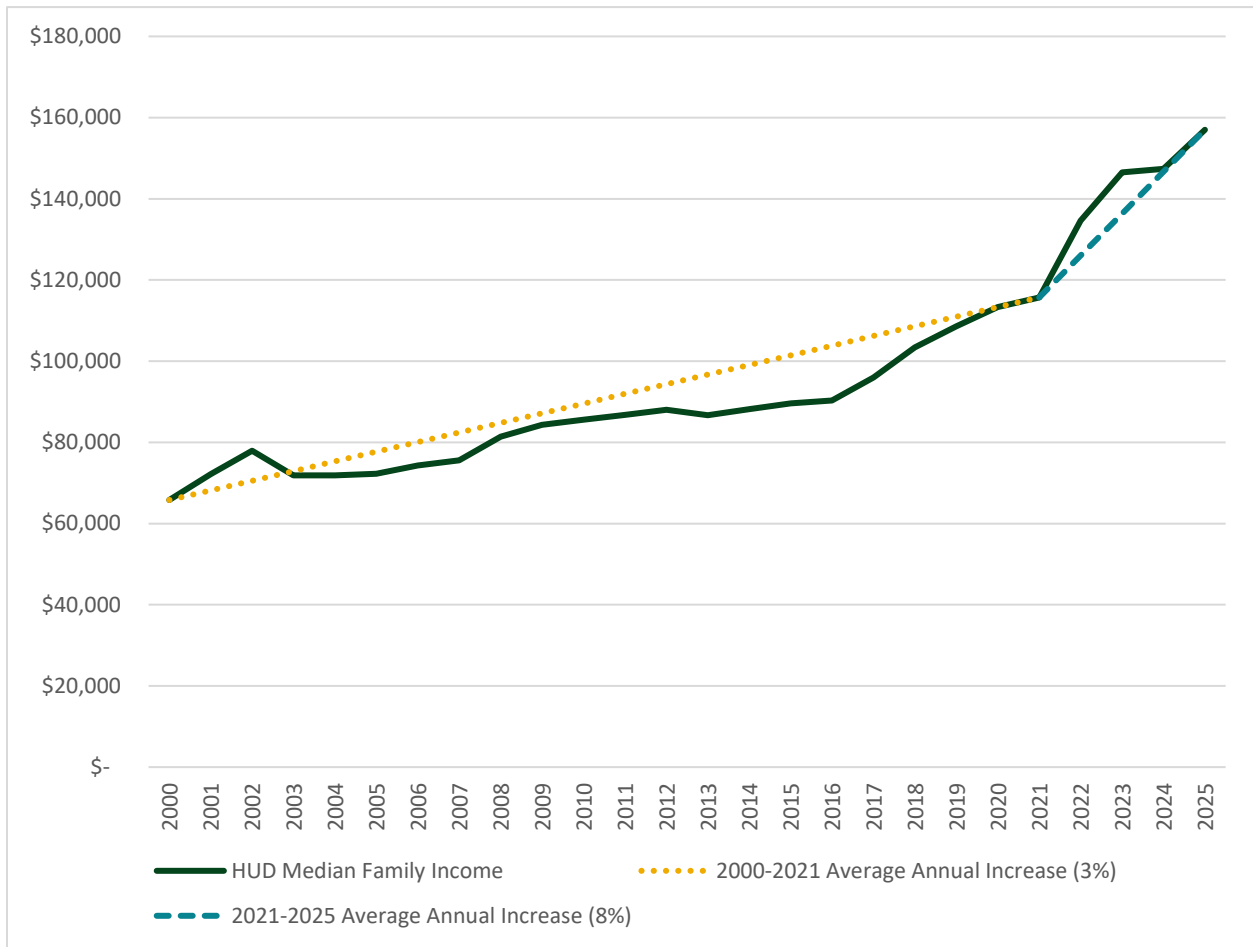


Chart Caption: Chart 1.3 shows the median family income for King and Snohomish counties, as published by HUD, from 2000 to 2025. It also shows two trendlines, with an average annual increase in median family income of 3% between years 2000 and 2021 and 8% between years 2021 and 2025. Chart data is in the tables below.

Year	HUD Median Family Income
2000	\$65,800
2001	\$72,200
2002	\$77,900
2003	\$71,900
2004	\$71,900
2005	\$72,250
2006	\$74,300
2007	\$75,600
2008	\$81,400

Year	HUD Median Family Income
2009	\$84,300
2010	\$85,600
2011	\$86,800
2012	\$88,000
2013	\$86,700
2014	\$88,200
2015	\$89,600
2016	\$90,300
2017	\$96,000

Year	HUD Median Family Income
2018	\$103,400
2019	\$108,600
2020	\$113,300
2021	\$115,700
2022	\$134,600
2023	\$146,500
2024	\$147,400
2025	\$157,000

The discrepancy between escalation of AMI and real earnings for working households in Seattle – and other areas with rapidly changing demographics – has rendered AMI a less reliable proxy for housing affordability than it may have been in the past. Several factors contribute to the tendency for the HUD AMI to overstate incomes for renters of most household sizes.

- **Real wages for those below the median income.** A primary driver for the increase in the median income over time has not been across-the-board income gains for all households, but rather an increase in the number of high-income residents. Given the rising median, many working households now have incomes that fall not only below, but significantly below HUD's 2025 median family income of \$157,100. For example, a 2025 study by ECONorthwest determined that 2023 median annual wages for food preparers and cooks, EMTs, and mechanics fell between \$32,000 and \$47,000, equivalent to 30% to 50% of AMI that same year. Median annual wages for carpenters and retail managers fell between \$54,000 and \$70,000, within the 50% to 80% of AMI bracket. A four-person family's \$78,000 annual income (with two adults working 30 hours per week as a cashier and full-time as a veterinary assistant) would fall below 50% of AMI.
- **Homeowner vs renter incomes.** The HUD AMI accounts for both homeowner and renter households. ACS data from 2024 show homeowner households in Seattle having a median income of \$200,315 compared to \$87,642 for renter households. Driven in part by rising homeowner incomes, annual AMI increases have sharply escalated rent limits for restricted rental units, which have little bearing on renters' incomes.
- **Household size.** The HUD AMI assumes that income increases with household size, although that generally does not hold true. In fact, the real income for three- and four-person households is, on average, lower than that of two-person households.

Chart 1.4 provides a visual representation of all three factors: real incomes, tenure, and household size. It breaks out the estimated median household income for Seattle residents by tenure (ACS PUMS, 2024) and compares those incomes to HUD's 2024 median family income. The HUD AMI overstates incomes for renters of most household sizes, especially one- and four-person households, and appears to understate the income for two-person households in Seattle. This occurs because HUD establishes a given year's median family income for a household of four people and then extrapolates the AMI for other household sizes in a linear fashion, with the AMI for a one-person, two-person, and three-person household set at 70%, 80%, and 90% of the four-person median family income, respectively. Real earnings do not match this linear pattern, and as shown in Chart 1.4, two-person households, regardless of tenure, appear to earn more than a strict 80% share of the four-person median. In contrast, single-person renter households, regardless of tenure, appear to earn far less than a strict 70% share of the four-person median. Four-person renter households also earn far less than HUD's median income for households that size.

Chart 1.4: Comparing 2024 Seattle Median Household Income to HUD Area Median Family Income

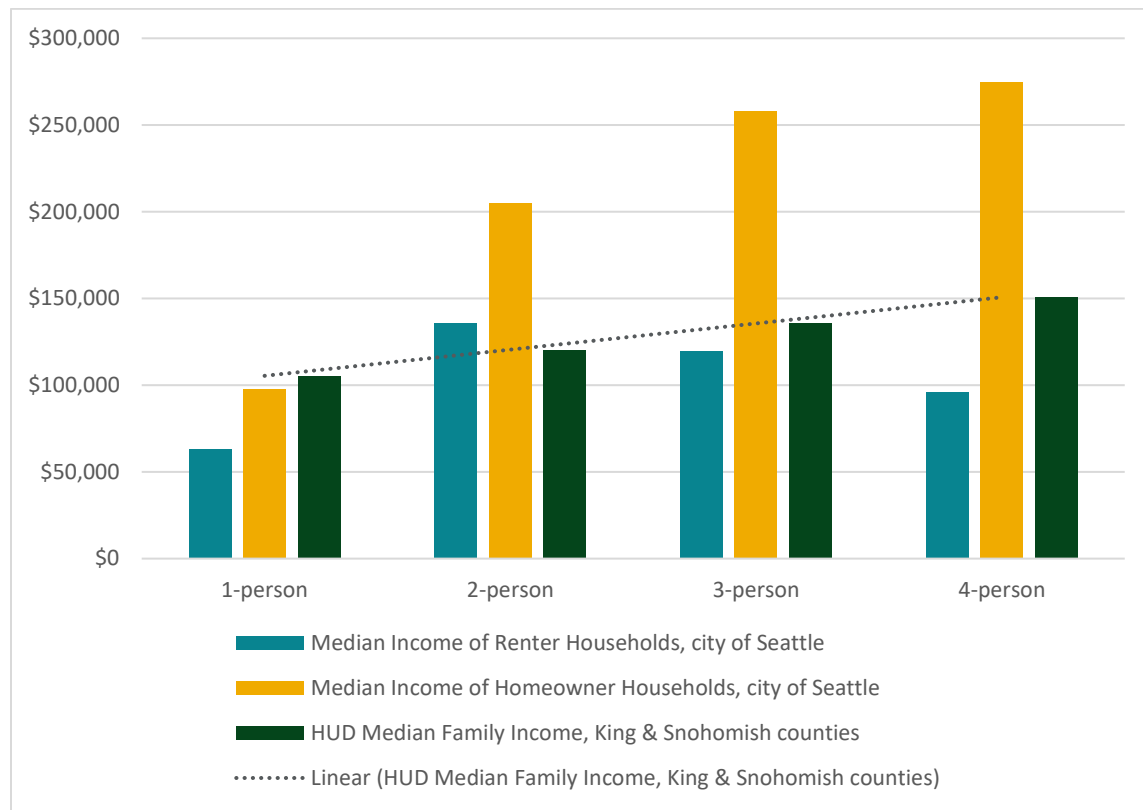


Chart Caption: Chart 1.4 is a bar chart that shows, for year 2024, the estimated median income of renter and homeowner households of one, two, three, and four persons in the city of Seattle (American Community Survey, Public Use Microdata Sample) and median family income calculated by HUD for the Seattle-Bellevue, WA HMFA (i.e., King and Snohomish counties). Chart data is in the table below.

Household Size	Median Income for Renter Households	Median Income for Homeowner Households	HUD Median Family Income
1	\$63,000	\$97,700	\$105,400
2	\$136,000	\$205,000	\$120,500
3	\$120,000	\$258,000	\$135,600
4	\$96,100	\$275,000	\$150,700

Although the above information illustrates drawbacks to HUD-calculated metrics as a baseline for income and rent limits, the HUD AMI does provide consistency across regulatory programs. This is critical because it is not unusual for multiple restrictive housing covenants to be recorded on the title for a single property. Instead of using alternative metrics, a high level of intentionality when establishing rent limits expressed as a percentage of AMI can promote housing affordability for renter households of all sizes.

Chapter 2: MFTE Activity in 2025

MFTE program activity in 2025 occurred in four categories.

- OH's review and approval of new MFTE applications sets the stage for future multifamily development to be added to Seattle's MFTE portfolio.
- Issuance of final certificates of tax exemption indicates the number of MFTE projects that completed construction in 2025, with their property tax exemptions starting January 1, 2026.
- Certain multifamily properties with expiring tax exemptions received OH approval for extension of their tax-exempt status to 24 years. Exemptions expired for other properties that completed construction in 2013.
- Finally, 2025 marked the first year that developers could convert certain projects' applications, agreements, or final certificates of tax exemption to P7.

New Applications

In 2025, OH approved MFTE applications for 17 multifamily rental housing projects expected to complete construction in the coming years. Property tax exemptions commence following a project's completion and OH issuance of a final certificate of tax exemption. These 17 projects are located in the designated growth centers of Ballard, Fremont, Wallingford, the University District, Capitol Hill, Central District, Othello, Westwood-Highland Park, and Uptown. One project is outside of a growth center, in Ravenna/Bryant.

New Multifamily Housing: Completions

Also in 2025, owners of nine new multifamily rental properties completed construction and received final certificates of tax exemption. These projects, for which tax exemptions started on January 1, 2026, total 1,860 units, including 391 restricted units. Three projects – a 396-unit midrise at 900 Rainier and two highrise towers on First Hill totaling 345 units and 506 units, respectively – account for over one-half of the total units in the nine properties.

Table 2.1 is a breakout of the nine newly constructed multifamily properties issued final certificates of tax exemption in 2025. They represent a wide range of types of multifamily housing based on the predominant type of units created: luxury and standard highrise apartments, standard midrise apartments, efficiency units, and sleeping room/micro units (see definitions for efficiency unit and sleeping room/micro unit in the Definitions section of the report that precedes Chapter 1).

Table 2.1: Final Certificates of Tax Exemption Issued in 2025 for New Construction Multifamily Development

Type of Multifamily Housing, Property Name, Address	Total Units	Restricted Units
Sleeping room, micro units	89	23
Columbia City Studios 3019 S Angeline St	89	23

Type of Multifamily Housing, Property Name, Address	Total Units	Restricted Units
Efficiency units	521	112
900 Rainier 900 Rainier Ave S	396	80
Reed Apts. 4009 Stone Way N	125	32
Midrise apartments	399	85
Bode Columbia City 2950 S Dakota St	80	20
Keystone Apts. 9208 20th Ave SW	74	15
Symphony Apts. 4221 37th Ave S	51	11
Tavin 8511 15th Ave NW	194	39
Highrise apartments	851	171
Cascara 225 Broadway	345	69
Museum House 707 Terry Ave	506	102
Total	1,860	391

In terms of unit configurations, smaller units continue to dominate. The share of restricted units with two or more bedrooms exceeds typical levels, at 17%, due largely to one project. Museum House, a highrise tower on First Hill, is an outlier in having 44 of its 102 restricted units with two or more bedrooms.

MFTE Expirations and Extensions

On December 31, 2025, MFTE subsidies for 18 properties were due to expire. Due to non-compliance with the original MFTE agreement, one property was not eligible to apply for an extension. Owners of one-third of the 18 buildings (533 total units, including 109 restricted units) applied for MFTE extensions and those applications were approved by OH. The exemptions for these properties now expire in 2037 rather than 2025. The AMI limits are generally 10% lower than those established during the first 12 years of property tax exemption, subject to a maximum of 80% of AMI and consistent with P6.

Table 2.2: Final Certificates of Tax Exemption Issued in 2025 to Extend Tax Exemptions for Existing Properties

Type of Multifamily Housing, Property Name, Address	Total Units	Restricted Units
Sleeping room, micro units	235	48
OneOne6 Apartments 116 13 th Ave E	60	12
Alder Flats 220 10th Ave	105	21
Alcove First Hill 220 10th Ave	53	11
Alcove Delridge 4548 Delridge Way SW	17	4
Midrise apartments	298	61
Kavela 845 NE 66th St	61	13
Slate Apts. 3040 17th Ave W	237	48
Total	533	109

Findings about rent levels in properties with extended tax exemptions are in subsection of Chapter 4 of this report.

Conversion of Applications, Agreements, and Final Certificates of Tax Exemption to P7

A fourth category of 2025 MFTE activity involves pipeline projects and projects completed in 2025 that developers can request to be converted from a prior version of MFTE to P7. Appendix M provides an overview of key changes adopted by City Council for MFTE P7.

Developers of 25 pipeline MFTE projects (all P6) plus all nine multifamily development projects that completed construction in 2025 (eight P6 and one P5) are eligible to apply to instead move forward under P7 rules. These projects total approximately 6,600 units, of which 1,390 would be or are restricted.

As of mid-2026, applications have been received for 15 projects. It is likely that developers will submit additional conversion applications.

Chapter 3: Production and Housing Characteristics

Chapter 3 provides information about developer usage of Seattle’s MFTE program, including the status of tax exemptions approved since the program’s inception, growth in developers’ use of the subsidy over time, and the characteristics of properties with approved MFTE applications through December 31, 2025. The chapter concludes with an analysis of the share of Seattle multifamily development projects whose owners ultimately seek and are approved for a property tax exemption through MFTE.

Property Tax Exemptions Over Time

The first MFTE-subsidized properties were completed in 2001, with active tax exemptions commencing in 2002. From that year through 2014, Seattle’s MFTE portfolio averaged five new tax-exempt properties per year. From 2015 on, new 12-year tax exemptions have started for an average of 24 MFTE properties each year. Over the past decade developers have steadily increased their usage of the program, as seen by the number of tax-exempt properties each year in Chart 3.1, resulting both from developers’ and their lenders’ robust interest in MFTE and growth in the program’s geographic span. The number of properties in Seattle’s MFTE portfolio ranges from a low of three properties in 2002 to a high of 307 properties in 2025. As of January 1, 2026, there are 304 multifamily rental properties with active tax exemptions.

Chart 3.1: Number of Properties with Active MFTE Tax Exemptions

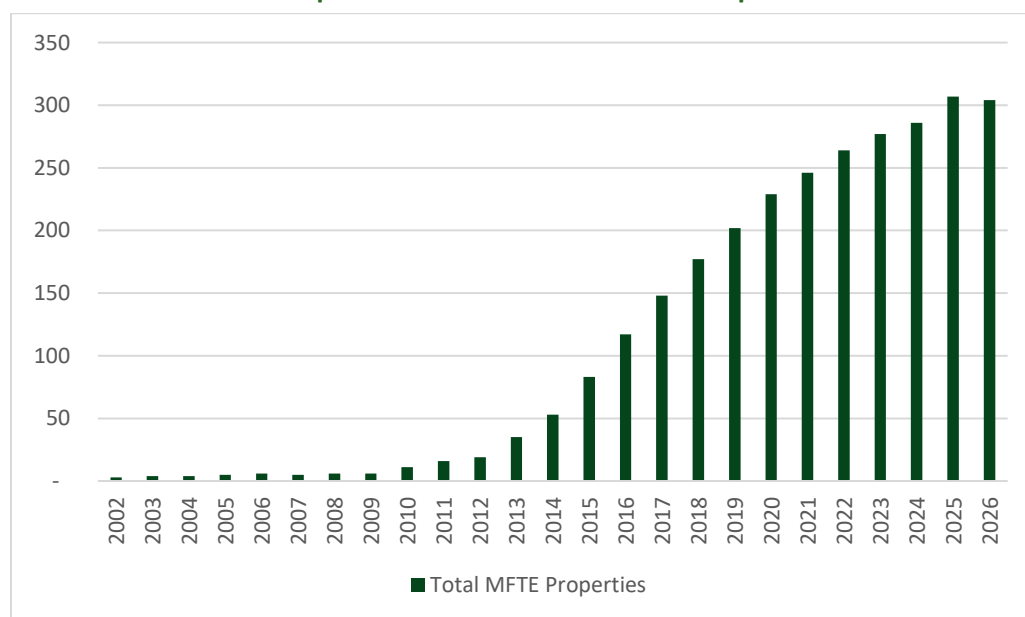


Chart Caption: Chart 3.1 is a bar chart that shows the number of multifamily rental properties with active tax exemptions through MFTE for years 2002 through 2026. Chart data is in the bullet list below.

- 2002: 3 properties
- 2003: 4 properties
- 2004: 4 properties
- 2005: 5 properties
- 2006: 6 properties
- 2007: 5 properties
- 2008: 6 properties
- 2009: 6 properties
- 2010: 11 properties
- 2011: 16 properties
- 2012: 19 properties
- 2013: 35 properties
- 2014: 53 properties
- 2015: 83 properties
- 2016: 117 properties

- 2017: 148 properties
- 2018: 177 properties
- 2019: 202 properties
- 2020: 229 properties
- 2021: 246 properties
- 2022: 264 properties
- 2023: 277 properties
- 2024: 286 properties
- 2025: 307 properties
- 2026: 304 properties

The 304 multifamily rental properties with active tax exemptions as of January 1, 2026, offer 36,190 total rental units (including 7,477 restricted units). The count shown for 2026 excludes properties with exemptions that expired on December 31, 2025. It includes units in buildings with tax exemptions extended to 24 years in 2025 and years prior.

Chart 3.2: Number of Units in Seattle's MFTE Portfolio

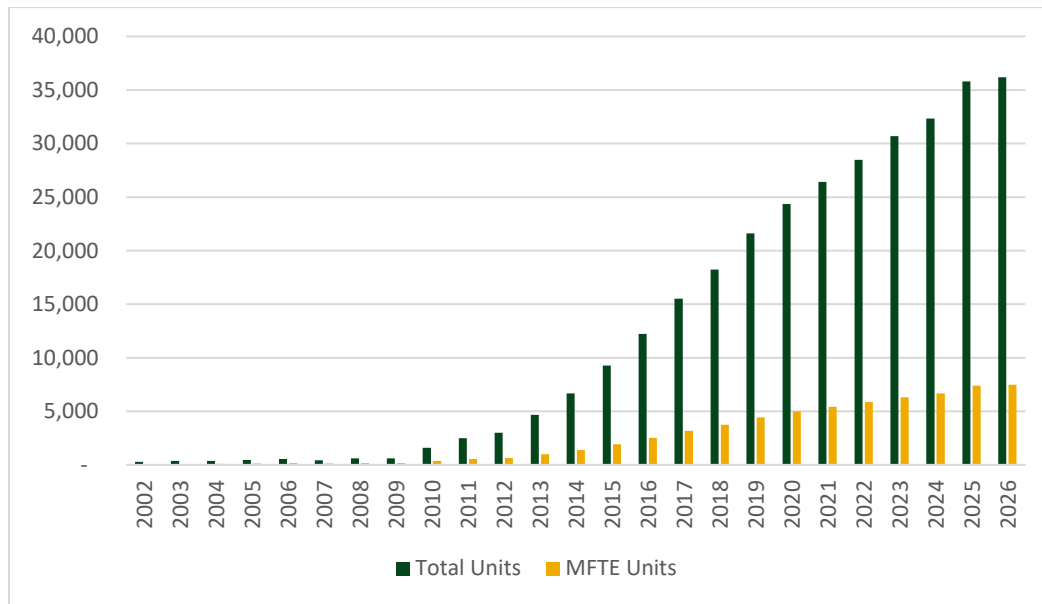


Chart Caption: Chart 3.2 is a bar chart that shows total units (both restricted and unrestricted) and the subtotal of restricted units in MFTE properties for years 2002 through 2026. Chart data is in the tables below.

MFTE Year 1	Total Units	Subtotal of Restricted Units
2002	289	76
2003	364	95
2004	364	95
2005	454	118
2006	554	148
2007	431	119
2008	603	154
2009	603	154
2010	1,581	368

MFTE Year 1	Total Units	Subtotal of Restricted Units
2011	2,498	553
2012	3,000	642
2013	4,675	985
2014	6,664	1,390
2015	9,259	1,920
2016	12,226	2,516
2017	15,503	3,176
2018	18,239	3,732

MFTE Year 1	Total Units	Subtotal of Restricted Units
2019	21,616	4,426
2020	24,347	4,986
2021	26,432	5,420
2022	28,476	5,852
2023	30,681	6,315

MFTE Year 1	Total Units	Subtotal of Restricted Units
2024	32,333	6,661
2025	35,792	7,383
2026	36,190	7,477

Growth in the assessed value of tax-exempt improvements also illustrates the MFTE program's expansion. As developers' utilization of the program has grown, so has the cumulative assessed value that is exempt from taxation. Chart 3.3 displays the total assessed value of tax-exempt improvements for MFTE properties by tax year. Until 2010, the value of exempt improvements in MFTE properties was less than \$200 million. In the 5-year period between 2011 and 2015, the value increased from \$327 million to \$1.8 billion. Inclusive of projects receiving final certificates of tax exemption in 2025, current MFTE portfolio properties' total exempt improvements value hit a record high of \$9.6 billion in 2026.

Chart 3.3: Value of Exempt Residential Improvements for MFTE Properties

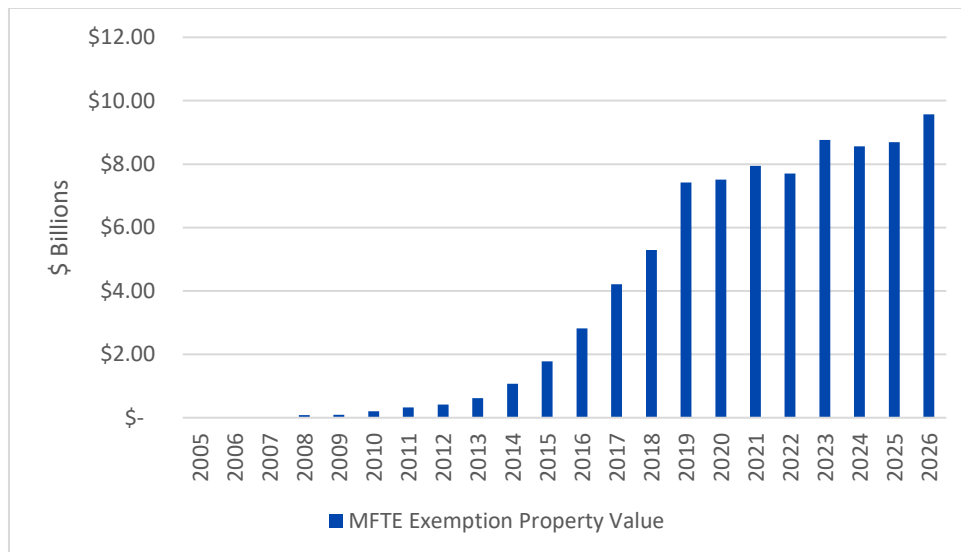


Chart Caption: Chart 3.3 is a bar chart that shows the value of exempt residential improvements for MFTE properties in tax years 2005 through 2026. Chart data appears in the tables below.

Tax Year	MFTE Exemption Property Value
2005	\$0.01 billion
2006	\$0.01 billion
2007	\$0.01 billion
2008	\$0.08 billion
2009	\$0.09 billion
2010	\$0.20 billion
2011	\$0.33 billion
2012	\$0.41 billion
2013	\$0.62 billion
2014	\$1.07 billion
2015	\$1.78 billion

Tax Year	MFTE Exemption Property Value
2016	\$2.81 billion
2017	\$4.21 billion
2018	\$5.29 billion
2019	\$7.42 billion
2020	\$7.51 billion
2021	\$7.95 billion
2022	\$7.70 billion
2023	\$8.76 billion
2024	\$8.56 billion
2025	\$8.69 billion
2026	\$9.57 billion

Chart 3.3 does not show the relative significance of individual properties in terms of total assessed value for exempt residential improvements, which varies widely. Almost 20% (\$1.7 billion) of the \$9.6 billion total assessed value of exempt residential improvements in 2026 is attributable to 19 MFTE properties marketed as luxury housing, although they comprise only 6% of MFTE properties.

The MFTE program's growth can also be shown by the number of properties with tax exemptions starting each year. This view is especially useful in illustrating how multiple versions of MFTE can be in play in the same year. Some projects take years to move from their initial applications to completion and issuance of a final certificate of tax exemption. Properties vest to rules of the MFTE program version in effect when the City receives a complete MFTE application from the developer. For this reason, projects receiving their final certificates of tax exemption since 2019 when MFTE P6 was adopted are not necessarily governed by P6 requirements.

Chart 3.4 shows the number of restricted units that launched their tax exemptions each year for all versions of MFTE to date. In 2025, multifamily properties with a record number of over 1,000 restricted units started year one of a 12-year tax exemption period. This spike, which includes properties with MFTE P5, P6, and P6 extension regulatory agreements, largely reflects record multifamily housing project completions resulting from pandemic-related backlogs.

Chart 3.4: Restricted Units, by Program Version and Year Tax Exemption Starts

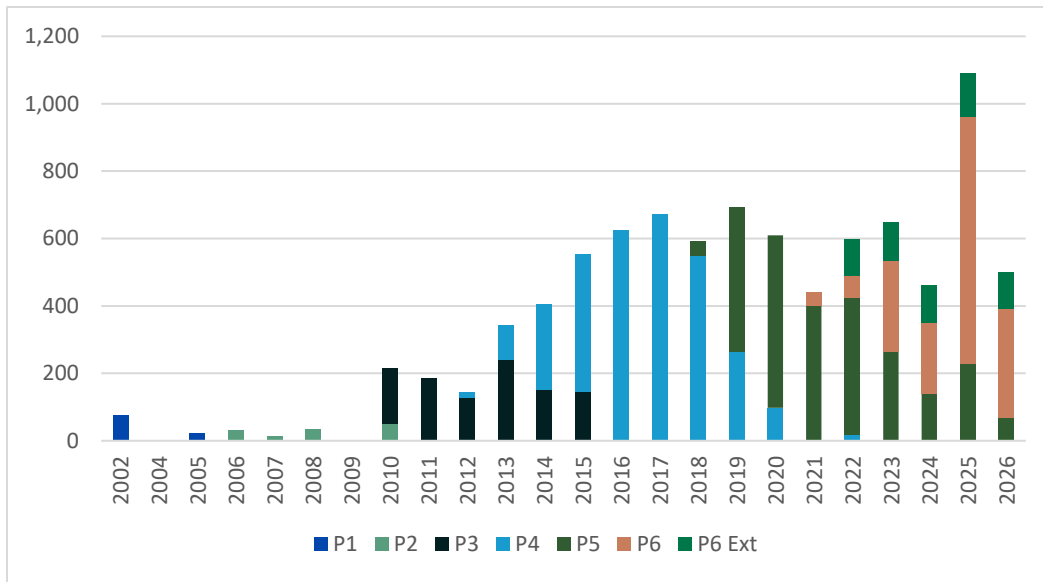


Chart Caption: Chart 3.4 is a bar chart that shows restricted units by program version and by year the tax exemption started. Chart data appears in the table below.

Year 1 of MFTE	P1	P2	P3	P4	P5	P6	P6 Ext
2002	76	N/A	N/A	N/A	N/A	N/A	N/A
2003	19	N/A	N/A	N/A	N/A	N/A	N/A
2004 P2 adopted	0	0	N/A	N/A	N/A	N/A	N/A
2005	23	0	N/A	N/A	N/A	N/A	N/A
2006	N/A	30	N/A	N/A	N/A	N/A	N/A
2007	N/A	12	N/A	N/A	N/A	N/A	N/A
2008 P3 adopted	N/A	35	N/A	N/A	N/A	N/A	N/A
2009	N/A	0	0	N/A	N/A	N/A	N/A
2010	N/A	49	165	N/A	N/A	N/A	N/A
2011 P4 adopted	N/A	N/A	185	0	N/A	N/A	N/A
2012	N/A	N/A	127	16	N/A	N/A	N/A
2013	N/A	N/A	241	102	N/A	N/A	N/A
2014	N/A	N/A	152	253	N/A	N/A	N/A
2015 P5 adopted	N/A	N/A	143	410	0	N/A	N/A
2016	N/A	N/A	N/A	626	0	N/A	N/A
2017	N/A	N/A	N/A	672	0	N/A	N/A
2018	N/A	N/A	N/A	548	43	N/A	N/A

Year 1 of MFTE	P1	P2	P3	P4	P5	P6	P6 Ext
2019 P6 adopted	N/A	N/A	N/A	265	429	0	N/A
2020	N/A	N/A	N/A	98	512	0	N/A
2021	N/A	N/A	N/A	0	401	39	N/A
2022	N/A	N/A	N/A	17	407	64	109
2023	N/A	N/A	N/A	N/A	266	268	114
2024	N/A	N/A	N/A	N/A	140	211	110
2025 P7 adopted	N/A	N/A	N/A	N/A	230	731	130
2026	N/A	N/A	N/A	N/A	69	322	109

The share of units resulting from MFTE extensions will become an increasingly important metric to track as the volume of restricted units in properties with expiring tax exemptions continues to increase. This is discussed further in the following section.

Current Status of MFTE-Subsidized Properties

As of today, the status of individual projects with approved MFTE applications falls into several categories: active-12 years, active-24 years (i.e., tax exemptions were extended), expired/not extended, opted out, and pipeline.

Table 3.5: MFTE Properties by Exemption Status as of January 1, 2026

MFTE Status	MFTE Properties	Total Units	Restricted Units
Pipeline (12 Years)	25	4,749	1,001
Active	304	36,190	7,477
12 Years	285	33,365	6,905
24 Years	19	2,825	572
Opted Out	4	196	48
Expired/Not Extended	35	4,046	872
Total	368	45,181	9,398

The remainder of this section provides information on MFTE properties that are in the pipeline, have expired or extended, or opted out of MFTE. Information on properties with active tax exemptions, including properties with extended tax exemptions, is in a separate section following this one.

Pipeline Projects

The 25 pipeline projects included in Table 3.5 above comprise 17 applications approved in 2025, and eight applications approved in prior years. The figure does not include tax exemption extension applications that may now be pending for properties with MFTE scheduled to expire at the end of 2026.

Expirations and Extensions

Until 2021, properties at the end of their tax exemption terms would return to the tax rolls. Property owners would begin to pay property taxes and income- and rent-restrictions ended as leases for restricted units expired or were renewed.

When the MFTE program was first established, policymakers assumed that at the end of a 12-year exemption period, market-rate rents would have moderated to levels naturally affordable for aging properties. However, in 2021, concern about potentially adverse impacts to income-eligible renters prompted State legislators to authorize jurisdictions to extend the property tax exemptions for an additional 12 years. City Council followed suit, authorizing owners of properties to re-up their exemptions in exchange for deeper affordability than currently required for newly constructed buildings.

Under P6, AMI limits for restricted units in properties with tax exemptions extended to 24 years are generally 10 percentage points lower than those for MFTE properties in the first 12 years of their property tax exemption. Since 2021, owners of 19 properties with 2,825 total units have elected to extend their tax-exempt status to 24 years, as shown in Table 3.6. Because these 19 properties' tax exemptions are in effect, the characteristics of the properties and units are discussed in the remainder of this report in sections related to active exemptions.

Table 3.6: MFTE Properties with Tax Exemption Status Extended to 24 Years

Year 1 of Exemption for Years 13-24	Number of Properties	Total Units	Restricted Units
2022	3	537	109
2023	3	565	114
2024	2	546	110
2025	5	644	130
2026	6	533	109
Total	19	2,825	572

Chart 3.7 shows the volume of restricted units in properties by year the tax savings are scheduled to expire. Since the program's inception through 2020, seven properties' tax exemptions expired at the end of their tax exemption terms. Since 2021, tax exemptions have expired for an additional 28 properties, meaning a total of 35 market-rate multifamily rental properties are no longer tax exempt.

The bar for year 2021 indicates that two-thirds of the units in properties with tax exemptions scheduled to expire that year now have 24-year exemptions. That same cohort of units accounts for about 10% of all units in properties scheduled to exit MFTE in 2033. A similar pattern follows in 2022 through 2025 and will continue into future years. Projects with exemptions expiring after 12 years represent housing supply added to the market 12 years earlier; upon expiration, properties with extended MFTE terms represent housing supply added 24 years prior.

Chart 3.7: Number of Restricted Units by MFTE Expiration Year

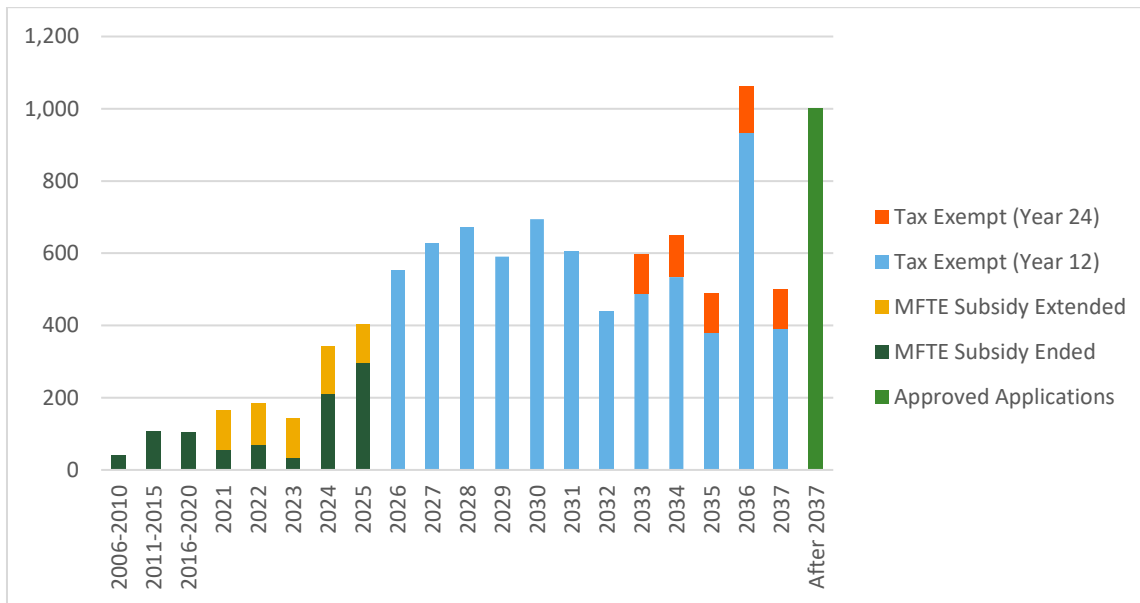


Chart Caption: Chart 3.7 is a bar chart that shows, by scheduled expiration year, the number of restricted units by property tax exemption status for years 2006 through 2037 and beyond. Chart data is in the table below.

Years	MFTE Subsidy Ended	MFTE Subsidy Extended	Tax-Exempt (Years 1-12)	Tax-Exempt (Years 13-24)	Approved Applications
2006 to 2010	41	0	0	0	0
2011 to 2015	107	0	0	0	0
2016 to 2020	103	0	0	0	0
2021	56	109	0	0	0
2022	71	114	0	0	0
2023	33	110	0	0	0
2024	211	131	0	0	0
2025	298	107	0	0	0
2026	0	0	553	0	0
2027	0	0	626	0	0
2028	0	0	672	0	0
2029	0	0	591	0	0
2030	0	0	694	0	0
2031	0	0	604	0	0

Years	MFTE Subsidy Ended	MFTE Subsidy Extended	Tax-Exempt (Years 1-12)	Tax-Exempt (Years 13- 24)	Approved Applications
2032	0	0	440	0	0
2033	0	0	488	109	0
2034	0	0	534	114	0
2035	0	0	379	110	0
2036	0	0	933	130	0
2037	0	0	391	109	0
After 2037	0	0	0	0	1,001

The rapid growth of participation in the 12-year tax exemption from 2015 onward, coupled with MFTE program changes implemented following adoption of P7, suggests that the number of properties in the City’s MFTE portfolio with tax exemptions extended to 24 years will dramatically rise in coming years.

Opt-Outs

Once enrolled in the MFTE program, owners are permitted to opt out of the property tax exemption and cancel their agreement to provide restricted units upon 60 days’ notice to the City of Seattle. If the property’s MFTE application is dated after October 27, 2021, the effective date of Ordinance 126443 MFTE P6.3, owners must comply with tenant notice requirements and provide tenant relocation assistance equal to the monthly rent according to the current lease agreement for the unit or an amount otherwise required by federal, state, and local law, whichever is greater. Opting out of MFTE is a rare occurrence; only four property owners have elected to exit the program prior to expiration of their tax exemption. Two of these opt-outs were apartment buildings that converted to condominiums in 2007. The third property was a four-plex with one restricted unit. The fourth opt-out happened immediately upon issuance of the property’s final certificate of tax exemption in 2020, so the tax exemption did not go into effect, and no restricted units were ever provided. Aside from this small handful of cases, property owners have not opted out of MFTE once the 12- or 24-year exemption period has started.

Characteristics of MFTE Properties with Active Tax Exemptions

Types of Multifamily Housing

Chart 3.8 provides a high-level overview of MFTE participation by multifamily housing type. Two-thirds of total restricted units built with MFTE support through December 31, 2025, are standard midrise buildings. Historically highrise tower and luxury apartment developments have been built without the MFTE subsidy, but the City is seeing increasing participation in MFTE for these large-scale developments. Seattle’s MFTE portfolio currently includes three developments with over 500 total units each: two luxury highrise towers on First Hill – Ovation and Museum House – and a two-building complex in the Central District – Jackson Apartments. An 800-unit development currently under construction next to University Village has an approved MFTE application. The small share of properties categorized in Chart

3.8 as having a multifamily housing type labeled “Other” are either marketed as student housing or do not fit neatly into any of the other housing categories.

Chart 3.8: Restricted Units by Multifamily Housing Type Since Program Inception

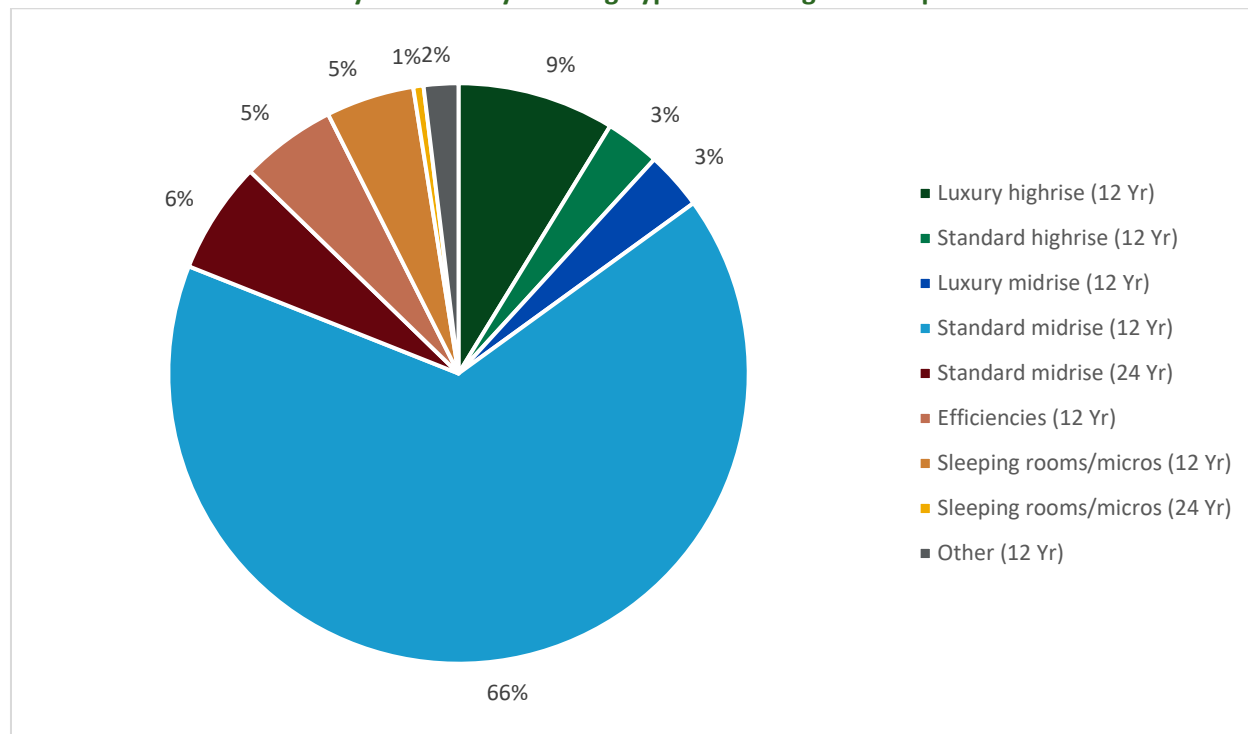


Chart Caption: Chart 3.8 shows the number of restricted units by multifamily housing type since the inception of the MFTE program. Chart data appear in the bullet list below.

- Luxury highrise (12 Yr): 735 restricted units (9%)
- Standard highrise (12 Yr): 255 restricted units (3%)
- Luxury midrise (12 Yr): 271 restricted units (3%)
- Standard midrise (12 Yr): 5,542 restricted units (66%)
- Standard midrise (24 Yr): 524 restricted units (6%)
- Efficiencies (12 Yr): 447 restricted units (5%)
- Sleeping room/micro units (12 Yr): 413 restricted units (5%)
- Sleeping room/micro units (24 Yr): 48 restricted units (1%)
- Other (12 Yr): 162 restricted units (includes units marketed to students) (2%)

Unit Type and Configuration

Since MFTE’s inception, 87% of all tax-exempt units constructed are 0-bedroom and 1-bedroom units. These unit types include sleeping room/micro units, efficiencies, and eligible open or alternative 1-bedroom apartments. Thirteen percent of units constructed since program inception have two or more bedrooms. Bedrooms in these units may either have a standard configuration (e.g., four walls, door, and exterior window) or an open or alternative configuration (e.g., slider, partial wall opening, and artificial light and ventilation).

Chart 3.9: Restricted Units by Number of Bedrooms Since Program Inception

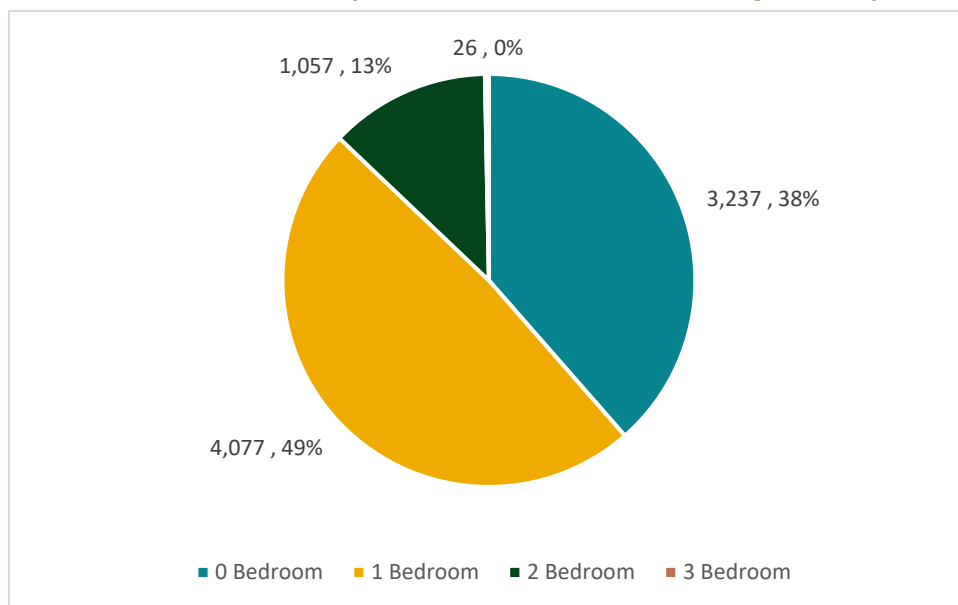


Chart Caption: Chart 3.9 shows total restricted units by number of bedrooms since the inception of the MFTE program. Chart data is in the bullet list below.

- 0-Bedroom: 3,237 restricted units, 38% of total restricted units
- 1-Bedroom: 4,077 restricted units, 49% of total restricted units
- 2-Bedroom: 1,057 restricted units, 13% of total restricted units
- 3-Bedroom: 26 restricted units, 0% of total restricted units

In general, successive versions of Seattle’s MFTE program have attempted to incentivize production of multi-bedroom units by providing for a lower set-aside of restricted units when the property includes at least a minimum share of 2- or 3-bedroom units. Under P6, for example, property owners may reduce the number of restricted units from 25% to 20% of total units if at least 8% have two or more bedrooms (e.g., eight 2-bedroom apartments in a 100-unit building).

As a further incentive, income and rent limits rise as a unit’s bedroom count increases. Under P6, the income and rent limits for apartments with two or three bedrooms are set to AMI levels that are 15 and 20 percentage points higher than those for 1-bedroom apartments (e.g., 85% of AMI for a 2-bedroom unit versus 70% of AMI for a 1-bedroom unit). It is not clear that the effort to incentivize production of multi-bedroom units is working effectively for either property owners or renters. Rent and vacancy data, discussed in Chapter 4, suggest that production of multi-bedroom rental apartments remains both a significant financial challenge for developers and an affordability challenge for families needing larger apartments.

The mix of restricted units by number of bedrooms in properties with extended MFTE subsidies mirrors that for the overall MFTE portfolio, as shown in Chart 3.10.

Chart 3.10: Restricted Units by Number of Bedrooms, Properties with Extended Tax Exemptions Only

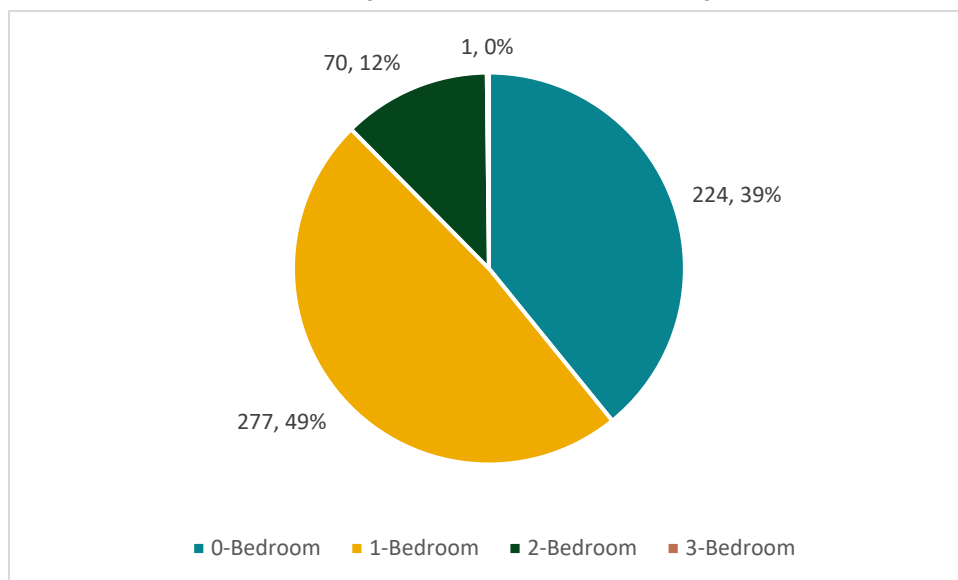


Chart Caption: Chart 3.10 is a pie chart that shows restricted units by number of bedrooms for properties with extended tax exemptions. Chart data is in the bullet list below.

- 0-Bedroom: 224 restricted units, 39% of total restricted units in MFTE properties
- 1-Bedroom: 277 restricted units, 49% of total restricted units in MFTE properties
- 2-Bedroom: 70 restricted units, 12% of total restricted units in MFTE properties
- 3-Bedroom: 1 restricted unit, 0% of total restricted units in MFTE properties

Location and Share of Multifamily Development Subsidized by Seattle’s MFTE Program

MFTE is available to developers in specific locations in Seattle. State law requires that local jurisdictions limit MFTE availability to residential target areas (RTAs) designated by City Council after a public hearing and subject to other requirements. RTAs must be within an urban center, defined in RCW 84.14.010 as “a compact identifiable district” with a mix of uses (e.g., shops, offices, banks, restaurants, and government agencies), adequate infrastructure (e.g., streets, sidewalks, lighting, transit, and water and sewer), and other measures of quality of life (e.g., cultural and recreational opportunities). The State of Washington also requires that RTAs meet Growth Management Act anti-displacement requirements.

The span of Seattle’s RTAs has grown dramatically since the inception of the program in 1998. MFTE P1, as amended, was limited to 11 geographic areas. Eight of those were identified as experiencing minimal housing development. The other three – Capitol Hill, International District, and Pike/Pine – had a higher set-aside requirement (i.e., 40% of total units) and comparatively lower AMI limits. This was in response to concern voiced by communities about market-rate development displacing lower income residents and altering neighborhood character. With Council adoption of MFTE P2 in 2004, the higher set-aside requirement was eliminated and the number of RTAs expanded to 17 geographic areas. In 2008, P3 established 39 geographic areas. In 2015 (P5), City Council maximized RTA boundaries for Seattle’s MFTE program by referencing all parcels zoned at that time for multifamily housing development.

The RTAs in effect since 2015 span all seven City Council Districts. Chart 3.11 shows the number of total units (both restricted and unrestricted) in MFTE-subsidized multifamily properties since the program was adopted in 1998. Council Districts 2 and 3 have the most units in MFTE properties. Council District 3, which includes Capitol Hill, First Hill, and the Central District, accounts for just over one-quarter of units in Seattle’s MFTE portfolio. The share of total units in tax-exempt properties in Council District 2 (Southeast Seattle) is 18%. Districts 5 and 6 have the smallest shares of units in Seattle’s MFTE portfolio, at 9% and 8% respectively.

Chart 3.11: Total Units in MFTE Properties by Council District Since Program Inception

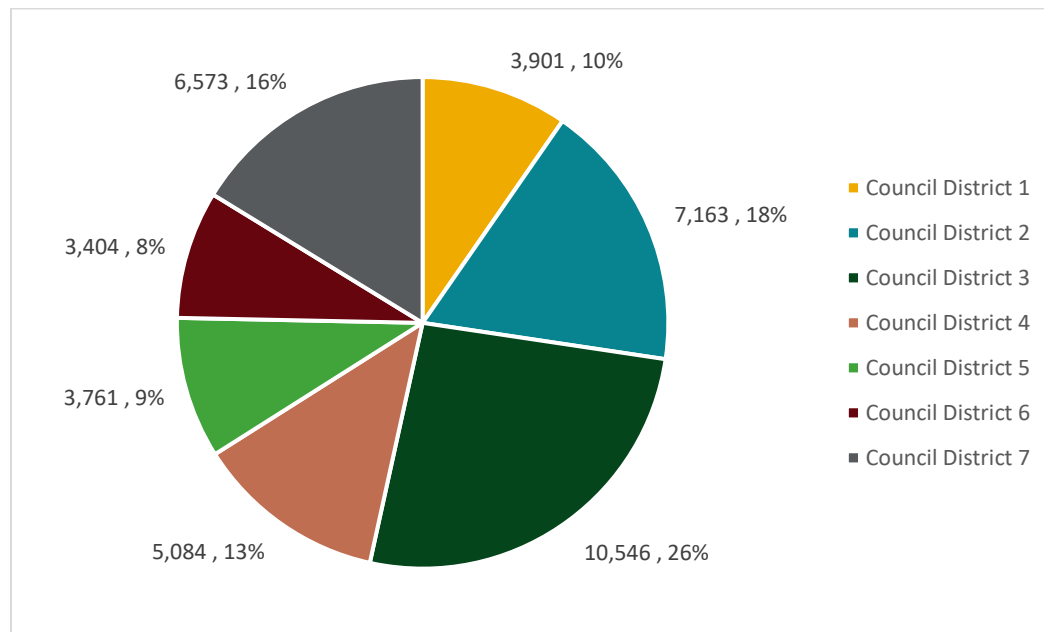


Chart Caption: Chart 3.11 is a pie chart that shows the total units in MFTE properties by Council District since the inception of the MFTE program. Chart data is in the table below.

Council District	Total Units in MFTE Properties	Share of Total Units in MFTE Properties
1	3,901	10%
2	7,163	18%
3	10,546	26%
4	5,084	13%
5	3,761	9%
6	3,404	8%
7	6,573	16%

Chart 3.12 shows the geographic distribution of total multifamily units built, irrespective of MFTE’s use, by year of project completion for the 5-year period ending in 2025. Council District 7 experienced the greatest production of multifamily housing units, followed by Council Districts 3 and 2. The chart shows far higher multifamily housing production in recent years in some areas versus others. For example, in

Council District 3, which includes the 23rd and Cherry-Union-Jackson communities, 40 multifamily development projects totaling nearly 4,000 units were completed in 2024 alone. That is the highest number of sleeping room, SEDU, and apartment unit completions across all Council Districts for any year between 2021 and 2025. Twelve of those developments (1,938 total units) are subsidized by MFTE. Another four are City-funded permanently affordable rental housing developments ranging from 60 to 365 units. Together, those 16 developments account for nearly two-thirds of the record number of multifamily units that came online in Council District 3 in 2024.

Chart 3.12: New Congregate Sleeping Rooms, SEDUs, and Apartments by Council District and Year Construction Completed

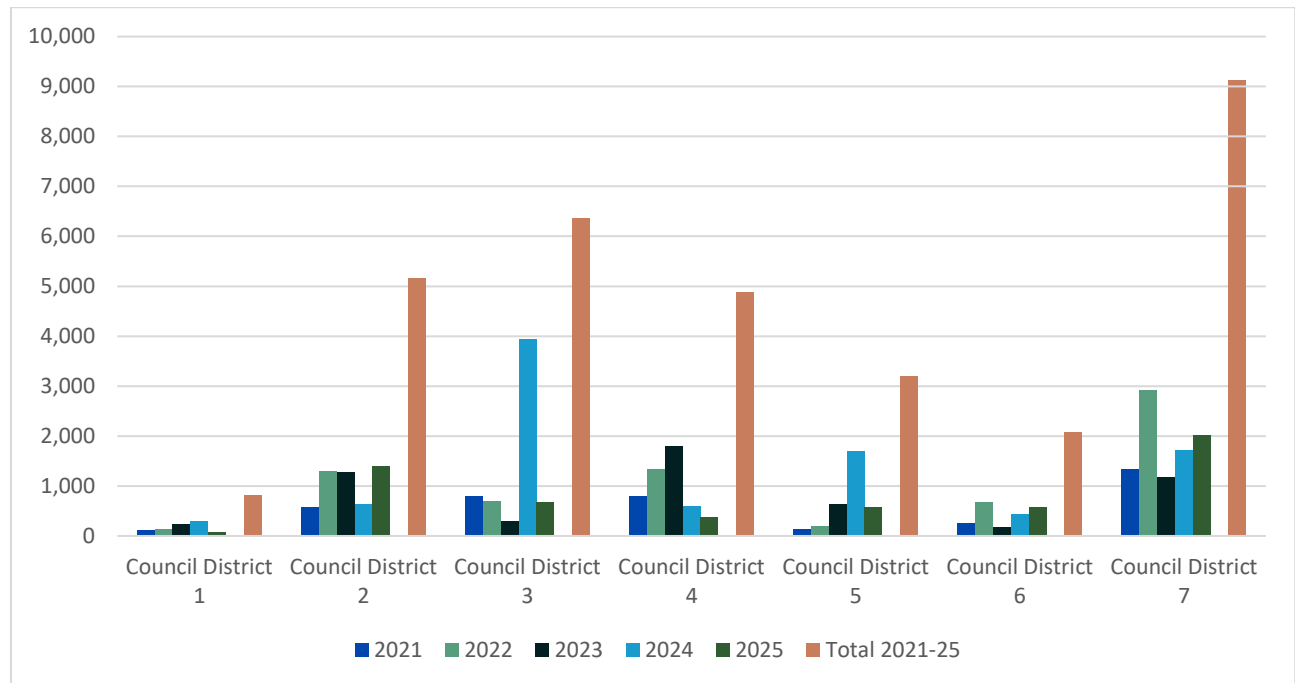


Chart Caption: Chart 3.12 is a bar graph showing the total number of new multifamily units built in each City Council district by the year construction was completed. Chart data is in the table below.

Council District	2021	2022	2023	2024	2025	Total 2021-25
1	100	129	226	287	71	813
2	571	1,296	1,259	632	1,396	5,154
3	783	687	282	3,926	675	6,353
4	791	1,336	1,797	587	370	4,881
5	122	182	633	1,690	568	3,195
6	254	668	173	420	567	2,082
7	1,333	2,906	1,168	1,706	2,007	9,120

Table 3.13 compares total multifamily units developed in the 12-year period between 2014 and 2025, and total units in MFTE properties for that same period. The final column calculates MFTE-supported units' share of all multifamily units developed in each Council District.

Table 3.13: Multifamily Housing Production by Council District, 2014-2025

Council District	Total Multifamily Units Developed	Total Units in MFTE Properties	Total Units in MFTE Properties as a Share of Total Multifamily Units Developed
1	3,928	3,061	78%
2	10,247	5,937	58%
3	14,441	8,804	61%
4	11,087	4,666	42%
5	5,789	3,316	61%
6	5,438	2,724	47%
7	24,903	4,886	20%
Overall	75,833	33,394	44%

As shown in Table 3.13, overall, at least 44% of total multifamily units built between 2014 and 2025 are in developments subsidized through Seattle's MFTE program. The 44% figure is likely an underestimate since permit data cannot be pulled for parcels within exact MFTE residential target area boundaries (last updated in 2015). For this reason, baseline levels of multifamily development reflected in these calculations include some not eligible for MFTE. With this caveat in mind, it appears that the share of MFTE usage exceeds 40% in all Council Districts except one. In Council District 7, MFTE subsidies currently support one of every five units built since 2014. MFTE-supported development as a share of total multifamily housing built is highest in Council District 1.

Participation levels by location could in part reflect the affordability of market rents in each geographic area relative to other areas of Seattle. As the differential between market rents and rents for restricted units narrows, the value of the tax exemption increases for owners and investors. Table 3.14 shows the median market rents for 0-bedroom and 1-bedroom units (the most common configurations for restricted units) in different neighborhood market areas. Darker shading in the two right-hand columns indicates higher rents and whiter shading indicates lower rents. As a comparison to the market-rate rents shown in the table, for P6, a 60% of AMI rent limit in 2025 would be \$1,448 for a 0-bedroom unit and \$1,552 for a 1-bedroom unit. For P7, a 60% of AMI rent limit would be \$1,650 for a 0-bedroom unit and \$1,767 for a 1-bedroom unit. (The difference is because P6 places a 4.5% cap on the annual escalation of AMI.)

Table 3.14: Median Market Rent for 0- and 1-Bedroom Units by Location (CoStar, September 2025)

Council District/Neighborhoods	0-BR	1-BR
District 1 - Alki, Admiral, West Seattle Junction	\$1,771	\$2,093
District 1 - Morgan Junction, Westwood-Highland, South Park	\$1,440	\$1,772
District 2 - South Beacon Hill/Rainier Valley	\$1,508	\$1,713
District 2 - South Downtown, 12th Avenue, North Rainier Valley	\$1,426	\$2,030
District 3 - Capitol Hill, Pike/Pine, First Hill	\$1,505	\$2,116
District 3 - Central Area	\$1,636	\$2,104
District 4 - University District, Roosevelt, Ravenna	\$1,505	\$2,059
District 4 - Wallingford	\$1,463	\$2,272
District 5 - Bitter Lake, Lickon Springs, NW Seattle	\$1,494	\$1,779
District 5 - Northgate, Lake City, NE Seattle	\$1,610	\$1,779
District 6 - Ballard, Magnolia	\$1,442	\$2,256
District 6 - Green Lake, Phinney Ridge, Fremont	\$1,482	\$2,205
District 7 - Downtown Core, Belltown, South Lake Union	\$1,887	\$2,829
District 7 - Uptown, Queen Anne, Interbay	\$1,656	\$2,314
Overall	\$1,624	\$2,262

The area with the lowest opt-in rate – Downtown Core-Belltown-South Lake Union – has the highest concentration of luxury and/or high-rise properties that tend to command higher rents regardless of unit configuration. As noted earlier in this chapter, the City is seeing increasing participation in MFTE from these large-scale developments, so it is possible that the MFTE opt-in rate in these higher-rent areas will start to increase, especially if potential tax savings on high-value buildings is notably higher than reduced rents required for restricted units.

Chart 3.15 below shows total units in MFTE developments as a share of total multifamily units built. This is the same data as shown in Table 3.13 above, but by version of the MFTE program. Year-by-year percentages vary widely: in years 2015, 2016, 2020, 2021, and 2024, MFTE properties' units account for one-half or more of the total units built. MFTE buildings that came online in 2016 (all of them P4) account for a record 72% of total units in multifamily development completed that year. In no year is the number of units in MFTE properties lower than 30% of total multifamily units built. Additional data are provided in a series of tables in Appendix H, and notes about the permit data are summarized in Appendix I.

Chart 3.15: Units in MFTE Properties as a Share of Total Units Built, by Year Completed

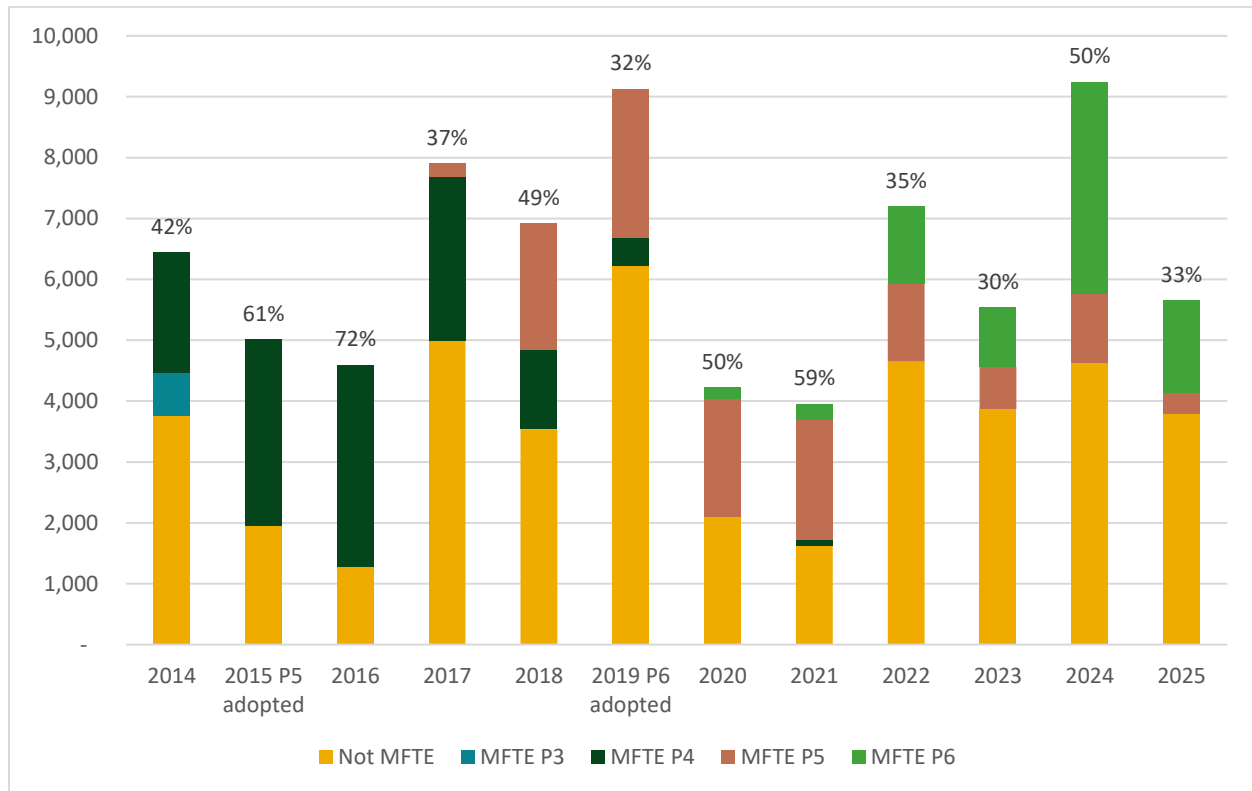
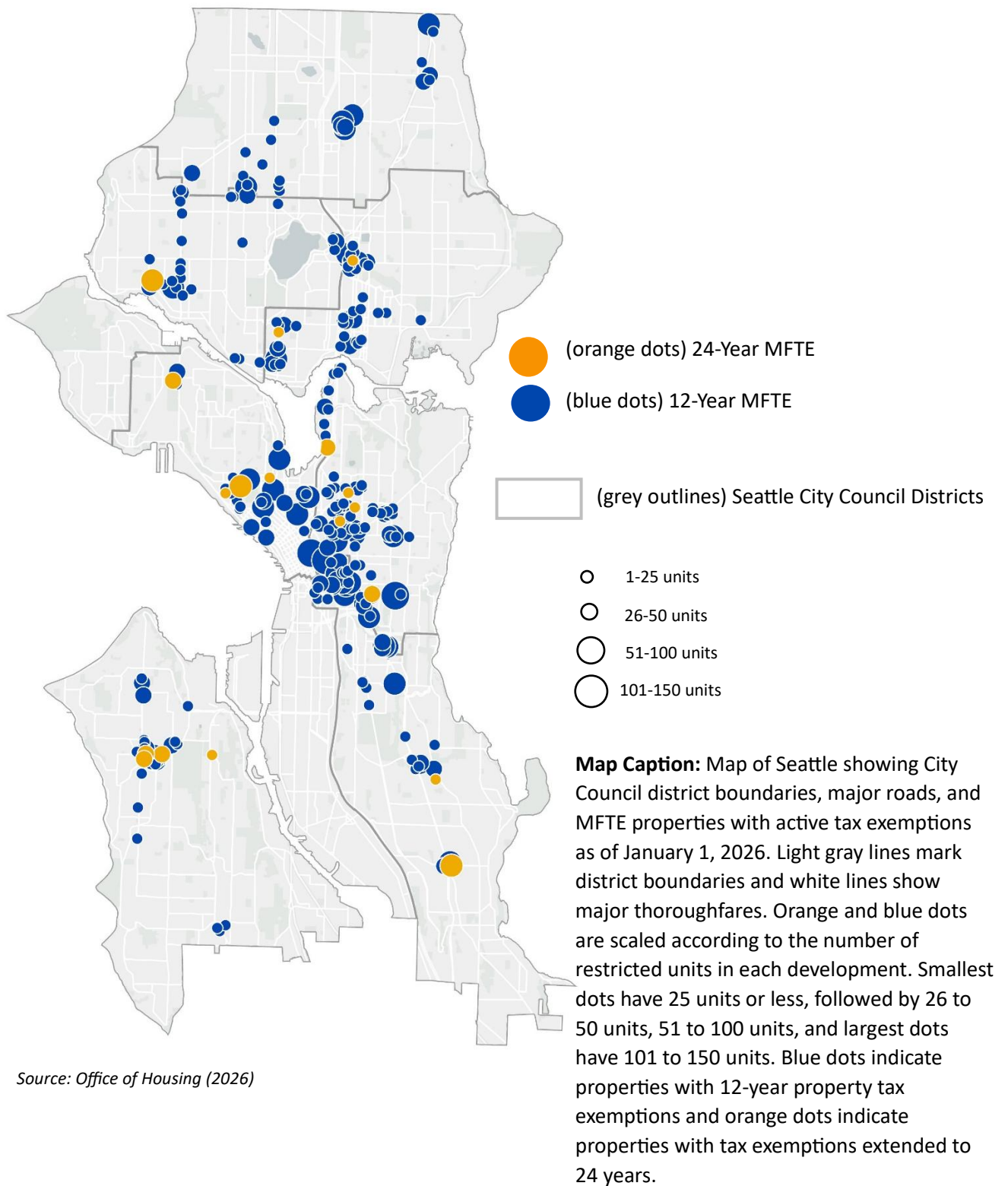


Chart Caption: Chart 3.15 is a bar chart that shows units in MFTE properties, by program version, as a share of the total units built by the year completed. Chart data is in the table below.

Year	Units Built Not MFTE	Units Built MFTE P3	Units Built MFTE P4	Units Built MFTE P5	Units Built MFTE P6	Units in MFTE Properties as Share of Total Built
2014	3,764	710	1,975	0	0	42%
2015 P5 adopted	1,953	0	3,067	0	0	61%
2016	1,279	0	3,317	0	0	72%
2017	4,994	0	2,695	213	0	37%
2018	3,538	0	1,307	2,070	0	49%
2019 P6 adopted	6,229	0	465	2,433	0	32%
2020	2,112	0	0	1,920	194	50%
2021	1,632	0	85	1,983	254	59%
2022	4,647	0	0	1,292	1,265	35%
2023	3,871	0	0	693	974	30%
2024	4,626	0	0	1,141	3,481	50%
2025	3,794	0	0	345	1,515	33%
Overall	42,439	710	12,911	12,090	7,683	44%

The following map shows the location of the properties currently in the City of Seattle’s MFTE portfolio.

Map: MFTE Properties with Active Tax Exemptions as of January 1, 2026



Source: Office of Housing (2026)

Chapter 4: Affordability and Renter Characteristics

Chapter 4 compares average rents and vacancy rates for restricted and unrestricted units in MFTE properties and for the overall multifamily rental market. This chapter also provides an overview of resident household incomes, housing cost burden, and demographics for residents of restricted units. Collectively, this information helps illustrate MFTE outcomes for renters.

Rent and occupancy data is from Annual Property Certification (APC) reports that managers of MFTE properties are required to provide the City annually. Multifamily rental market data is from CoStar Market Analytics for September 2025. Appendix I provides additional detail on data analyzed for this chapter.

Rents

Caps on rents for restricted units vary depending on unit type, number and type of bedrooms, and square footage. Appendix B has the 2025 income and rent limit tables for each regulatory version of MFTE. This section of the report details how rents for restricted units differ from those for unrestricted rents in MFTE properties and overall market rents; but rent differentials are only part of the assessment of MFTE's programmatic impacts on housing affordability. Table 4.14, toward the end of this chapter, shows MFTE residents' reported incomes by household size compared to average rents for restricted units.

Rents for restricted units are 24% lower than rents for unrestricted units, when averaged across all unit types. For standard apartments, rent for restricted units is 25% lower on average than for unrestricted units. For efficiency units, which are smaller than standard apartments, the reduction is 20% lower on average. For sleeping room or micro units, which have a smaller footprint than efficiencies, the reduction is 11%.

Unit Rent

Table 4.1 Unit Rents by Unit Type

Unit Type	Restricted Unit Average Rent	Restricted Units Sample Size	Unrestricted Unit Average Rent	Unrestricted Units Sample Size	Average Rent Reduction for Restricted Units
Standard apartments	\$1,704 632 sq ft on average	5,239	\$2,260 679 sq ft on average	19,848	25% lower
Efficiency units	\$1,131 293 sq ft on average	353	\$1,411 325 sq ft on average	1,386	20% lower
Sleeping room/micro units	\$914 196 sq ft on average	272	\$1,028 212 sq ft on average	1,243	11% lower
Overall	\$1,633	5,864	\$2,140	22,477	24% lower

The difference in rent between restricted units and unrestricted units has large variations depending on configuration of a unit. The average differential ranges from \$301 per month less for a 0-bedroom unit and up to \$1,488 per month less for a 3-bedroom apartment.

Table 4.2 Unit Rents by Number of Bedrooms

Number of Bedrooms	Restricted Unit Average Rent	Restricted Units Sample Size	Unrestricted Unit Average Rent	Unrestricted Units Sample Size	Restricted Units Average Rent Compared to Unrestricted Units	Reference: Citywide Average Rent per Unit
0	\$1,289 416 sq ft on average	2,076	\$1,590 426 sq ft on average	6,800	19% lower	\$1,624 385 sq ft on average
1	\$1,704 619 sq ft on average	3,025	\$2,182 652 sq ft on average	12,619	22% lower	\$2,262 650 sq ft on average
2	\$2,281 952 sq ft on average	749	\$3,156 995 sq ft on average	2,970	28% lower	\$3,086 980 sq ft on average
3	\$2,722 1,218 sq ft on average	14	\$4,210 1,308 sq ft on average	87	35% lower	\$4,387 1,333 sq ft on average
Overall	\$1,633	5,864	\$2,140	22,476	24% lower	\$2,292

The magnitude of rent savings for restricted units has even greater variation when looking at unit size as opposed to bedroom count. Units of 400 square feet or less produce rent savings of just 10% for restricted units, while the largest restricted units have far greater rent savings (32%). Units of 550 square feet or more produce rent savings of 20% or more on average.

Table 4.3 Unit Rents by Unit Size

Unit Size	Restricted Unit Average Rent	Restricted Units Sample Size	Unrestricted Unit Average Rent	Unrestricted Units Sample Size	Restricted Units Average Rent Compared to Unrestricted Units	Reference: Citywide Average Rent per Unit
220 sq ft or less	\$870	229	\$969	761	10% lower	\$1,070
221 to 400 sq ft	\$1,206	554	\$1,336	1,851	10% lower	\$1,501
401 to 550 sq ft	\$1,516	1,738	\$1,829	5,278	17% lower	\$1,889
551 to 700 sq ft	\$1,675	1,985	\$2,101	7,647	20% lower	\$2,190
701 to 850 sq ft	\$1,791	709	\$2,404	3,678	25% lower	\$2,408
851 to 1,000 sq ft	\$2,267	373	\$2,936	1,630	23% lower	\$2,780

Unit Size	Restricted Unit Average Rent	Restricted Units Sample Size	Unrestricted Unit Average Rent	Unrestricted Units Sample Size	Restricted Units Average Rent Compared to Unrestricted Units	Reference: Citywide Average Rent per Unit
Over 1,000 sq ft	\$2,300	276	\$3,394	1,632	32% lower	\$3,932
Overall	\$1,633	5,864	\$2,140	22,477	24% lower	\$2,292

Location is also an important determinant of the rent differential between restricted and unrestricted units. On average, the greatest rent savings provided by restricted units are in MFTE properties in the Downtown Core-Belltown-South Lake Union market area (31% lower). The Capitol Hill-Pike/Pine-First Hill, Wallingford, and Ballard-Magnolia market areas have slightly lower rent differentials (27% lower). The rent difference is lowest in the Northgate-Lake City-NE Seattle market area, where rents for restricted units are 13% lower than those for unrestricted units on average.

Table 4.4 Unit Rents by Location

Market Area	Restricted Unit Average Rent	Restricted Units Sample Size	Unrestricted Unit Average Rent	Unrestricted Units Sample Size	Restricted Units Average Rent Compared to Unrestricted Units	Reference: Market Area Average Rent per Unit
District 1 - Alki, Admiral, West Seattle Junction	\$1,685	562	\$2,153	2,116	22% lower	\$2,200
District 1 - Morgan Junction, Westwood-Highland, South Park	\$1,491	83	\$1,765	325	16% lower	\$1,988
District 2 - South Beacon Hill/Rainier Valley	\$1,443	178	\$1,841	702	22% lower	\$1,871
District 2 - South Downtown, 12th Avenue, North Rainier Valley	\$1,612	985	\$1,985	3,645	19% lower	\$2,052
District 3 - Capitol Hill, Pike/Pine, First Hill	\$1,598	851	\$2,180	3,247	27% lower	\$2,085
District 3 - Central Area	\$1,648	402	\$2,071	1,558	20% lower	\$2,120

Market Area	Restricted Unit Average Rent	Restricted Units Sample Size	Unrestricted Unit Average Rent	Unrestricted Units Sample Size	Restricted Units Average Rent Compared to Unrestricted Units	Reference: Market Area Average Rent per Unit
District 4 - University District, Roosevelt, Ravenna	\$1,818	166	\$2,299	659	21% lower	\$1,989
District 4 - Wallingford	\$1,506	338	\$2,069	1,296	27% lower	\$2,163
District 5 - Bitter Lake, Licton Springs, NW Seattle	\$1,576	213	\$1,892	802	17% lower	\$1,886
District 5 - Northgate, Lake City, NE Seattle	\$1,619	257	\$1,864	1,011	13% lower	\$1,986
District 6 - Ballard, Magnolia	\$1,578	377	\$2,149	1,545	27% lower	\$2,143
District 6 - Green Lake, Phinney Ridge, Fremont	\$1,646	442	\$2,191	1,616	25% lower	\$2,054
District 7 - Downtown Core, Belltown, South Lake Union	\$1,796	538	\$2,604	2,123	31% lower	\$3,051
District 7 - Uptown, Queen Anne, Interbay	\$1,669	472	\$2,265	1,832	26% lower	\$2,341
Overall	\$1,633	5,864	\$2,140	22,477	24% lower	\$2,292

Rent per Square Foot

Comparing restricted and unrestricted rents per square foot helps account for a lack of strict comparability between restricted units and unrestricted units; on average, restricted units are 40 square feet smaller than unrestricted units. Overall, restricted units' rents are 17% lower per square foot than rents for unrestricted units. The differential between per square foot rents is narrowest for smaller unit types. Rent-restricted sleeping room/micro units, for example, save resident households only 5% on rent.

Table 4.5 Rent per Square Foot by Unit Type

Unit Type	Restricted Unit Average Rent per Square Foot	Restricted Units Sample Size	Unrestricted Unit Average Rent per Square Foot	Unrestricted Units Sample Size	Average Per Sq Ft Rent Reduction for Restricted Units
Standard apartments	\$2.79	5,239	\$3.39	19,848	18% lower
Efficiency units	\$3.92	353	\$4.39	1,386	11% lower
Sleeping room/micro units	\$4.75	272	\$5.00	1,243	5% lower
Overall	\$2.95	5,864	\$3.54	22,477	17% lower

This dynamic is also evident when comparing the average rent per square foot by unit configuration. Restricted units without a bedroom cost 16% per square foot less compared to 0-bedroom unrestricted units. On average, restricted units with 2- and 3-bedroom rent are 24% and 30% per square foot less, respectively, than unrestricted units.

Table 4.6 Rent per Square Foot by # Bedrooms

Number of Bedrooms	Restricted Unit Average Rent per Square Foot	Restricted Units Sample Size	Unrestricted Unit Average Rent per Square Foot	Unrestricted Units Sample Size	Restricted Units Average Rent per Square Foot Compared to Unrestricted Units	Reference: Citywide Average per Square Foot Rent
0	\$3.34	2,076	\$3.96	6,800	16% lower	\$4.22
1	\$2.81	3,025	\$3.39	12,619	17% lower	\$3.48
2	\$2.43	749	\$3.20	2,970	24% lower	\$3.15
3	\$2.24	14	\$3.20	87	30% lower	\$3.29
Overall	\$2.95	5,864	\$3.54	22,476	17% lower	\$3.60

Consistent with comparisons across unit configuration, average rent per square foot is uniformly higher for units that are smaller in size. This is true for restricted units, unrestricted units, and market multifamily rental housing in Seattle. The rent of restricted units ranges from 10% per square foot less for units 220 square feet or less, to 30% per square foot less for units over 1,000 square feet.

Table 4.7 Rent per Square Foot by Unit Size

Unit Size	Restricted Unit Average Rent per Square Foot	Restricted Units Sample Size	Unrestricted Unit Average Rent per Square Foot	Unrestricted Units Sample Size	Restricted Units Average Rent per Square Foot Compared to Unrestricted Units	Reference: Citywide Average per Square Foot Rent
220 sq ft or less	\$4.86	229	\$5.39	761	10% lower	\$5.44
221 to 400 sq ft	\$3.92	554	\$4.40	1,851	11% lower	\$4.65
401 to 550 sq ft	\$3.12	1,738	\$3.74	5,278	16% lower	\$3.81
551 to 700 sq ft	\$2.71	1,985	\$3.37	7,647	20% lower	\$3.41
701 to 850 sq ft	\$2.39	709	\$3.18	3,678	25% lower	\$3.20
851 to 1,000 sq ft	\$2.44	373	\$3.17	1,630	23% lower	\$3.12
Over 1,000 sq ft	\$2.13	276	\$3.03	1,632	30% lower	\$3.32
Overall	\$2.95	5,864	\$3.54	22,477	17% lower	\$3.60

When comparing average rent per square foot by market area, the rent differential between unrestricted, restricted, and general multifamily market rents is lowest in two market areas – Morgan Junction-Westwood-Highland-South Park (a 2% differential between restricted and unrestricted rents in MFTE properties) and Northgate-Lake City-NE Seattle (8%). The highest rent reductions per square foot are in the Downtown Core-Belltown-South Lake Union (a 23% differential between restricted and unrestricted rents in MFTE properties) and Ballard-Magnolia (21%) market areas.

Table 4.8 Rent per Square Foot by Location

Market Area	Restricted Unit Average Rent per Square Foot	Restricted Units Sample Size	Unrestricted Unit Average Rent per Square Foot	Unrestricted Units Sample Size	Restricted Units Average Rent per Square Foot Compared to Unrestricted Units	Reference: Market Area Average per Square Foot Rent
District 1 - Alki, Admiral, West Seattle Junction	\$2.76	562	\$3.26	2,116	15% lower	\$3.34
District 1 - Morgan Junction, Westwood-Highland, South Park	\$3.55	83	\$3.62	325	2% lower	\$3.11

Market Area	Restricted Unit Average Rent per Square Foot	Restricted Units Sample Size	Unrestricted Unit Average Rent per Square Foot	Unrestricted Units Sample Size	Restricted Units Average Rent per Square Foot Compared to Unrestricted Units	Reference: Market Area Average per Square Foot Rent
District 2 - South Beacon Hill/Rainier Valley	\$2.40	178	\$2.81	702	15% lower	\$2.81
District 2 - South Downtown, 12th Avenue, North Rainier Valley	\$2.78	985	\$3.21	3,645	14% lower	\$3.54
District 3 - Capitol Hill, Pike/Pine, First Hill	\$3.22	851	\$3.91	3,247	18% lower	\$3.60
District 3 - Central Area	\$2.89	402	\$3.35	1,558	14% lower	\$3.47
District 4 - University District, Roosevelt, Ravenna	\$3.21	166	\$3.88	659	17% lower	\$3.85
District 4 - Wallingford	\$3.24	338	\$3.99	1,296	19% lower	\$3.97
District 5 - Bitter Lake, Licton Springs, NW Seattle	\$3.38	213	\$3.80	802	11% lower	\$2.90
District 5 - Northgate, Lake City, NE Seattle	\$2.53	257	\$2.74	1,011	8% lower	\$2.77
District 6 - Ballard, Magnolia	\$2.85	377	\$3.60	1,545	21% lower	\$3.66
District 6 - Green Lake, Phinney Ridge, Fremont	\$3.28	442	\$3.89	1,616	16% lower	\$3.82
District 7 - Downtown Core, Belltown, South Lake Union	\$2.88	538	\$3.76	2,123	23% lower	\$4.11
District 7 - Uptown, Queen Anne, Interbay	\$2.79	472	\$3.55	1,832	21% lower	\$3.47
Overall	\$2.95	5,864	\$3.54	22,477	17% lower	\$3.60

Impact of Concessions

During downturns in the rental market, which feature periods of higher rental housing vacancy rates, property managers frequently offer rent concessions to prospective tenants. Rents remain at advertised market rates, but incoming tenants pay a reduced rent or no rent for a period of time as a move-in incentive. While not lowering contract rents, the concessions lower the effective monthly rent. Not all MFTE properties offering rent concessions for unrestricted units do so for restricted units. When concessions apply only to unrestricted unit rents, the effective housing cost savings for households living in restricted units diminishes.

Properties with Extended Tax Exemptions

The rent data presented in this chapter draws from all active MFTE properties, inclusive of properties with extended exemptions. As the MFTE portfolio expands to include an increasing number of properties with extended tax exemptions, future annual MFTE reports will analyze rent savings separately for properties in their first or second 12-year exemption term.

Early indications are that owners of properties that already have low rents relative to the market are the ones most likely to choose to extend their exemptions. For the four sleeping room/micro unit buildings with extensions approved in 2025, average rents for restricted units – and even unrestricted units for two of those properties - are already lower than the deeper P6 affordability required as a condition of 12 more years of tax-exempt status. Average rents for most types of restricted units in the two apartment buildings approved for extended tax exemptions in 2025 are also very close to or lower than P6 extension rent limits. Income and rent limits established for P6 extensions (AMI levels generally 10% lower than limits for an initial 12-year term under P6) do not appear to yield meaningful housing cost savings for resident households. Stated differently, the property owners most likely to extend their MFTE terms are also those least likely to forfeit additional rent revenue in exchange for ongoing tax savings.

Of the 18 properties with tax exemptions scheduled to expire on December 31, 2026, the 11 properties with owners choosing not to pursue an extension generally have restricted unit rents that exceed rents allowable for P6 extension projects. New rent restrictions for the four sleeping room/micro unit buildings that now have extended tax exemptions will have little effect. See Table 2.2, in Chapter 2 above, for the list of properties with extended tax exemptions approved in 2025. Based on data provided by owner representatives for 2025, average contract rents for both restricted and unrestricted units in all four sleeping room/micro unit buildings are below 40% of AMI (average rent for total units in these buildings is \$967). This means that, on average, actual rents charged are already below the maximum allowable rent for restricted units under the P6 extension. The two standard midrise apartment buildings with owners choosing to extend – Slate in Interbay and Kavela in Roosevelt – originally entered the MFTE program under P3 agreements, which cap rents at 80% and 90% of AMI (depending on unit size). P3 rent limits for restricted units are well above the average contract rents for unrestricted units of all sizes (i.e., 0-, 1-, and 2-bedroom apartments) in these two developments. Rents for restricted units in Slate and Kavela are also below or close to the maximum permissible restricted rents under P6 extension agreements (\$1,267, \$1,507, \$2,291 average contract rent for restricted units compared to \$1,207, \$1,448, and \$2,328 P6 extension rent limits for 0-, 1-, and 2-bedroom units respectively).

Vacancy Rates

In 2025, the vacancy rate for restricted units is 10.5%. The vacancy rate for unrestricted units in these same buildings is 9.9%. Overall, MFTE properties have a 10.0% vacancy rate for restricted and unrestricted units combined compared to a citywide average rate of 6.1% in Seattle’s multifamily rental buildings. Vacancy rates vary by unit characteristics and location.

The vacancy rates reported in this section are stabilized, meaning buildings actively in the lease-up period are excluded; only those that completed construction in years 2013 through 2023 are included. Vacancy is calculated as the number of days in the year the unit is not occupied by a resident household divided by 365 days.

Vacancy rates are highest (15.8%) in sleeping room/micro units. Restricted efficiency units have an average vacancy rate of 8.8%, which is less than for standard apartments (10.4%).

Table 4.9 Vacancy by Unit Type

Unit Type	Restricted Unit Average Vacancy	Number of Restricted Units	Unrestricted Unit Average Vacancy	Number of Unrestricted Units
Standard apartments	10.4%	5,239	9.5%	19,848
Efficiency units	8.8%	353	9.9%	1,386
Sleeping room/micro units	15.8%	272	15.6%	1,243
Overall	10.5%	5,864	9.9%	22,477

When considering unit configurations, only 0-bedroom units have a lower restricted unit vacancy compared to unrestricted units (0.2% lower). Vacancy rates are highest in restricted 2- and 3-bedroom units (11.5% and 15.2%, respectively). MFTE properties have average vacancy rates well above the general multifamily rental market.

Table 4.10 Vacancy by # Bedrooms

Number of Bedrooms	Restricted Unit Average Vacancy	Restricted Units Sample Size	Unrestricted Unit Average Vacancy	Unrestricted Units Sample Size	Reference: Citywide Average Vacancy
0	11.2%	2,076	11.4%	6,800	6.9%
1	9.8%	3,025	9.3%	12,619	5.9%
2	11.5%	749	8.8%	2,970	5.8%
3	15.2%	14	10.6%	87	6.3%
Overall	10.5%	5,864	9.9%	22,476	6.1%

High vacancy rates for larger “family-sized” restricted units illustrate a challenging paradox. The affordability limitations for these units are the least restrictive among all unit types, with income eligibility ceilings set at 85% or 90% of AMI depending on the number of bedrooms (as high as \$3,000 and \$3,675 for 2- and 3-bedroom units, respectively). They nonetheless offer income-eligible renters the greatest discounts compared to unrestricted units (and, conversely, compel the greatest rent losses for building owners). And yet in practice gross monthly housing costs of multi-bedroom units can present a much higher level of housing cost burden for larger renter families than they can realistically afford, no matter how great the discount compared to unrestricted units in MFTE properties (see Table 4.2 above). Particularly high vacancy rates for restricted multi-bedroom units reflect the difficult decisions larger households face when considering how much housing cost burden they can take on.

Table 4.11 shows that, when units are stratified by square footage, the smallest units have the highest vacancy rate – 18.8% for unrestricted units and 15.9% for restricted units. Smaller units are also notable in that restricted units have lower vacancy rates than unrestricted units. The pattern reverses in units greater than 400 square feet in size; the average vacancy rates in larger units – those between 851 and 1,000 square feet -- is 2.3% higher in restricted units compared to unrestricted units.

Table 4.11 Vacancy by Unit Size

Unit Size	Restricted Unit Average Vacancy	Restricted Units Sample Size	Unrestricted Unit Average Vacancy	Unrestricted Units Sample Size	Reference: Citywide Average Vacancy
220 sq ft or less	15.9%	229	18.8%	761	8.2%
221 to 400 sq ft	9.8%	554	10.0%	1,851	8.9%
401 to 550 sq ft	11.4%	1,738	10.3%	5,278	6.2%
551 to 700 sq ft	10.2%	1,985	9.9%	7,647	5.9%
701 to 850 sq ft	8.1%	709	7.9%	3,678	5.6%
851 to 1,000 sq ft	12.1%	373	9.9%	1,630	5.6%
Over 1,000 sq ft	8.7%	276	8.5%	1,632	5.5%
Overall	10.5%	5,864	9.9%	22,477	6.1%

Vacancy rate comparisons between restricted and unrestricted units show wide variation across the city. In most areas vacancies are higher for restricted units, with several notable exceptions. In the Uptown-Queen Anne-Interbay market area the average vacancy rate for restricted units is 2.4% lower than for unrestricted units. The Central Area, although a market area with among the highest vacancies overall, has a 2.5% lower average vacancy rate in restricted units compared to unrestricted units. In contrast, the average vacancy rate for restricted units is more than double that for unrestricted units in the South Beacon Hill/Rainier Valley area.

Table 4.12 Vacancy by Location

Market Area	Restricted Unit Average Vacancy	Restricted Units Sample Size	Unrestricted Unit Average Vacancy	Unrestricted Units Sample Size	Reference: Market Area Average Vacancy
District 1 - Alki, Admiral, West Seattle Junction	8.3%	562	8.7%	2,116	4.9%
District 1 - Morgan Junction, Westwood-Highland, South Park	7.4%	83	5.3%	325	7.4%
District 2 - South Beacon Hill/Rainier Valley	13.1%	178	6.4%	702	7.0%
District 2 - South Downtown, 12th Avenue, North Rainier Valley	12.1%	985	10.5%	3,645	6.6%
District 3 - Capitol Hill, Pike/Pine, First Hill	10.7%	851	11.1%	3,247	6.4%
District 3 - Central Area	13.2%	402	15.7%	1,558	7.9%
District 4 - University District, Roosevelt, Ravenna	8.3%	166	7.9%	659	7.8%
District 4 - Wallingford	8.1%	338	7.9%	1,296	5.5%
District 5 - Bitter Lake, Lickon Springs, NW Seattle	13.4%	213	10.4%	802	6.4%
District 5 - Northgate, Lake City, NE Seattle	10.0%	257	6.2%	1,011	6.4%
District 6 - Ballard, Magnolia	10.0%	377	7.4%	1,545	6.0%
District 6 - Green Lake, Phinney Ridge, Fremont	10.1%	442	11.3%	1,616	5.8%
District 7 - Downtown Core, Belltown, South Lake Union	10.1%	538	7.9%	2,123	5.3%
District 7 - Uptown, Queen Anne, Interbay	9.4%	472	11.8%	1,832	5.8%
Overall	10.5%	5,864	9.9%	22,477	6.1%

In 2025, 119 buildings reported average vacancy rates over 10% in restricted units, and 55 buildings have vacancy rates over 15% in restricted units. Appendix F contains additional information about these buildings, including identifiers for those nearing the end of their tax exemption periods. For buildings approaching year 12 of their initial MFTE term, upcoming expirations could possibly influence vacancy rates if units are held vacant until the tax exemption ends, at which point previously restricted units can be leased to new tenants without limitation.

Characteristics of Resident Households

Based on complete APCs received by OH for 258 MFTE properties built in 2023 or earlier (i.e., properties with stabilized occupancy), a total of 7,027 households resided in restricted units in the 2025 calendar year. A restricted unit may have multiple resident households in cases where occupancy of the unit turns over during the year. The following demographics are limited to the 5,890 households occupying restricted units as of December 31, 2025, including in properties classified as student housing that are excluded from rent and occupancy analyses appearing earlier in this chapter.

Household Income

Forty-four percent of resident households have incomes below 50% of AMI. Half of the households have incomes between 51% and 80% of AMI. The remaining 6% have household incomes greater than 80% of AMI.

Chart 4.13 Annual Income of Resident Households as Percentage of AMI

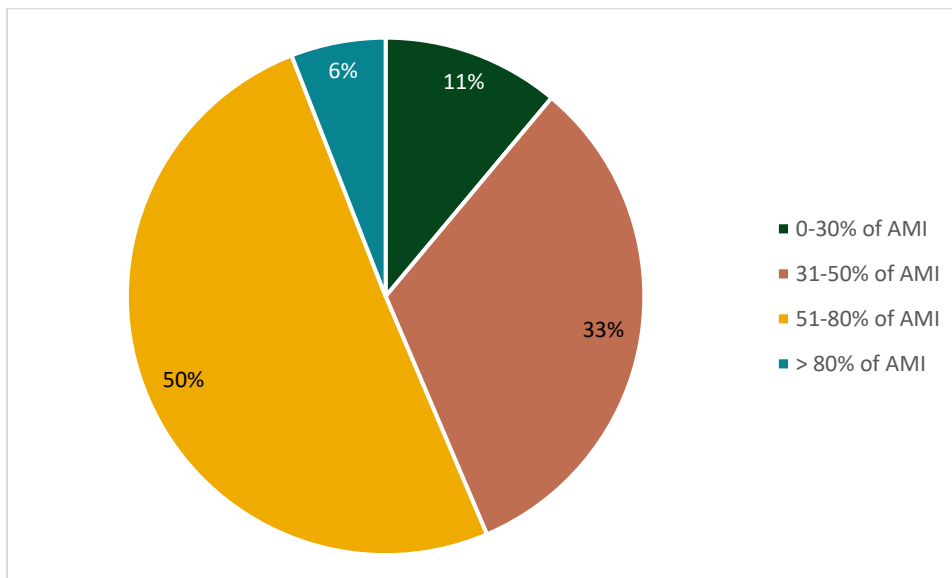


Chart Caption: Chart 4.13 is a pie chart showing that 11% of resident households have incomes from 0% to 30% of AMI; 33% have incomes between 31% to 50% of AMI; 50% have incomes 51% to 80% of AMI; and 6% have incomes over 80% of AMI.

Across all renters in restricted units, reported household incomes average about 56% of AMI, although 82% of restricted units in MFTE properties are regulated for households with reported incomes of 65% of AMI or higher. Table 4.14 provides a breakdown of MFTE households in 2025 by household size, average AMI, average household income, and a calculation of rents affordable to households at these income levels (30% of monthly household income). Comparing affordable rents to the average rents in Table 4.14, a household of three can afford \$1,920 per month, although average rents for restricted 2- and 3-bedroom units are \$2,280 or \$2,722 respectively. The monthly housing cost burden for a 2-bedroom apartment of \$360 – \$4,320 per year – again speaks to a potential reason for high vacancy rates in restricted multi-bedroom units, as shown in Table 4.10. Although rents for larger restricted units in MFTE properties may offer a substantial discount when compared to market rates, the cost can still be prohibitive for many larger families seeking rental housing.

Table 4.14A: Resident Households

Household Size	Number of Households	Average Household AMI Level	Average Household Income	Affordable Rent (30% of monthly income)
1	4,568	54%	\$48,904	\$1,358
2	1,018	63%	\$65,448	\$1,818
3	193	60%	\$69,128	\$1,920
4 or more	70	57%	\$73,964	\$2,055
Data not collected	41	No data	No data	No data
Overall	5,890	56%	\$52,402	\$1,455

Table 4.14B: Restricted Units

Average Contract Rent for Restricted Units
0-BR: \$1,289
1-BR: \$1,704
2-BR: \$2,281
3-BR: \$2,722
\$1,633

Nearly 70% of resident households pay more than a third of their income for rent, meaning they are either rent-burdened (45%) or severely rent-burdened (24%). Just under one-third (31%) of households could afford the rent for their restricted unit. A small percentage of the 5,890 resident households in 2025, just 8% (475 households), had rent assistance vouchers to mitigate their housing cost burden per the 2025 APCs. Another 61 voucher holders moved out of restricted units in 2025.

Chart 4.15 Rent burden of Resident Households

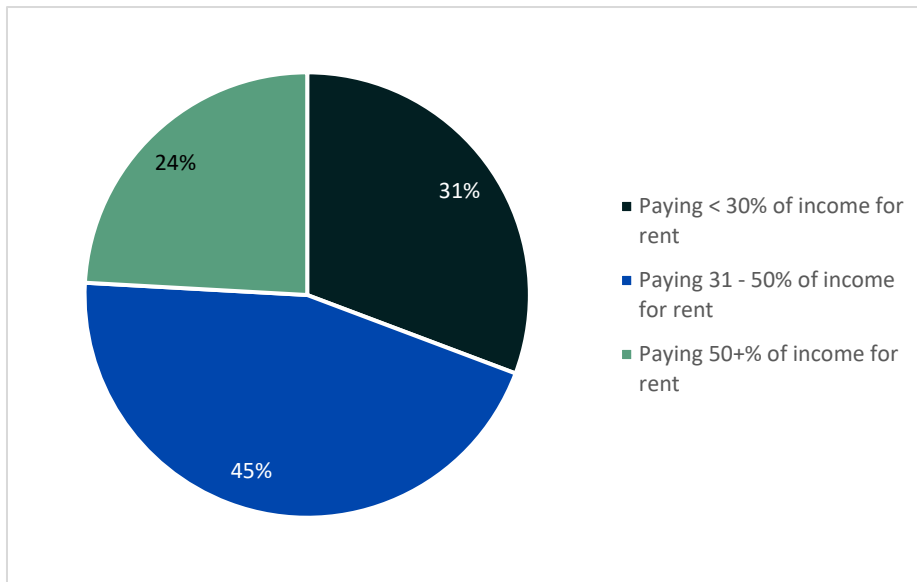


Chart Caption: Chart 4.15 is a pie chart showing that 31% of resident households pay less than 30% of their income on rent; 45% pay 31% to 50% of income on rent; and 24% pay more than 50% of income on rent.

Household Demographics

In restricted units the average household size is 1.3 people. Seven percent (426) of the 5,890 resident households have household members aged 17 or younger and 5% (298) have household members aged 62 or older. A significant share of resident households, over 12% (714), are full-time students.

Racial Demographics

Chart 4.16 provides a breakdown of the race and ethnicity of the heads of households in restricted units in 2025.

Chart 4.16: Race or Ethnicity of Resident Households

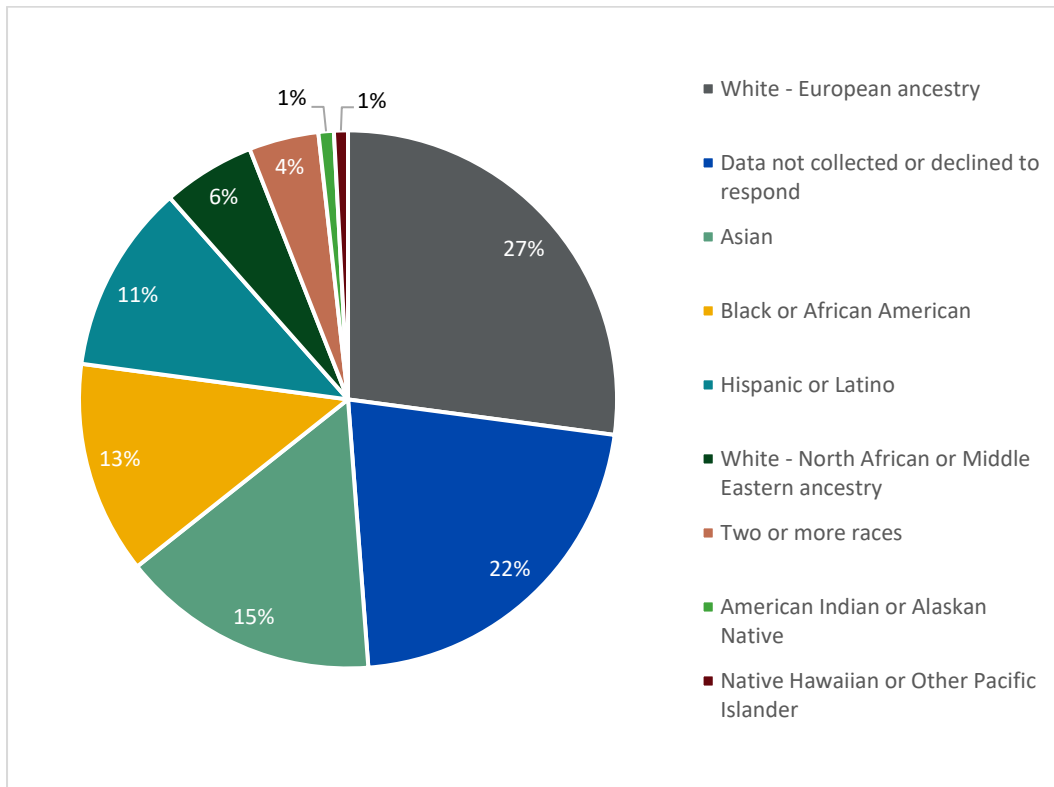


Chart Caption: Chart 4.16 is a pie chart that shows the largest share (27%) of heads of resident households in 2025 are White of European ancestry. Twenty-two percent declined to respond or data was not collected; 15% are Asian; 13% are Black or African American; 11% are Hispanic or Latino; 6% are White of North African or Middle Eastern ancestry; 4% are two or more races; 1% are American Indian or Alaskan Native; and 1% are Native Hawaiian or Other Pacific Islander.

Chapter 5: MFTE Costs

Tax exemptions for property owners are funded in two ways: higher tax bills for non-exempt taxpayers and tax revenue losses to the City and other taxing districts.

The first two sections of this chapter address cost of Seattle's MFTE program to both non-exempt taxpayers and public budgets. The third section of this chapter examines the ratio of resident households' rent savings to property owners' tax savings. The final section of this chapter addresses the program's administrative costs. Methodological notes related to the underlying calculations appear in Appendix K.

Added Tax Burden

One hundred percent of property taxes exempted for building owners participating in the MFTE program are shifted to and absorbed by non-exempt taxpayers. The cumulative assessed value for properties with active tax exemptions as of January 1, 2026, totals \$9.6 billion. Due to the exemption, \$94.8 million in associated property tax burden shifted to non-exempt taxpayers like homeowners, renters whose landlords factor property taxes into their rent calculations, commercial properties, and businesses that pay property taxes via triple-net leases. In 2025, for example, the owner of a median value home in Seattle (\$864,000) paid approximately \$157 in additional property taxes to offset MFTE building owners' tax savings. The cost increases nearly 13% to \$177 for tax year 2026 as owner tax savings continue to escalate. These estimates do not account for additional tax shift impacts resulting from other King County cities' MFTE programs.

As shown in Chart 5.1, tax burden shifted to non-exempt taxpayers has increased since 2013, mirroring the MFTE program's growth. The shifted tax burden is largely from properties with an initial 12-year exemption. However, 12-year extensions for the 19 properties that originally opened in 2011 through 2014 do account for a small portion of the shifted tax burden shown in the years 2022 through 2025. Consistent with Chart 3.7 in Chapter 3, future MFTE extensions will amplify the total shifted tax burden over time, given the rapid growth in MFTE participation from 2015 onwards.

Chart 5.1: Increased Tax Burden Compared to Property Owner Tax Savings, Years 2013 through 2026

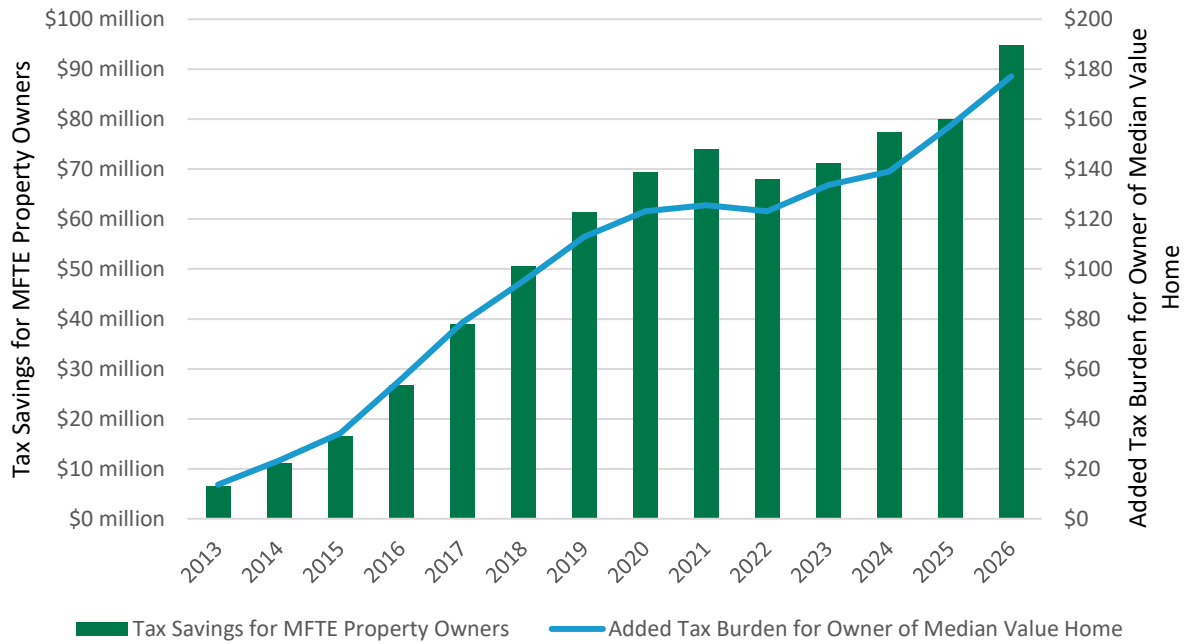


Chart Caption: Chart 5.1 is a chart that shows increased taxpayer burden compared to property owner tax savings from 2013 to 2026.

Tax Year	Tax Savings for MFTE Property Owners	Added Tax Burden for Owner of Median Value Home
2013	\$6,500,352	\$14
2014	\$11,034,643	\$23
2015	\$16,475,378	\$34
2016	\$26,685,749	\$56
2017	\$38,912,774	\$78
2018	\$50,550,743	\$95
2019	\$61,460,443	\$113
2020	\$69,335,272	\$123
2021	\$74,012,722	\$126
2022	\$68,000,616	\$123
2023	\$71,135,594	\$134
2024	\$77,469,013	\$139
2025	\$79,879,905	\$157
2026	\$94,818,925	\$177

Revenue Loss

Washington state law generally limits cities' (and other individual taxing districts') property tax increases to 1% annually, which effectively limits revenue growth by the same amount. Certain events can allow for property tax revenue collections to rise by more than the 1% limit, including passage of voter-approved levies and a net increase in the tax base due to the added value of new construction.

The King County Assessor determines the value of new construction for multifamily residential developments based on their state of completion as of July 31st of the assessment year. As soon as the City provides the Assessor with a given project's final certificate of tax exemption, the Assessor records no further new construction value for that project until its property tax exemption expires many years later, even if the project's recorded new construction value reflects only a partial value for the building, or none at all. Any missing new construction value lessens what taxing districts could otherwise have collected beyond the standard 1% limit in revenue growth. Potential revenue collections are suppressed for the duration of MFTE's 12- or 24-year property tax exemption period, and those losses compound annually and are never recovered.

Since inception of Seattle's MFTE program, a total of \$4.8 billion of new construction value has been left out of the tax base. As a result, the City of Seattle, King County, and the State of Washington have collectively forgone \$303.8 million in potential property tax revenue. Seattle's share of this total is \$117 million. For the 2026 tax year, the missing new construction value for projects with active final certificates of tax exemption as of December 31, 2025, causes all taxing districts to forgo \$37.9 million in potential revenue collections in 2026. The City of Seattle's share of this total is \$14.7 million. Other taxing districts that lose revenue because of Seattle's MFTE program include the State McCleary Education Fund, King County Parks Levy, Port of Seattle, and Sound Transit.

Affordability Gains for Resident Households Compared to Owner Tax Savings

Most MFTE-subsidized properties provide restricted units for income-eligible renters at rent levels lower than offered for unrestricted units. The ratio of benefits of those rent reductions for resident households compared to the tax savings for MFTE property owners varies depending on a variety of factors, with two of the most consequential variables being multifamily housing type and MFTE program version. The average ratio ranges from a low of 26 cents of rent reductions for every dollar of property tax savings under P4 to a high of 58 cents of rent reductions for every dollar of property tax exemption under P6. The average ratio ranges from 7 cents per dollar for sleeping room/micro unit buildings with P6 extensions and 56 cents to 78 cents per dollar for other multifamily housing types with non-extension P6 agreements.

Important methodological information appears in Appendix I and Appendix K. Appendix G contains property-level detail on affordability gains for residents compared to tax savings for property owners.

Table 5.2: Average Rent Reduction by MFTE Program Version

Program Version	Average Rent Reduction for Each \$1 of Owner Tax Savings	MFTE Properties Sample Size
P3	\$0.34	4
P4	\$0.26	132
P5	\$0.36	81
P6	\$0.58	17
P6 Extended	\$0.46	19
Overall	\$0.33	253

Table 5.3: Average Rent Reduction by Type of Multifamily Housing

Type of Multifamily Housing	Average Rent Reduction for Each \$1 of Owner Tax Savings	MFTE Properties Sample Size
Luxury highrise	\$0.52	9
Luxury midrise	\$0.50	7
Standard midrise	\$0.35	188
Efficiency units	\$0.23	19
Sleeping room/micro units	\$0.15	30
Overall	\$0.33	253

Table 5.4: Average Rent Reduction by Program Version and Type of Multifamily Housing

Program Version and Type of Multifamily Housing	Average Rent Reduction for Each \$1 of Owner Tax Savings	MFTE Properties Sample Size
P3	\$0.34	4
Luxury highrise	\$0.66	1
Standard midrise	\$0.24	3
P4	\$0.26	132
Sleeping room/micro units	\$0.17	23
Luxury highrise	\$0.46	4
Luxury midrise	\$0.41	5
Standard midrise	\$0.29	91
Efficiency units	\$0.06	9
P5	\$0.36	81
Sleeping room/micro units	\$0.08	3
Luxury highrise	\$0.47	3
Luxury midrise	\$0.72	2
Standard midrise	\$0.36	66

Program Version and Type of Multifamily Housing	Average Rent Reduction for Each \$1 of Owner Tax Savings	MFTE Properties Sample Size
Efficiency units	\$0.32	7
P6	\$0.58	17
Luxury highrise	\$0.78	1
Standard midrise	\$0.57	13
Efficiency units	\$0.56	3
P6 Extended	\$0.46	19
Sleeping room/micro units	\$0.07	4
Standard midrise	\$0.57	15
Overall	\$0.33	253

Administrative Costs

Administering Seattle’s MFTE program carries administrative costs estimated at about \$1.42 million. Most of the costs are attributable to staff work carried out within OH, though the program imposes officewide costs as well.

- Most MFTE staff work is carried out by a seven-person OH division dedicated to administering MFTE and other market incentive and land use-based programs such as mandatory housing affordability (MHA). The MFTE program accounts for about 75% of the unit’s staff time. Staff responsibilities include:
 - application reviews
 - preparation and negotiation of agreements
 - site inspections, including for properties for which owners are seeking extended tax exemption and projects that developers would like switched to P7 regulatory agreements
 - long-term compliance monitoring to ensure that properties continue to abide by the contractual obligations and thus remain eligible for the tax exemption, and
 - ongoing analysis and reporting.
- The MFTE program also receives direct support from OH’s Policy team for tasks including specialized analyses, legislation, and production of this report.
- Staff from the Seattle City Attorney’s Office, supported through centralized payments from OH, carry out legal work specific to the MFTE program, demands for which have increased.
- A pro-rated share of OH’s central costs – space rent, human resources, information technology, etc. – is attributable to the MFTE program.

Application fees paid by developers, which total about \$325,000 in 2025, cover a portion of OH’s MFTE staffing costs. The remainder of staffing costs, MFTE’s pro rata share of central costs, and MFTE’s pro rata share of legal costs, are paid for by other OH resources.

Application fees have varied over time. In 2015, legislation establishing P5 increased fees to \$10,000 per MFTE application to reflect a new staffing model resulting, in part, from a City audit that reported

inadequate administrative controls for Seattle’s MFTE program. MFTE P7 legislation passed in 2025 holds application fees at the levels adopted in 2015 for nearly all projects and reduces fees substantially for developments of 40 units or fewer.

Chapter 6: State Legislative Changes and Labor Data

This Chapter summarizes changes to Washington State law that relate to MFTE and labor standards, as required by SMC 5.73.130.A.9. The Washington State legislature passed two bills affecting MFTE in 2025.

[SHB 1491](#) amended RCW 84.14.020 to add a 20-year property tax exemption for property that is (a) located fully or partially in the area of a transit station and (b) for a term of at least 50 years, restricts at least 10% of all units as affordable for households with incomes no greater than 60% of AMI, or 10% of all units as affordable to households with incomes no greater than 80% of AMI so long as 10% of all units have 2- or more bedrooms, or 20% of all units for households with incomes no greater than 80% of AMI.

[HB 1494](#) established requirements related to owner-occupied housing; enabled local jurisdictions to allow income-qualified tenants to remain eligible for restricted units until their adjusted household income exceeds 150% of the established income limit; and updated requirements for designation of Residential Target Areas, including a determination of compliance with certain anti-displacement requirements. Among other updates the bill also eliminated the requirement that cities and counties cancel tax exemptions in the case of noncompliance. Instead, it allows cities and counties to set sliding scale penalties for noncompliance.

Reporting requirements driving the content of this report include a summary of changes to State labor laws recently adopted by the legislature. Laws adopted in the last legislative session include increased protections for immigrant workers, collective bargaining rights protections, a ban on microchipping of employees, banning noncompetition agreements and limiting non-solicitation agreements, protections for domestic workers, and clarification of employee pregnancy-related accommodations. None was specific to the MFTE program.

Code also directs that annual MFTE reports address labor-related data on MFTE-supported development. This data is difficult to acquire. In 2022, OH contracted with a consultant to perform an analysis of construction wages, the prevalence of prevailing wages, apprentice utilization, and related issues for MFTE projects. The consultant reported very limited responses to an online survey and ultimately conducted 12 individual and joint interviews with a mix of developers (eight), general contractors (five), a developer/contractor (one), and a property manager (one). Interviewees reported that requiring prevailing wages for MFTE projects would “increase the total development cost of a residential project by anywhere between 12 percent and 30 percent” and “overwhelm the typically thin margin associated with affordable projects.” Though “many interviewees struggled or were unwilling to provide information” on average base hourly wage pay for a range of trades, “the average base wage for carpenters and laborers ranged from \$25 to \$40 an hour” and “residential wage rates for [specialty trades] ranged anywhere from \$37 to \$50 per hour.” Interviewees “had little information to share regarding apprenticeship utilization” and “in most cases, interviewees felt their organization had been successful in achieving [women- and minority-owned business] utilization.” The Office of Housing has not contracted for any further labor-related MFTE consultant studies since 2022.

Appendix A: Required Report Elements

Reporting Requirement	Report Section
Initial MFTE applications by project type, size, location, unit mix, estimated MFTE units, and cumulative information for each MFTE program version since MFTE inception.	Chapter 3: Production and Housing Characteristics
Final Certificates of Tax Exemption issued by project type, size, location, unit mix, estimated MFTE units and cumulative information for each MFTE program version since MFTE inception.	Chapter 3: Production and Housing Characteristics
Developer/property owner opt in rates: • New construction: calculated by the number of multifamily buildings that received a Final Certificate of Tax Exemption for the MFTE building divided by the total number of multifamily buildings that receive a Certificate of Occupancy or equivalent in that year, by building type (e.g., low-rise, midrise, and highrise). • Extensions: calculated by the number of buildings that apply for an extension divided by the total number of expiring MFTE buildings.	Chapter 3: Production and Housing Characteristics
Average rent and vacancy rates for unrestricted and restricted units with active Final Certificates of Tax Exemption by unit type for each building.	Chapter 4: Affordability and Renter Characteristics
Estimated rent reduction for restricted units compared to Unrestricted units and the ratio of the value of the property tax exemption to the rent reduction.	Chapter 5: MFTE Costs
Total value of the property tax exemptions, estimates of forgone tax revenue for all taxing jurisdictions and the City of Seattle specifically, estimate of shifted taxes, and the estimated cost to an owner for a median value home in Seattle	Chapter 5: MFTE Costs
Income and demographic information, including cost burden, for restricted unit residents.	Chapter 4: Affordability and Renter Characteristics
Changes in housing market conditions and activity.	Chapter 1: MFTE Introduction and Context
Changes to State law that relate to the MFTE program and labor standards.	Chapter 6: State Legislative Changes and Labor Data

To advance labor equity outcomes, including payment of prevailing wages, report on labor-related data on MFTE-supported development. At minimum, include construction wages, apprentice utilization, and numbers of workers graduating from pre-apprenticeship programs and participating in mentoring and other training programs.	Chapter 6: State Legislative Changes and Labor Data
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Appendix B: 2025 Income and Rent Limits for MFTE P3 through P7

Tables in this Appendix B provide the dollar amount equivalent to AMI levels referenced throughout this report. These income and rent limits were in effect from May 2025 through April 2026. The rent limit tables include average market rent data from CoStar Market Analytics as a reference. Note that Seattle has very few 3-bedroom apartment units, so the CoStar average rents for those are based on those with data available.

Properties with MFTE P3 Agreements for Tax Exemption Years 1-12

P3 Income Limits

For properties with MFTE P3 agreements, households certify their income at initial lease and do not recertify income after that.

Household Size	80% of AMI	90% of AMI
1	\$88,000	\$99,000
2	\$100,560	\$113,130
3	\$113,120	\$127,260
4	\$125,680	\$141,390

P3 Rents, 2025

Number of Bedrooms in Unit	AMI Limit	P3 Rent Limit	P3 Average Rent, Restricted Units	P3 Average Rent Per Square Foot, Restricted Units	Sample Size, Restricted Units	Reference: Average Market Rent in Seattle (Sq Ft means Square Feet)
0	80% of AMI	\$2,200	\$1,339 overall	\$2.66 overall	37	- Up to 220 sq ft: \$1,104 220 to 400 sq ft: \$1,445 401 to 550 sq ft: \$1,772 - Overall: \$1,624, \$4.22/sq ft
1	80% of AMI	\$2,357	\$1,621 overall	\$2.44 overall	110	220 to 400 sq ft: \$1,557 401 to 550 sq ft: \$1,954 551 to 700 sq ft: \$2,158 - Overall: \$2,262, \$3.48/sq ft

Number of Bedrooms in Unit	AMI Limit	P3 Rent Limit	P3 Average Rent, Restricted Units	P3 Average Rent Per Square Foot, Restricted Units	Sample Size, Restricted Units	Reference: Average Market Rent in Seattle (Sq Ft means Square Feet)
2	90% of AMI	\$3,181	\$1,999 overall	\$1.95 overall	36	• 401 to 550 sq ft: \$1,940 • 551 to 700 sq ft: \$2,125 • 701 to 850 sq ft: \$2,306 • 851 to 1,000 sq ft: \$2,870 • Overall: \$3,086, \$3.15/sq ft
3	90% of AMI	\$3,676	Not enough units	Not enough units	0	• 551 to 700 sq ft: \$2,533 • 701 to 850 sq ft: \$2,818 • 851 to 1,000 sq ft: \$2,761 • Over 1,000 sq ft: \$4,666 • Overall: \$4,387, \$3.29/sq ft

Properties with MFTE P4 Agreements for Tax Exemption Years 1-12

P4 Income Limits

For properties with MFTE P4 agreements, households certify their income at initial lease and do not recertify income after that.

Household Size	65% of AMI	75% of AMI	85% of AMI
1	\$71,500	\$82,500	\$93,500
2	\$81,705	\$94,275	\$106,845
3	\$91,910	\$106,050	\$120,190
4	\$102,115	\$117,825	\$133,535

P4 Rents, 2025

Number of Bedrooms in Unit	AMI Limit	P4 Rent Limit	P4 Average Rent, Restricted Units	P4 Average Rent Per Square Foot, Restricted Units	Sample Size, Restricted Units	Reference: Average Market Rent in Seattle (Sq Ft means Square Feet)
0	65% of AMI	\$1,787	\$1,266 overall	\$3.70 overall	963	- Up to 220 sq ft: \$1,104 220 to 400 sq ft: \$1,445 401 to 550 sq ft: \$1,772 - Overall: \$1,624, \$4.22/sq ft
1	75% of AMI	\$2,209	\$1,748 overall	\$2.94 overall	1,309	220 to 400 sq ft: \$1,557 401 to 550 sq ft: \$1,954 551 to 700 sq ft: \$2,158 - Overall: \$2,262, \$3.48/sq ft
2	85% of AMI	\$3,004	\$2,327 overall	\$2.55 overall	319	401 to 550 sq ft: \$1,940 551 to 700 sq ft: \$2,125 701 to 850 sq ft: \$2,306 851 to 1,000 sq ft: \$2,870 - Overall: \$3,086, \$3.15/sq ft
3	85% of AMI	\$3,472	\$2,605 overall	\$1.91 overall	1	551 to 700 sq ft: \$2,533 701 to 850 sq ft: \$2,818 851 to 1,000 sq ft: \$2,761 - Over 1,000 sq ft: \$4,666 - Overall: \$4,387, \$3.29/sq ft

Properties with MFTE P5 Agreements for Tax Exemption Years 1-12

P5 Income Limits

Household Size	40% of AMI	65% of AMI	75% of AMI	85% of AMI	90% of AMI
1	\$44,000	\$71,500	\$82,500	\$93,500	\$99,000
2	\$50,280	\$81,705	\$94,275	\$106,845	\$113,130
3	\$56,560	\$91,910	\$106,050	\$120,190	\$127,260
4	\$62,840	\$102,115	\$117,825	\$133,535	\$141,390

P5 Annual Income Recertification Limits

Resident households in buildings with P5 agreements remain income eligible if an annual recertification shows their income is no higher than 1.5 times the applicable income limit.

Household Size	40% of AMI	65% of AMI	75% of AMI	85% of AMI	90% of AMI
1	\$66,000	\$107,250	\$123,750	\$140,250	\$148,500
2	\$75,420	\$122,558	\$141,413	\$160,268	\$169,695
3	\$84,840	\$137,865	\$159,075	\$180,285	\$190,890
4	\$94,260	\$153,173	\$176,738	\$200,303	\$212,085

P5 Rents, 2025

MFTE P5 established criteria for documenting the number of bedrooms in a unit because AMI increases as the number of bedrooms increases. For properties with MFTE P5 agreements, bedrooms must meet criteria as “habitable spaces,” which includes gross floor area of at least 70 square feet and wall dimensions of at least 7 feet, and either natural or artificial ventilation and lighting.

Unit Type	AMI Limit	Rent Limit	Average Rent, Restricted Units	Average Rent Per Square Foot, Restricted Units	Sample Size, Restricted Units
0-bedroom Sleeping room in a building permitted as a congregate residence	40% of AMI	\$1,100	\$1,008 overall	\$4.94 overall	41
0-bedroom SEDU	40% of AMI	\$1,100	\$928 overall	\$3.14 overall	41
0-bedroom Standard studio	65% of AMI	\$1,787	\$1,461 overall	\$3.10 overall	529
1-bedroom	75% of AMI	\$2,209	\$1,749 overall	\$2.87 overall	1,102
2-bedroom	85% of AMI	\$3,004	\$2,335 overall	\$2.50 overall	245
3-bedroom	90% of AMI	\$3,676	\$2,731 overall	\$2.26 overall	13

Reference: Seattle Average Market Rent, 2025

No Bedroom	1 Bedroom	2 Bedroom	3 Bedroom
• Up to 220 square feet: \$1,104 • 220 to 400 square feet: \$1,445 • 401 to 550 square feet: \$1,772 • Overall: \$1,624, \$4.22/sq ft	• 220 to 400 square feet: \$1,557 • 401 to 550 square feet: \$1,954 • 551 to 700 square feet: \$2,158 • Overall: \$2,262, \$3.48/sq ft	• 401 to 550 square feet: \$1,940 • 551 to 700 square feet: \$2,125 • 701 to 850 square feet: \$2,306 • 851 to 1,000 square feet: \$2,870 • Overall: \$3,086, \$3.15/sq ft	• 551 to 700 square feet: \$2,533 • 701 to 850 square feet: \$2,818 • 851 to 1,000 square feet: \$2,761 • Over 1,000 square feet: \$4,666 • Overall: \$4,387, \$3.29/sq ft

Properties with MFTE P6 Agreements for Tax Exemption Years 1-12

MFTE P6 caps that annual increase for income limits at 4.5%. For that reason, the dollar amounts shown for P6 income and rent limits at any given percentage of AMI are lower than that for the same percentage of AMI on tables for all other versions of the MFTE program.

P6 Income Limits

Household Size	40% of AMI	50% of AMI	60% of AMI	70% of AMI	85% of AMI	90% of AMI
1	\$38,632	\$48,289	\$57,947	\$67,605	\$82,092	\$86,921
2	\$44,153	\$55,191	\$66,229	\$77,267	\$93,824	\$99,343
3	\$49,674	\$62,093	\$74,511	\$86,930	\$105,558	\$111,767
4	\$55,187	\$68,984	\$82,780	\$96,577	\$117,272	\$124,170

P6 Annual Income Recertification Limits

Resident households in buildings with P6 agreements remain income eligible if an annual recertification shows their income is no higher than 1.5 times the applicable income limit.

Household Size	40% of AMI	50% of AMI	60% of AMI	70% of AMI	85% of AMI	90% of AMI
1	\$57,947	\$72,434	\$86,921	\$101,408	\$123,138	\$130,382
2	\$66,229	\$82,786	\$99,343	\$115,900	\$140,736	\$149,015
3	\$74,511	\$93,139	\$111,767	\$130,395	\$158,337	\$167,651
4	\$82,780	\$103,475	\$124,170	\$144,866	\$175,908	\$186,256

P6 Rents, 2025

MFTE P6 modified the MFTE P5 bedroom criteria by requiring that natural light reach the bedroom either directly or via an opening to another room with natural light and by also requiring that the bedroom be separated from other areas of the unit.

Unit Type	AMI Limit	Rent Limit	Average Rent, Restricted Units	Average Rent Per Square Foot, Restricted Units	Sample Size, Restricted Units
0-bedroom Congregate residence sleeping rooms and SEDUs, if project studio, 1-bedroom, 2-bedroom or larger units	40% of AMI	\$965	\$803	\$2.77	21
0-bedroom Congregate residence sleeping rooms and SEDUs, if project does not include any larger units	50% of AMI	\$1,207	\$1,031	\$3.49	11
0-bedroom Standard studio	60% of AMI	\$1,448	\$1,359	\$2.96	190
1-bedroom	70% of AMI	\$1,810	\$1,675	\$2.80	187
2-bedroom	85% of AMI	\$2,638	\$2,418	\$2.49	64
3-bedroom	90% of AMI	\$3,228	Not enough units	Not enough units	0

Reference: Seattle Average Market Rent, 2025

No Bedroom	1 Bedroom	2 Bedroom	3 Bedroom
• Up to 220 square feet: \$1,104 • 220 to 400 square feet: \$1,445 • 401 to 550 square feet: \$1,772 • Overall: \$1,624, \$4.22/sq ft	• 220 to 400 square feet: \$1,557 • 401 to 550 square feet: \$1,954 • 551 to 700 square feet: \$2,158 • Overall: \$2,262, \$3.48/sq ft	• 401 to 550 square feet: \$1,940 • 551 to 700 square feet: \$2,125 • 701 to 850 square feet: \$2,306 • 851 to 1,000 square feet: \$2,870 • Overall: \$3,086, \$3.15/sq ft	• 551 to 700 square feet: \$2,533 • 701 to 850 square feet: \$2,818 • 851 to 1,000 square feet: \$2,761 • Over 1,000 square feet: \$4,666 • Overall: \$4,387, \$3.29/sq ft

Properties with MFTE P6 Agreements for Tax Exemption Years 13-24

MFTE P6 caps allowable growth in the AMI at 4.5%. For that reason, the dollar amounts shown at any given percentage of AMI are lower than that for the same percentage of AMI on tables for all other versions of the MFTE program.

P6 Extension Income Limits

Household Size	40% of AMI	50% of AMI	60% of AMI	75% of AMI	80% of AMI
1	\$38,632	\$48,289	\$57,947	\$72,434	\$77,263
2	\$44,153	\$55,191	\$66,229	\$82,786	\$88,305
3	\$49,674	\$62,093	\$74,511	\$93,139	\$99,349
4	\$55,187	\$68,984	\$82,780	\$103,475	\$110,374

P6 Extension Annual Income Recertification Limits

Resident households in buildings with P6 extension agreements remain income eligible if an annual recertification shows their income is no higher than 1.5 times the applicable income limit. However, in properties with P6 MFTE extension agreements, current resident households are allowed to continue leasing restricted units if their incomes exceed these new limits for household income recertifications.

Household Size	40% of AMI	50% of AMI	60% of AMI	75% of AMI	80% of AMI
1	\$57,947	\$72,434	\$86,921	\$108,651	\$115,895
2	\$66,229	\$82,786	\$99,343	\$124,179	\$132,458
3	\$74,511	\$93,139	\$111,767	\$139,709	\$149,023
4	\$82,780	\$103,475	\$124,170	\$155,213	\$165,561

P6 Extension Rents, 2025

For MFTE P6, property tax exemptions extended to 24 years are conditioned on rent limits that are 10% lower than required for newly constructed multifamily housing.

Unit Type	AMI Limit	Rent Limit	Average Rent, Restricted Units	Average Rent Per Square Foot, Restricted Units	Sample Size, Restricted Units
0-bedroom If no units are larger than compact units	40% of AMI	\$965	\$856 overall	\$3.84 overall	44
0-bedroom Studio units	50% of AMI	\$1,207	\$1,126 overall	\$2.19 overall	166
1-bedroom	60% of AMI	\$1,552	\$1,369 overall	\$2.11 overall	274
2-bedroom	75% of AMI	\$2,328	\$1,947 overall	\$1.95 overall	72
3-bedroom	80% of AMI	\$2,869	Not enough units	Not enough units	0

Reference: Seattle Average Market Rent, 2025

No Bedroom	1-Bedroom	2-Bedroom	3-Bedroom
• Up to 220 square feet: \$1,104 • 220 to 400 square feet: \$1,445 • 401 to 550 square feet: \$1,772 • Overall: \$1,624, \$4.22/sq ft	• 220 to 400 square feet: \$1,557 • 401 to 550 square feet: \$1,954 • 551 to 700 square feet: \$2,158 • Overall: \$2,262, \$3.48/sq ft	• 401 to 550 square feet: \$1,940 • 551 to 700 square feet: \$2,125 • 701 to 850 square feet: \$2,306 • 851 to 1,000 square feet: \$2,870 • Overall: \$3,086, \$3.15/sq ft	• 551 to 700 square feet: \$2,533 • 701 to 850 square feet: \$2,818 • 851 to 1,000 square feet: \$2,761 • Over 1,000 square feet: \$4,666 • Overall: \$4,387, \$3.29/sq ft

Properties with MFTE P7 Agreements for Tax Exemption Years 1-12

As of December 31, 2025, no multifamily properties had MFTE P7 regulatory agreements yet.

P7 Income Limits

Household Size	40% of AMI	50% of AMI	60% of AMI	70% of AMI	75% of AMI	80% of AMI	85% of AMI	90% of AMI
1	\$44,000	\$55,000	\$66,000	\$77,000	\$82,500	\$88,000	\$93,500	\$99,000
2	\$50,280	\$62,850	\$75,420	\$87,990	\$94,275	\$100,560	\$106,845	\$113,130
3	\$56,560	\$70,700	\$84,840	\$98,980	\$106,050	\$113,120	\$120,190	\$127,260
4	\$62,840	\$78,550	\$94,260	\$109,970	\$117,825	\$125,680	\$133,535	\$141,390

P7 Annual Income Recertification Limits

Resident households in buildings with P7 extension agreements remain income eligible if an annual recertification shows their income is no higher than 1.5 times the applicable income limit or 115% of AMI, whichever is less. Therefore, 115% of AMI is the default limit for resident households living in units regulated at 80% of AMI and higher.

Household Size	40% of AMI	50% of AMI	60% of AMI	70% of AMI	75% of AMI	80% of AMI	85% of AMI	90% of AMI
1	\$66,000	\$82,500	\$99,000	\$115,500	\$123,750	\$126,500	\$126,500	\$126,500
2	\$75,420	\$94,275	\$113,130	\$131,985	\$141,413	\$144,555	\$144,555	\$144,555
3	\$84,840	\$106,050	\$127,260	\$148,470	\$159,075	\$162,610	\$162,610	\$162,610
4	\$94,260	\$117,825	\$141,390	\$164,955	\$176,738	\$180,665	\$180,665	\$180,665

P7 Rents, 2025

MFTE P7 changed the bedroom definition to differentiate between alternate and standard bedrooms, since market rents are typically lower for units with alternate bedrooms and to improve comparability of restricted and unrestricted units in buildings with property tax exemptions. All bedrooms must be habitable spaces consistent with Seattle Building Code requirements. Standard bedrooms have four floor-to-ceiling walls with natural light and ventilation provided by a window that opens to the outside. Alternative bedrooms must have four walls, all of which must be at least 7 feet high, with two being floor to ceiling and no more than one comprised partly or entirely of a sliding door.

Unit Type	AMI Limit	Rent Limit
0-bedroom units		
Congregate sleeping room	40% of AMI	\$1,100
Studio up to 320 square feet	50% of AMI	\$1,375
Studio greater than 320 square feet	60% of AMI	\$1,650
1-bedroom units		
Alternate bedroom	70% of AMI	\$2,062
Standard bedroom	75% of AMI	\$2,209
2-bedroom units		
Two alternate bedrooms	80% of AMI	\$2,828
One alternate bedroom and one standard bedroom	85% of AMI	\$3,004
Two standard bedrooms	90% of AMI	\$3,181
3-bedroom units		
Two or more alternate bedrooms	85% of AMI	\$3,472
Two or more standard bedrooms	90% of AMI	\$3,676

Reference: Average Market Rent, 2025
No bedroom
• Up to 220 square feet: \$1,104 • 220 to 400 square feet: \$1,445 • 401 to 550 square feet: \$1,772 • Overall: \$1,624, \$4.22/sq ft
1 bedroom
• 220 to 400 square feet: \$1,557 • 401 to 550 square feet: \$1,954 • 551 to 700 square feet: \$2,158 • Overall: \$2,262, \$3.48/sq ft
2 bedrooms
• 401 to 550 square feet: \$1,940 • 551 to 700 square feet: \$2,125 • 701 to 850 square feet: \$2,306 • 851 to 1,000 square feet: \$2,870 • Overall: \$3,086, \$3.15/sq ft
3 bedrooms
• 551 to 700 square feet: \$2,533 • 701 to 850 square feet: \$2,818 • 851 to 1,000 square feet: \$2,761 • Over 1,000 square feet: \$4,666 • Overall: \$4,387, \$3.29/sq ft

Properties with MFTE P7 Agreements for Tax Exemption Years 13-24

As of December 31, 2025, no multifamily properties had MFTE P7 regulatory agreements for property tax extensions yet.

P7 Extension Income Limits

Household Size	35% of AMI	45% of AMI	60% of AMI	65% of AMI	70% of AMI	75% of AMI	80% of AMI
1	\$38,500	\$49,500	\$66,000	\$71,500	\$77,000	\$82,500	\$88,000
2	\$43,995	\$56,565	\$75,420	\$81,705	\$87,990	\$94,275	\$100,560
3	\$49,490	\$63,630	\$84,840	\$91,910	\$98,980	\$106,050	\$113,120
4	\$54,985	\$70,695	\$94,260	\$102,115	\$109,970	\$117,825	\$125,680

P7 Extension Annual Income Recertification Limits

Resident households in buildings with P7 extension agreements remain income eligible if an annual recertification shows their income is no higher than 1.5 times the applicable income limit or 115% of AMI, whichever is less. Therefore, 115% of AMI is the default limit for resident households living in restricted units regulated at 80% of AMI.

Household Size	35% of AMI	45% of AMI	60% of AMI	65% of AMI	70% of AMI	75% of AMI	80% of AMI
1	\$57,750	\$74,250	\$99,000	\$107,250	\$115,500	\$123,750	\$126,500
2	\$65,993	\$84,848	\$113,130	\$122,558	\$131,985	\$141,413	\$144,555
3	\$74,235	\$95,445	\$127,260	\$137,865	\$148,470	\$159,075	\$162,610
4	\$82,478	\$106,043	\$141,390	\$153,173	\$164,955	\$176,738	\$180,665

P7 Extension Rents, 2025

For MFTE P7, tax exemptions extended to 24 years are generally conditioned on rent limits that are 5% less than required for newly constructed multifamily housing. However, the City requires no rent limit reduction for units 321 square feet or larger that do not have a bedroom. State law prohibits the maximum rent level for restricted units in properties with property tax exemptions extended to 24 years from exceeding 80% of AMI.

Unit Type	AMI Limit	Rent Limit
0-bedroom units		
Congregate sleeping room	35% of AMI	\$962
Studio up to 320 square feet	45% of AMI	\$1,237
Studio greater than 320 square feet	60% of AMI	\$1,650
1-bedroom units		
Alternate bedroom	65% of AMI	\$1,915
Standard bedroom	70% of AMI	\$2,062
2-bedroom units		
Two alternate bedrooms	75% of AMI	\$2,651
One or more standard bedrooms	80% of AMI	\$2,828
3-bedroom units		
Bedrooms of any type (alternate or standard)	80% of AMI	\$3,268

Reference: Average Market Rent, 2025
No bedroom
• Up to 220 square feet: \$1,104 • 220 to 400 square feet: \$1,445 • 401 to 550 square feet: \$1,772 • Overall: \$1,624, \$4.22/sq ft
1 bedroom
• 220 to 400 square feet: \$1,557 • 401 to 550 square feet: \$1,954 • 551 to 700 square feet: \$2,158 • Overall: \$2,262, \$3.48/sq ft
2 bedrooms
• 401 to 550 square feet: \$1,940 • 551 to 700 square feet: \$2,125 • 701 to 850 square feet: \$2,306 • 851 to 1,000 square feet: \$2,870 • Overall: \$3,086, \$3.15/sq ft
3 bedrooms
• 551 to 700 square feet: \$2,533 • 701 to 850 square feet: \$2,818 • 851 to 1,000 square feet: \$2,761 • Over 1,000 square feet: \$4,666 • Overall: \$4,387, \$3.29/sq ft

Appendix C: High Level Overview of MFTE Program Versions P1 through P7

P1	P2	P3	P4	P5	P6	P7
P1.1: Ordinance 119237 1/1/1999 P1.2 Ordinance 119371 2/16/1999 P1.3 Ordinance 120135 10/30/2000	P2.1 Ordinance 121415 4/18/2004 P2.2 Ordinance 121700 12/17/2004 P2.3 Ordinance 121915 9/22/2005	P3.1 Ordinance 122730 8/6/2008	P4.1 Ordinance 123550 4/8/2011 P4.2 Ordinance 123727 10/12/2011 P4.3 Ordinance 124724 2/27/2015	P5.1 Ordinance 124877 11/1/2015	P6.1 Ordinance 125932 10/24/201 P6.2 Ordinance 126392 7/27/2021 P6.3 Ordinance 126443 9/27/2021 P6.4 Ordinance 126792 3/28/2023 P6.5 Ordinance 127016 5/6/2024 P6.6 Ordinance 127084 9/17/2024 P6.7 Ordinance 127187 3/4/2025	P7.1 Ordinance 127316 11/14/2025
10-year exemption	10-year exemption	12-year exemption	12-year exemption	12-year exemption	12-year exemption	12-year exemption
					24-year exemption if extended – rent limits 10% lower than for new construction MFTE projects (max 80% of AMI per state law)	24-year exemption if extended – rent limits 5% lower than for new construction MFTE projects, except for studio units at least 320 sq ft for which there is no rent reduction (max 80% of AMI per state law)

P1	P2	P3	P4	P5	P6	P7
Different restricted unit set-aside depending on RTA 40% @ 60% of AMI in Capitol Hill, Pike-Pine, Chinatown-ID 25% @ 80% of AMI in other RTAs	Different restricted unit set-aside depending on AMI level 20% @ 60% of AMI, 25% @ 65% of AMI, or 30% @ 70% of AMI	20% of total units 80% or 90% of AMI depending on number of bedrooms	20% of total units 65%, 75%, or 85% of AMI depending on number of bedrooms	20% or 25% of total units depending on share of multi-bedroom units 40%, 65%, 75%, 85% or 90% of AMI depending on unit configuration	20% or 25% of total units depending on share of multi-bedroom units 40%, 50%, 60%, 70%, 85% or 90% of AMI depending on unit configuration	20% or 25% of total units depending on share of multi-bedroom units 40%, 50%, 60%, 70%, 75%, 80%, 85% or 90% of AMI depending on configuration of unit and bedroom (i.e., standard or alternate)
11 RTAs	17 RTAs	39 RTAs	39 RTAs	MFTE eligible in all areas zoned in 2015 for multifamily development	RTAs same as P5	RTAs same as P5
Initial lease up income certification	Initial lease up income certification	Initial lease up income certification	Initial lease up income certification	Certification annually and upon change in household size	Certification annually and upon change in household size	Certification annually and upon change in household size; updated policies allow self-certification by renter households

Appendix D: MFTE Program Administration and Compliance Monitoring

As the administrator of Seattle’s MFTE program, the Seattle Office of Housing (OH), reviews applications from developers who would like their multifamily rental housing project to be exempt from property taxes. As a project progresses through design and construction, the City and the property owner enter into a contractual agreement that makes the tax exemption contingent on the owner meeting certain obligations, including provision of restricted units and other requirements. Upon the project’s completion, OH staff certify the as-built project’s eligibility for the tax exemption subject to the agreement, which is recorded on the property title.

Upon confirming that the new multifamily housing conforms to the terms of the MFTE agreement, the City transmits a final certificate of tax exemption to the King County Assessor. Upon receiving the certificate, the Assessor’s office reduces the taxable assessed value of the MFTE property’s residential improvements to \$0, yielding a full tax exemption on those improvements regardless of King County’s property tax rate. The housing compliance period starts immediately upon OH’s issuance of the final certificate of tax exemption. The exemption begins on January 1 of the calendar year following the date of the final certificate of tax exemption.

OH provides frequent training and drop-in help sessions for MFTE property managers and owners, as well as third-party compliance vendors that work with MFTE properties.

Training Topic	Number of Sessions	Approximate Number of Attendees
Introduction to MFTE Income Certification & Onboarding	9	125 unique attendees
2025 APC Reporting Training	Three in 2025 Two in January 2026	125 in 2025 115 in January 2026
Bi-weekly Compliance Drop-in Help Sessions	24	1,080

In the final year of a 12-year property tax exemption, the owner decides whether to let the exemption expire or to apply to extend the expiring exemption by an additional 12 years, for a total of 24 years of tax-exempt status. The process for approving these extensions is largely the same as for an initial 12-year tax exemption but also factors in the property owner’s prior reporting and compliance record when determining eligibility.

In the early 2010s, City audit findings indicated insufficient levels of MFTE program oversight. In response OH instituted and staffed a new compliance monitoring function for properties with MFTE agreements and other regulatory agreements not involving capital funding. The Office of Housing also implemented a formalized annual reporting and review process. Annual compliance reviews ensure that

building owners continue to abide by the terms of their agreements throughout the duration of the exemption period, including leasing the correct number and types of units to income-eligible renters subject to agreed-upon rent limits. Compliance reviews serve two other purposes as well: they now inform decisions related to extensions and generate much of the data required for reports to City Council and the State of Washington.

Beyond the annual reporting and review process and in response to complaints from renters, OH staff now conduct onsite inspections of all multifamily housing developments with approved MFTE applications as they near completion and issuance of a final certificate of tax exemption. The inspection establishes whether the housing is built as permitted and that restricted and unrestricted units are generally comparable. Property inspections are also done if owners are seeking extension of their property tax exemption to 24 years. Those inspections are consistent with updated MFTE requirements that take effect at approval of the extension. In the past two years, Office of Housing staff discovered unpermitted units that replaced kitchens and other common areas in 11 buildings with sleeping room/micro units in violation of ongoing compliance with Seattle Municipal Code Chapters 22, 23, and 25, which is mandated as a condition of extended tax exemptions.

As described briefly in Chapter 4, MFTE property owners must submit data annually to OH in the form of an Annual Property Certification (APC). APCs are due every year on January 31, with a one-month grace period before OH considers the APC out of compliance with submission guidelines. Fifty MFTE properties submitted complete 2025 APCs by January 31, 2026; an additional 113 MFTE properties submitted complete APCs in February by the end of the grace period. 2025 APCs were either incomplete or missing for the remaining 153 MFTE properties after that date. APC reviews, including staff follow-up concerning incomplete reports, are continuing throughout 2026. If continued reminders of incomplete or missing reports fail to generate compliance, OH ultimately issues a summary of non-compliance, as described in the following paragraph.

Following review of the APCs, OH issues either a certificate of compliance or summary of non-compliance to MFTE property owners and managers. Findings that trigger a summary of non-compliance include failure to submit a complete APC, ineligible households living in restricted units, or resident households being charged more than what is allowed for restricted units. In significant cases of non-compliance, OH requires remedial action, such as providing an additional restricted unit or reimbursing resident households for excess rent. In some cases, OH identifies areas of concern that may not rise to the level of findings but do demand ongoing review. Sample areas of concern could include high vacancy rates in restricted units, not reporting extended vacancies to OH, or household recertifications not completed at the time required. For 2024 APCs, OH issued summaries of non-compliance for approximately one-third of the 282 properties expected to submit an APC that year.

As of January 1, 2026, the City has not revoked any property's MFTE status due to non-compliance. Considerations surrounding legal recourse for substantial non-compliance include the untested enforceability of the City's MFTE statute, regulations, and contractual agreements, expected demands on limited OH staff and City Attorney's Office resources, and potential impacts to resident households.

Appendix E: Units in MFTE Properties by Community Reporting Area

The following table shows where MFTE properties with active tax exemptions are located by growth center (e.g., regional, urban, and residential) as designated by the One Seattle Comprehensive Plan and Community Reporting Area. Each Community Reporting Area is comprised of a small number of Census Tracts.

Exemption Duration, Growth Area Designation, Community Reporting Area	Number of MFTE Properties	Total Units	Restricted Units
12 Years	285	33,365	6,905
Regional Center	129	16,688	3,418
Ballard	13	1,286	275
Downtown	12	1,880	387
First Hill/Capitol Hill	65	7,721	1,573
Northgate	6	1,553	314
South Lake Union	6	1,467	295
University District	16	1,312	273
Uptown	11	1,469	301
Urban Center	144	15,385	3,221
Admiral	3	291	64
Aurora-Licton Springs	6	264	60
Central District	4	707	143
Central District South	11	1,599	331
Columbia City	8	946	202
Crown Hill	5	497	108
Eastlake	8	697	142
Fremont	8	779	159
Green Lake	4	394	83
Greenwood	7	802	164
Lake City	4	468	105
Madison-Miller	8	544	112
Morgan Junction	2	68	14
Mt Baker	6	1,210	254
North Beacon Hill	7	305	65
Othello	3	614	124
Roosevelt	19	2,129	446
Wallingford	6	484	109
West Seattle Junction	22	2,453	507
Westwood-Highland Park	3	134	29
Neighborhood Center	4	732	148
Dravus	2	319	65

Exemption Duration, Growth Area Designation, Community Reporting Area	Number of MFTE Properties	Total Units	Restricted Units
Little Brook	1	319	64
Whittier	1	94	19
Not in Designated Center	8	560	118
24 Years	19	2,825	572
Urban Center	9	1,565	317
Central District South	1	244	49
Columbia City	1	124	25
Eastlake	1	204	41
Othello	1	351	71
Roosevelt	1	61	13
Wallingford	1	93	19
West Seattle Junction	3	488	99
Regional Center	8	1,006	203
Ballard	1	268	54
First Hill/Capitol Hill	4	311	63
Uptown	3	427	86
Neighborhood Center	1	237	48
Dravus	1	237	48
Not in Designated Center	1	17	4
Total	304	36,190	7,477

Appendix F: MFTE Properties with High Restricted Unit Vacancies

This table lists MFTE properties that opened in years 2013 through 2023 and had an average vacancy rate for restricted units of 15% or higher in 2025. MFTE properties that have an extended tax exemption (i.e., 24 years) are indicated with **bold font**. MFTE properties are *italicized* if the tax exemption expired without extension on December 31, 2025, or is scheduled to expire on December 31, 2026.

Property Name	Type of Multifamily Housing	Restricted Vacancy Rate
<i>CORTENA APODMENTS</i>	<i>Sleeping room/micro units</i>	61%
HORIZON PHINNEY II	Sleeping room/micro units	46%
HORIZON PHINNEY I	Sleeping room/micro units	39%
MODERA BROADWAY - NORTH	Standard Midrise	37%
CONNECTION ON BROADWAY - PARK	Standard Midrise	28%
MIO APTS	Standard Midrise	28%
CREW APTS	Standard Midrise	27%
LOUISA HOTEL APTS	Efficiency Units	26%
IRON FLATS - NORTH & WEST	Standard Midrise	26%
REVERB	Standard Midrise	25%
CUBIX 95	Sleeping room/micro units	24%
CUBIX 103	Sleeping room/micro units	24%
JACKSON APTS	Standard Midrise	23%
HORIZON GREENWOOD	Sleeping room/micro units	22%
TAPESTRY	Standard Midrise	21%
ALCOVE FIRST HILL	Sleeping room/micro units	21%
BEAM APTS	Standard Midrise	21%
<i>ANEW STUDIOS - 1806 23RD</i>	<i>Sleeping room/micro units</i>	21%
MURAL	Standard Midrise	20%
FREYA	Sleeping room/micro units	20%
<i>POSITANO APODMENTS</i>	<i>Sleeping room/micro units</i>	20%
PIVOT APTS	Standard Midrise	19%
CONNECTION ON BROADWAY - SOUTH	Standard Midrise	19%
MODERA SOUTH LAKE UNION	Standard Midrise	18%
ORI STONE WAY APTS	Standard Midrise	18%
STATION AT OTHELLO PARK	Standard Midrise	18%
WALTON LOFTS	Luxury Highrise	18%
WATERTON APTS	Standard Midrise	18%
SAVOY AT LAKE CITY, THE	Standard Midrise	18%
ENCLAVE AT NORTHGATE, THE (EAST)	Standard Midrise	18%
ORION APTS	Standard Midrise	17%
MASON & MAIN - EAST	Standard Midrise	17%
<i>WINDSOR BALLARD</i>	<i>Luxury Highrise</i>	17%

Property Name	Type of Multifamily Housing	Restricted Vacancy Rate
FAUNTLEROY LOFTS	Sleeping room/micro units	16%
REVERIE	Efficiency Units	16%
RUBIX, THE	Standard Midrise	16%
VALE STUDIOS	Efficiency Units	16%
CUE APTS	Standard Midrise	16%
LOHAS	Standard Midrise	16%
LUCILLE APTS	Standard Midrise	16%
STAZIONE 25 - SOUTH	Standard Midrise	16%
VENETIA APODMENTS	<i>Sleeping room/micro units</i>	16%
VISTA 7011	Standard Midrise	16%
FIFTEEN, THE	Standard Midrise	16%
CHROMA - WEST	Luxury Midrise	16%
H2O APTS	Standard Midrise	16%
BASE CAPITOL HILL	<i>Sleeping room/micro units</i>	15%
COLINA EAST	Standard Midrise	15%
EDRIC, THE	Standard Midrise	15%
VALLEY APTS	Standard Midrise	15%
KOI APTS	<i>Standard Midrise</i>	15%
HEARTWOOD	Standard Midrise	15%
MASON & MAIN - WEST	Standard Midrise	15%
SLATE APTS	Standard Midrise	15%
DECIBEL ON 12TH	Standard Midrise	15%

Appendix G: MFTE Properties by Council District and Market Area

The tables in this Appendix G provides property-level detail for 316 MFTE properties (304 with exemptions active as of January 1, 2026, plus the 12 for which the exemption expired without extension on December 31, 2025). Note that there are 320 records for the 316 properties because four of them have one MFTE agreement for two tax parcels, and analysis of the rent reduction for residents compared to owner tax savings is based on the value of exempt improvements for each tax parcel.

District 1 - Alki, Admiral, West Seattle Junction

MFTE properties that have an extended tax exemption (i.e., 24 years) are indicated with **bold font**. MFTE properties are *italicized* if the tax exemption expired without extension on December 31, 2025, or is scheduled to expire on December 31, 2026.

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	4730 CALIFORNIA	4730 CALIFORNIA AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P4.2	\$0.45
2	ADELL APTS	4532 42ND AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P5.1	\$0.30
3	ADMIRAL STATION APTS	2715 CALIFORNIA AVE SW	Urban Center	Admiral	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P6.1	\$0.47
4	AJ	4505 42ND AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P4.3	\$0.14
5	ALTAMIRA APTS	4540 42ND AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P6 Ext	\$0.25
6	BASALT WEST SEATTLE	4205 SW GENESSEE ST	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Initial Lease Up	Efficiency Units	P6.3	Not available

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
7	BLAKE APTS	5020 CALIFORNIA AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P4.1	\$0.52
8	FORGE WEST	4435 35TH AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P4.2	\$0.04
9	GREEN LEAF SKY	4745 40TH AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P4.2	\$0.18
10	HUXLEY, THE	4754 FAUNTLEROY WAY SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P5.1	\$0.27
11	JUNCTION 47 EAST	4715 42ND AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P4.2	\$0.38
12	JUNCTION 47 WEST	4715 42ND AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P4.2	\$0.46
13	JUNCTION CENTRAL	4508 CALIFORNIA AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Initial Lease Up	Standard Midrise	P6.4	Not available
14	JUNCTION FLATS	4433 42ND AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P4.2	\$0.03
15	JUNCTION LANDING	4417 42ND AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P5.1	\$0.04
16	LINK APTS	4550 38TH AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P6 Ext	\$0.61
17	LIV FAUNTLEROY	4801 FAUNTLEROY WAY SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Efficiency Units	P5.1	\$0.16
18	LOFTS AT THE JUNCTION	4535 44TH AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Efficiency Units	P4.2	\$0.06

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
19	LUNA, THE	2745 CALIFORNIA AVE SW	Urban Center	Admiral	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P5.1	\$0.64
20	MARIS - BLDG A	4722 FAUNTLEROY WAY SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Failed to submit complete APC	Standard Midrise	P5.1	Not available
21	MARIS - BLDG B	4721 38TH AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Failed to submit complete APC	Standard Midrise	P5.1	Not available
22	MURAL	4727 42ND AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P6 Ext	\$0.52
23	OREGON 42	4502 42ND AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P3.1	\$0.44
24	SPRINGLINE	3220 CALIFORNIA AVE SW	Urban Center	Admiral	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P4.2	\$0.34
25	SPRUCE	4555 39TH AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P4.2	\$0.16
26	WHITTAKER NORTH	4710 40TH AVE SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P4.2	\$1.00 or more
27	WHITTAKER SOUTH	4755 FAUNTLEROY WAY SW	Urban Center	West Seattle Junction	Alki, Admiral, West Seattle Junction	Yes	Standard Midrise	P4.2	\$0.28

District 1 - Morgan Junction, Westwood-Highland, South Park

MFTE properties that have an extended tax exemption (i.e., 24 years) are indicated with **bold font**. MFTE properties are *italicized* if the tax exemption expired without extension on December 31, 2025, or is scheduled to expire on December 31, 2026.

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	ALCOVE DELRIDGE	4548 DELRIDGE WAY SW	Not in a Growth Center	Outside Centers	Morgan Junction, Westwood-Highland, South Park	Yes	Sleeping room/micro units	P6 Ext	No reduction
2	ALCOVE WEST SEATTLE	3266 SW AVALON WAY	Urban Center	West Seattle Junction	Morgan Junction, Westwood-Highland, South Park	Yes	Sleeping room/micro units	P4.2	No reduction
3	EDRIC, THE	9021 17TH AVE SW	Urban Center	Westwood-Highland Park	Morgan Junction, Westwood-Highland, South Park	Yes	Standard Midrise	P5.1	\$0.05
4	FAUNTLEROY LOFTS	5949 CALIFORNIA AVE SW	Urban Center	Morgan Junction	Morgan Junction, Westwood-Highland, South Park	Yes	Sleeping room/micro units	P4.2	No reduction
5	HARBOR FLATS	3417 HARBOR AVE SW	Not in a Growth Center	Outside Centers	Morgan Junction, Westwood-Highland, South Park	Initial Lease Up	Standard Midrise	P6.4	Not available
6	KEYSTONE	9208 20TH AVE SW	Urban Center	Westwood-Highland Park	Morgan Junction, Westwood-Highland, South Park	Initial Lease Up	Standard Midrise	P6.4	Not available
7	LIVINGSTONE, THE	9049 20TH AVE SW	Urban Center	Westwood-Highland Park	Morgan Junction, Westwood-Highland, South Park	Yes	Standard Midrise	P5.1	\$0.66

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
8	MARQ WEST SEATTLE	3261 SW AVALON WAY	Urban Center	West Seattle Junction	Morgan Junction, Westwood-Highland, South Park	Failed to submit complete APC	Standard Midrise	P4.2	Not available
9	VIRIDIAN	6917 CALIFORNIA AVE SW	Urban Center	Morgan Junction	Morgan Junction, Westwood-Highland, South Park	Yes	Efficiency Units	P4.2	\$0.14
10	YOUNGSTOWN FLATS	4040 26TH AVE SW	<i>Not in a Growth Center</i>	<i>Delridge</i>	<i>Morgan Junction, Westwood-Highland, South Park</i>	<i>Yes</i>	<i>Standard Midrise</i>	<i>P3.1</i>	<i>\$0.59</i>

District 2 - South Beacon Hill/Rainier Valley

MFTE properties that have an extended tax exemption (i.e., 24 years) are indicated with **bold font**. MFTE properties are *italicized* if the tax exemption expired without extension on December 31, 2025, or is scheduled to expire on December 31, 2026.

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	ASSEMBLY 118	4200 S OTHELLO ST	Urban Center	Othello	South Beacon Hill/Rainier Valley	Yes	Standard Midrise	P4.3	\$0.14
2	CUBIX AT OTHELLO	7339 43RD AVE S	Urban Center	Othello	South Beacon Hill/Rainier Valley	Failed to submit complete APC	Efficiency Units	P4.2	Not available
3	ORENDA AT OTHELLO SQUARE	3939 S OTHELLO ST	Urban Center	Othello	South Beacon Hill/Rainier Valley	Yes	Standard Midrise	P5.1	\$0.32
4	STATION AT OTHELLO PARK	4219 S OTHELLO ST	Urban Center	Othello	South Beacon Hill/Rainier Valley	Yes	Standard Midrise	P6 Ext	\$0.37

District 2 - South Downtown, 12th Avenue, North Rainier Valley

MFTE properties that have an extended tax exemption (i.e., 24 years) are indicated with **bold font**. MFTE properties are *italicized* if the tax exemption expired without extension on December 31, 2025, or is scheduled to expire on December 31, 2026.

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	900 RAINIER	900 RAINIER AVE S	Urban Center	Central District South	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Efficiency Units	P6.4	Not available
2	ALCOVE FIRST HILL	220 10TH AVE	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Sleeping room/micro units	P6 Ext	\$0.11
3	ANGELINE	4801 RAINIER AVE S	Urban Center	Columbia City	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P4.2	\$1.00 or more
4	ANTHEM	103 12TH AVE	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P4.2	\$0.10
5	BATIK	123 BROADWAY	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P4.3	\$0.43
6	BEAM APTS	1029 S JACKSON ST	Regional Center	Downtown	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P5.1	\$0.20
7	BETULA HOUSE	355 15TH AVE	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Efficiency Units	P6.1	\$0.15

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
8	CASCARA	225 BROADWAY	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Standard Midrise	P5.1	Not available
9	CITYLINE I	4740 32ND AVE S	Urban Center	Columbia City	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P4.2	\$0.61
10	CITYLINE II	4730 32ND AVE S	Urban Center	Columbia City	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P5.1	\$0.42
11	COLINA EAST	2709 17TH AVE S	Urban Center	North Beacon Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P5.1	\$0.29
12	COLINA WEST	2710 BEACON AVE S	Urban Center	North Beacon Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P5.1	\$0.25
13	COLUMBIA CITY APARTMENTS	2950 S DAKOTA ST	Urban Center	Columbia City	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Standard Midrise	P6.4	Not available
14	COLUMBIA CITY STUDIOS	3019 S ANGELINE ST	Urban Center	Columbia City	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Sleeping room/micro units	P6.4	Not available
15	CRAFT APTS	1315 E JEFFERSON ST	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P4.2	\$0.05
16	CYPRESS	120 BROADWAY	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P5.1	\$0.37

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
17	DECIBEL ON 12TH	301 12TH AVE	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P4.2	\$0.14
18	DENNING	1636 S MCCLELLAN ST	Urban Center	North Beacon Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P4.2	\$0.16
19	EMERSON SEATTLE	125 BOREN AVE S	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P5.1	\$0.25
20	GRAND STREET COMMONS - EAST	1750 22ND AVE S	Urban Center	Mt Baker	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Standard Midrise	P6.1	Not available
21	GRAND STREET COMMONS - WEST	1765 22ND AVE S	Urban Center	Mt Baker	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Standard Midrise	P6.1	Not available
22	GREEN LEAF ENCORE	4689 M L KING JR WAY S	Urban Center	Columbia City	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P6.1	\$0.42
23	GREENHOUSE	3701 S HUDSON ST	Urban Center	Columbia City	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P6 Ext	\$0.48
24	HANA	101 6TH AVE S	Regional Center	Downtown	South Downtown, 12th Avenue, North Rainier Valley	Failed to submit complete APC	Standard Midrise	P5.1	Not available

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
25	HEARTWOOD	1323 E UNION ST	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P6.3	\$0.26
26	HOLGATE STATION - NORTH	1808 12TH AVE S	Urban Center	North Beacon Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P5.1	\$0.07
27	HOLGATE STATION - SOUTH	1814 12TH AVE S	Urban Center	North Beacon Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P4.2	\$0.27
28	ICON	400 S JACKSON ST	Regional Center	Downtown	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P4.2	\$0.23
29	JEFFERSON STATION APTS	2902 BEACON AVE S	Urban Center	North Beacon Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P5.1	\$0.15
30	LEXINGTON	1050 JAMES ST	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P5.1	\$0.17
31	LOUISA HOTEL APTS	669 S KING ST	Regional Center	Downtown	South Downtown, 12th Avenue, North Rainier Valley	Yes	Efficiency Units	P5.1	\$0.43
32	MARION STUDIOS	1305 E MARION ST	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Efficiency Units	P6.3	Not available
33	MASON & MAIN - EAST	209 12TH AVE S	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P5.1	\$0.39

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
34	MASON & MAIN - WEST	1020 S MAIN ST	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P6.1	\$0.56
35	MELODY JABOODA	2101 S GRAND ST	Urban Center	Mt Baker	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P6.1	\$0.46
36	MUSEUM HOUSE	707 TERRY AVE	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Luxury Highrise	P6.1	Not available
37	ORIGIN 206	206 5TH AVE S	Regional Center	Downtown	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Standard Midrise	P6.1	Not available
38	PUBLIX NORTH WING	500 5TH AVE S	Regional Center	Downtown	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P4.2	No reduction
39	REVERB	1023 E ALDER ST	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P4.2	No reduction
40	REVERIE	3309 BEACON AVE S	Urban Center	North Beacon Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Efficiency Units	P5.1	\$0.52
41	ROOST, THE	901 HIAWATHA PL S	Urban Center	Central District South	South Downtown, 12th Avenue, North Rainier Valley	Yes	Sleeping room/micro units	P5.1	\$0.13
42	STATE STREET	1700 21ST AVE S	Urban Center	Mt Baker	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Standard Midrise	P6.1	Not available

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
43	STAZIONE 25 - NORTH	2615 25TH AVE S	Urban Center	Mt Baker	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P5.1	\$0.16
44	STAZIONE 25 - SOUTH	2715 25TH AVE S	Urban Center	Mt Baker	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P6.1	\$0.06
45	SWELL APTS	821 S WASHINGTON ST	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Standard Midrise	P6.4	Not available
46	SYMPHONY APARTMENTS	4221 37TH AVE S	Urban Center	Columbia City	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Standard Midrise	P6.3	Not available
47	TAPESTRY	104 12TH AVE	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Standard Midrise	P5.1	\$0.23
48	VALE STUDIOS	4735 32ND AVE S	Urban Center	Columbia City	South Downtown, 12th Avenue, North Rainier Valley	Yes	Efficiency Units	P6.1	\$0.22
49	WAYFARER	1000 E YESLER WAY	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Standard Highrise	P5.1	Not available
50	YESLER TOWERS NORTH	809 S WASHINGTON ST	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Initial Lease Up	Luxury Highrise	P6.4	Not available
51	ZIG APTS	550 BROADWAY	Regional Center	First Hill/ Capitol Hill	South Downtown, 12th Avenue, North Rainier Valley	Yes	Luxury Midrise	P4.2	\$0.66

District 3 - Capitol Hill, Pike/Pine, First Hill

MFTE properties that have an extended tax exemption (i.e., 24 years) are indicated with **bold font**. MFTE properties are *italicized* if the tax exemption expired without extension on December 31, 2025, or is scheduled to expire on December 31, 2026.

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	101 BROADWAY APTS	840 E DENNY WAY	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P5.1	\$0.26
2	1404 BOYLSTON	1404 BOYLSTON AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.04
3	741 HARVARD	741 HARVARD AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Efficiency Units	P4.2	\$0.03
4	ANEW STUDIOS - 1806 12TH AVE	1806 12TH AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Sleeping room/micro units	P4.2	No reduction
5	ANEW STUDIOS - 1812 12TH	1812 12TH AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Sleeping room/micro units	P4.2	No reduction
6	ANEW STUDIOS - 2371 FRANKLIN	2371 FRANKLIN AVE E	Urban Center	Eastlake	Capitol Hill, Pike/Pine, First Hill	Yes	Sleeping room/micro units	P4.2	\$0.12
7	ANEW STUDIOS - 422 11TH	422 11TH AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Sleeping room/micro units	P6 Ext	No reduction
8	AVANT APTS	2112 E DENNY WAY	Urban Center	Madison-Miller	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.3	\$0.39

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
9	BASE CAPITOL HILL	1728 12TH AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Sleeping room/micro units	P4.2	No reduction
10	BERYL	1200 E PIKE ST	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Failed to submit complete APC	Standard Midrise	P4.2	Not available
11	BROADCAST	1420 E MADISON ST	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.3	\$0.25
12	BROADWAY BUILDING	1641 NAGLE PL	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P6 Ext	\$0.70
13	CAPITOL HILL URBAN COHOUSING	1720 12TH AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Small Property	Co-Housing	P4.2	Not available
14	CAPITOL HILLTOP	555 15TH AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Initial Lease Up	Standard Midrise	P6.4	Not available
15	CHLOE ON MADISON	1401 E MADISON ST	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P5.1	\$0.65
16	CONNECTION ON BROADWAY - NORTH	118 BROADWAY E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P5.1	\$0.80
17	CONNECTION ON BROADWAY - PARK	123 10TH AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P5.1	\$0.62

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
18	CONNECTION ON BROADWAY - SOUTH	1830 BROADWAY	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P5.1	\$0.71
19	CORTENA APODMENTS	227 BOYLSTON AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Sleeping room/micro units	P4.2	\$0.60
20	COVE	601 E PIKE ST	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.50
21	CUE APTS	1525 HARVARD AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.39
22	DANFORTH	1001 BROADWAY	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Luxury Highrise	P5.1	\$0.51
23	EAST HOWE STEPS	1823 EASTLAKE AVE E	Urban Center	Eastlake	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.3	\$0.31
24	EASTLAKE FLATS	2820 EASTLAKE AVE E	Urban Center	Eastlake	Capitol Hill, Pike/Pine, First Hill	Yes	Sleeping room/micro units	P4.2	\$0.35
25	EQUINOX APTS	1524 EASTLAKE AVE E	Urban Center	Eastlake	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P6 Ext	\$0.72
26	EVOLVE	954 E UNION ST	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.1	\$0.79
27	FIFTEEN, THE	605 15TH AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.04
28	FLOW EASTLAKE	3150 FAIRVIEW AVE E	Urban Center	Eastlake	Capitol Hill, Pike/Pine, First Hill	Initial Lease Up	Standard Midrise	P6.3	Not available

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
29	GRIDLINE NORTH	1421 HARVARD AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Initial Lease Up	Standard Midrise	P6.3	Not available
30	GRIDLINE WEST	704 E UNION ST	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P6.3	\$1.00 or more
31	ILARIA APODMENTS	1305 E MERCER ST	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Sleeping room/micro units	P4.2	\$0.55
32	JACK APTS	1427 11TH AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.51
33	JET ON BOYLSTON	1820 BOYLSTON AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P5.1	\$0.40
34	LARSON BUILDING, THE	3206 HARVARD AVE E	Urban Center	Eastlake	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	No reduction
35	LEXICON	120 HARVARD AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.20
36	LIV AT EAST JOHN	1113 E JOHN ST	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Efficiency Units	P4.2	\$0.17
37	LIZA	2517 EASTLAKE AVE E	Urban Center	Eastlake	Capitol Hill, Pike/Pine, First Hill	Initial Lease Up	Luxury Midrise	P5.1	Not available
38	LOCAL 418, THE	418 BELLEVUE AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.20
39	LOCAL 422, THE	422 SUMMIT AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.24
40	MODERA BROADWAY - NORTH	1812 BROADWAY	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P5.1	\$1.00 or more

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
41	MODERA BROADWAY - SOUTH	1732 BROADWAY	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P5.1	\$0.68
42	ONEONE6	116 13TH AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Sleeping room/micro units	P6 Ext	\$0.21
43	PERCH CAPITOL HILL, THE	500 BELMONT AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.24
44	<i>PINE + MINOR</i>	<i>1551 MINOR AVE</i>	<i>Regional Center</i>	<i>First Hill/ Capitol Hill</i>	<i>Capitol Hill, Pike/Pine, First Hill</i>	<i>Yes</i>	<i>Standard Midrise</i>	<i>P4.2</i>	<i>No reduction</i>
45	PIVOT APTS	1208 PINE ST	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P5.1	\$0.20
46	PLAID APTS	514 FEDERAL AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Initial Lease Up	Standard Midrise	P6.3	Not available
47	RAMIRO'S PLACE	200 10TH AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Sleeping room/micro units	P4.2	No reduction
48	REO FLATS	1525 14TH AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.44
49	ROBIN'S NEST	3272 FUHRMAN AVE E	Urban Center	Eastlake	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P5.1	\$0.26
50	RUBIX, THE	515 HARVARD AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.34
51	RUTH COURT	123 18TH AVE E	Urban Center	Madison-Miller	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.27

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
52	SENTRAL FIRST HILL	1001 MINOR AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Luxury Highrise	P4.3	\$0.64
53	SEVENTEEN FIFTEEN	1715 12TH AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.09
54	SOLIS	1300 E PIKE ST	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P5.1	\$0.86
55	STREAM 403	403 BELMONT AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.3	\$0.28
56	THREE20 APTS	320 E PINE ST	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.1	\$0.49
57	TOD APTS	120 10TH AVE E	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	No reduction
58	WATERTON APTS	2203 EASTLAKE AVE E	Urban Center	Eastlake	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.3	\$0.17
59	WILDER, THE	1607 14TH AVE	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P6.3	\$0.32
60	YARDHOUSE	1406 E REPUBLICAN ST	Regional Center	First Hill/ Capitol Hill	Capitol Hill, Pike/Pine, First Hill	Yes	Standard Midrise	P4.2	\$0.23

District 3 - Central Area

MFTE properties that have an extended tax exemption (i.e., 24 years) are indicated with **bold font**. MFTE properties are *italicized* if the tax exemption expired without extension on December 31, 2025, or is scheduled to expire on December 31, 2026.

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	1410 S KING ST	1410 S KING ST	Urban Center	Central District South	Central Area	Small Property	Standard Lowrise	P4.2	Not available
2	1611 S WELLER ST	1611 S WELLER ST	Urban Center	Central District South	Central Area	Small Property	Standard Lowrise	P4.2	Not available
3	ANEW STUDIOS - 1806 23RD	1806 23RD AVE	Urban Center	Madison-Miller	Central Area	Yes	Sleeping room/micro units	P4.2	\$0.39
4	BELL JACKSON STREET	1801 S JACKSON ST	Urban Center	Central District South	Central Area	Yes	Luxury Midrise	P5.1	\$0.15
5	CENTRAL, THE	2203 E UNION ST	Urban Center	Central District	Central Area	Yes	Standard Midrise	P4.2	\$0.33
6	DENNY18 APTS	1823 18TH AVE	Urban Center	Madison-Miller	Central Area	Yes	Standard Midrise	P4.2	No reduction
7	EAST UNION	2220 E UNION ST	Urban Center	Central District	Central Area	Yes	Standard Midrise	P5.1	\$0.39
8	HAMILTON APTS	2305 E MADISON ST	Urban Center	Madison-Miller	Central Area	Yes	Standard Midrise	P4.3	\$0.06
9	HILITE	622 RAINIER AVE S	Urban Center	Central District South	Central Area	Initial Lease Up	Standard Midrise	P5.1	Not available
10	JACKSON APTS	2401 S JACKSON ST	Urban Center	Central District South	Central Area	Yes	Standard Midrise	P5.1	\$0.28

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
11	JACKSON STREET APTS	2524 S JACKSON ST	Urban Center	Central District South	Central Area	Yes	Standard Midrise	P5.1	\$0.34
12	KING STREET FLATS	1626 S KING ST	Urban Center	Central District South	Central Area	Yes	Standard Midrise	P6.3	\$0.22
13	MAD FLATS	1523 E MADISON ST	Regional Center	First Hill/Capitol Hill	Central Area	Yes	Efficiency Units	P4.2	\$0.04
14	MADISON TWO-O	1811 20TH AVE	Urban Center	Madison-Miller	Central Area	Failed to submit complete APC	Sleeping room/micro units	P4.2	Not available
15	MIDTOWN SQUARE	2301 E UNION ST	Urban Center	Central District	Central Area	Failed to submit complete APC	Standard Midrise	P5.1	Not available
16	MUIR APTS	1601 S LANE ST	Urban Center	Central District South	Central Area	Yes	Standard Midrise	P5.1	\$0.22
17	PRATT PARK	1800 S JACKSON ST	Urban Center	Central District South	Central Area	Yes	Standard Midrise	P6 Ext	\$0.72
18	SESSION APTS	1717 22ND AVE	Urban Center	Madison-Miller	Central Area	Yes	Standard Midrise	P4.2	\$0.03
19	SIENNA APTS	207 18TH AVE	Urban Center	Central District South	Central Area	Yes	Efficiency Units	P5.1	\$0.44
20	STENCIL	2407 E UNION ST	Urban Center	Central District	Central Area	Yes	Standard Midrise	P4.2	\$0.27
21	TWENTY20 MAD	2026 E MADISON ST	Urban Center	Madison-Miller	Central Area	Yes	Standard Midrise	P4.2	\$0.23

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
22	VALLEY APTS	2719 E UNION ST	Not in a Growth Center	Outside Centers	Central Area	Yes	Standard Midrise	P5.1	\$0.39

District 4 - University District, Roosevelt, Ravenna

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	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	50TH & ROOSEVELT APTS	4750 ROOSEVELT WAY NE	Regional Center	University District	University District, Roosevelt, Ravenna	Yes	Standard Midrise	P4.2	\$0.63
2	BRIDGES AT 11TH	4557 11TH AVE NE	Regional Center	University District	University District, Roosevelt, Ravenna	Vacancy, demographics only	Student housing	P4.2	Not available
3	CENTERLINE	1420 NE 65TH ST	Urban Center	Roosevelt	University District, Roosevelt, Ravenna	Yes	Luxury Highrise	P5.1	\$0.42
4	GLENDALE APTS	5246 BROOKLYN AVE NE	Regional Center	University District	University District, Roosevelt, Ravenna	Vacancy, demographics only	Student housing	P4.2	Not available
5	MIO APTS	1319 NE 65TH ST	Urban Center	Roosevelt	University District, Roosevelt, Ravenna	Yes	Standard Midrise	P4.2	\$0.33
6	NORA - EAST	4106 12TH AVE NE	Regional Center	University District	University District, Roosevelt, Ravenna	Vacancy, demographics only	Student housing	P4.2	Not available
7	NORA - WEST	4123 12TH AVE NE	Regional Center	University District	University District, Roosevelt, Ravenna	Vacancy, demographics only	Student housing	P4.2	Not available

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
8	PARSONAGE	4138 BROOKLYN AVE NE	Regional Center	University District	University District, Roosevelt, Ravenna	Vacancy, demographics only	Student housing	P4.2	Not available
9	RENEW ON ROOSEVELT	6313 15TH AVE NE	Urban Center	Roosevelt	University District, Roosevelt, Ravenna	Small Property	Lowrise	P4.2	Not available
10	ROOSEVELT STATION	6810 ROOSEVELT WAY NE	Urban Center	Roosevelt	University District, Roosevelt, Ravenna	Yes	Standard Midrise	P4.3	\$0.31
11	ROW APTS, THE	4741 18TH AVE NE	Regional Center	University District	University District, Roosevelt, Ravenna	Initial Lease Up	Sleeping room/micro units	P6.4	Not available
12	SOPHIE STUDIOS	4743 21ST AVE NE	Regional Center	University District	University District, Roosevelt, Ravenna	Failed to submit complete APC	Sleeping room/micro units	P4.2	Not available
13	SPUR APTS	4600 UNION BAY PL NE	Not in a Growth Center	Outside Centers	University District, Roosevelt, Ravenna	Yes	Standard Midrise	P5.1	\$0.61
14	SQUARE ONE APTS	1020 NE 63RD ST	Urban Center	Roosevelt	University District, Roosevelt, Ravenna	Yes	Standard Midrise	P4.2	\$0.34
15	STAX, THE	5001 BROOKLYN AVE NE	Regional Center	University District	University District, Roosevelt, Ravenna	Vacancy, demographics only	Student housing	P4.2	Not available
16	VIDA APTS	1205 NE 66TH ST	Urban Center	Roosevelt	University District, Roosevelt, Ravenna	Yes	Standard Midrise	P4.2	\$0.35

District 4 - Wallingford

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	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	AUGUSTA APTS	4041 ROOSEVELT WAY NE	Regional Center	University District	Wallingford	Yes	Standard Midrise	P4.3	\$0.49
2	BOWMAN STONE WAY	3801 STONE WAY N	Urban Center	Fremont	Wallingford	Yes	Standard Midrise	P4.2	\$0.23
3	CHRONICLE APTS	4417 WALLINGFORD AVE N	Urban Center	Wallingford	Wallingford	Initial Lease Up	Efficiency Units	P6.4	Not available
4	LIGHTBOX	4545 8TH AVE NE	Regional Center	University District	Wallingford	Failed to submit complete APC	Student housing	P4.2	Not available
5	LIV STONE WAY	4025 STONE WAY N	Urban Center	Wallingford	Wallingford	Yes	Efficiency Units	P5.1	\$0.11
6	LIV WALLINGFORD	1240 N MIDVALE PL	Urban Center	Wallingford	Wallingford	Yes	Efficiency Units	P4.2	No reduction
7	LOHAS	4558 7TH AVE NE	Regional Center	University District	Wallingford	Yes	Standard Midrise	P4.2	\$0.02
8	NOBLE, THE	4301 STONE WAY N	Urban Center	Wallingford	Wallingford	Yes	Standard Midrise	P6 Ext	\$0.36
9	ORI STONE WAY APTS	4453 STONE WAY N	Urban Center	Wallingford	Wallingford	Yes	Standard Midrise	P5.1	\$0.51

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
10	PORTAGE BAY FLATS	4029 7TH AVE NE	Regional Center	University District	Wallingford	Yes	Efficiency Units	P4.2	\$0.11
11	POSITANO APODMENTS	3642 WOODLAND PARK AVE N	Urban Center	Fremont	Wallingford	Yes	Sleeping room/micro units	P4.2	\$0.57
12	PREXY	4737 ROOSEVELT WAY NE	Regional Center	University District	Wallingford	Yes	Standard Midrise	P4.3	\$0.36
13	RAY APTS - EAST	3651 INTERLAKE AVE N	Urban Center	Fremont	Wallingford	Yes	Standard Midrise	P4.2	\$0.72
14	RAY APTS - WEST	3636 STONE WAY N	Urban Center	Fremont	Wallingford	Yes	Standard Midrise	P4.2	\$0.56
15	REED @ STONE WAY	4015 STONE WAY N	Urban Center	Wallingford	Wallingford	Initial Lease Up	Efficiency Units	P6.4	Not available
16	SMITH & BURNS APTS	4455 INTERLAKE AVE N	Urban Center	Wallingford	Wallingford	Yes	Standard Midrise	P4.2	\$0.54
17	SORA	4239 8TH AVE NE	Regional Center	University District	Wallingford	Yes	Efficiency Units	P6.1	\$1.00 or more
18	STRADA APODMENTS	4516 7TH AVE NE	Regional Center	University District	Wallingford	Yes	Sleeping room/micro units	P4.2	\$0.58
19	VELO APTS	3635 WOODLAND PARK AVE N	Urban Center	Fremont	Wallingford	Yes	Standard Midrise	P4.2	\$0.57
20	VENETIA APODMENTS	4324 8TH AVE NE	Regional Center	University District	Wallingford	Yes	Sleeping room/micro units	P4.2	\$0.70

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
21	WALLINGFORD STUDIOS	4516 MERIDIAN AVE N	Urban Center	Wallingford	Wallingford	Yes	Sleeping room/micro units	P4.2	\$0.09
22	WALLY APTS	4111 STONE WAY N	Urban Center	Wallingford	Wallingford	Yes	Standard Midrise	P4.2	\$0.51

District 5 - Bitter Lake, Licton Springs, NW Seattle

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	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	BODE 88	8558 NESBIT AVE N	Urban Center	Aurora-Licton Springs	Bitter Lake, Licton Springs, NW Seattle	Failed to submit complete APC	Standard Midrise	P5.1	Not available
2	BOGTOWN FLATS	9039 GREENWOOD AVE N	Urban Center	Greenwood	Bitter Lake, Licton Springs, NW Seattle	Yes	Standard Midrise	P5.1	\$0.18
3	CUBIX 103	918 N 103RD ST	Urban Center	Aurora-Licton Springs	Bitter Lake, Licton Springs, NW Seattle	Yes	Sleeping room/micro units	P4.2	\$0.02
4	CUBIX 95	714 N 95TH ST	Urban Center	Aurora-Licton Springs	Bitter Lake, Licton Springs, NW Seattle	Yes	Sleeping room/micro units	P4.2	\$0.23
5	CUBIX CROWN HILL	8541 15TH AVE NW	Urban Center	Crown Hill	Bitter Lake, Licton Springs, NW Seattle	Yes	Standard Midrise	P5.1	\$0.07
6	CUBIX NORTH PARK	1008 N 109TH ST	Urban Center	Aurora-Licton Springs	Bitter Lake, Licton Springs, NW Seattle	Yes	Sleeping room/micro units	P4.2	\$0.06
7	EDGEPOINT APTS	320 N 85TH ST	Urban Center	Greenwood	Bitter Lake, Licton Springs, NW Seattle	Yes	Standard Midrise	P5.1	\$0.42
8	GALLOWAY	1126 N 90TH ST	Urban Center	Aurora-Licton Springs	Bitter Lake, Licton Springs, NW Seattle	Failed to submit complete APC	Standard Midrise	P4.2	Not available

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
9	HEMLOCK, THE	8704 GREENWOOD AVE N	Urban Center	Greenwood	Bitter Lake, Licton Springs, NW Seattle	Yes	Standard Midrise	P5.1	\$0.38
10	HORIZON PHINNEY I	8727 PHINNEY AVE N	Urban Center	Greenwood	Bitter Lake, Licton Springs, NW Seattle	Yes	Sleeping room/micro units	P4.2	No reduction
11	HORIZON PHINNEY II	8731 PHINNEY AVE N	Urban Center	Greenwood	Bitter Lake, Licton Springs, NW Seattle	Yes	Sleeping room/micro units	P4.2	No reduction
12	MIDTOWN FLATS	8820 AURORA AVE N	Urban Center	Aurora-Licton Springs	Bitter Lake, Licton Springs, NW Seattle	Yes	Standard Midrise	P5.1	\$0.42
13	PARLA	9176 HOLMAN RD NW	Urban Center	Crown Hill	Bitter Lake, Licton Springs, NW Seattle	Yes	Standard Midrise	P4.2	\$0.32
14	TAVIN APARTMENTS	8511 15TH AVE NW	Urban Center	Crown Hill	Bitter Lake, Licton Springs, NW Seattle	Initial Lease Up	Standard Midrise	P6.3	Not available
15	VIEWLAND	9736 GREENWOOD AVE N	Not in a Growth Center	Outside Centers	Bitter Lake, Licton Springs, NW Seattle	Initial Lease Up	Standard Midrise	P6.4	Not available

District 5 - Northgate, Lake City, NE Seattle

MFTE properties that have an extended tax exemption (i.e., 24 years) are indicated with **bold font**. MFTE properties are *italicized* if the tax exemption expired without extension on December 31, 2025, or is scheduled to expire on December 31, 2026.

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	ARRAY	14027 LAKE CITY WAY NE	Neighborhood Center	Little Brook	Northgate, Lake City, NE Seattle	Yes	Standard Midrise	P3.1	\$0.25
2	BALDWIN	10712 5TH AVE NE	Regional Center	Northgate	Northgate, Lake City, NE Seattle	Initial Lease Up	Standard Midrise	P5.1	Not available
3	BODE 125	3300 NE 125TH ST	Urban Center	Lake City	Northgate, Lake City, NE Seattle	Failed to submit complete APC	Sleeping room/micro units	P6.1	Not available
4	ENCLAVE AT NORTHGATE, THE (EAST)	525 NE NORTHGATE WAY	Regional Center	Northgate	Northgate, Lake City, NE Seattle	Yes	Standard Midrise	P4.2	\$0.03
5	LAKE CITY LOFTS	12328 33RD AVE NE	Urban Center	Lake City	Northgate, Lake City, NE Seattle	Initial Lease Up	Efficiency Units	P6.4	Not available
6	LANE APTS EAST	10720 5TH AVE NE	Regional Center	Northgate	Northgate, Lake City, NE Seattle	Yes	Standard Midrise	P5.1	\$0.16
7	LANE APTS WEST	10720 5TH AVE NE	Regional Center	Northgate	Northgate, Lake City, NE Seattle	Yes	Standard Midrise	P5.1	\$0.41
8	MODERA NORTHGATE	10631 8TH AVE NE	Regional Center	Northgate	Northgate, Lake City, NE Seattle	Initial Lease Up	Standard Midrise	P6.1	Not available
9	MYSA	3025 NE 130TH ST	Urban Center	Lake City	Northgate, Lake City, NE Seattle	Yes	Standard Midrise	P5.1	\$0.15

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
10	ORIGIN	12311 32ND AVE NE	Urban Center	Lake City	Northgate, Lake City, NE Seattle	Yes	Standard Midrise	P4.2	\$0.09
11	OWL	11201 ROOSEVELT WAY NE	Regional Center	Northgate	Northgate, Lake City, NE Seattle	Initial Lease Up	Standard Midrise	P6.1	Not available
12	PRISM APTS	10711 8TH AVE NE	Regional Center	Northgate	Northgate, Lake City, NE Seattle	Yes	Standard Midrise	P5.1	\$0.11
13	SAVOY AT LAKE CITY, THE	13730 LAKE CITY WAY NE	Not in a Growth Center	Outside Centers	Northgate, Lake City, NE Seattle	Yes	Standard Midrise	P4.1	\$0.05

District 6 - Ballard, Magnolia

MFTE properties that have an extended tax exemption (i.e., 24 years) are indicated with **bold font**. MFTE properties are *italicized* if the tax exemption expired without extension on December 31, 2025, or is scheduled to expire on December 31, 2026.

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	ALCOVE BALLARD	1715 NW 58TH ST	Regional Center	Ballard	Ballard, Magnolia	Yes	Sleeping room/micro units	P4.2	\$0.29
2	BALLARD INDEPENDENT, THE	2245 NW 56TH ST	Regional Center	Ballard	Ballard, Magnolia	Initial Lease Up	Luxury Highrise	P6.4	Not available
3	BALLARD LOFTS	6450 24TH AVE NW	Regional Center	Ballard	Ballard, Magnolia	Yes	Luxury Highrise	P4.2	\$0.39
4	BALLARD ON THE PARK	2233 NW 58TH ST	Regional Center	Ballard	Ballard, Magnolia	Yes	Standard Midrise	P6 Ext	\$0.69
5	BESPOKE BALLARD	1506 NW 61ST ST	Regional Center	Ballard	Ballard, Magnolia	Yes	Standard Midrise	P4.2	\$0.11
6	CARRICK APTS	1140 NW MARKET ST	Regional Center	Ballard	Ballard, Magnolia	Initial Lease Up	Efficiency Units	P6.4	Not available
7	COMMONS AT BALLARD, THE	5601 22ND AVE NW	Regional Center	Ballard	Ballard, Magnolia	Yes	Standard Midrise	P4.2	\$0.50
8	ELLINOR BALLARD	1537 NW 56TH ST	Regional Center	Ballard	Ballard, Magnolia	Yes	Standard Midrise	P4.3	\$0.41
9	FREYA	8311 15TH AVE NW	Urban Center	Crown Hill	Ballard, Magnolia	Yes	Sleeping room/micro units	P5.1	\$0.32

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
10	GROVE BALLARD	6301 15TH AVE NW	Regional Center	Ballard	Ballard, Magnolia	Yes	Standard Midrise	P4.3	\$0.59
11	JG WHITTIER	7750 15TH AVE NW	Urban Center	Crown Hill	Ballard, Magnolia	Yes	Standard Midrise	P6.3	\$0.23
12	KARSTI APTS	1501 NW 59TH ST	Regional Center	Ballard	Ballard, Magnolia	Yes	Sleeping room/micro units	P5.1	No reduction
13	KOI APTS	1139 NW MARKET ST	Regional Center	Ballard	Ballard, Magnolia	Yes	Standard Midrise	P4.1	\$0.43
14	LILLEHAMMER	7016 15TH AVE NW	Urban Center	Whittier	Ballard, Magnolia	Yes	Standard Midrise	P5.1	\$0.21
15	NORDIC TOWER	1446 NW 53RD ST	Regional Center	Ballard	Ballard, Magnolia	Initial Lease Up	Efficiency Units	P6.3	Not available
16	VALDOK - NORTH	1702 NW 56TH ST	Regional Center	Ballard	Ballard, Magnolia	Yes	Standard Midrise	P5.1	\$0.36
17	VALDOK - SOUTH	1701 NW 56TH ST	Regional Center	Ballard	Ballard, Magnolia	Yes	Standard Midrise	P5.1	\$0.24
18	WILCOX, THE	2003 NW 57TH ST	Regional Center	Ballard	Ballard, Magnolia	Yes	Luxury Midrise	P4.2	\$0.32
19	WINDSOR BALLARD	5555 14TH AVE NW	Regional Center	Ballard	Ballard, Magnolia	Yes	Luxury Highrise	P3.1	\$0.66

District 6 - Green Lake, Phinney Ridge, Fremont

MFTE properties that have an extended tax exemption (i.e., 24 years) are indicated with **bold font**. MFTE properties are *italicized* if the tax exemption expired without extension on December 31, 2025, or is scheduled to expire on December 31, 2026.

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	CORNER 63	6300 9TH AVE NE	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P6.3	\$1.00 or more
2	CREW APTS	8228 GREEN LAKE DR N	Not in a Growth Center	Outside Centers	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P5.1	\$0.34
3	EDDY AT GREEN LAKE	419 NE 71ST ST	Urban Center	Green Lake	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P4.3	\$0.24
4	ELEANOR, THE	800 NE 67TH ST	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P4.2	\$0.49
5	FIRESIDE FLATS	841 NE 68TH ST	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P6.1	\$0.53
6	HELENE APTS	414 NE RAVENNA BLVD	Urban Center	Green Lake	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P4.2	\$0.05
7	HORIZON GREENWOOD	143 NW 85TH ST	Urban Center	Greenwood	Green Lake, Phinney Ridge, Fremont	Yes	Sleeping room/micro units	P4.2	\$0.02
8	INNOVATIVE LIVING @ ROOSEVELT	817 NE 64TH ST	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Sleeping room/micro units	P4.2	\$0.26

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
9	IRON FLATS - EAST	828 NE 66TH ST	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	APC data quality questions	Standard Midrise	P5.1	Not available
10	IRON FLATS - NORTH & WEST	802 NE 66TH ST	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P5.1	\$0.40
11	JANUS	121 NW 85TH ST	Urban Center	Greenwood	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P4.2	\$0.16
12	KAVELA	845 NE 66TH ST	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P6 Ext	\$0.26
13	LIME STUDIOS	3639 LINDEN AVE N	Urban Center	Fremont	Green Lake, Phinney Ridge, Fremont	Yes	Efficiency Units	P4.2	\$0.17
14	LIV ROOSEVELT	6404 9TH AVE NE	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Efficiency Units	P5.1	\$0.14
15	LOOP, THE	407 NE 73RD ST	Urban Center	Green Lake	Green Lake, Phinney Ridge, Fremont	Yes	Efficiency Units	P5.1	\$0.42
16	LUCILLE APTS	6717 ROOSEVELT WAY NE	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P5.1	\$0.13
17	MAUDE URBAN LIVING	836 NE 67TH ST	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P4.2	No reduction
18	ROOSTER, THE	900 NE 65TH ST	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P4.2	\$0.48
19	SHARED ROOF	7009 GREENWOOD AVE N	Not in a Growth Center	Outside Centers	Green Lake, Phinney Ridge, Fremont	Yes (parts of this building are owner occupied)	Luxury Midrise	P5.1	Not available

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
20	TEEL	420 NE 72ND ST	Urban Center	Green Lake	Green Lake, Phinney Ridge, Fremont	Initial Lease Up	Standard Midrise	P6.1	Not available
21	THEO APTS	815 NE 66TH ST	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P5.1	\$0.49
22	VIBE FREMONT	3601 GREENWOOD AVE N	Urban Center	Fremont	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P4.2	\$0.19
23	VISTA 7011	7011 ROOSEVELT WAY NE	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P5.1	\$0.01
24	VIVID ROOSEVELT	7001 ROOSEVELT WAY NE	Urban Center	Roosevelt	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P5.1	\$0.09
25	WATERWAY BUILDING, THE	106 N 36TH ST	Urban Center	Fremont	Green Lake, Phinney Ridge, Fremont	Yes	Standard Midrise	P5.1	\$0.47

District 7 - Downtown Core, Belltown, South Lake Union

MFTE properties that have an extended tax exemption (i.e., 24 years) are indicated with **bold font**. MFTE properties are *italicized* if the tax exemption expired without extension on December 31, 2025, or is scheduled to expire on December 31, 2026.

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	3ZERO3	303 BATTERY ST	Regional Center	Downtown	Downtown Core, Belltown, South Lake Union	Initial Lease Up	Standard Midrise	P5.1	Not available
2	APERTURE ON FIFTH	206 5TH AVE N	Regional Center	Uptown	Downtown Core, Belltown, South Lake Union	Yes	Standard Midrise	P4.2	\$0.31
3	AYER, THE	2010 TERRY AVE	Regional Center	Downtown	Downtown Core, Belltown, South Lake Union	Initial Lease Up	Luxury Highrise	P6.4	Not available
4	BOXCAR	975 JOHN ST	<i>Regional Center</i>	<i>South Lake Union</i>	<i>Downtown Core, Belltown, South Lake Union</i>	<i>Failed to submit complete APC</i>	<i>Standard Midrise</i>	<i>P4.2</i>	<i>Not available</i>
5	CENTURY, THE	101 TAYLOR AVE N	Regional Center	Uptown	Downtown Core, Belltown, South Lake Union	Failed to submit complete APC	Standard Midrise	P3.1	Not available
6	CHROMA - EAST	1232 HARRISON ST	Regional Center	South Lake Union	Downtown Core, Belltown, South Lake Union	Yes	Luxury Midrise	P4.3	\$0.39

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
7	CHROMA - WEST	1212 HARRISON ST	Regional Center	South Lake Union	Downtown Core, Belltown, South Lake Union	Yes	Luxury Midrise	P4.3	\$0.34
8	ELARA AT THE MARKET	2134 WESTERN AVE	Regional Center	Downtown	Downtown Core, Belltown, South Lake Union	Yes	Standard Midrise	P5.1	\$0.33
9	MINNIE FLATS	101 DENNY WAY	Regional Center	Downtown	Downtown Core, Belltown, South Lake Union	Yes	Efficiency Units	P4.2	No reduction
10	MODERA SOUTH LAKE UNION	435 DEXTER AVE N	Regional Center	South Lake Union	Downtown Core, Belltown, South Lake Union	Yes	Standard Midrise	P4.2	\$0.40
11	NINE AND PINE	1601 9TH AVE	Regional Center	Downtown	Downtown Core, Belltown, South Lake Union	Yes	Standard Midrise	P4.2	\$0.24
12	ORION APTS	910 JOHN ST	Regional Center	South Lake Union	Downtown Core, Belltown, South Lake Union	Yes	Standard Midrise	P5.1	\$0.41
13	OVATION	702 SPRING ST	Regional Center	First Hill/Capitol Hill	Downtown Core, Belltown, South Lake Union	Yes	Luxury Highrise	P6.3	\$0.78
14	SITELINE	223 TAYLOR AVE N	Regional Center	Uptown	Downtown Core, Belltown, South Lake Union	Yes	Standard Midrise	P6.1	\$1.00 or more

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
15	SITKA	1255 HARRISON ST	Regional Center	South Lake Union	Downtown Core, Belltown, South Lake Union	Yes	Luxury Highrise	P5.1	\$0.49
16	STACK HOUSE	1280 HARRISON ST	Regional Center	South Lake Union	Downtown Core, Belltown, South Lake Union	Yes	Standard Midrise	P4.2	\$0.49
17	WALTON LOFTS	2521 WESTERN AVE	Regional Center	Downtown	Downtown Core, Belltown, South Lake Union	Yes	Luxury Highrise	P4.2	\$0.41

District 7 - Uptown, Queen Anne, Interbay

MFTE properties that have an extended tax exemption (i.e., 24 years) are indicated with **bold font**. MFTE properties are *italicized* if the tax exemption expired without extension on December 31, 2025, or is scheduled to expire on December 31, 2026.

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
1	708 UPTOWN	708 6TH AVE N	Regional Center	Uptown	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P6 Ext	\$1.00 or more
2	AXLE APTS	3230 16TH AVE W	Neighborhood Center	Dravus	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P5.1	\$0.30
3	BODE UPTOWN	215 1ST AVE N	Regional Center	Uptown	Uptown, Queen Anne, Interbay	Failed to submit complete APC	Efficiency Units	P6.1	Not available
4	CENTER STEPS BLDG 1	225 ROY ST	Regional Center	Uptown	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P5.1	\$0.72
5	CENTER STEPS BLDG 2	225 ROY ST	Regional Center	Uptown	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P5.1	\$0.77
6	CLARENDON	105 WARREN AVE N	Regional Center	Uptown	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P4.3	No reduction
7	CORA	350 1ST AVE W	Regional Center	Uptown	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P4.3	\$0.58
8	EXPO	118 REPUBLICAN ST	Regional Center	Uptown	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P6 Ext	\$0.84
9	H2O APTS	201 W HARRISON ST	Regional Center	Uptown	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P6 Ext	\$0.49

	Property name	Street Address	Growth Center	Comp Plan Name	Market Area	2025 APC Data Analyzed, and Reason if Not	Type of Multifamily Housing	MFTE Program Version	Average Rent Reduction for \$1 of Owner Tax Savings
10	IVY AT INTERBAY	3008 16TH AVE W	Neighborhood Center	Dravus	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P5.1	\$0.26
11	JOSEPH ARNOLD LOFTS	62 CEDAR ST	Regional Center	Downtown	Uptown, Queen Anne, Interbay	Yes	Luxury Highrise	P4.1	\$0.41
12	KIRIN APTS	417 2ND AVE W	Regional Center	Uptown	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P5.1	\$0.46
13	NiWA	513 1ST AVE N	Regional Center	Uptown	Uptown, Queen Anne, Interbay	Initial Lease Up	Standard Midrise	P5.1	Not available
14	ROYSTONE APTS	5 W ROY ST	Regional Center	Uptown	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P5.1	\$0.10
15	SLATE APTS	3040 17TH AVE W	Neighborhood Center	Dravus	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P6 Ext	\$0.39
16	STREAM DEXIOS	1600 DEXTER AVE N	Not in Designated Center	Outside Centers	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P5.1	\$0.24
17	WESTLAKE STEPS	1209 WESTLAKE AVE N	Regional Center	South Lake Union	Uptown, Queen Anne, Interbay	Yes	Luxury Midrise	P4.3	\$0.60
18	ZELLA APTS	429 2ND AVE W	Regional Center	Uptown	Uptown, Queen Anne, Interbay	Yes	Standard Midrise	P5.1	\$0.41

Appendix H: Units in MFTE-Subsidized Multifamily Housing Developments as a Share of Total Multifamily Units Built

As required by SMC 5.73.130, Appendix H provides additional data informing the estimated share of total multifamily housing built that is subsidized by Seattle’s MFTE program. These findings are imperfect because it is not possible to align building permit data for geographies that exactly match the MFTE Residential Target Areas (last updated in 2015). Also, building permit data does not have lowrise, midrise, highrise building typology referenced in SMC 5.73.130. Instead, staff used the Accela data fields type of permit, type of dwelling unit per Code, and zone as proxies for where multifamily housing with units classified as apartments, congregate sleeping rooms, and SEDUs has been built. Although MFTE properties this report is for are exclusively for-profit market-rate housing, the building permit data also includes publicly funded low-income housing development.

The tables that follow provide additional data presented in the Location and Share of Multifamily Development Subsidized by Seattle’s MFTE Program section of Chapter 3.

Table H.1 shows total units in MFTE-subsidized multifamily housing development by year construction was completed.

Table H.1: Total Units in MFTE-Subsidized Development, by Year Completed

0.03	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
1	401	697	528	314	52	294	86	321	49	No data	245	74	3,061
2	46	335	649	167	728	660	482	761	830	No data	714	565	5,937
3	715	462	767	688	978	461	925	283	497	523	1,603	902	8,804
4	817	777	600	578	81	542	No data	572	321	139	114	125	4,666
5	346	345	8	250	144	641	95	160	No data	297	1,030	No data	3,316
6	No data	241	388	375	235	209	85	130	241	89	537	194	2,724
7	360	210	377	536	1,159	91	441	95	619	619	379	No data	4,886
Total	2,685	3,067	3,317	2,908	3,377	2,898	2,114	2,322	2,557	1,667	4,622	1,860	33,394

Table H.2 shows total units permitted as apartments, SEDUs, and congregate sleeping rooms, regardless of MFTE status, by year the permit finalized (i.e., completion and issuance of a certificate of occupancy).

Table H.2: Total Units Permitted as Apartments, Congregate Sleeping Rooms, and SEDUs, by Year Completed

Council District	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
1	862	501	448	116	730	362	96	100	129	226	287	71	3,928
2	169	354	545	630	694	1,668	1,033	571	1,296	1,259	632	1,396	10,247
3	844	836	1,287	1,199	1,434	1,227	1,261	783	687	282	3,926	675	14,441
4	558	955	848	1,088	510	1,595	652	791	1,336	1,797	587	370	11,087
5	623	74	8	374	319	811	34	122	182	633	1,690	568	5,438
6	961	459	518	523	464	417	365	254	668	173	420	567	5,789
7	2,432	1,841	942	3,972	2,764	3,047	785	1,333	2,906	1,168	1,706	2,007	24,903
Total	6,449	5,020	4,596	7,902	6,915	9,127	4,226	3,954	7,204	5,538	9,248	5,654	75,833

Table H.3 estimates the ratio of total units in MFTE-subsidized multifamily housing development completing construction in years 2014 through 2025 compared to total units built in those years. See Appendix I for important information about City of Seattle building permit data.

Table H.3: Ratio of Units in MFTE-Subsidized Developments to Total Non-Ground Related Multifamily Units Built, by Council District

Council District	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
1	0.47	1.00	1.00	1.00	0.07	0.81	0.90	1.00	0.38	No data	0.85	1.00	0.78
2	0.27	0.95	1.00	0.27	1.00	0.40	0.47	1.00	0.64	No data	1.00	0.40	0.58
3	0.85	0.55	0.60	0.57	0.68	0.38	0.73	0.36	0.72	1.00	0.41	1.00	0.61
4	1.00	0.81	0.71	0.53	0.16	0.34	No data	0.72	0.24	0.08	0.19	0.34	0.42
5	0.56	1.00	1.00	0.67	0.45	0.79	1.00	1.00	No data	0.47	0.61	No data	0.61
6	No data	0.53	0.75	0.72	0.51	0.50	0.23	0.51	0.36	0.51	1.00	0.34	0.47
7	0.15	0.11	0.40	0.13	0.42	0.03	0.56	0.07	0.21	0.53	0.22	No data	0.20
Total	0.42	0.61	0.72	0.37	0.49	0.32	0.50	0.59	0.35	0.30	0.50	0.33	0.44

Appendix I: Notes about Report Data

All MFTE properties analyzed in this annual report are for-profit market-rate multifamily housing developments. A list of the 24 publicly funded low-income housing developments using MFTE as an additional subsidy is provided in Appendix L.

MFTE Property Data

MFTE property data, including unit characteristics, is based on final certificates of tax exemption and regulatory agreement information. Information for developments in the MFTE pipeline (final certificates of tax exemption not issued yet) reflect information reviewed for application approvals and is subject to change. Unit counts for properties for which tax exemptions were extended to 24 years are slightly higher than those according to MFTE applications for their first 12-year exemptions. In some buildings, communal kitchens and other common areas originally provided for building residents were converted to new housing units.

Rent and Occupancy Data for MFTE Properties

Unit rent and occupancy data and demographic and income data for residents of restricted units is based on data collected from MFTE property managers annually. Owner representatives complete an Annual Property Certification (APC) to demonstrate compliance with the obligations that accompany the tax exemption and facilitate reporting mandated by City Council and the State of Washington. For the 2025 calendar year, 316 properties were required to submit an APC. This number includes 304 properties with active exemptions as of January 1, 2026, and 12 properties with tax exemptions that expired at the end of 2025 and did not extend.

Data analyses are based on 2025 APCs from 258 MFTE properties, downloaded on July 23, 2026. A total of 58 properties is excluded for purposes of 2025 Annual MFTE Report analyses:

- Thirty-seven properties are excluded from analyses because they completed construction in 2024 or 2025 and could still be in active lease-up, meaning occupancy rates and rents may not have been stabilized yet.
- Four properties are excluded from analyses for their unique circumstances and small number of restricted units (nine across the four properties): Capitol Hill Urban Cohousing, 1410 S. King St., 1611 S. Weller St., and Renew on Roosevelt.
- APC data is not analyzed for 17 properties because an APC was either not submitted or is not complete.

Due to inconsistent leasing and reporting practices for student housing, seven properties marketed as student housing are also excluded from analyses on rent; however, these properties are included in vacancy and demographic analyses. The series of tables in Appendix G provides basic information about all MFTE properties, including whether their APC data is included in the analyses for this report.

APC data includes both contract rent and gross rent. The latter includes mandatory monthly fees and basic utility costs, but this is collected only for restricted units. For unrestricted units, only contract rent data is collected. For that reason, all rent analyses for this report are based on contract rents and

therefore does not fully capture the gross monthly housing costs paid by renters of restricted and unrestricted units. Conversely, the CoStar market rent data that is often also provided as a reference is adjusted upward to account for the cost of basic utilities. For that reason, the difference between rent for units in MFTE properties and the Seattle rental market is overstated.

CoStar Multifamily Housing Data

Average rent and vacancy data for the city of Seattle overall and market areas within the city of Seattle is based on September 2025 data downloaded from CoStar Market Analytics by the Seattle Office of Planning & Community Development. The data is for multifamily properties with five or more units in Seattle city limits. The data includes units in both market-rate properties and properties that have a mix of market-rate and income-restricted or subsidized units, as classified by CoStar. Properties where all units are income-restricted or subsidized are excluded. Special types of multifamily units (for example, student, corporate, military, dormitory, vacation rentals, co-ops, condos, and senior housing) are also excluded. Average rents are adjusted upward to reflect the estimated cost of tenant-paid basic utilities by number of bedrooms. See Appendix J for a map of Seattle market areas used for market rent data.

City of Seattle Building Permit Data

Development-related analyses are based on building permit data from Accela, the City of Seattle's permit tracking system. SMC 5.73.130 requires that annual MFTE reports to City Council include the "opt-in" rate for use of MFTE subsidies, calculated by the number of multifamily buildings that received a final certificate of tax exemption divided by the total number of multifamily buildings that receive a certificate of occupancy or equivalent in that year, broken down by building type. Although SMC 5.73.130 references a breakout for lowrise, midrise, and highrise multifamily developments, the City's building permit data does not include this exact typology.

For that reason, type of permit, type of dwelling unit per Code, and zone are used as proxies for where multifamily housing potentially eligible for MFTE is built. Permit data included for analyses in this report are as follows:

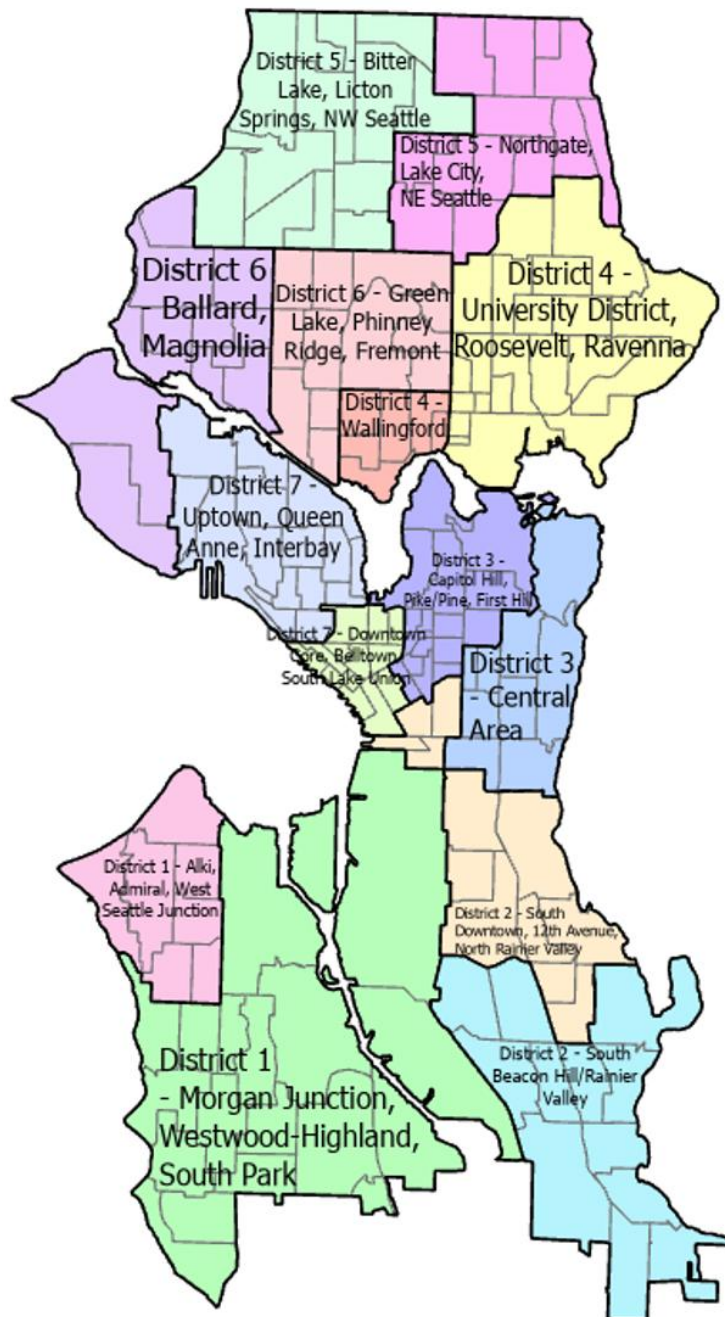
- Permit types: construction and phased
- Unit types: apartments, congregate sleeping rooms, and SEDUs, which are collectively referred to as "units" throughout this report (next year's report will also include "stacked" which is a new classification of units as of 2026), and
- Zones: C1, C2, DH2, DMC, DMR, DOC1, DOC2, DRC, HR, LR3, MPC, MR, NC1, NC2, NC3, all PSM zones, and all SM zones.

It is not possible to align building permit data for geographies that exactly match the MFTE Residential Target Areas adopted in 2015 and currently in effect. For that reason, the zones identified above are used as a proxy for areas where multifamily housing development can be built. Total unit-counts for permit applications, issued permits, and project completions are likely overestimated for a couple of reasons. First, permit data does not differentiate units by tenure (i.e., rental vs for sale). Second, MFTE is not available in any areas upzoned from single-family to multifamily between 2015 and now (about 6% of the acreage zoned formerly referred to single-family was upzoned in 2019).

King County Assessor Data

All data used for tax impact analysis is from the King County Assessor. This includes levy rates, assessed value of exempt improvements, and new construction values.

Appendix J: Map of Market Areas Used for CoStar Rental Data Analyses



Appendix K: Notes on Tax Analysis Methodology

Added Tax Burden

Non-exempt taxpayers' added tax burden from Seattle's MFTE program is estimated by comparing the property taxes paid by an owner of a median value home in Seattle under two different scenarios. The first scenario applies the actual King County levy rate for the tax year to a tax base that excludes the assessed value of exempt residential improvements in MFTE properties. This scenario mirrors what happens today; it is as if those MFTE properties were not built, but without any decrease in property tax collections. Effectively, this translates to a higher levy rate for all non-exempt taxpayers. The second scenario calculates a different, lower tax rate. That hypothetical rate assumes the same amount of revenue as the first scenario, but it is generated from a tax base that includes the assessed value of MFTE properties, with the taxes for those properties being paid by their owners. The difference between these two scenarios is non-exempt taxpayers' additional tax burden from MFTE. For the 2025 tax year, the burden for an owner of a median value home in Seattle was \$157. For the 2026 tax year, the burden increases to \$177.

Revenue Loss

This analysis estimates the property tax revenue forgone because the full value of new construction for MFTE properties was not added to the tax base. For each appraisal year, the analysis identifies the value of new construction that is deferred from taxation because of an MFTE exemption. The deferred value is then multiplied by the applicable property tax levy rate for that appraisal year to calculate the revenue loss. The revenue loss is then multiplied by 1%, which is the annual cap on tax revenue increases, and compounded by the number of years the deferred value is not included in the tax base.

The levy rates used in the analysis are the actual rates that the King County Assessor applies to annual appraised values, which excludes the deferred new construction for MFTE properties. The analysis uses those levy rates, which are the highest lawful as identified by the Assessor, for all levy components subject to the 1% rate cap limit (i.e., all except those for the Seattle School District). The analysis does not attempt to recalculate levy rates or model how taxing districts might have changed their budget or levy requests if MFTE properties' full value of new construction had been included in the tax base.

Affordability Gains for Resident Households Compared to Owner Tax Savings

This analysis estimates resident households' rent savings per square foot for restricted units compared to unrestricted units compared to MFTE property owner tax savings for the same building. Restricted units without a comparable unrestricted unit (and vice versa) are excluded. For example, if a building has a 4-bedroom unrestricted unit, but no 4-bedroom income-restricted unit, both 4-bedroom units are excluded. To better approximate rent savings between restricted and unrestricted units, the analysis also excludes outlier luxury units with extremely high rents (approximately 2% of the total). These are units with outlier rents in the top quartile that are statistically beyond the normal variation. These factors, in addition to the comparison of average rents per square foot rather than rents per unit, explain the differences between findings in this report and those in the University of Washington's report from 2024.

Additional Notes

Appraisal Year vs Tax Year

Estimates of added tax burden for non-exempt taxpayers are based on properties in service with an active property tax exemption in a given tax year. The estimated \$157 of added tax burden for the owner of a median value home in 2025 is based on King County Assessor data that matches to appraisal year 2024 = tax year 2025. The estimated \$177 of added tax burden in 2026 is based on King County Assessor data that matches to appraisal year 2025 = tax year 2026.

Estimates of forgone revenue focus on projects that received their final certificates of tax exemption in 2025, with the first year of tax exemption commencing on January 1, 2026. The deferred new construction value for these projects is captured in appraisal year 2025, so King County Assessor data for these projects matches to appraisal year 2025 = tax year 2026.

Differences in Results from Prior Reporting Years

This 2025 annual report's estimates of other taxing districts' forgone revenue are lower than amounts reported in 2024. This is because conversations with the King County Assessor's Office clarified that, when estimating potential property tax revenue, the inclusion or deferral of new construction value does not have an impact on local school district levies.

Appendix L: Low-Income Housing Subsidized by Public Capital Funding and MFTE

Although MFTE is used for a small number of housing developments that also have capital subsidies from public agencies, this report pertains only to multifamily rental housing developed by for-profit developers. This Appendix L provides a list of the 24 low-income housing developments subsidized by both City capital funding and MFTE.

All owner-occupied developments in this list provide permanently affordable homeownership for buyer households with incomes up to 80% of AMI. As of 2021, permanently affordable homes are eligible for 20 years of MFTE tax savings, which accrues directly to the homeowner.

Non-profit owned rental housing is typically exempt from property taxes according to State law [RCW 84.36.560](#). Properties subsidized by MFTE do not qualify for that exemption because either they have for-profit ownership or fail to meet the 75% of total units' threshold for occupancy by households with incomes 50% of AMI or lower. Publicly funded affordable housing that meets the occupancy and affordability threshold required for the RCW 84.36.560 exemption, which also applies to the land, typically exit MFTE. Affordability outcomes for City-funded low-income housing are reported in the Seattle Office of Housing's [Annual Investments and Housing Levy Reports](#). The Elara at the Market, which was purchased by the Seattle Social Housing Developer in June 2026, is in the District 7 Downtown Core, Belltown, South Lake Union market area list of MFTE properties, in Appendix G. The Elara at the Market will be moved to this list for future annual reports to reflect its status as a publicly funded acquisition providing permanent affordable housing.

Tenure, MFTE Duration, Property Name	Organization	Community Reporting Area	Income Limits	Total Units
Owner				37
12-YR				12
Lake City Phase I	Habitat for Humanity	Lake City	80% of AMI	8
Rainier Vista	Habitat for Humanity	North Beacon Hill/Jefferson Park	80% of AMI	4
20-YR				25
Capitol View	Habitat for Humanity	Capitol Hill	80% of AMI	13
Copper Pines	Habitat for Humanity	Sunset Hill/Loyal Heights	80% of AMI	4
Lake City Phase II	Habitat for Humanity	Sunset Hill/Loyal Heights	80% of AMI	8
Rental				1,600
12-YR				1,473
12th Avenue Arts	Community Roots Housing	Capitol Hill	60% of AMI	88
Abbey Lincoln Court	Low Income Housing Institute (LIHI)	Judkins Park	50%, 60% of AMI	68

Tenure, MFTE Duration, Property Name	Organization	Community Reporting Area	Income Limits	Total Units
An Lac	Low Income Housing Institute (LIHI)	Judkins Park	50%, 60% of AMI	69
Anchor Flats	Bellwether Housing	Queen Anne	50%, 60% of AMI	68
Arbora Court	Bellwether Housing	University District	60% of AMI	80
Artspace Mt Baker Lofts	Artspace Projects, Inc.	North Beacon Hill/Jefferson Park	50%, 60% of AMI	57
Aspen Terrace	Pioneer Human Services	Capitol Hill	50%, 60% of AMI	89
Dockside	Low Income Housing Institute (LIHI)	Green Lake	30%, 50% of AMI	97
Eclipse Fremont	GMD Development	Fremont	50%, 60%, 70% of AMI	148
Goldfinch	Chief Seattle Club	Fremont	30%, 50% of AMI	66
Liberty Bank Building	Community Roots Housing	Central Area/Squire Park	30%, 50%, 60% of AMI	115
Mercy Magnuson Place	Mercy Housing Northwest	Laurelhurst/Sand Point	60% of AMI	108
Mercy Othello Plaza	Mercy Housing Northwest	Columbia City	60% of AMI	68
Nook at Northaven	Barrientos Ryan	Northgate	60%, 80% of AMI	89
Plaza Roberto Maestas	El Centro de la Raza	North Beacon Hill/Jefferson Park	30%, 50%, 60% of AMI	112
Spokane at Rainier Court	Southeast Effective Development (SEED)	Columbia City	50%, 60% of AMI	81
Tony Lee Apts.	Low Income Housing Institute (LIHI)	Olympic Hills/Victory Heights	30%, 50%, 60% of AMI	70
24-YR				127
Claremont Apts.	Southeast Effective Development (SEED)	Mt. Baker/North Rainier	50%, 60% of AMI	68
Squire Park Plaza	Community Roots Housing	Judkins Park	50%, 80% of AMI	59
24 properties				1,637

Appendix M: New Policies Adopted with MFTE P7

In September 2025, City Council reauthorized Seattle’s MFTE program with adoption of [Ordinance 127316](#). This legislation introduced the seventh version of MFTE, commonly referred to as P7. All MFTE applications received on or after November 14, 2025, the effective date of Ordinance 127316, move forward under P7 rules. In addition, City Council authorized conversion to P7 of applications and agreements that were already in the pipeline and certain final certificates of tax exemption originally filed under P6 and, in one case, P5 rules.

SMC 5.73.120 Purpose

- Changes purpose to explicitly encourage more housing production and reframes affordability objectives in terms of households with incomes up to 115% of AMI, per Chapter 84.14 RCW, instead of households who cannot afford market-rate housing in Seattle.

SMC 5.73.020 Definitions

- Technical edits to the definitions for affordable rent, compliance period, congregate residence (changed to congregate sleeping room), contract (changed to agreement), MFTE unit, owner, project.
- Changes definition of bedroom to distinguish between alternative and standard bedroom types.
- Modifies the definition of eligible household to establish upper limit of 115% of AMI for annual income recertifications, consistent with change in State law.
- Updates the definition of median income, eliminating P6’s 4.5% cap on annual escalation in the AMI that governs income and housing cost limits.
- Modifies the definition of multifamily housing to require that all units must be made available to the public for permanent renter occupancy.
- Adds net unit area as a defined term.
- Eliminates SEDU as a defined term.
- Adds unit as a defined term. All units in MFTE properties must be leased to households for occupancy on a permanent, non-transient basis. Leases for all rental units must be for a single household and separate leases for each individual living in a unit are prohibited.

SMC 5.73.030 Residential targeted area

- Technical edits only.

SMC 5.73.040 Eligibility

- Clarifies that the net unit area of residential units in each structure of a multifamily development must total at least 50% of the total above-grade gross floor area.
- Repeals requirement to provide additional restricted units to replace any units demolished that had been occupied by tenant households determined eligible for Tenant Relocation Assistance according to SMC 22.210.

- Requires that units be configured consistent with a plan set approved by the Seattle Department of Construction and Inspections (SDCI).
- Clarifies that all structures in the multifamily development must be complete before a final certificate of tax exemption can be issued for the project.
- Replaces guidance for fees charged to residents of restricted units with prohibition of fees that only apply to eligible households.
- Requires that all units in the multifamily housing be marketed to the public.
- Requires that prospective tenants of restricted units be given the option of a 12-month lease term.
- Alters the multi-bedroom unit percentage needed to trigger a 20%, rather than 25%, restricted unit set-aside from 8% of total units to either 3% of total units if they are 3-bedroom units or 12% of total units if they are 2-bedroom units.
- Establishes new rent limits depending on unit type, size, or number and type of bedrooms.
- Introduces an alternative option for distribution of restricted units in MFTE buildings (up to one-half of units can be designated restricted units on floors equally above and below the middle floor of a building).
- Introduces a new concept for purposes of assessing comparability between restricted and unrestricted units. Under P7, restricted units need to be comparable to “standard” unrestricted units. Unrestricted units with “premium features and finishes designed to secure higher rents” are excluded for purposes of comparability requirements for restricted units.
- Changes the rule requiring comparable net unit area for restricted and unrestricted units to instead be 95% of the size of standard unrestricted units.
- A new 2026 [Housing Director’s Rule](#) limits the number of premium units excluded for purposes of assessing comparability of restricted and unrestricted units to no more than 15% of total units in a tax-exempt property.
- Adopts a new cap on annual rent increases for occupied restricted units. The cap is the lower of the percentage change in the rent limits or the maximum rent increase as published by the State Department of Commerce for purposes of RCW 59.18.700. For 2026/27, the effective cap on rent increases for occupied MFTE P7 units is 4.6%.

SMC 5.73.050 MFTE application procedure – Fee

- For MFTE applications, requires an SDCI building permit number instead of a plan set and requires information about the characteristics of the units to be built.
- For projects with 40 units or less, discounts the MFTE application fee of \$10,000 to \$2,000 plus \$200 per unit.

SMC 5.73.060 Application Review – Issuance of Conditional Certificate – Denial – Appeal – MFTE Agreement

- Reduces the timeline for Office of Housing review and decision on MFTE application from 90 days to 60 days.
- Requires that approval notices for applications include a complete MFTE agreement and a signed conditional certificate of tax exemption.

- Requires that MFTE agreements be executed within 90 days of written approval of an MFTE application.
- Authorizes conversion of P5/P6 final certificates of tax exemption for projects completed in 2025 and P6 applications and agreements for pipeline MFTE projects to P7.

SMC 5.73.065 Amendment, subordination, or termination of MFTE agreement

- Establishes a \$750 fee for amendment, subordination, or termination of MFTE agreements.

SMC 5.73.070 Extension of Conditional Certificate

- Technical edits.

5.73.080 Final Certificate – Application – Issuance – Denial and appeal – Fee

- Streamlines final certificate of tax exemption application requirements.
- Requires that each project's final certificate of tax exemption include a table with the characteristics of each unit.

5.73.090 Exemption – Duration – Limits

- Streamlines MFTE extension application requirements.
- Adds specificity concerning conditions for OH approval or denial of MFTE extension applications.
- Increases income and rent limits for restricted units in MFTE extension projects. Under P6, restricted units in properties with tax exemptions extended to 24 years are generally 10% lower than those required for restricted units in buildings in the first 12 years of exempt status. For P7, that reduction in the AMIs is 5%, unless that level exceeds 80% of AMI, which is not permitted under State law. Requires no AMI reduction for if they are 321 square feet or larger and do *not* have a bedroom.
- Streamlines rules for occupants of restricted units who have incomes above P7 extension limits.
- Clarifies which residential improvements are eligible for the property tax exemption, explicitly excluding units not marketed and available to the general public, units that are occupied by owners and/or their family and friends, and most areas where residents must pay a fee for use. Explicitly includes fee-generating structured residential parking for tax exemption.
- Requires that owners provide written notice to the Office of Housing prior to appealing the valuation of the multifamily housing.

SMC 5.73.100 MFTE compliance reporting

- Updates and clarifies annual reporting requirements for MFTE properties.

SMC 5.73.105 Eligible household income verification

- Streamlines initial certification and annual recertification of household income for residents of restricted units, consistent with [current procedures](#).

SMC 5.73.110 Cancellation of tax exemption – Appeal – Penalties

- Updates procedures for cancellation of the property tax exemption due to expiration, owner opt out, change of use, or non-compliance.
- Consistent with State law, adds penalties for specified circumstances of non-compliance.

SMC 5.73.115 Tenant notice and relocation assistance requirements

- Moves State-mandated tenant notice and relocation assistance requirements to a new Section of Chapter 5.73.

SMC 5.73.120

- Requires reauthorization of Seattle’s MFTE program by September 1, 2029, unless extended by ordinance. New MFTE applications cannot be accepted after the program sunsets.

SMC 5.73.130 Office of Housing annual report to City Council

- Updates annual reporting requirements per table shown in Appendix A to this report.

SMC 5.73.135

- Adds a new section to Chapter 5.73 to inform potential future amendments to the MFTE program.
- States that amendments may be advisable if MFTE is not achieving its purpose as stated in SMC 5.73.010, housing market conditions have substantially changed, the share of multifamily development that is exempt from property taxes under MFTE substantially changes, or State law governing MFTE changes.

SMC 5.73.140

- Adds a new section to Chapter 5.73 that authorizes the Office of Housing to annually adjust MFTE fees for inflation based on the CPI-U index.

More Information

For more information, contact the City of Seattle Office of Housing or visit seattle.gov/housing.

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