

The Schuster Group Sells Residential Building For \$76MM In Seattle's Belltown

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Images Courtesy of The Schuster Group

By [Kristin Bentley](#)



The Schuster Group, a real estate investment, development and management firm based in Seattle, sold one of its residential properties in Seattle's Belltown neighborhood for \$76 million, or \$558,823 per unit, according to Vice President Holly Gardner. The buyer, an entity related to New York-based Clarion Partners, was unavailable for comment.

According to Gardner, Walton Lofts was part of a fund that was not a longterm asset, instead it was intended to

be sold. "We have other ownership groups that do buy and hold long-term," added Gardner.

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The lofts are located at 75 Vine Street, near Seattle's waterfront, with close proximity to the Space Needle and Pike Place Market. Units range in size from 480-square-foot studios with a starting rental rate of \$2,050 per month, to 997-square-foot two-bedroom apartments with a starting rent of \$4,150. Some of the amenities include an outdoor lounge, library, concierge in the lobby and a bicycle workshop. Walton Lofts is actively pursuing a Green Globes certification, according to its Web site.

Gardner says the building is the third that the firm has built in the Belltown area. The idea was to build high-end lofts that would appeal to the upscale renter demographic such as empty-nesters, busy business travelers looking for a second home or young individuals with a substantial income. "The demographic is really all over the board in what we were targeting, but the idea was to create condo-like finishes that make it a home and not an apartment building. We call them leased homes."



Gardner says Walton Lofts was named in honor of Walton Berry Fowler, a friend of the firm known for founding Sylvan Learning Center. His inspiration to the design included the concept for the library. "The location of the building is fantastic, it was a once-in-a-lifetime site to develop," added Gardner.

Belltown and First Hill are two of five submarkets in downtown Seattle with zoning that allows high-rise development. As a result, developers are planning a significant number of high-rise apartment buildings in these neighborhoods, says Colliers International's 2016 Seattle Neighborhood Apartment Market Study. The study shows that 552 units are scheduled to deliver into the pipeline in 2016, 464 units in 2017 and 1,542 in 2018. For 2015, the average price per unit in Belltown was \$327,716, or \$517 per square foot, and maintained a 3.6 percent vacancy rate. The neighborhood's zoning and waterfront location

may provide an ideal opportunity for high-rise development, and could be why there are very few small buildings sales. Existing vintage building sales will likely result in redevelopment when sold, says the same study.
