

# WeWork makes rare suburban Seattle move with large lease

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In a first of its kind move for WeWork in the Puget Sound region, the company has leased suburban office space.

The fast-growing company, now one of the region's largest office lessees, leased 78,300 square feet in the Sunset North campus in Bellevue's Eastgate submarket along the Interstate 90 corridor, according to a report that the [Broderick Group](#) commercial real estate company issued Monday. WeWork's website states it is planning a location at Sunset North, 3120 139th Ave. SE.

WeWork has expanded aggressively in Seattle and Bellevue, but primarily in the central business districts. The farthest it had grown beyond the urban cores was Ballard in northwest Seattle.

"In 2018, WeWork grew its footprint in a very big way across Seattle and Bellevue. Now, in 2019, we're growing even more, but in a way that's as much about impact as it is about desks," WeWork Vice President and Northwest General Manager [Gina Phillips](#) said in a statement.

She said the company this year will "build a constellation of opportunity" through new spaces across region with openings planned for Capitol Hill, Ballard "and others."

Suburban expansions by WeWork are not unheard of. In Vancouver, British Columbia, the company plans to open in Burbany, while in the Bay Area WeWork announced its first location in Mill Valley, 14 miles from San Francisco.

The Sunset North lease expands the company's Seattle-area footprint to 1.85 million square feet, the fourth most in the region after Amazon (13.25 million square feet), [Microsoft](#) (13.1 million) and Boeing (5.8 million.) With 1.35 million square feet, Starbucks is the fifth largest.

As of March 1, WeWork had nearly 12,250 members in the greater Seattle area. The 78,300 square feet at Sunset North equals three floors and has space enough for 1,500 desks. It's expected the office will open in about a year.

With [Facebook](#), [Microsoft](#), [Amazon](#) and [Google](#) expanding, the Eastside is among the hottest markets in the country. The office vacancy rate stands at 7 percent, according to Broderick, down from nearly 16 percent in 2010. The brokerage forecasts the rate will drop to 4 percent by 2022.

Based on demand and anticipated supply, Broderick forecasts annual rents will increase from \$35.17 per square foot fully serviced to \$37.33 in 2022. Landlords are asking an \$55.33 a foot for Class A+ space in downtown Bellevue.

Among the Eastside's major submarkets, the I-90 corridor, which extends from Lake Washington into Issaquah, is the weakest with an 11 percent vacancy rate, though Broderick said it will drop to the 6 percent range this year.



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This is the WeWork in Seattle's Denny Triangle neighborhood.

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