



MULTIFAMILY REPORT

Early Autumn In Portland

October 2022

Rent Growth Moderates, On Par With US

Investors Pause, Transactions Nearly Halt

In-Migration Moderates, Occupancy Declines

PORTLAND MULTIFAMILY



Seasonal Slowdown Across Fundamentals

Portland's multifamily sector posted steady improvement this year, largely mirroring the national market. Rent gains moderated, to 0.6% on a trailing three-month basis through August, on par with the national average, but the movement can be attributed to a typical seasonal softening. The occupancy rate in stabilized properties declined 30 basis points year-over-year as of July, but at 96.2%, it is still a tight rental market.

Unemployment stood at 3.6% in July, 10 basis points below the state and the U.S. (both 3.5%). The employment market expanded 5.4%, or 65,800 jobs, in the 12 months ending in June, outperforming the nation by 70 basis points. Still in recovery mode, the leisure and hospitality sector led gains, up by 20,500 jobs. Manufacturing came in second with the addition of 8,400 jobs, aided by the opening of Intel's latest factory expansion in Hillsboro, where some 2,000 employees were hired in the past year.

Development remained robust, with 3,335 units delivered through August and another 9,967 units underway. Construction starts doubled in 2022 through August compared to the corresponding period last year, but delays are likely to affect project deliveries due to challenges including supply-chain issues and rising prices for construction materials. Meanwhile, transaction activity nearly came to a halt in July, with the total through August at just \$727 million, for a price per unit that rose 15.5% year-over-year.

Market Analysis | October 2022

Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x2404

Doug Ressler

Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

Author

Anca Gagiuc

Senior Associate Editor

Recent Portland Transactions

River Ridge



City: Tualatin, Ore.
Buyer: Security Properties
Purchase Price: \$70 MM
Price per Unit: \$388,889

Burnside 26



City: Portland, Ore.
Buyer: Cityview
Purchase Price: \$44 MM
Price per Unit: \$327,778

Aspire Trailmark



City: Gresham, Ore.
Buyer: Clear Capital
Purchase Price: \$28 MM
Price per Unit: \$280,000

Pineview



City: Happy Valley, Ore.
Buyer: Crown Point
Purchase Price: \$19 MM
Price per Unit: \$195,052