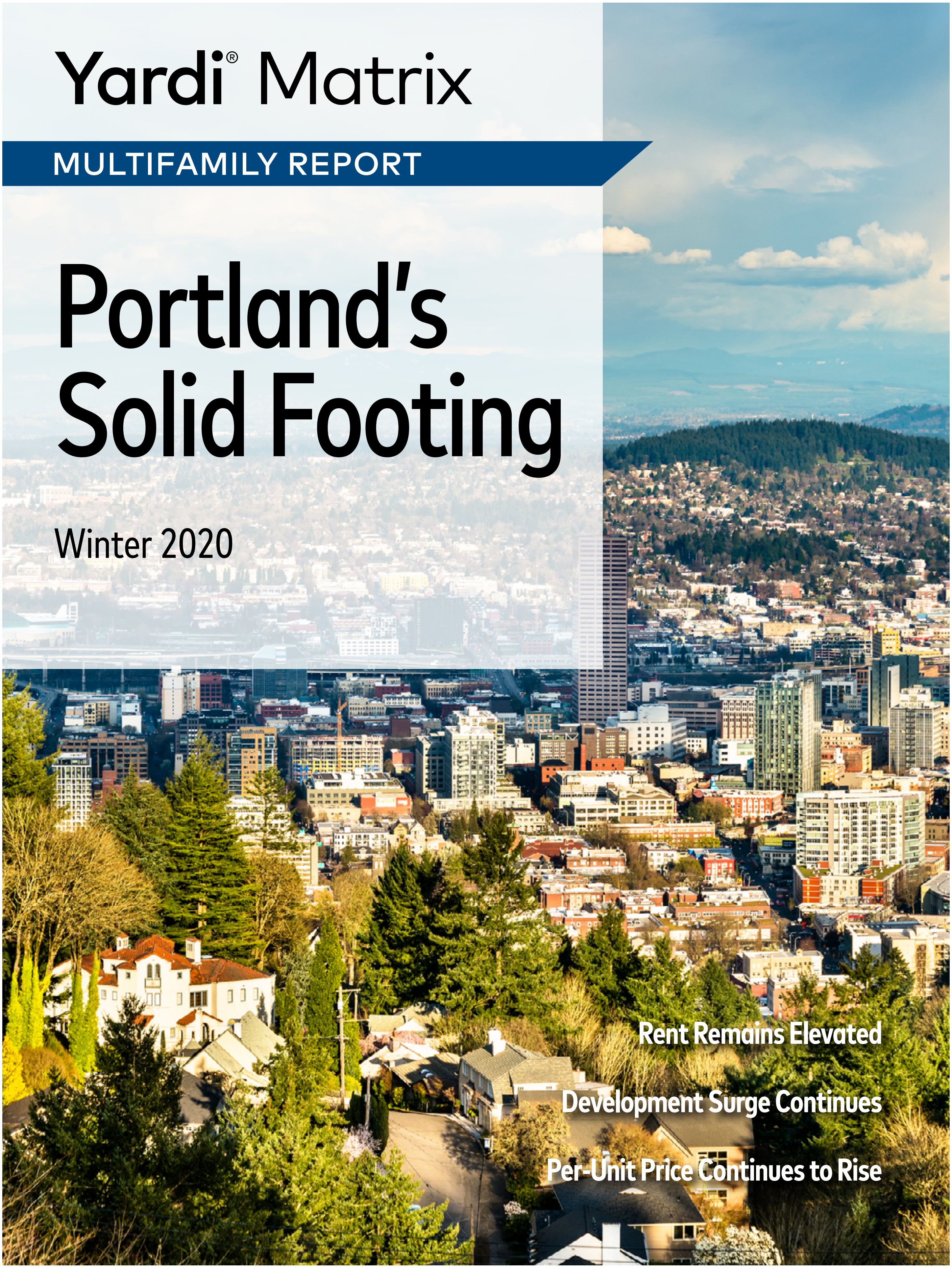
Yardi® Matrix

MULTIFAMILY REPORT

Portland's Solid Footing

Winter 2020



Rent Remains Elevated

Development Surge Continues

Per-Unit Price Continues to Rise

PORTLAND MULTIFAMILY

Yardi® Matrix

Core Submarkets In the Spotlight

Portland's multifamily market continues to thrive following a strong 2019, with healthy demographic expansion and steady economic growth, both of which outpaced the national average in January 2020. The market's solid fundamentals have kept developers busy. Despite consistent deliveries, rents rose by 3.8% year-over-year through January, climbing 80 basis points above the national rate. Meanwhile the occupancy rate in stabilized properties slid 10 basis points to 95.2% year-over-year as of December.

Boasting a highly educated workforce and friendly business climate, Portland gained 20,500 jobs in the 12 months ending in November, for a 1.9% year-over-year increase. The 3.1% unemployment rate as of November marked the lowest value in the cycle. Education and health services led growth in the metro. The sector has various health-care and research centers underway, including Asante's $1 billion investment that will expand and redevelop the health-care system in Southern Oregon, as well as a partnership between the city and three of Portland's public higher education institutions for the construction of a $104 million civic, education and health center at Portland State University.

Investors and developers remained unfazed by the rent regulations and pushed 2019 to the third-best spot in the cycle—sales amounted to nearly $1.8 billion and deliveries totaled 4,591 units.

Market Analysis | Winter 2020

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Recent Portland Transactions

Pallas

City: Beaverton, Ore.
Buyer: MG Properties Group
Purchase Price: $186 MM
Price per Unit: $328,042

Alvista 23

City: Gresham, Ore.
Buyer: Phoenix Realty Group
Purchase Price: $63 MM
Price per Unit: $225,899

Bridge Creek

City: Vancouver, Wash.
Buyer: SB Real Estate Partners
Purchase Price: $56 MM
Price per Unit: $207,037

Terra Murrayhill

City: Beaverton, Ore.
Buyer: Arrowroot Real Estate
Purchase Price: $34 MM
Price per Unit: $247,101