



MULTIFAMILY REPORT

Portland's Gradual Mending

Winter 2021

Transaction Activity Shifts Down a Gear

Unemployment Decreases Below U.S. Rate

Deliveries Stay in Line With 7-Year Average

PORTLAND MULTIFAMILY



Economy Shows Encouraging Signs

Buoyed by its diverse business environment and attractive quality of life, Portland's multifamily industry was resilient amid economic volatility. While it experienced some softening, the metro's rental market was impacted to a lesser degree when compared to other West Coast cities. Rents slid 0.1% to \$1,430, on a trailing three-month basis through December, in line with the U.S. rate.

The health crisis that took hold in March generated an all-time high in unemployment, with the rate hitting 14.2% in April. However, the unemployment figure had decreased to 5.9% by November, reaching 80 basis points below the U.S. rate. As in most parts of the country, businesses in tourism, retail and other sectors that couldn't operate exclusively online were among the hardest hit. McMenamins, a company that operates several breweries, hotels and meeting spaces across the Pacific Northwest, laid off almost all of its employees—nearly 3,000 workers. On a positive note, Intel continued to expand its Hillsboro facility, which is projected to increase the company's Oregon workforce by roughly 1,750 jobs.

Transaction volume stood at \$1 billion last year, following two years when investment activity surpassed \$1.7 billion. Although the crisis has slowed investment across the market, signs point to a robust recovery once restrictions are lifted and vaccines become widely available. Yardi Matrix expects rents to improve by 1.4% in 2021.

Market Analysis | Winter 2021

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Recent Portland Transactions

The Ardea



City: Portland, Ore.
Buyer: Security Properties
Purchase Price: \$146 MM
Price per Unit: \$451,703

Sunset Summit



City: Portland, Ore.
Buyer: Prime Group
Purchase Price: \$81 MM
Price per Unit: \$309,387

Avana Evergreen



City: Vancouver, Wash.
Buyer: Greystar
Purchase Price: \$72 MM
Price per Unit: \$213,542

Van Mall North



City: Vancouver, Wash.
Buyer: Core Properties West
Purchase Price: \$10 MM
Price per Unit: \$196,872