

YARDI® Matrix

Portland Multifamily: Smelling Like a Rose

Multifamily Fall Report 2015

Rent Growth
Tops Nation

Tech, Health Care
Jobs in the Lead

Sales Volume
Hits High

PORTLAND MULTIFAMILY

YARDI® Matrix

Market Analysis

Fall 2015

Contacts

Paul Fiorilla

Associate Director of Research
Paul.Fiorilla@Yardi.com
(800) 866-1124 x5764

Dana Seeley

Senior Research Analyst
Dana.Seeley@Yardi.com
(800) 866-1124 x2035

Jack Kern

Director of Research and Publications
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Rose City Growth Leads the Nation

Riding broad-based job growth, a surging population and a solid reputation as a startup mecca, Portland has emerged as one of the nation's most attractive Millennial hotspots. Employment is expanding in almost every job segment, driving investor demand and pushing transaction volume well above historical levels in 2015.

Fueled by a steady influx of educated workers fresh out of universities such as Portland State and Oregon Health and Science, the metro's tech and healthcare sectors are bustling with activity. Public-private initiatives such as Portland's Innovation Quadrant and the Gateway Green project have helped to consolidate the metro's status as an environmentally friendly innovation hub. And proposed expansions of the MAX Light Rail Line and the Portland Streetcar system should further enhance the region's reputation for its public transit orientation.

Apartment development has been robust by Portland standards, with 4% being added to supply this year. The new units will mostly be concentrated in central submarkets such as the Pearl District and Hillside, which offer a plethora of shopping, dining and entertainment destinations. However, the large amount of new supply is not likely to keep up with the demand, which means rent growth should remain strong, even if it inevitably cools from the current unsustainable rate of 15%-plus.

Recent Portland Transactions

Mint Urban Riverplace



City: Wilsonville, Ore.
Buyer: NFN Investments
Purchase Price: \$97 MM
Price per Unit: \$335,172

The Township



City: Wilsonville, Ore.
Buyer: TruAmerica Multifamily
Purchase Price: \$12 MM
Price per Unit: \$129,032

Terrene at the Grove



City: Portland, Ore.
Buyer: Jackson Square Properties
Purchase Price: \$60 MM
Price per Unit: \$140,000

Arnada Pointe



City: Canby, Ore.
Buyer: Strada Equity
Purchase Price: \$28 MM
Price per Unit: \$147,619