



MULTIFAMILY REPORT

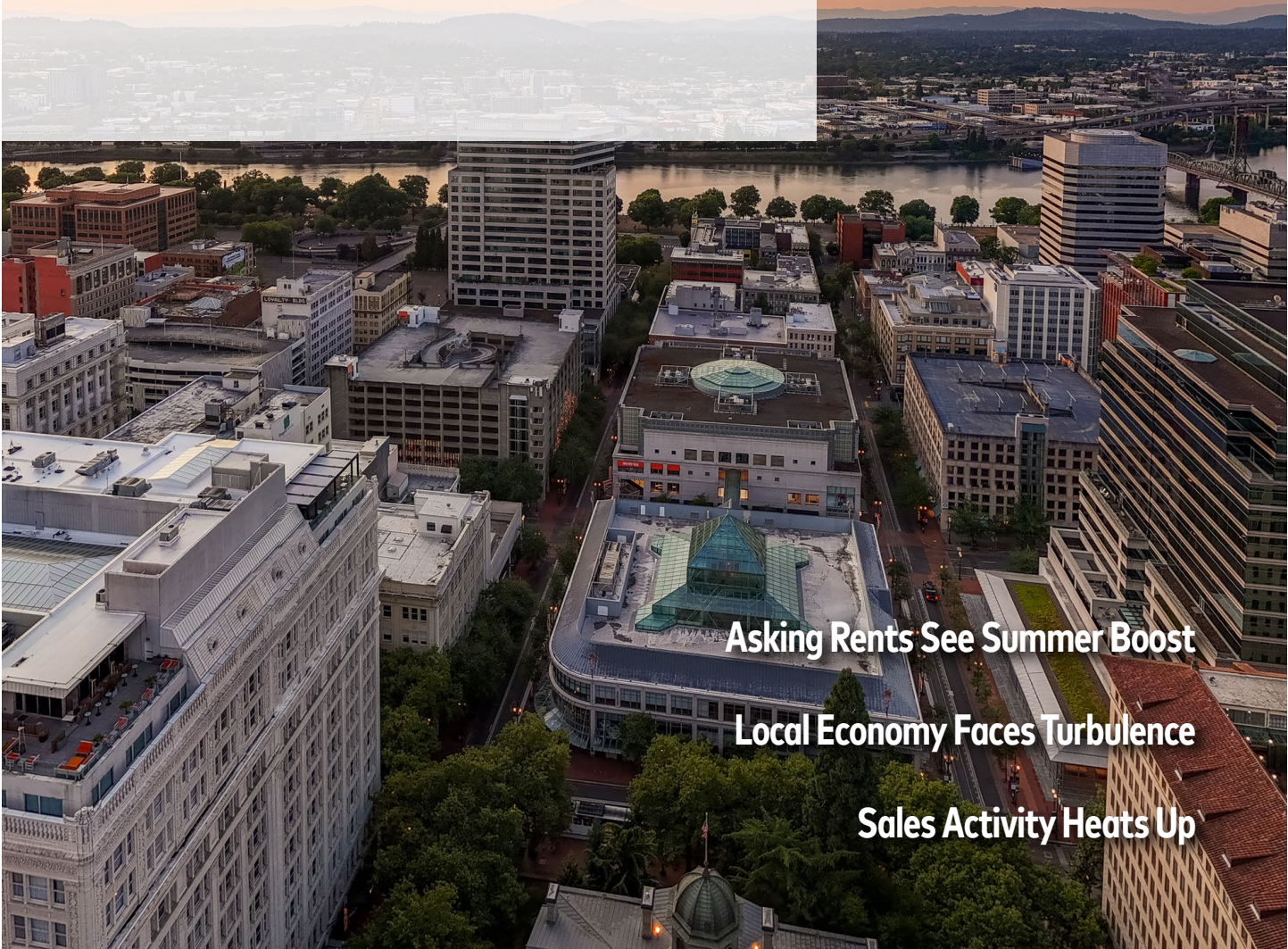
Portland's Market Swings

October 2025

Asking Rents See Summer Boost

Local Economy Faces Turbulence

Sales Activity Heats Up



PORTLAND MULTIFAMILY



Economy Slows, Asking Rents See Boost

Portland average advertised asking rents were up 0.1%, on a trailing three-month basis through August, keeping pace with the short-term national rate of growth. However, year-over-year, the average rate fell 0.7%, to \$1,775, driven lower by a 140-basis-point drop in the upscale Lifestyle segment. Meanwhile, the overall national average increased 0.7%, to \$1,755.

The metro's unemployment rate stood at 5.1% as of July, according to data from the Bureau of Labor Statistics, settling significantly above the 4.2% national average. Greater Portland lost 5,700 net jobs during the 12 months ending in June, with just four sectors recording net jobs gains. Meanwhile, work resumed on the \$2.1 billion Bull Run filtration facility in Multnomah County after a brief pause. The water treatment plant should be substantially completed by September 2027. And next to Sunnyside Medical Center, Kaiser Permanente is set to break ground on a 615,000-square-foot project in 2026.

Developers completed 3,676 units across the metro in 2026 through August and had another 5,721 units under construction going into the fall. Portland's development pipeline also includes more than 30,000 units in the planning and permitting stages. Meanwhile, investment is accelerating, with investors primarily eyeing higher-quality Renter-by-Necessity stock. A total of \$720 million in rental assets traded year-to-date through August.

Market Analysis | October 2025

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Recent Portland Transactions

2121 Belmont



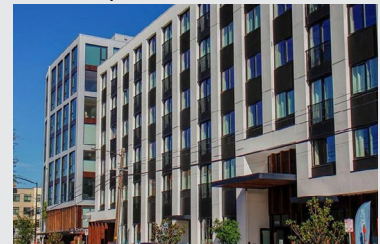
City: Portland, Ore.
Buyer: PCCP
Purchase Price: \$35 MM
Price per Unit: \$281,301

Axletree



City: Milwaukie, Ore.
Buyer: Kinsel Ameri Properties
Purchase Price: \$28 MM
Price per Unit: \$254,545

The Canyons



City: Portland, Ore.
Buyer: ScanlanKemperBard Cos.
Purchase Price: \$24 MM
Price per Unit: \$335,714

Acqua



City: Portland, Ore.
Buyer: College Housing Northwest
Purchase Price: \$22 MM
Price per Unit: \$223,500

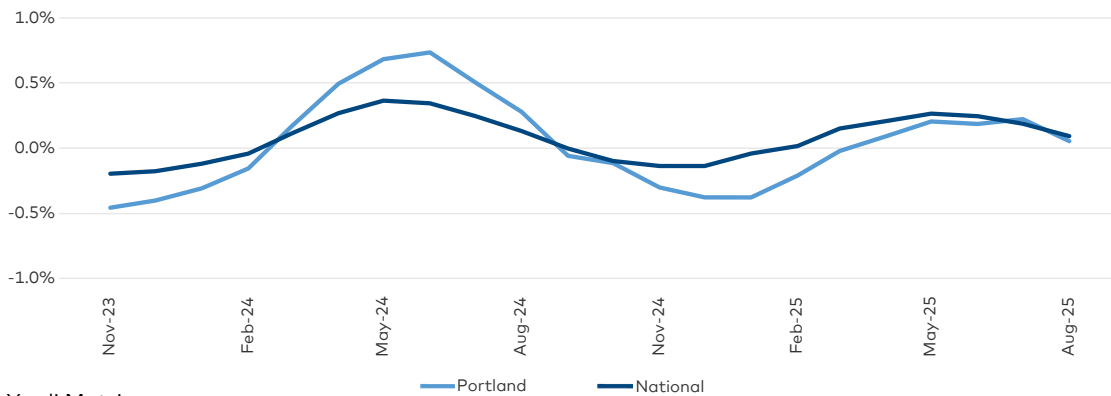
RENT TRENDS

- ▶ Portland average advertised asking rents were up 0.1% on a trailing three-month (T3) basis through August, on par with the U.S. average. Year-over-year, the metro bucked the national trend. While U.S. advertised asking rents climbed 0.7%, to \$1,755, the Greater Portland average dropped 0.7%, to \$1,775.
- ▶ Lifestyle advertised asking rents were flat on a T3 basis through August, at \$1,925. The average in the working-class Renter-by-Necessity segment mirrored the nation, up 0.1%, to \$1,579. The gap was more evident year-over-year: Lifestyle asking rents saw a 1.4% drop, while the RBN segment recorded a 0.4% improvement.
- ▶ Portland's average occupancy rate in stabilized assets was unchanged year-over-year, at

95.0% as of July. The figure remained above the 94.7% national average. Occupancy in the Lifestyle segment increased 30 basis points, to 95.1%. Meanwhile the RBN figure fell 40 basis points, to 94.8%.

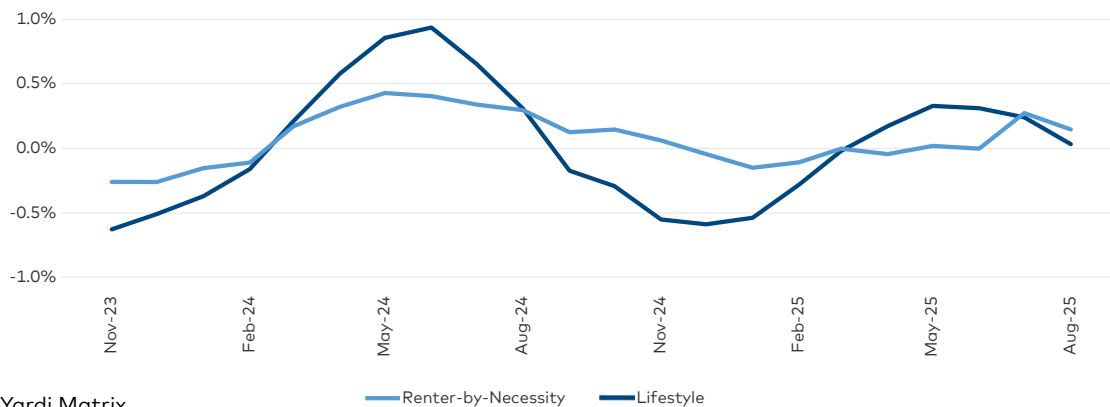
- ▶ Among the 69 submarkets tracked by Yardi Matrix, half saw positive rent movement year-over-year. Downtown Portland saw the largest gains (16.6% to \$2,256), followed by Creswell Heights (8.3% to \$2,056) and Madison South (5.9% to \$1,695). Lake Oswego remained the most expensive submarket, with advertised asking rents rising 2.9%, to \$2,411. At the other end of the spectrum, advertised asking rents fell 6.6% in the West Haven submarket, to \$1,841. Similarly, averages dropped in Hillsboro (-5.3% to \$1,882) and Tanasbourne (-3.9% to \$1,887).

Portland vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Portland Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- ▶ Portland's unemployment rate was 5.1% as of July, according to data from the Bureau of Labor Statistics. The figure was 90 basis points above the 4.2% national average and 20 basis points above Oregon's 4.9%. During the 12 months ending in July, the metro's unemployment rate averaged 4.4%, peaking in July.
- ▶ The metro lost 5,700 net jobs in the 12 months ending in June. Four sectors saw gains: education and health services (5,900 jobs), information (1,400 jobs), government (1,100 jobs) and leisure and hospitality (900 jobs). The other six sectors lost 15,000 jobs combined, with manufacturing recording the steepest slide, down 6,600 positions.
- ▶ Kaiser Permanente plans to break ground on a seven-story property in early 2026. The 615,000-square-foot project will take shape next to Sunnyside Medical Center. Meanwhile, work on a \$2.1 billion water treatment plant and accompanying systems resumed after a temporary halt brought by a land-use dispute. The Bull Run filtration facility in Multnomah County should be substantially completed by September 2027.
- ▶ A recent report by the Portland Bureau of Planning and Sustainability expects the metro to gain 90,600 jobs between 2019 and 2045, with professional services, health care and logistics fueling growth.

Portland Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	205.8	16.5%
50	Information	28.2	2.3%
90	Government	162.4	13.0%
70	Leisure and Hospitality	124.4	10.0%
55	Financial Activities	71.2	5.7%
80	Other Services	43.9	3.5%
60	Professional and Business Services	194.7	15.6%
40	Trade, Transportation and Utilities	219.2	17.6%
15	Mining, Logging and Construction	80.7	6.5%
30	Manufacturing	117.3	9.4%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- ▶ Portland gained 11,883 residents in 2022 alone, marking a 0.5% increase. The growth rate was 10 basis points above the national figure.
- ▶ Between 2019 and 2022, the metro gained 59,551 residents, for a 2.4% population expansion, slightly above the 2.0% U.S. rate.

Portland vs. National Population

	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Portland	2,445,761	2,472,774	2,493,429	2,505,312

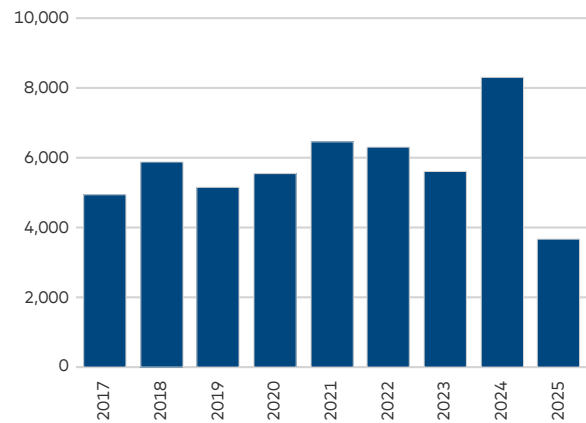
Source: U.S. Census

SUPPLY

- ▶ Developers completed 3,676 units across Portland during the first eight months of the year. Completions accounted for 1.9% of existing inventory, on par with the national average. Most of the newly delivered units are in Lifestyle communities, 22% are in fully affordable communities and the remaining 12% in Renter-by-Necessity assets.
- ▶ As of August, Portland had 5,721 units under construction. Most of the apartments underway are in Lifestyle projects. However, 30% of them are in fully affordable developments and 10% in RBN projects. The pipeline also included some 30,700 apartments in the planning and permitting stages.
- ▶ Developers kicked off construction on 1,372 units across nine developments during the first eight months of the year. This is on par with the 1,329 apartments across eight projects recorded during the same time frame in 2024.
- ▶ Of the 69 submarkets tracked by Yardi Matrix, 26 had at least one project of more than 50 units under construction as of August. The Tanasbourne submarket led construction activity with 661 units underway, followed by Mill Plain (588) and Kerns/Buckman (430).

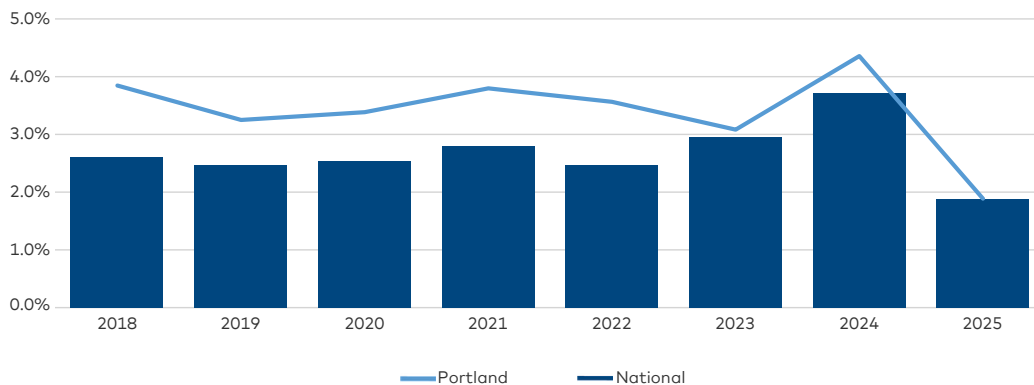
- ▶ Astral and Revel by Alta, totaling 594 units, was the largest development underway in Portland as of August. Wood Partners started construction on the four-building project in early 2024 and expects to deliver it in early 2026. The development will also include 16,000 square feet of retail space. The developer financed the construction of Astral and Revel by Alta with the help of a Santander Bank line of credit.

Portland Completions (as of August 2025)



Source: Yardi Matrix

Portland vs. National Completions as a Percentage of Total Stock (as of August 2025)

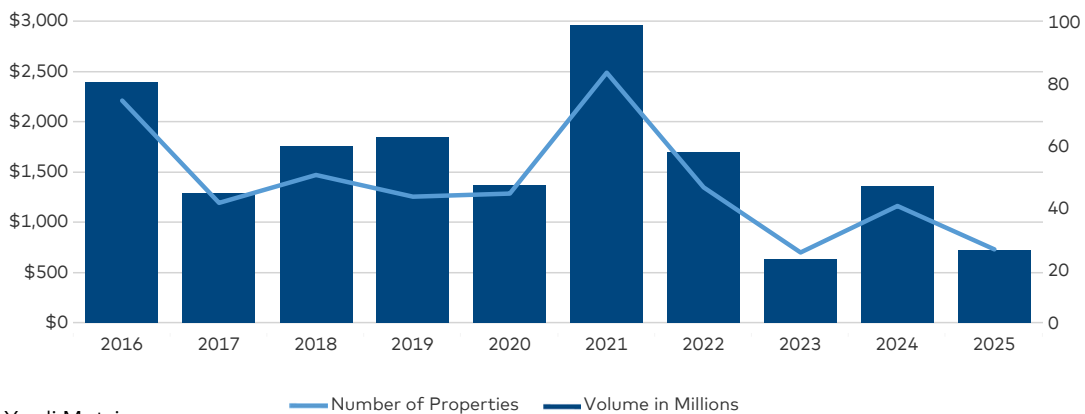


Source: Yardi Matrix

TRANSACTIONS

- ▶ Multifamily sales across Greater Portland amounted to \$720 million during the first eight months of the year. That was a 75% spike compared to the same period of 2024, which itself marked a rebound to begin with. Sales totaled almost \$1.4 billion in 2024, bringing the five-year average to \$1.6 billion.
- ▶ Renter-by-Necessity assets dominated sales through August, accounting for 16 of the 27 transactions. The metro's price per unit clocked in at \$219,333, slightly above the \$209,364 national average. Last year, the metro's average price per unit was \$213,887, with the national figure at \$193,370.
- ▶ The 304-unit Ansley Murrayhill in Tigard, Ore., commanded Portland's highest price this year as of August. Pacific Urban Investors paid \$76.7 million, or \$252,303 per unit, to Eaton Vance Investment Managers for the 19-building asset. JLL secured a \$38.4 million Fannie Mae loan for the purchase of the 1991-built asset.

Portland Sales Volume and Number of Properties Sold (as of August 2025)



Source: Yardi Matrix

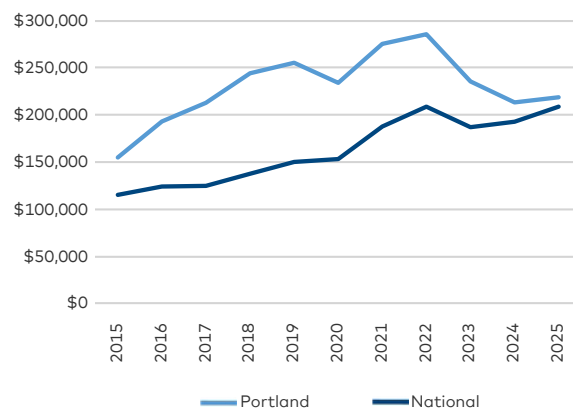
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
Tanasbourne	224
Pearl District	187
Milwaukie/Gladstone	129
Oak Hills	119
Gresham	117
Greenway	107
Mill Plain	93

Source: Yardi Matrix

¹ From September 2024 to August 2025

Portland vs. National Sales Price per Unit



Source: Yardi Matrix

Top 10 Markets for Multifamily Transactions in H1 2025

By Vicentiu Fusea

The U.S. multifamily sector saw a slight uptick in transaction and investment volume in the first half of 2025, following a sluggish performance in 2024. Although figures haven't significantly improved, investor sentiment is becoming more optimistic due to a drop in interest rates and signs of stabilization in the sector. Here are the top 10 markets for multifamily investment in the country in the first half of 2025. These metros accounted for more than a third of the total national sales volume.

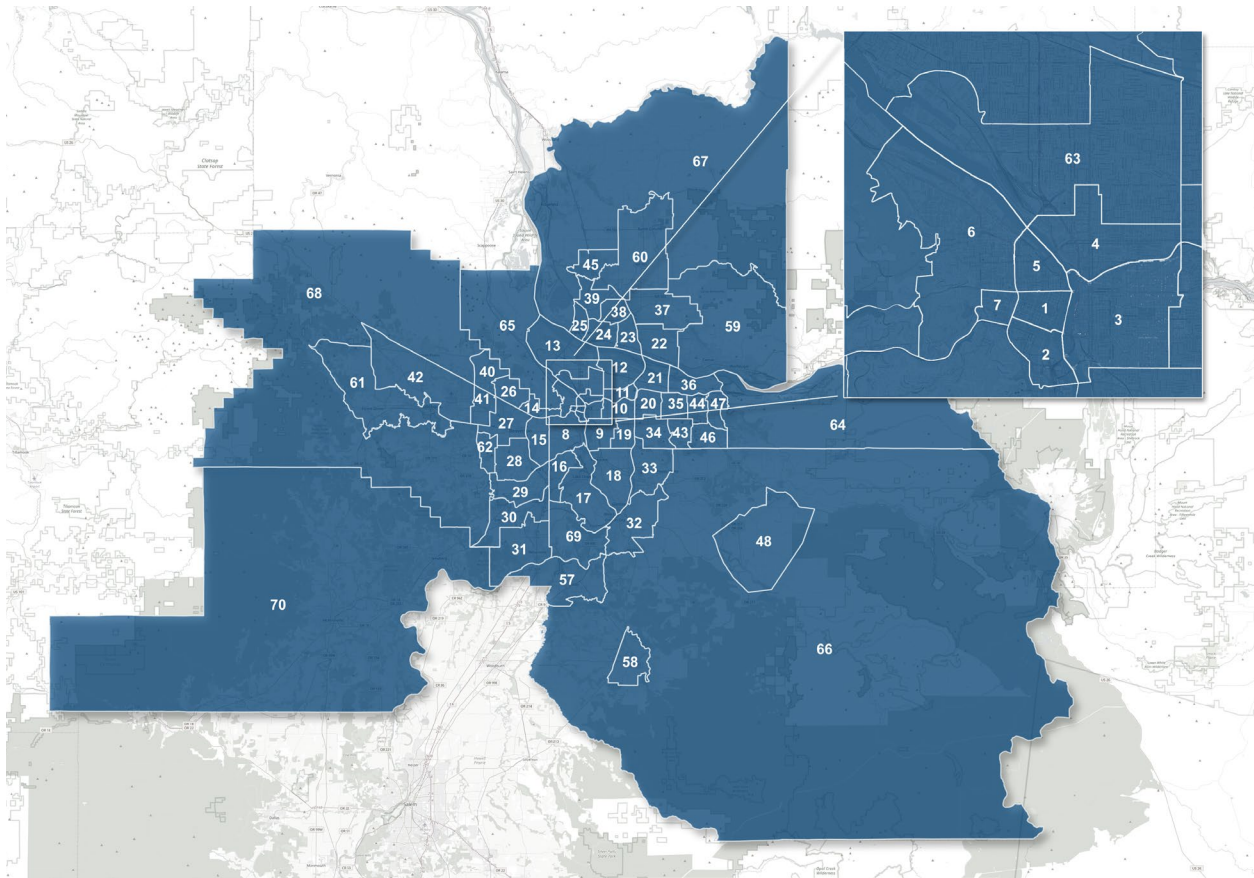
Rank	Market	Sales Volume H1 2025 (Millions)	Sales Volume H1 2024 (Millions)	Properties Traded H1 2025
1	Phoenix	\$1,853	\$1,789	31
2	Seattle	\$1,776	\$602.0	23
3	Atlanta	\$1,657	\$1,491	44
4	Dallas	\$1,608	\$1,219	91
5	Chicago	\$1,362	\$785.3	39
6	Denver	\$1,170	25	19
7	Los Angeles	\$970.7	\$932.7	24
8	Houston	\$960.0	\$1,004	63
9	Portland, Ore.	\$644.8	\$295.2	23
10	Kansas City, Mo.	\$304.8	\$135.1	22

Portland, Ore.

Portland, Ore., saw 23 multifamily properties trading last year, encompassing 3,174 units. The metro's total investment reached \$644.8 million, more than twice the \$295.2 million registered during the same time frame in 2024, when 11 assets totaling 1,564 apartments traded. The average price per unit slightly increased year-over-year, from \$205,254 in June 2024 to \$223,097. This figure was about \$10,000 above the national index.



PORTLAND SUBMARKETS



Area No.	Submarket
1	Downtown Portland
2	PSU/Lovejoy
3	Kerns/Buckman
4	Lloyd/Irvington
5	Pearl District
6	Hillside/Northwest
7	Goose Hollow
8	Southwest Hills
9	Brooklyn/Moreland
10	Laurelhurst
11	Madison South
12	Cully/Roseway
13	St Johns/University Park
14	West Haven
15	Raleigh Hills
16	Westlake
17	Lake Oswego
18	Milwaukie/Gladstone
19	Brentwood/Darlington
20	Hazelwood
21	Parkrose

Area No.	Submarket
22	Mill Plain
23	McLoughlin
24	Fort Vancouver
25	Downtown Vancouver
26	Oak Hills
27	Beaverton
28	Greenway
29	Tigard
30	Tualatin
31	Wilsonville
32	Oregon City
33	Happy Valley
34	Pleasant Valley
35	Wilkes
36	Fairview
37	Orchards
38	Walnut Grove
39	Hazel Dell
40	Rock Creek
41	Tanasbourne
42	Hillsboro

Area No.	Submarket
43	Hollybrook
44	Gresham
45	Salmon Creek
46	Kelly Creek
47	Troutdale
48	Sandy
57	Canby
58	Molalla
59	Creswell Heights
60	Battle Ground
61	Forest Grove
63	Piedmont
64	Eastern Multnomah County
65	Northwest Multnomah County
66	Outlying Clackamas County
67	Outlying Clark County
68	Outlying Washington County
69	Stafford
70	Yamhill County

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

To learn more about Yardi® Matrix and subscribing, please visit www.yardimatrix.com or call Ron Brock, Jr., at 480-663-1149 x14006.



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