

Yardi® Matrix

MULTIFAMILY REPORT

First Gray Clouds Over Portland

Spring 2020



Unemployment Claims Top 15% of Workforce

Pipeline Slated for Significant Slowdown

Investment Activity Shifts Down a Gear

PORTLAND MULTIFAMILY

Yardi® Matrix

Jobless Claims Spike Across Oregon

Portland's multifamily market began 2020 on a high note, backed by a coveted quality of life and relative affordability compared to other coastal metros. However, the coronavirus lockdown has impacted most aspects of the industry. The average Portland rent increased by only 0.1% on a trailing three-month basis as of March, and transaction activity has also slowed down.

Portland gained 23,200 jobs in 2019, but despite topping national averages, the COVID-19 crisis that took hold in March has generated historic unemployment numbers. As financial instability continued to rise across the state, 334,000 Oregonians filed for unemployment benefits in a five-week period, according to the Oregon Employment Department. The planned \$2.8 billion light rail project between downtown Portland and Bridgeport Village is on hold. Meanwhile, work on large projects including the Intel expansion and the Hayward Field renovation is moving forward. In mid-April, state authorities introduced a plan to gradually lift restrictions and reopen businesses.

Developers had 8,824 units under construction in Portland as of March and 435 units were completed in the first quarter of 2020, following five years of consistent deliveries. Apartments in lease-up stages are most likely to be affected by the ongoing lockdown, as the prime leasing season began just as shelter-in-place orders were enacted to slow the spread of the virus.

Market Analysis | Spring 2020

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Recent Portland Transactions

Multnomah Village



City: Portland, Ore.
Buyer: G Group
Purchase Price: \$30 MM
Price per Unit: \$424,714

Maybeck at the Bend



City: Portland, Ore.
Buyer: Freshwater Investments
Purchase Price: \$25 MM
Price per Unit: \$205,208

Barberry Village



City: Portland, Ore.
Buyer: Cooper Street Capital
Purchase Price: \$22 MM
Price per Unit: \$119,444

King James Gate



City: Vancouver, Wash.
Buyer: Transpacific Investments
Purchase Price: \$14 MM
Price per Unit: \$169,688