



MULTIFAMILY REPORT

# Portland: Looking Up

June 2023



**Occupancy on Par With US**

**Robust Construction Pipeline Endures**

**Unemployment Improves, Nears US Average**

# PORTLAND MULTIFAMILY



## Portland Shows Steady Improvement

Portland's multifamily sector showed resilience, with several metrics at or around national levels. After a few months of negative rent movement, rates across the metro remained flat, at \$1,759, on a trailing three-month basis. Meanwhile, the national average inched up 0.2%, to \$1,709. Occupancy in stabilized assets dropped to 95.0%, on par with the U.S. rate.

Unemployment was at 3.6% as of March, according to preliminary data from the Bureau of Labor Statistics. While this figure was just 10 basis points above the U.S. figure, it outperformed the state by 80 basis points. Portland's employment market grew by 3.7% year-over-year as of February, recording economic growth slightly above the national level. The metro added 35,100 jobs, with leisure and hospitality leading gains. On a positive note for the sector, Portland's first luxury hotel is expected to open this summer. The Ritz-Carlton Portland will also be the Pacific Northwest's first facility under the brand.

Portland multifamily developers focused on Lifestyle projects, as roughly two-thirds of developments under construction are slated to add to the segment's inventory. Overall, as of April the metro had 11,949 units underway, with an additional 32,900 units in the planning and permitting stages. Meanwhile, two of the three sales completed in 2023 involved RBN properties, as sales slowed down significantly due to the severely increased cost of capital.

## Market Analysis | June 2023

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### Recent Portland Transactions

#### Heatherbrae Commons



City: Milwaukie, Ore.  
Buyer: Greystar  
Purchase Price: \$49 MM  
Price per Unit: \$281,609

#### Meadow Brook Place



City: Vancouver, Wash.  
Buyer: Aukum Group  
Purchase Price: \$39 MM  
Price per Unit: \$250,000

#### Township Eastside



City: Portland, Ore.  
Buyer: Glencrest Group  
Purchase Price: \$27 MM  
Price per Unit: \$159,821

#### Cannery Place



City: Portland, Ore.  
Buyer: College Housing Northwest  
Purchase Price: \$12 MM  
Price per Unit: \$159,722