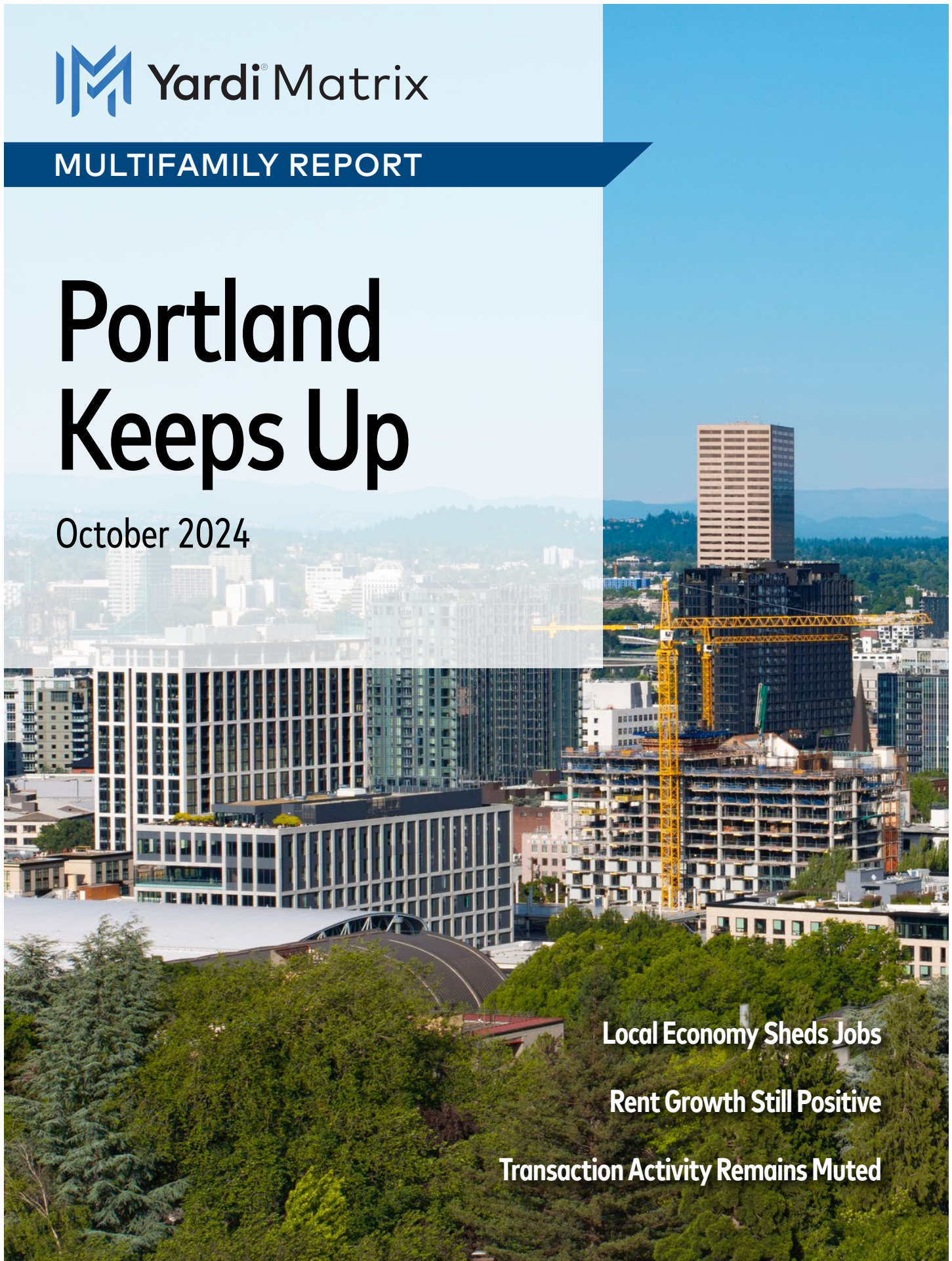




MULTIFAMILY REPORT

Portland Keeps Up

October 2024



Local Economy Sheds Jobs

Rent Growth Still Positive

Transaction Activity Remains Muted

PORTLAND MULTIFAMILY



Economy Slips, Rents Still Rise

Despite economic challenges impacting certain areas of Portland's multifamily sector, the market has largely maintained its stability. Advertised asking rents were up 0.4% on a trailing three-month basis, to \$1,775, some 30 basis points above the U.S. rate. The metro's average occupancy rate in stabilized properties stood at 95.0%, as of June. That marked a 20-basis-point increase over 12 months, a rare feat for a multifamily market in 2024.

Portland's unemployment rate clocked in at 4.1% as of August, 10 basis points below the national figure, according to preliminary data from the Bureau of Labor Statistics. The metro lost 17,800 net jobs in the 12 months ending in June. The only sectors to record gains were education and health services and government, for a combined 9,600 jobs added. The local economy could benefit from the large-scale water plant construction that started in June, about 20 miles from downtown Portland. The \$2.1 billion project is a partnership between MWH Constructors and Kiewit Corp. and is slated for delivery in 2027.

With 5,147 units, or 2.8% of existing stock, delivered through August in Portland, the metro outpaced the nation by 110 basis points. Meanwhile, transaction activity remained moderate, with \$404 million in assets changing hands. For comparison, the metro recorded an average of \$1.7 billion in deals over the past 10 years.

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Recent Portland Transactions

Kearney Plaza



City: Portland, Ore.
Buyer: Virtu Investments
Purchase Price: \$33 MM
Price per Unit: \$253,817

Thunderbird Village



City: Vancouver, Wash.
Buyer: Abacus Capital Group
Purchase Price: \$27 MM
Price per Unit: \$146,978

Valley Park Plaza



City: Beaverton, Ore.
Buyer: Optimus Properties
Purchase Price: \$12 MM
Price per Unit: \$169,155

Cedar Lane



City: Vancouver, Wash.
Buyer: AV Capital
Purchase Price: \$7 MM
Price per Unit: \$132,143