



# Multi-Family Market Report

## Portland - OR

PREPARED BY

**TMG**  
MULTIFAMILY  
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**MULTI-FAMILY MARKET REPORT**

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12 Mo. Delivered Units

**3,874**

12 Mo. Absorption Units

**5,932**

Vacancy Rate

**4.4%**

12 Mo. Asking Rent Growth

**8.6%**

Portland's reputation for a high quality of life is driving in-migration figures. This includes a percentage of residents with the option to work remotely, who have left pricey gateway cities for less dense, less expensive areas. Of the 11 CoStar markets on the West Coast with at least 1 million residents, only Fresno, California, has lower average apartment rents than Portland.

The city's relatively attainable cost of living has thus accelerated demand and boosted the region's apartment profile. In total, Portland added roughly 10,000 residents year-over-year, based on estimates from Oxford Economics. This reflects growth of 0.4%, ahead of the national rate of 0.2% over the same period.

Recently, however, construction starts in the region have receded, illustrating the difficult time developers are having keeping up with demand. While permitting activity has shown some signs of an uptick, the latest data suggests permits issued remain approximately 30% below the 2017 peak, which was formed as developers raced to get projects approved before Portland's inclusionary zoning policy was implemented. The ordinance requires apartment and condo developers with

projects larger than 20 units to reserve 20% of apartments for households making less than 80% of the median income. While not solely responsible for the construction slowdown, it does not appear that the ordinance has helped to generate more activity.

The light construction pipeline is having an outsized impact on eroding vacancy rates. Tenants have had noticeably fewer competing options coming online to choose from when selecting a unit, which has put downward pressure on vacancies. This has put pricing power in the hands of landlords for the time being. Average apartment rents rose by 8.6% over the past year, compared with the three-year average of 4.8%. Suburban communities led the way in this category, as tenants remain in neighborhoods that offered more space and affordability during peak pandemic months.

As a result, out-of-state buyers attracted to Portland's strong fundamentals are converging to acquire multifamily assets, driving more capital placement into the area. 2021 sales volume soared to a record and volume thus far in 2022 is racing towards the \$1 billion mark.

### KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	73,121	6.5%	\$1,892	\$1,867	198	0	4,171
3 Star	79,042	3.5%	\$1,594	\$1,587	29	0	2,713
1 & 2 Star	63,790	3.0%	\$1,197	\$1,192	2	0	0
<b>Market</b>	<b>215,953</b>	<b>4.4%</b>	<b>\$1,611</b>	<b>\$1,598</b>	<b>229</b>	<b>0</b>	<b>6,884</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-1.0%	5.5%	4.2%	7.4%	2003 Q4	3.5%	2000 Q3
Absorption Units	5,932	3,052	3,599	10,982	2021 Q2	(2,873)	2002 Q1
Delivered Units	3,874	3,298	3,491	8,293	2021 Q2	445	2011 Q4
Demolished Units	0	25	22	152	2009 Q3	0	2022 Q2
Asking Rent Growth (YOY)	8.6%	2.7%	4.6%	9.5%	2021 Q4	-4.2%	2009 Q4
Effective Rent Growth (YOY)	9.2%	2.6%	4.6%	10.1%	2021 Q4	-4.3%	2009 Q4
Sales Volume	\$4.3B	\$1.3B	N/A	\$4.4B	2021 Q4	\$209.4M	2009 Q3

Strengthening apartment demand by way of relocations has pushed trailing four-quarter net absorption to 5,900 units, versus the average annual figure of 6,700 units over the past five years. This rapid lease-up of units has compressed vacancies to 4.4%, reflecting a 100-basis point decline over the previous 12 months. Metrowide, vacancies over the past five years have averaged 5.9%.

Population growth isn't only being driven by remote workers settling in the area. Job sector growth by way of biotechnology firms is beginning to pick up speed and could drive population gains and additional demand for apartment units. Drawn to the area's affordability and dynamic work force, San Francisco-based Genentech and Twist Biosciences have each made significant investments in the metro area of late. Genentech recently completed a \$175 million expansion in Hillsboro, adding nearly 130,000 SF to its facility, while Twist doubled its footprint at the ParkWorks Industry Center in Wilsonville to 190,000 SF. The company is expected to contribute an additional \$70 million in capital for the project, which will be operational sometime in 2022 and accommodate around 400 additional bioscience employees. Moves such as these are likely to draw more companies to the area in search of talent.

While good-paying jobs such as those in the biotechnology sector help boost wage growth, homeownership is still out of reach for many residents and will likely continue to be in the near term. Renters as a whole comprise just over 45% of Portland households. The inexorable rise of Portland's median home price has only quickened following the peak months of the COVID-19 outbreak. The local median price remains well above the national figure, and as the labor market continues to diversify by way of tech and biotech sector growth, more well-paid residents chasing limited product will keep prices elevated.

Relief in the form of new single-family residential units isn't around the corner, either. Construction remains sparse, especially in areas with access to an urban lifestyle. Despite an expansion of the Urban Growth Boundary – which is an artificial restrictor to urban sprawl – other restrictions such as wetlands and farmland protection, open space and density requirements make Portland a very land-constrained market. There are relatively few large tracts of land suitable for subdivisions.

Thus, people searching for suburban properties have found a shortage of affordable, well-located homes. In

turn, those seeking residences in and around the central core are met with fierce competition, often leading to bidding wars and inflated prices. These factors are forcing a healthy percentage of residents to turn to apartment living options, and should provide a steady stream of renters for landlords in quarters to come.

Given Portland's land constraints, the few large tracts that are available have been identified and most are being developed. On a locational basis, some of the largest of these tracts suitable for multifamily projects are found in the South Waterfront area of the Southwest Portland submarket. Here, vacancies are plummeting towards the sub-5% mark and rents are maintaining a steady upward trajectory, despite the area having seen nearly 2,000 units added since 2016, over 300 of which came online in the past year. The recent vacancy compression is attributable to tenants – a large portion of whom are employed at Oregon Health and Science University – who are drawn to the neighborhood's proximity to downtown amenities in addition to its upscale and exclusive feel. And with OHSU intending to begin a major hospital expansion in 2022 that will create an additional 4,000 jobs when complete, demand here will remain outsized over the long term. With inventory needs rising in Southwest Portland, developers appear committed to keeping tenants from bleeding into other neighborhoods. The South Waterfront 45 will bring another 291 4 Star units out of the ground by late 2023, with additional phases in the works.

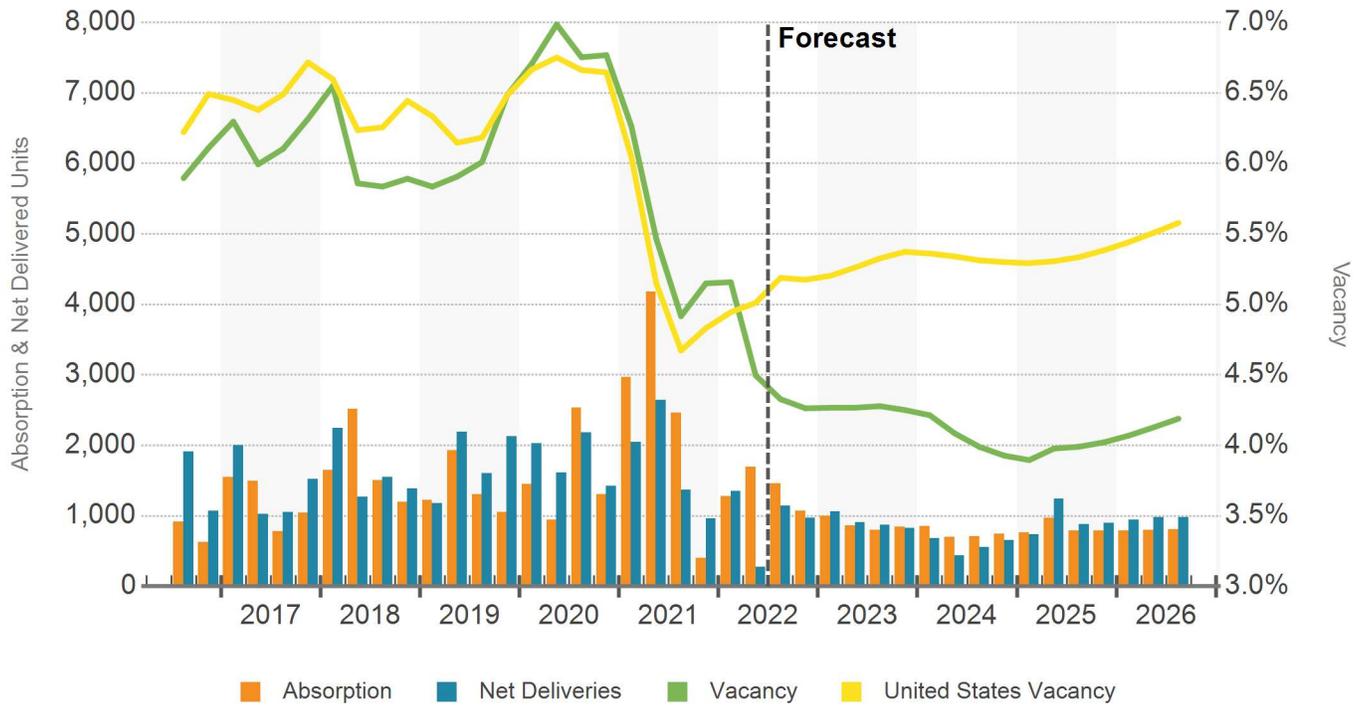
Another area that could serve to meet near-term demand is Portland's Downtown core. Here, vacancies remain elevated relative to the rest of the metro, at above 8%, but have compressed approximately 300 basis points over the last year. Contributing to the decline are renters that left the pricey business district during the height of the pandemic, but are being drawn back to Portland's busiest hub as restaurants, offices and other offerings open back up and the necessity to be proximate to these services grows. This pent-up demand could push vacancies even lower and give rents a long runway to expand again.

Further outside of the urban cores, western suburbs like Hillsboro and Beaverton benefit from the presence of Intel and Nike, among the metro's largest employers who have recently completed major expansions. These submarkets consistently receive the most institutional interest relative to other suburbs, and for good reason. Heavy demand here is generated by tenants' desire to live close to these major employers and supply has not

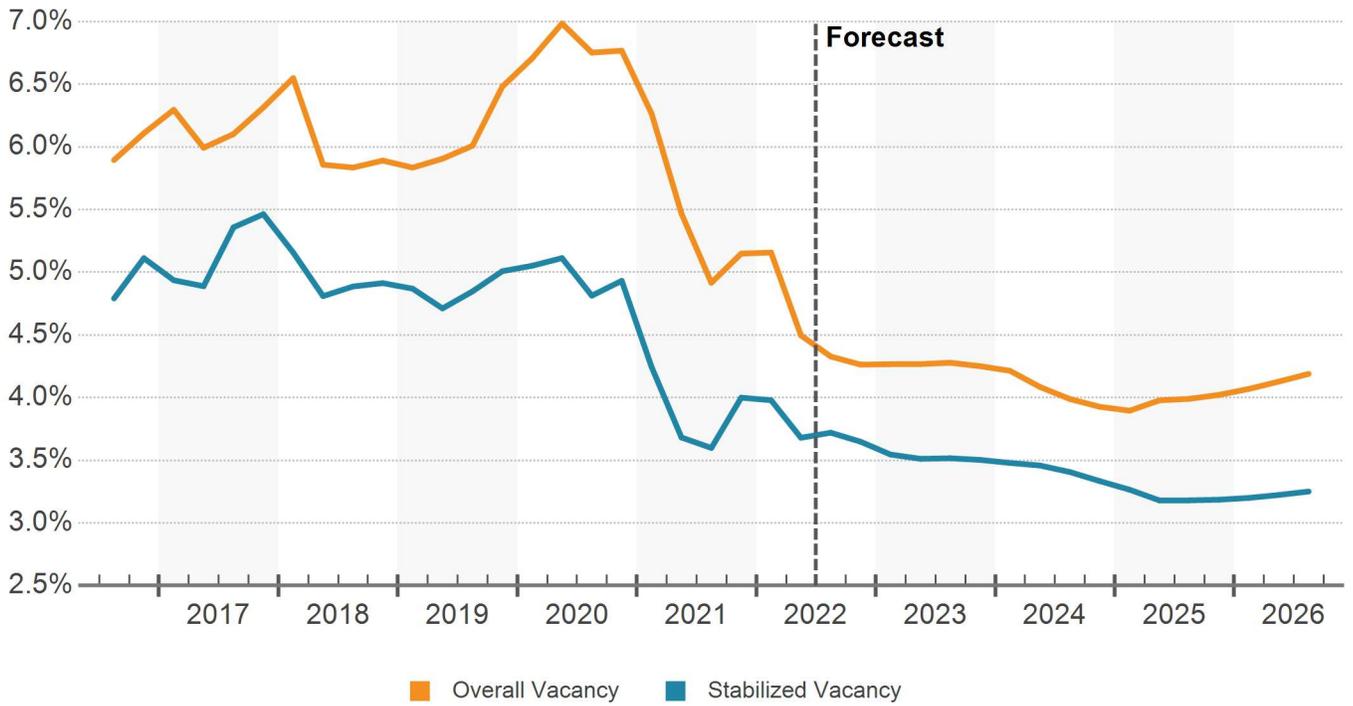
kept pace. Absorption has exceeded deliveries over the past year, and just one project remains in the pipeline. As such, vacancies in the coming quarters are projected to remain well below 4% in both submarkets, which gives

landlords major pricing leverage. Resulting rent growth is forecast to continue to post near double-digit figures on a year-over-year basis.

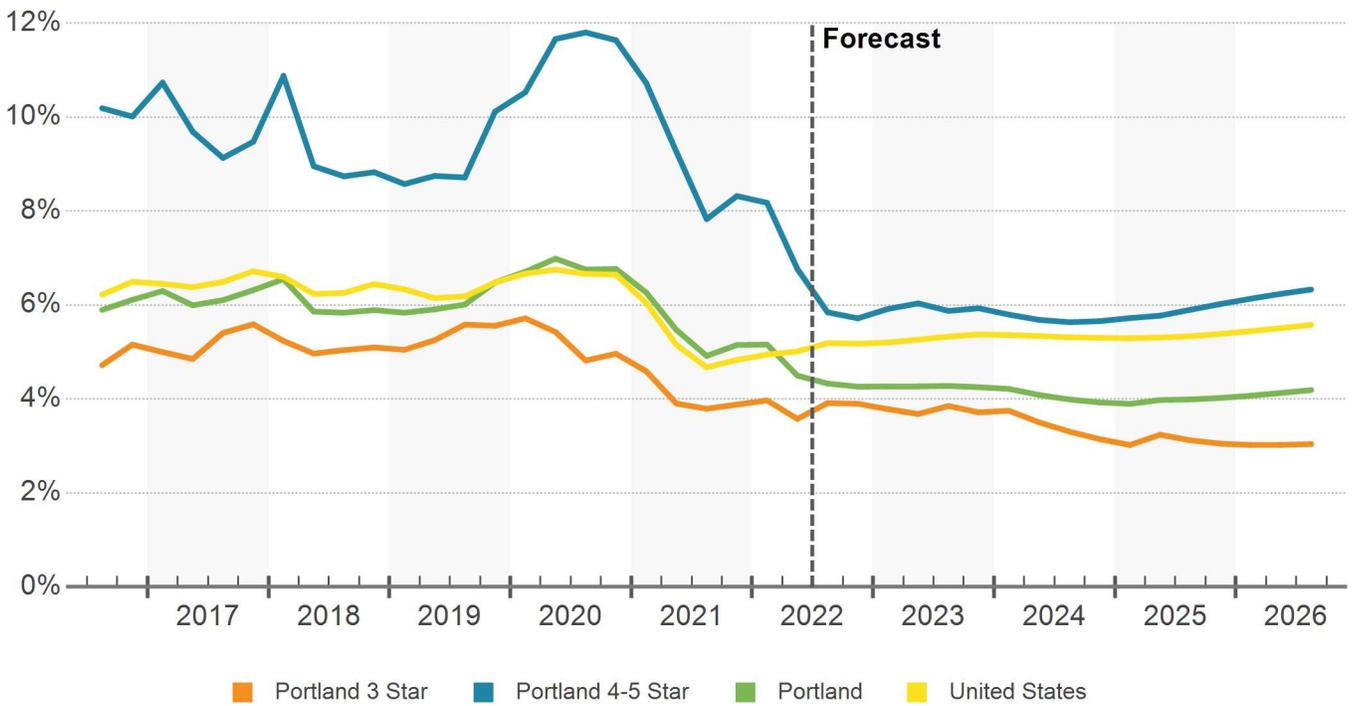
### ABSORPTION, NET DELIVERIES & VACANCY



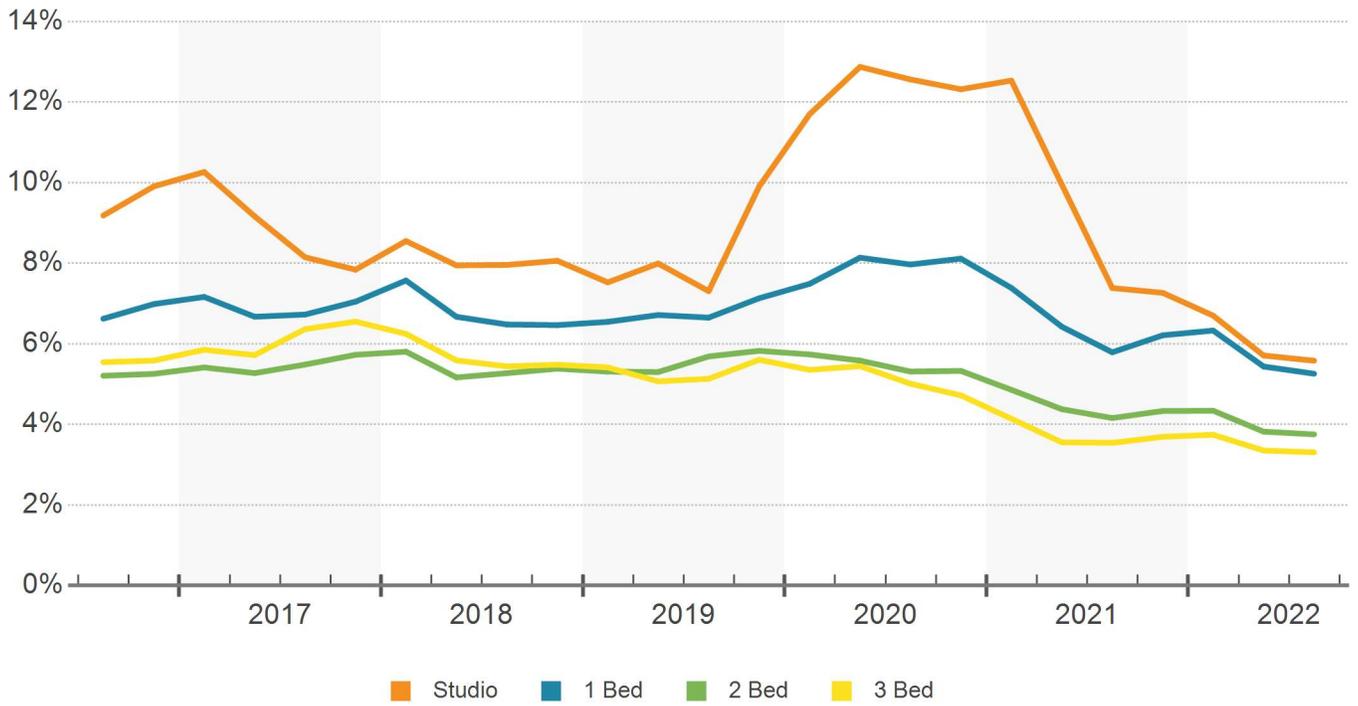
## OVERALL & STABILIZED VACANCY



## VACANCY RATE



### VACANCY BY BEDROOM



As of the third quarter of 2022, market rent in Portland has reached \$1,610 per month, reflecting year-over-year growth of 8.6%. By comparison, the national index posted average growth of 9.1% over the same period. Over the past ten years, Portland has averaged rent growth of 4.3% per year, putting the rapid increase of late into perspective.

High in-migration figures have put added pressure on housing needs, as new residents scramble to find well-located units. And a general lack of new supply in the pipeline will serve to tighten the market even further over the coming quarters. With relatively little competition coming online, landlords won't have many reasons to temper rents and should maintain pricing power in the near term.

Portland's outlying suburban communities continue to post the strongest rent growth. As renter preferences shifted and the importance of a central location diminished during the worst of the pandemic, tenants found suburban apartments more appealing. Some who relocated will likely stay there permanently, allowing landlords to push rents at a rapid clip. The Hillsboro, Wilsonville, Sherwood and Aloha submarkets have all seen trailing four quarter rent growth of well over 10%.

2021 and early 2022 have also given way to rent growth in the pricier, central submarkets. Downtown rents have grown by around 5% year-over-year, but companies will need to continue to commit workers to the urban areas for this trend to continue. Tech and apparel sector office leases have been the bright spot of downtown activity over the past year, but the central business core remains a shell of its pre-pandemic form. The upcoming departure of the Umpqua Bank headquarters will deal another significant blow to central Portland in the coming months.

Largely in response to the blockbuster rent growth of 2015, when Portland's rent growth ranked among the highest in the nation, the Portland City Council declared

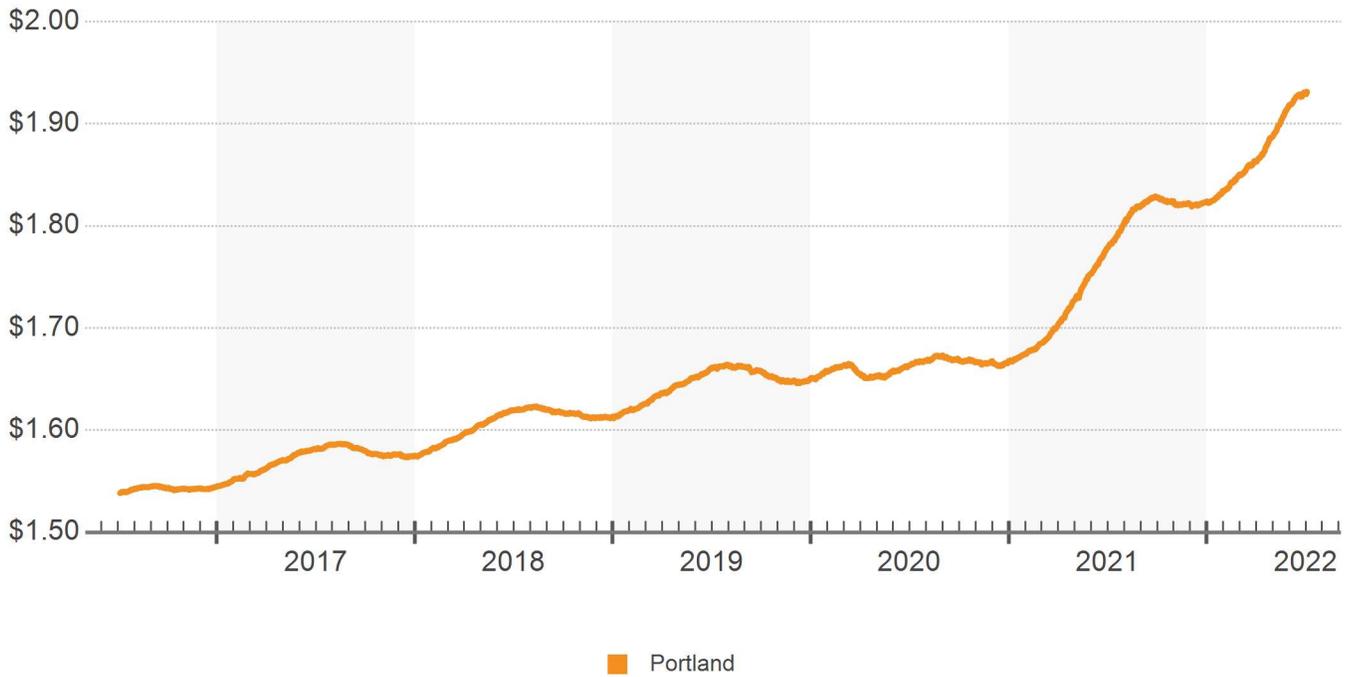
a housing emergency. The result was a raft of new policies and regulations aimed at reducing rent growth and increasing the number of affordable housing units. Beginning in February 2017, landlords processing no-cause evictions, or those whose tenants vacate after a 10% annual rent increase, are required to pay departing tenants \$2,900 to \$4,500 in relocation costs.

While these changes may have prompted developers and investors to proceed with greater caution when considering large rent increases in Portland, most of the urban submarkets haven't been generating double digit rent growth on an annual basis. Therefore, it wouldn't be economically feasible for landlords in these areas to raise rents significantly for the time being.

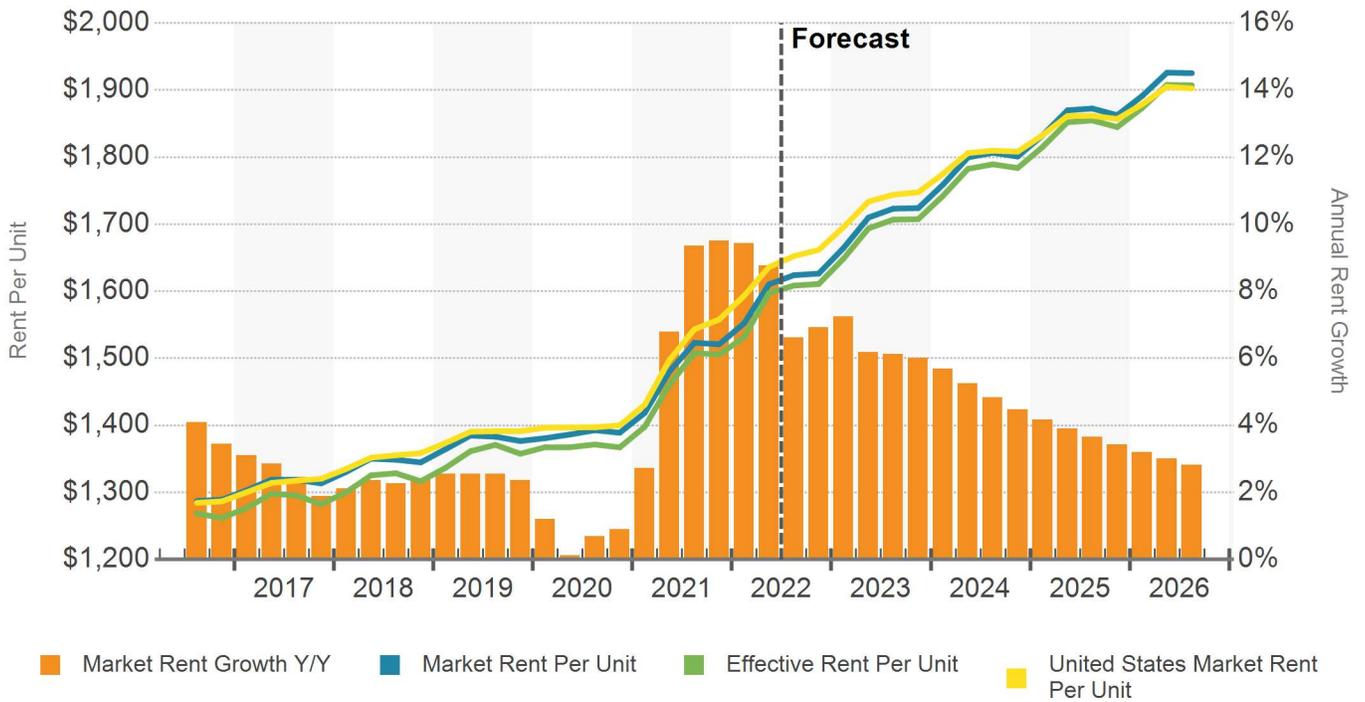
Additionally, in February 2019, the State of Oregon capped annual rent increases at 7% plus inflation for assets 15 years old or older. This, coupled with ongoing legislative efforts by the Portland City Council, temporarily helped bring down rent growth from the highs seen in 2015. However, given the majority of new units to come online since this time have been rated 3 Star and above, utilitarian units now make up the minority of market share. Rents in the luxury assets will naturally be higher, noting finishes, and given new projects aren't required to adhere to these policies for 15 years, rent growth naturally ballooned and eclipsed its prior 2015 peak by the end of 2021. In turn, a rent increase cap of 7% plus inflation is actually a large premium to the metropolitan area's historical average rent growth of 2.7%. Investors, for their part, seem unfazed by the cap. Sales volume in the region posted an outsized record in 2021 and elevated activity has continued into 2022.

In the last decade, the typical rent for a market-rate Portland apartment has increased by 53.9%. By comparison, national rent growth was 45.7% over this period. Portland's flourishing regional economy and reputation for a high quality of life contributed to the metro's strong cumulative rent growth over this time frame.

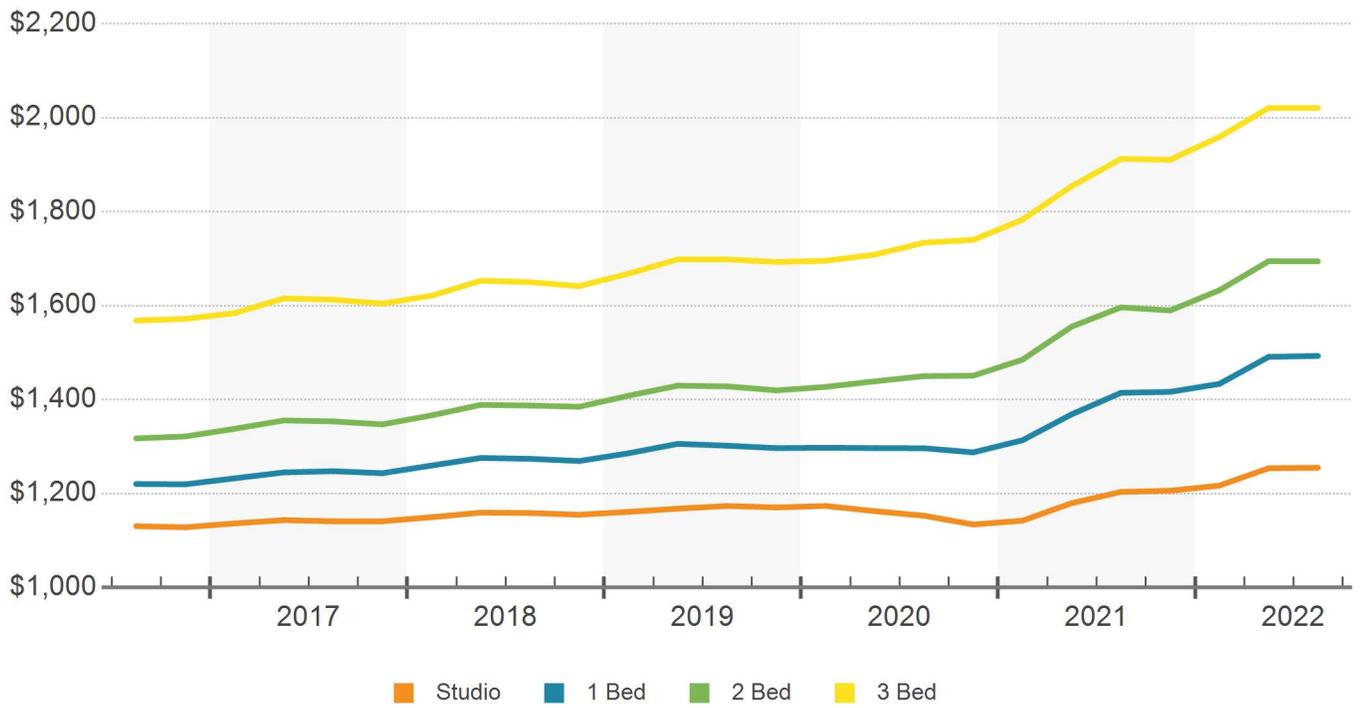
### DAILY ASKING RENT PER SF



### MARKET RENT PER UNIT & RENT GROWTH



### MARKET RENT PER UNIT BY BEDROOM



### 4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
<b>Portland</b>	\$0.53	\$0.74	\$0.82	\$0.67	\$0.87	\$0.97	\$0.26	\$1.41	\$0.29	\$1.84	\$3.10	<b>\$11.50</b>
Aloha	\$0.38	\$0.79	\$0.53	\$0.64	\$0.79	\$0.51	\$0.26	\$1.29	\$0.32	\$1.84	\$3.09	<b>\$10.44</b>
Beaverton	\$0.48	\$0.74	\$0.62	\$0.70	\$0.86	\$0.90	\$0.25	\$1.32	\$0.28	\$1.69	\$2.85	<b>\$10.69</b>
Central Northeast	\$0.57	\$0.77	\$1.40	\$0.85	\$0.98	\$1.15	\$0.30	\$1.53	\$0.30	\$1.94	\$3.25	<b>\$13.04</b>
Clackamas County	\$0.52	\$0.77	\$1.13	\$1.14	\$1.17	\$2.74	\$0.25	\$1.74	\$0.30	\$1.94	\$3.25	<b>\$14.95</b>
Clark County	\$0.52	\$0.65	\$0.36	\$0.44	\$0.69	\$0.58	\$0.24	\$1.10	\$0.30	\$1.94	\$3.25	<b>\$10.07</b>
Damascus	\$0.52	\$0.77	\$0.53	\$0.57	\$0.76	\$0.93	\$0.25	\$1.53	\$0.30	\$1.94	\$3.25	<b>\$11.35</b>
Downtown Portland	\$0.60	\$0.75	\$0.64	\$0.54	\$0.99	\$0.63	\$0.25	\$1.51	\$0.28	\$1.79	\$3.02	<b>\$11</b>
East Portland	\$0.52	\$0.77	\$1.22	\$1.10	\$1.13	\$2.53	\$0.25	\$1.71	\$0.30	\$1.94	\$3.25	<b>\$14.72</b>
Hillsboro	\$0.38	\$0.79	\$0.53	\$0.64	\$0.79	\$0.54	\$0.26	\$1.30	\$0.32	\$1.84	\$3.09	<b>\$10.48</b>
Lake Oswego	\$0.51	\$0.70	\$0.45	\$0.56	\$0.70	\$0.91	\$0.22	\$1.25	\$0.23	\$1.19	\$2.15	<b>\$8.87</b>
North Portland	\$0.56	\$0.77	\$1.31	\$0.95	\$1.04	\$1.68	\$0.28	\$1.60	\$0.30	\$1.94	\$3.25	<b>\$13.68</b>
Northeast Portland	\$0.58	\$0.77	\$1.40	\$0.85	\$0.98	\$1.15	\$0.30	\$1.53	\$0.30	\$1.94	\$3.25	<b>\$13.05</b>
Northwest Portland	\$0.53	\$0.78	\$0.53	\$0.55	\$0.93	\$0.56	\$0.25	\$1.45	\$0.31	\$1.94	\$3.25	<b>\$11.08</b>
Outlying Washingto...	\$0.52	\$0.77	\$1.13	\$1.14	\$1.17	\$2.74	\$0.25	\$1.74	\$0.30	\$1.94	\$3.25	<b>\$14.95</b>
Sherwood/Tualatin	\$0.53	\$0.73	\$1.12	\$0.70	\$0.91	\$1.14	\$0.24	\$1.51	\$0.28	\$1.69	\$2.89	<b>\$11.74</b>
Southeast Portland	\$0.60	\$0.77	\$1.40	\$0.82	\$0.95	\$1.15	\$0.30	\$1.53	\$0.30	\$1.94	\$3.25	<b>\$13.01</b>
Southwest Portland	\$0.60	\$0.77	\$0.53	\$0.50	\$1	\$0.59	\$0.25	\$1.53	\$0.30	\$1.94	\$3.25	<b>\$11.26</b>
Tigard	\$0.53	\$0.72	\$1.12	\$0.70	\$0.92	\$1.14	\$0.24	\$1.50	\$0.27	\$1.64	\$2.81	<b>\$11.59</b>
Troutdale/Gresham	\$0.53	\$0.77	\$1.18	\$0.71	\$0.82	\$1.15	\$0.25	\$1.53	\$0.30	\$1.94	\$3.25	<b>\$12.43</b>
Vancouver	\$0.52	\$0.64	\$0.36	\$0.44	\$0.69	\$0.57	\$0.24	\$1.09	\$0.29	\$1.86	\$3.15	<b>\$9.85</b>
Wilsonville	\$0.49	\$0.64	\$0.46	\$0.55	\$0.70	\$0.90	\$0.22	\$1.28	\$0.21	\$1.31	\$2.27	<b>\$9.03</b>

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

### 3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
<b>Portland</b>	\$0.50	\$0.57	\$0.68	\$0.62	\$0.78	\$0.98	\$0.20	\$1.27	\$0.18	\$0.48	\$1.19	<b>\$7.45</b>
Aloha	\$0.36	\$0.54	\$0.51	\$0.61	\$0.78	\$0.49	\$0.20	\$1.23	\$0.17	\$0.44	\$1.06	<b>\$6.39</b>
Beaverton	\$0.49	\$0.54	\$0.52	\$0.67	\$0.78	\$1.01	\$0.20	\$1.37	\$0.17	\$0.48	\$1.10	<b>\$7.33</b>
Central Northeast	\$0.51	\$0.55	\$1.08	\$0.68	\$0.79	\$1.10	\$0.20	\$1.41	\$0.18	\$0.49	\$1.13	<b>\$8.12</b>
Clackamas County	\$0.49	\$0.63	\$1.07	\$1.09	\$1.11	\$2.61	\$0.19	\$1.66	\$0.24	\$0.44	\$1.06	<b>\$10.59</b>
Clark County	\$0.51	\$0.54	\$0.35	\$0.42	\$0.65	\$0.55	\$0.20	\$1.04	\$0.17	\$0.39	\$1.38	<b>\$6.20</b>
Columbia County	\$0.49	\$0.63	\$1.07	\$1.09	\$1.11	\$2.61	\$0.19	\$1.66	\$0.24	\$0.44	\$1.06	<b>\$10.59</b>
Damascus	\$0.50	\$0.63	\$0.36	\$0.54	\$0.65	\$0.88	\$0.20	\$0.97	\$0.17	\$0.44	\$1.05	<b>\$6.39</b>
Downtown Portland	\$0.56	\$0.60	\$0.67	\$0.53	\$0.92	\$0.59	\$0.21	\$1.44	\$0.20	\$0.80	\$1.58	<b>\$8.10</b>
East Portland	\$0.49	\$0.63	\$1.07	\$1.08	\$1.11	\$2.59	\$0.20	\$1.65	\$0.24	\$0.49	\$1.12	<b>\$10.67</b>
Hillsboro	\$0.36	\$0.55	\$0.51	\$0.61	\$0.78	\$0.51	\$0.20	\$1.24	\$0.18	\$0.54	\$1.20	<b>\$6.68</b>
Lake Oswego	\$0.50	\$0.61	\$0.38	\$0.53	\$0.67	\$0.83	\$0.19	\$0.99	\$0.16	\$0.44	\$1.04	<b>\$6.34</b>
North Portland	\$0.50	\$0.57	\$1.07	\$0.88	\$0.94	\$1.84	\$0.20	\$1.51	\$0.20	\$0.44	\$1.04	<b>\$9.19</b>
Northeast Portland	\$0.52	\$0.57	\$1.12	\$0.70	\$0.81	\$1.10	\$0.21	\$1.42	\$0.19	\$0.68	\$1.41	<b>\$8.73</b>
Northwest Portland	\$0.52	\$0.56	\$0.51	\$0.50	\$0.91	\$0.35	\$0.20	\$1.36	\$0.17	\$0.46	\$1.08	<b>\$6.62</b>
Oregon City	\$0.50	\$0.63	\$0.36	\$0.54	\$0.65	\$0.88	\$0.20	\$0.97	\$0.17	\$0.44	\$1.06	<b>\$6.40</b>
Outlying Washingto...	\$0.50	\$0.65	\$1.08	\$1.10	\$1.12	\$2.63	\$0.20	\$1.67	\$0.25	\$0.63	\$1.33	<b>\$11.16</b>
Sherwood/Tualatin	\$0.51	\$0.54	\$1.02	\$0.67	\$0.77	\$1.08	\$0.20	\$1.38	\$0.17	\$0.44	\$1.06	<b>\$7.84</b>
Southeast Portland	\$0.51	\$0.54	\$1.08	\$0.71	\$0.80	\$1.18	\$0.20	\$1.42	\$0.18	\$0.49	\$1.12	<b>\$8.23</b>
Southwest Portland	\$0.56	\$0.55	\$0.50	\$0.46	\$0.94	\$0.30	\$0.20	\$1.37	\$0.16	\$0.44	\$1.03	<b>\$6.51</b>
Tigard	\$0.50	\$0.54	\$1.04	\$0.68	\$0.78	\$1.09	\$0.20	\$1.40	\$0.17	\$0.44	\$1.05	<b>\$7.89</b>
Troutdale/Gresham	\$0.51	\$0.55	\$1.08	\$0.71	\$0.81	\$1.22	\$0.20	\$1.43	\$0.18	\$0.51	\$1.15	<b>\$8.35</b>
Vancouver	\$0.50	\$0.53	\$0.34	\$0.42	\$0.65	\$0.55	\$0.19	\$1.04	\$0.17	\$0.39	\$1.37	<b>\$6.15</b>
Wilsonville	\$0.50	\$0.62	\$0.51	\$0.57	\$0.68	\$0.93	\$0.20	\$1.07	\$0.18	\$0.49	\$1.13	<b>\$6.88</b>
Yamhill County	\$0.49	\$0.62	\$1.07	\$1.08	\$1.09	\$2.53	\$0.20	\$1.63	\$0.23	\$0.51	\$1.14	<b>\$10.59</b>

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

### 1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
<b>Portland</b>	\$0.43	\$0.39	\$0.60	\$0.54	\$0.68	\$0.71	\$0.18	\$1.04	\$0.07	\$0.41	\$0.96	<b>\$6.01</b>
Aloha	\$0.34	\$0.47	\$0.48	\$0.58	\$0.74	\$0.46	\$0.19	\$1.06	\$0.07	\$0.42	\$0.86	<b>\$5.67</b>
Beaverton	\$0.47	\$0.47	\$0.47	\$0.64	\$0.74	\$1	\$0.19	\$1.08	\$0.08	\$0.42	\$0.87	<b>\$6.43</b>
Central Northeast	\$0.46	\$0.31	\$1.02	\$0.61	\$0.71	\$0.87	\$0.19	\$1.10	\$0.07	\$0.42	\$0.86	<b>\$6.62</b>
Clackamas County	\$0.38	\$0.23	\$1.01	\$0.78	\$0.58	\$0.61	\$0.19	\$1.05	\$0.06	\$0.42	\$0.86	<b>\$6.17</b>
Clark County	\$0.45	\$0.41	\$0.21	\$0.40	\$0.63	\$0.52	\$0.14	\$0.99	\$0.06	\$0.37	\$1.31	<b>\$5.49</b>
Columbia County	\$0.42	\$0.34	\$1.03	\$0.87	\$0.73	\$1.18	\$0.19	\$1.22	\$0.11	\$0.43	\$0.91	<b>\$7.43</b>
Damascus	\$0.44	\$0.43	\$0.35	\$0.52	\$0.62	\$0.84	\$0.19	\$0.92	\$0.06	\$0.42	\$0.86	<b>\$5.65</b>
Downtown Portland	\$0.47	\$0.42	\$0.70	\$0.52	\$0.78	\$0.54	\$0.19	\$1.13	\$0.09	\$0.42	\$0.89	<b>\$6.15</b>
East Portland	\$0.37	\$0.28	\$0.94	\$0.66	\$0.66	\$0.76	\$0.18	\$1.06	\$0.06	\$0.42	\$0.86	<b>\$6.25</b>
Hillsboro	\$0.34	\$0.47	\$0.48	\$0.58	\$0.74	\$0.48	\$0.19	\$1.06	\$0.07	\$0.42	\$0.86	<b>\$5.69</b>
Lake Oswego	\$0.44	\$0.44	\$0.39	\$0.49	\$0.67	\$0.66	\$0.19	\$0.96	\$0.06	\$0.42	\$0.86	<b>\$5.58</b>
North Portland	\$0.43	\$0.27	\$1.01	\$0.71	\$0.66	\$0.73	\$0.19	\$1.08	\$0.07	\$0.42	\$0.86	<b>\$6.43</b>
Northeast Portland	\$0.48	\$0.31	\$1.02	\$0.64	\$0.74	\$0.86	\$0.19	\$1.10	\$0.08	\$0.42	\$0.86	<b>\$6.70</b>
Northwest Portland	\$0.46	\$0.45	\$0.48	\$0.44	\$0.81	\$0.29	\$0.19	\$1.11	\$0.08	\$0.42	\$0.89	<b>\$5.62</b>
Oregon City	\$0.44	\$0.43	\$0.35	\$0.52	\$0.62	\$0.84	\$0.19	\$0.92	\$0.06	\$0.42	\$0.86	<b>\$5.65</b>
Outlying Washingto...	\$0.39	\$0.24	\$1	\$0.78	\$0.59	\$0.64	\$0.19	\$1.06	\$0.06	\$0.42	\$0.86	<b>\$6.23</b>
Sherwood/Tualatin	\$0.38	\$0.50	\$0.20	\$0.61	\$0.73	\$0.98	\$0.17	\$1.19	\$0.09	\$0.42	\$0.86	<b>\$6.13</b>
Southeast Portland	\$0.48	\$0.34	\$1.02	\$0.64	\$0.74	\$0.95	\$0.19	\$1.10	\$0.07	\$0.42	\$0.86	<b>\$6.81</b>
Southwest Portland	\$0.44	\$0.43	\$0.48	\$0.44	\$0.77	\$0.29	\$0.19	\$1.05	\$0.06	\$0.42	\$0.86	<b>\$5.43</b>
Tigard	\$0.35	\$0.51	\$0.16	\$0.64	\$0.74	\$0.99	\$0.19	\$1.11	\$0.07	\$0.42	\$0.86	<b>\$6.04</b>
Troutdale/Gresham	\$0.31	\$0.37	\$1	\$0.51	\$0.64	\$0.81	\$0.17	\$1.06	\$0.05	\$0.42	\$0.86	<b>\$6.20</b>
Vancouver	\$0.45	\$0.41	\$0.21	\$0.40	\$0.63	\$0.52	\$0.14	\$0.99	\$0.06	\$0.37	\$1.31	<b>\$5.49</b>
Wilsonville	\$0.44	\$0.43	\$0.35	\$0.52	\$0.62	\$0.84	\$0.19	\$0.92	\$0.06	\$0.42	\$0.86	<b>\$5.65</b>
Yamhill County	\$0.39	\$0.24	\$1.01	\$0.79	\$0.59	\$0.66	\$0.19	\$1.06	\$0.06	\$0.42	\$0.86	<b>\$6.27</b>

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

The metro area apartment pipeline peaked at nearly 13,000 units under development in mid-2018, part of a decade-long expansion that boosted Portland's apartment inventory by 32.4%. This was the largest construction cycle in metro history that brought a wave of mostly high-end supply, which substantially altered the dynamics of Portland's housing market. Rent per unit has grown by 53.9% over the last ten years. In response to rising rents, the city council unanimously approved an inclusionary zoning policy in February 2017. The ordinance requires apartment and condo developers with projects larger than 20 units to reserve 20% of apartments for households making less than 80% of the median income.

Since that time, the slowdown in construction may indicate these recent legislative changes to address affordability have impacted the region's development appeal slightly. Other factors, however, are also at play. Elevated materials costs as a result of the global supply chain crunch, as well as labor shortages may also be inhibiting the ground-breaking of new projects. Permitting activity has thus trailed off metrowide, with data suggesting permits issued in 2021 declined by approximately 30% since the 2017 peak.

There are 6,900 units currently under construction, which will expand existing inventory by 3.2%. While this represents a slight uptick since the start of the year, not all of these units will be hitting the market immediately. Conversely, net deliveries over the last 12 months totaled 3,900 units, indicating a noticeable shortage has formed, based on trailing-year net absorption of 5,900 units.

Despite the slowdown in construction, some developers remain active in certain areas and are pushing projects forward to meet demand. Downtown Portland underwent the region's most dramatic shift last decade as apartment inventory grew by almost 85%. All of these new developments are luxury 4 & 5 Star projects. In particular, the Pearl District, flush with restaurants and other urban amenities, was a popular target.

Dense hubs such as downtown often require a more complex development path. With virtually no vacant land available, developers often have to purchase previously underdeveloped sites and raze existing structures. The process is time-consuming and adds additional expenses. Therefore, much of the development in and

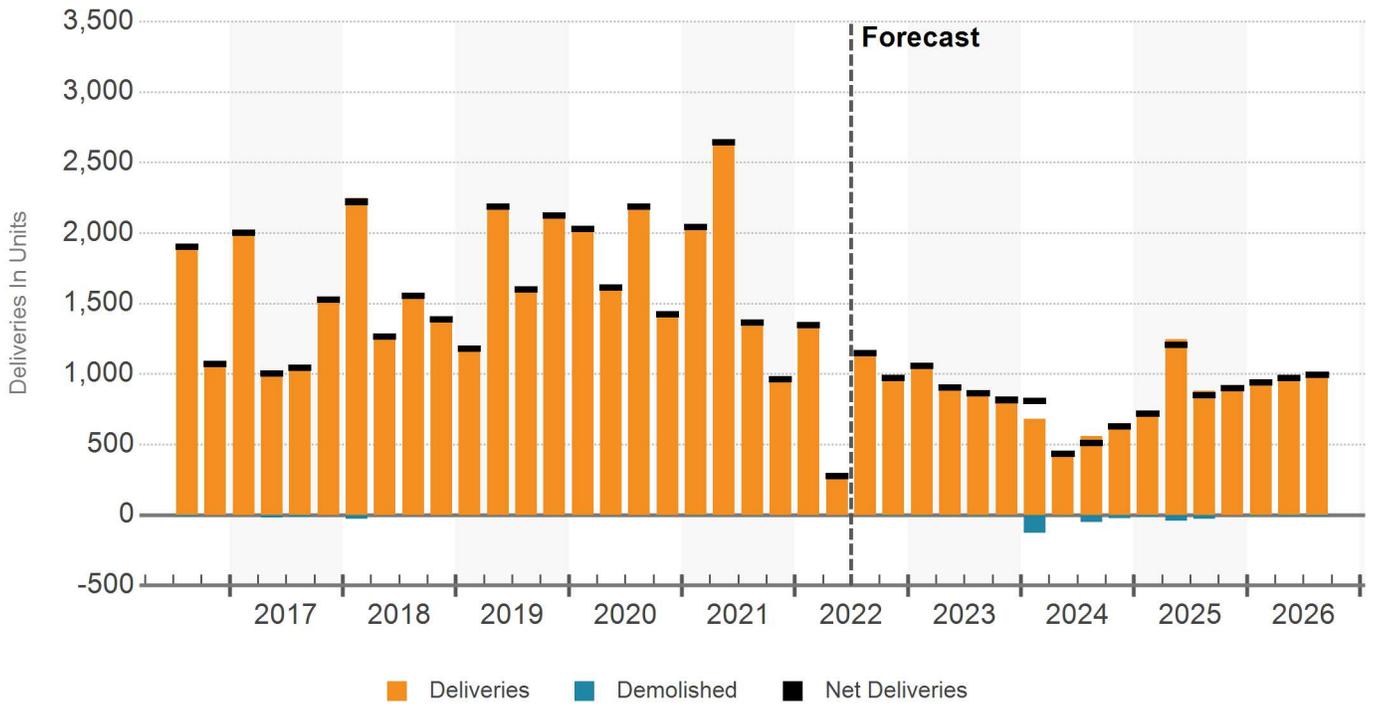
around the urban cores has shifted to Southwest Portland, where some of the last remaining vacant tracts of readily buildable land remain. The South Waterfront area alone has seen nearly 2,000 units added since 2016, over 300 of which came online in the past year. The Dylan is the largest project to recently deliver here. It is a 232 unit, 4 Star mid-rise complex developed by Texas-based Alamo Manhattan in late 2021. Occupancy has risen to well over 40%. The South Waterfront 45 will bring another 291 4 Star units out of the ground by late 2023, with additional phases in the works.

In the west suburbs, the Tigard submarket remains an affordable commuter suburb and alternative to expensive areas such as Hillsboro. The neighborhood's access to major employment nodes has drawn more renters in recent quarters and it remains undersupplied at around 7,500 units. Thus, the 219-unit Overland was developed in light of these trends and will deliver sometime in mid to late-2022. Essex General Construction, Inc. is overseeing the project. The complex will include ground floor retail and office space, with a parking structure and surface parking lot.

Vancouver, Washington, is a popular destination for builders too, with over 1,500 units delivered in 2021, ranking near the top of all Portland submarkets. Projects located here offer manageable commutes to Portland but are not subject to Oregon's rent control laws and Portland's zoning requirements. As a result, permitting in Vancouver continues to trend upward. Since 2017, permits issued in greater Clark County on a yearly basis have risen by over 30%. Demand for these units may already be heating up. Washington's favorable tax laws – such as a lack of a personal income tax – have drawn more residents to consider a move across the river in recent years to work remotely and avoid Oregon's income tax.

On the south side of Vancouver, Gramor Development is building on a 24.5-acre tract along the Columbia River with plans for 3,300 apartment and condo units, 10 acres for parks, 1.2 million SF of office space, and 500,000 SF of retail and hospitality space. The 63-unit Rediviva at the Waterfront delivered in December 2018, and the 216-unit RiverWest delivered in July 2019, both charging premium rents. The Waterfront could ultimately add almost 10% more units to the submarket's existing multifamily inventory.

## DELIVERIES & DEMOLITIONS



# Under Construction Properties

Portland Multi-Family

Properties

Units

Percent of Inventory

Avg. No. Units

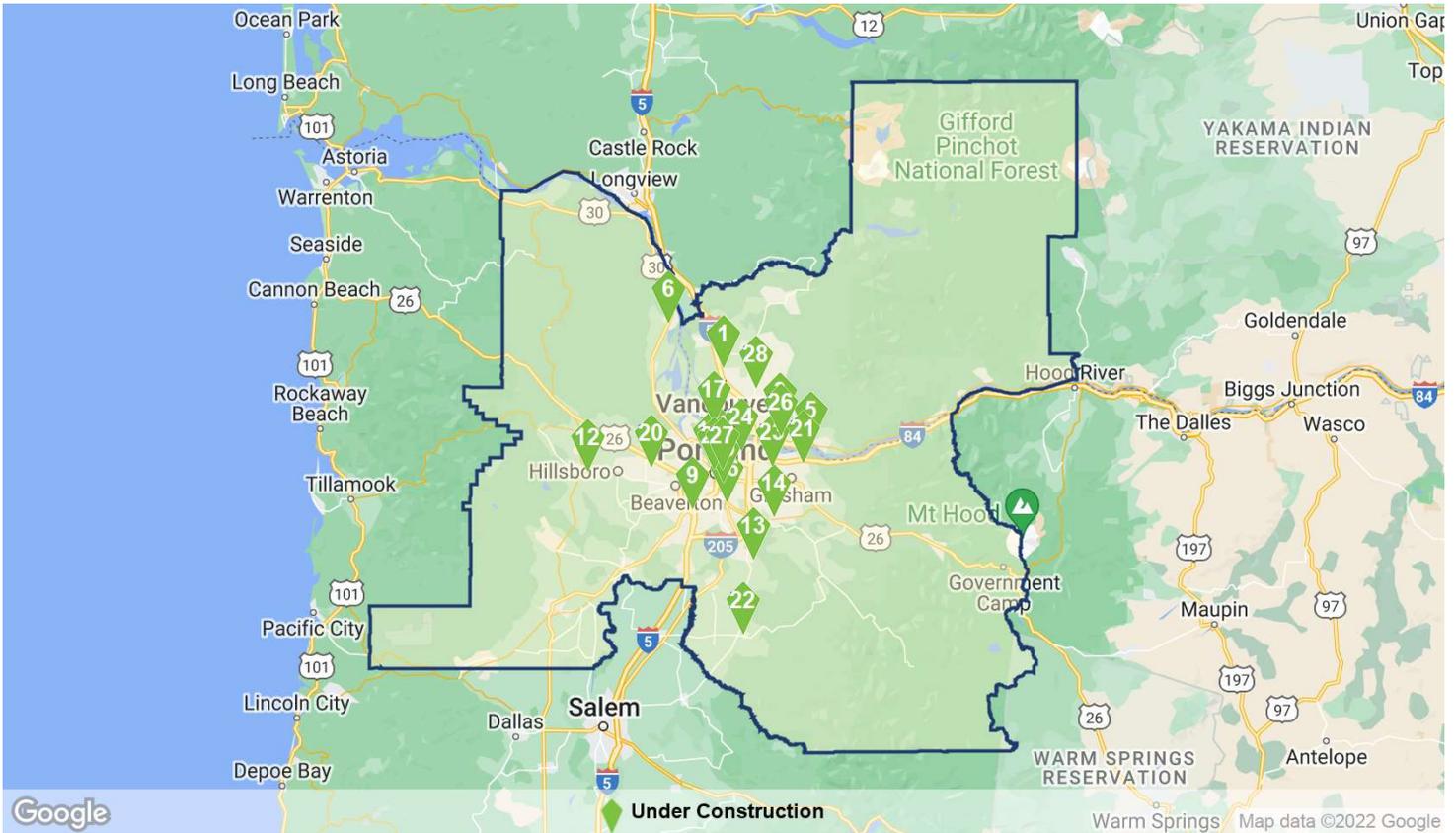
53

6,884

3.2%

130

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 <b>179th St. West</b> 1813 NE 179th St	★ ★ ★ ★ ★	413	3	Jan 2022	Jun 2025	Capstone Partners Clark County Public Works
2 <b>The Willamette Tower (Bl...)</b> 4100 SW River Pky	★ ★ ★ ★ ★	343	23	Nov 2021	Mar 2023	Alamo Manhattan LLC Prometheus Real Estate Group, I...
3 <b>The Oliveen</b> SE 197th Ave & SE 1st St	★ ★ ★ ★ ★	264	1	Mar 2021	Aug 2022	- Romano Capital
4 <b>Modera Morrison</b> 1120 SE Morrison St	★ ★ ★ ★ ★	247	7	Sep 2021	Jan 2023	Mill Creek Residential Trust LLC Mill Creek Residential Trust LLC
5 <b>Ninebark</b> 198 S 6th St	★ ★ ★ ★ ★	246	3	Mar 2022	Mar 2023	Killian Pacific Killian Pacific
6 <b>Broadleaf Arbor</b> 2298 Gable Rd	★ ★ ★ ★ ★	239	4	Jan 2021	Aug 2023	LMC Construction Atlas Investments
7 <b>Fremont Apartments</b> 1550 NW Naitio Pky	★ ★ ★ ★ ★	236	17	Mar 2021	Oct 2022	Lincoln Property Company Lincoln Property Company

# Under Construction Properties

Portland Multi-Family

## UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
8 <b>Eleven West</b> 1102 SW Washington St	★★★★☆	222	24	Feb 2020	Jan 2023	Downtown Development Group Downtown Development Group
9 <b>The Overland</b> 11974 SW 72nd Ave	★★★★☆	222	6	Oct 2020	Aug 2022	Essex General Construction Inc ScanlanKemperBard Companies
10 <b>Zeal Lofts</b> 3185 N Williams Ave	★★★★☆	215	6	Mar 2022	Sep 2023	Vibrant Cities -
11 <b>Slabtown Square</b> 2070 NW Quimby St	★★★★☆	200	7	Apr 2022	Mar 2024	Guardian Real Estate Services Guardian Real Estate Services LLC
12 <b>The Reserve at Fern Hill</b> 1900 Poplar St	★★★★☆	196	3	May 2021	Nov 2022	J.T. Smith Companies JT Smith Companies Inc
13 <b>The Villages at Beavercr...</b> 19896 S Beavercreek Rd	★★★★☆	180	3	Apr 2021	Jan 2023	- Mecham Gregg
14 <b>Cobalt Apartments</b> 14721 SE 172nd Ave	★★★★☆	180	2	May 2022	Jul 2023	- HV PARKLANE LLC
15 <b>Waterleaf Phase II</b> 2065 SW River Pky	★★★★☆	178	6	Jan 2021	Sep 2022	BRIDGE Housing Corporation Portland Housing Bureau
16 <b>Henley Place</b> 10300 SE Main St	★★★★☆	178	6	May 2022	Jan 2024	Pahlisch Homes -
17 <b>Broadstone Claro</b> 1000 W Columbia Way	★★★★☆	177	7	Mar 2021	Mar 2023	Alliance Residential Company Vancouver Waterfront Apts Owne
18 <b>Skylar Grand</b> 465 NE Davis St	★★★★☆	170	8	Feb 2020	Aug 2022	Fairfield Fairfield
19 <b>Brookland</b> 4245 SE Milwaukie Ave	★★★★☆	166	4	Aug 2021	Jan 2023	Ethos Development Ethos Development
20 <b>Hana</b> 1250 NE Compton Dr	★★★★☆	162	5	Jan 2022	Jan 2024	- -
21 <b>Fox Ridge</b> 910 SW Halsey Loop	★★★★☆	162	2	Mar 2022	Nov 2023	- Stan C Fisher
22 <b>Cascade Place</b> 201 Leroy St	★★★★☆	151	5	Jan 2022	Aug 2023	- -
23 <b>Wynne Watts Commons</b> 928 NE 162nd Ave	★★★★☆	150	4	Feb 2021	Aug 2022	- Albertina Kerr
24 <b>Las Adelitas</b> 6723 NE Killingsworth St	★★★★☆	141	4	Sep 2021	Sep 2022	- Hacienda Community Developme...
25 <b>Block 216</b> 900-936 SW Washington St	★★★★☆	138	15	Nov 2021	Feb 2023	- Tessa M Boucherot
26 <b>The Clara</b> 5515 NW Pacific Rim Blvd	★★★★☆	136	4	Feb 2022	Apr 2023	Sansano Capital LLC Sansano Capital LLC
27 <b>Troy Laundry North</b> 1010 SE Ash St	★★★★☆	132	6	Mar 2022	Jun 2023	AJ Capital Partners -
28 <b>12101 NE 116th St</b>	★★★★☆	120	3	Jan 2021	Aug 2022	Langdon Company, LLC Rrc Group Llc

Portland has become a major market for institutional investors chasing both population growth and a diverse economic base. Annual investment has rounded to \$1.5 billion or higher in each of the past six years. Cap rates for Portland multifamily assets are consistently lower than office, industrial, and retail properties. Multifamily cap rates have tightened over the past five years, trending to 4.4%, versus the national rate of 5.0%. Cap rate compression has done little to deter more capital from entering the market.

2021 sales volume turned in a record performance, boosted by several deals closing for north of \$100 million. Trailing four quarter volume equates to \$4.2 billion, compared with the ten-year average of \$2.1 billion per year. The market sale price has swelled to \$290,000 per unit, in comparison to the national index of \$260,000 per unit.

Given added institutional interest in the market, many Portland communities are transacting as part of much larger portfolio deals. Investors have increasingly sought to add Portland assets to their balance sheets.

A massive portfolio deal in May 2022 saw the national holdings of Resource REIT acquired by Blackstone Real Estate Investment Trust (BREIT) for \$3.7 billion, or \$292,000/unit. Blackstone completed the deal by purchasing all shares of common stock. The assets in the portfolio span 13 states, including Oregon, Arizona, Colorado, Florida, Georgia and Texas. The two Oregon communities include the 81 Fifty at West Hills Apartment Homes and Montclair Terrace. 81 Fifty is located in the Hillsboro submarket and is made up of 357 units. It was built in 1986 and renovated in 2013. The allocated price of \$154.8 million equates to \$434,000/unit. Montclair Terrace is located in Beaverton and the 188-unit

community was built in 1968 and remodeled in 2015. It was operating at stabilization. The allocated price was \$71 million (378,000/unit).

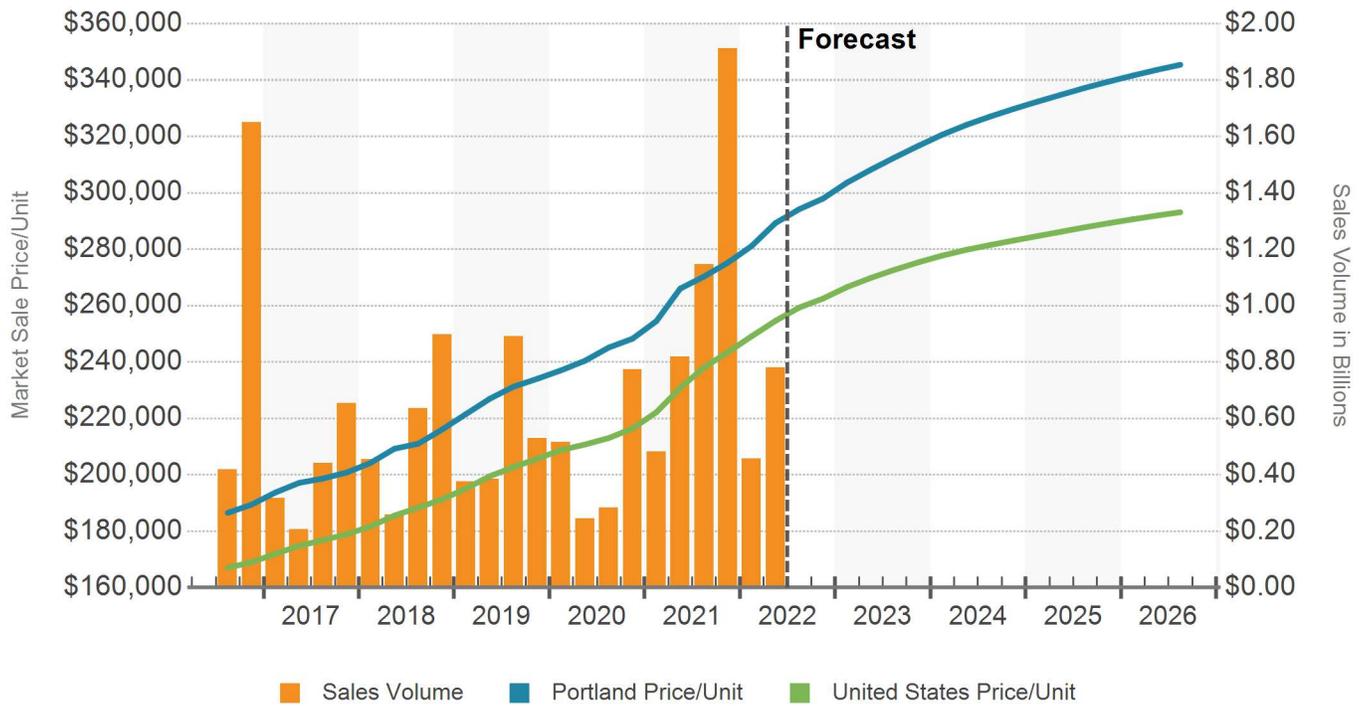
Another portfolio deal in January 2022 saw three properties change hands in Vancouver. ColRich, based in San Diego, CA, acquired the Silver Oak Apartments, Sedona at Bridgecreek, and Larkspur Place for a combined sale price of \$137 million (\$271,000/unit). The seller was Starwood Capital Group, who had previously acquired the assets in 2017. The three facilities totaled over 500 units.

Value-add plays have been popular as well, as investors aim for attractive pricing in a growing market. Given Portland's recent run in rent growth, buyers appear confident that underserved properties with an added facelift offer attractive upside potential.

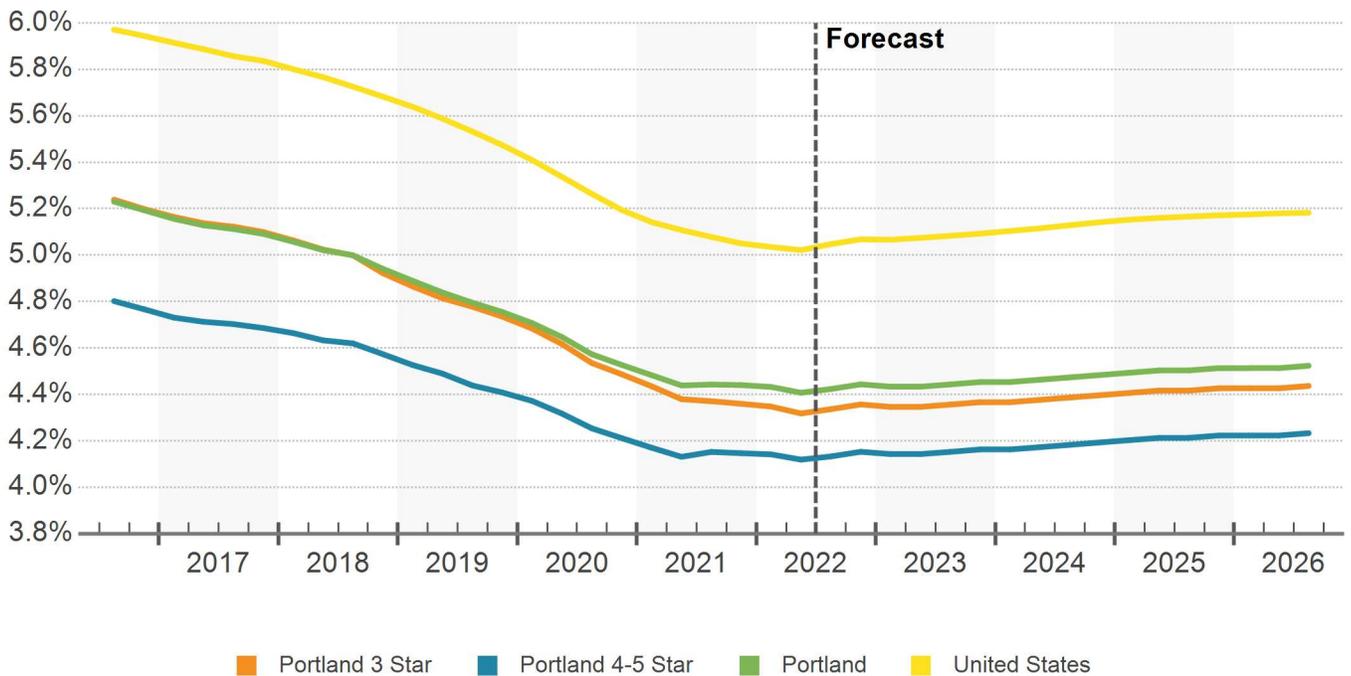
For example, in October 2021, Greystar purchased the 423-unit Seven West at the Trails in Beaverton. Closing price was equal to \$145.2 million (\$343,000/unit). Many of the units had received recent upgrades and Greystar had planned to complete more renovations. The complex was stabilized at the time of sale.

In late August, another value-add play was the 387-unit, 3 Star complex in Vancouver rebranded to Avana One Zero Nine. It sold to Greystar Real Estate Partners for \$104 million (\$269,000/unit). Santa Monica, California-based Vista Investment Group and its partner had acquired the property in 2019 for \$68.8 million. Renovations since then included new flooring, upgraded lighting fixtures, stainless steel appliances and refreshed cabinets and countertops. The clubhouse, pool deck and outdoor amenities were also upgraded.

### SALES VOLUME & MARKET SALE PRICE PER UNIT



### MARKET CAP RATE



# Sales Past 12 Months

Portland Multi-Family

Sale Comparables

Avg. Price/Unit (thous.)

Average Price (mil.)

Average Vacancy at Sale

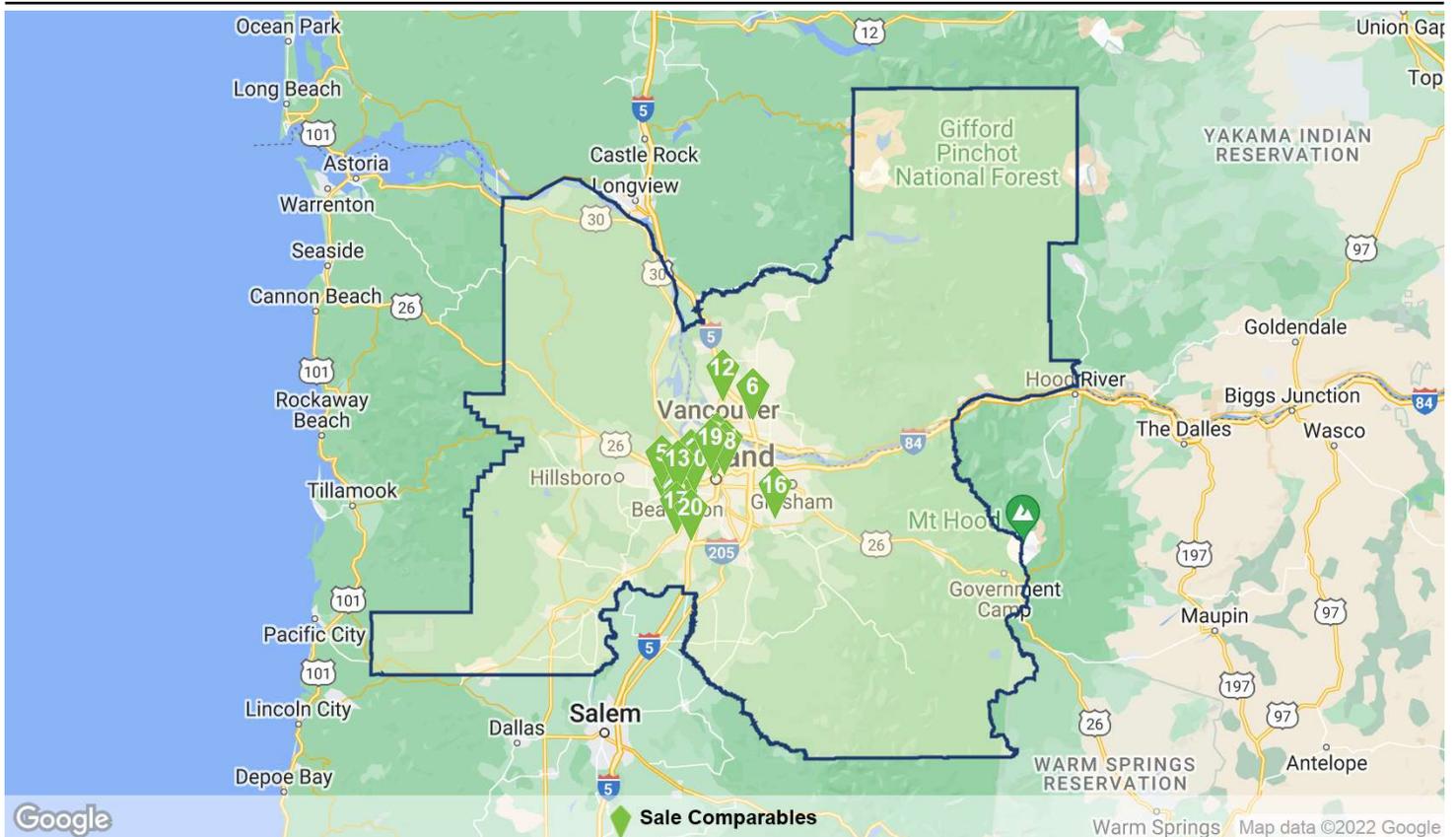
**401**

**\$277**

**\$14.2**

**6.9%**

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$665,000	\$14,210,019	\$3,750,000	\$155,438,416
Price/Unit	\$16,346	\$277,313	\$200,000	\$944,444
Cap Rate	3.5%	5.0%	5.0%	7.6%
Vacancy Rate At Sale	0%	6.9%	0%	83.3%
Time Since Sale in Months	0.2	6.6	7.0	12.0
Property Attributes	Low	Average	Median	High
Property Size in Units	5	46	16	496
Number of Floors	1	2	2	24
Average Unit SF	100	818	806	5,443
Year Built	1886	1976	1974	2022
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.5	★ ★ ★ ★ ★	★ ★ ★ ★ ★

# Sales Past 12 Months

Portland Multi-Family

## RECENT SIGNIFICANT SALES

Property Name/Address	Property Information				Sale Information			
	Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF
1 81 Fifty at West Hills Apartme... 8150 SW Barnes Rd	★★★★☆	1986	357	5.6%	5/19/2022	\$155,438,416	\$435,401	\$575
2 Seven West at the Trails 14790 SW Scholls Ferry Rd	★★★★☆	1996	423	8.5%	10/19/2021	\$145,250,000	\$343,380	\$418
3 Arbor Heights 15199 SW Royalty Pky	★★★★☆	1997	348	2.9%	12/4/2021	\$120,750,000	\$346,982	\$423
4 Waterline 2080 NW Front Ave	★★★★☆	2015	243	4.5%	11/8/2021	\$115,310,492	\$474,528	\$422
5 Arbor Creek 3280 SW 170th Ave	★★★★☆	1984	440	4.8%	10/1/2021	\$115,250,000	\$261,931	\$341
6 Avana One Zero Nine 3708 NE 109th Ave	★★★★☆	1994	387	9.3%	8/19/2021	\$104,000,000	\$268,733	\$305
7 Kado NW 1378 NW 18th Ave	★★★★☆	2020	196	9.7%	12/31/2021	\$80,600,000	\$411,224	\$353
8 Revere Apartments 3309 N Mississippi Ave	★★★★☆	2019	211	9.0%	12/9/2021	\$78,500,000	\$372,037	\$489
9 Anthem PDX 1313 E Burnside St	★★★★☆	2020	211	28.4%	9/23/2021	\$75,620,000	\$358,388	\$454
10 Montclair Terrace 4835 SW Oleson Rd	★★★★☆	1968	188	4.8%	5/19/2022	\$75,168,058	\$399,830	\$436
11 10th @ Hoyt 911-925 NW Hoyt St	★★★★☆	2004	178	12.9%	12/8/2021	\$75,000,000	\$421,348	\$387
12 Bridge Creek 9211 NE 15th Ave	★★★★☆	1989	270	4.8%	1/20/2022	\$75,000,000	\$277,777	\$299
13 Verso 4815 SW Lombard Ave	★★★★★	2021	172	4.1%	12/17/2021	\$74,000,000	\$430,232	\$448
14 TwentyTwenty 2020 NE Multnomah St	★★★★★	2019	162	27.2%	8/17/2021	\$73,000,000	\$450,617	\$380
15 Sky3 Place 1221 SW 11th Ave	★★★★☆	2017	196	10.2%	7/7/2021	\$71,000,000	\$362,244	\$317
16 Heather Lodge 13432 SE 169th Ave	★★★★☆	2021	178	3.9%	1/11/2022	\$71,000,000	\$398,876	\$473
17 River Ridge Apartments 17865 SW Pacific Hwy	★★★★☆	2017	180	3.3%	6/9/2022	\$70,000,000	\$388,888	\$436
18 Tempo 80 NE 14th Ave	★★★★☆	2019	197	9.6%	7/30/2021	\$69,000,000	\$350,253	\$288
19 Q21 2112 NW Quimby St	★★★★★	2017	166	15.1%	12/30/2021	\$65,000,000	\$391,566	\$500
20 Alden Apartments 7800 SW Sagert St	★★★★☆	1978	210	7.6%	12/22/2021	\$61,150,000	\$291,190	\$376

Portland's economy continues to bounce back incrementally from the severe strain caused by the COVID-19 pandemic. The local unemployment rate peaked at nearly 15% in April 2020, but has since trended downward to 3.9%.

Nonetheless, the economic shock from the pandemic is still causing some disruption to the labor markets and certain commercial property sectors. Demand for commercial space in the office sector remains in a flux, especially in the city's central core. And while the falling unemployment rate is a sign that the employment picture may be turning a corner, some of the jobs lost during this recession will not return.

However, operations have been able to resume at full capacity for places like restaurants, following an early spring statewide lifting of most remaining restrictions in place to fight the pandemic. Barring any major shifts in the latest variants of COVID-19, this will drive demand for more in-person activities. The end result should be a very slow, but steady increase in demand for retail and office space. Over the past year, 66,000 jobs have been added to nonfarm payrolls in Portland, for a change of 5.7%. Total job growth in the U.S. over the past year was 4.5%. More jobs could be added to Portland payrolls this summer, particularly in the leisure and hospitality and retail trade sectors. As tourism season heats up, hotels and other service providers may look to boost hirings to meet demand.

Outside of seasonal shifts and on a more permanent basis, incomes in Portland exceed the national average, and population growth remains steady. The advent of remote work during the pandemic drove many residents to the city from other more expensive metro areas; of the 11 West Coast metros with at least 1 million residents, only Fresno, California, has cheaper average apartment rents than Portland. Portland is popular with millennials looking for creative, affordable, eco-friendly spaces close to transit hubs that allow them to take advantage of the region's high quality of life. The lack of a sales tax in Oregon and the lack of an income tax in Washington also appeal. In addition, the area is home to several

employers with a global reach.

Intel and Nike, the metro's largest non-government, non-healthcare employers, are both midway through substantial expansions of their corporate campuses. In July 2019, Intel broke ground on a 1.5-million-SF expansion to D1X at its Ronler Acres campus in Hillsboro that will be completed in the near term. Previously, the multibillion-dollar D1X development delivered 2.2 million SF in 2015, marking the largest capital project in Oregon's history.

Nike's relationship with the state government has been somewhat volatile, but this changed after the legislature agreed to lock in Nike's state tax rate at current levels. The company's commitment to the region has culminated in the construction of 1.4 million SF of office space at its Beaverton campus. Nike now occupies 350 acres of contiguous real estate, one of the largest corporate campuses in America.

Nike has attracted a skilled workforce—as well as a number of competitors—to the metro. Dr. Martens, Columbia Sportswear, and Lacrosse Footwear all have headquarters in the region, and Adidas North America is nearing completion of a 425,000-SF office expansion of its headquarters. Under Armour moved into a former YMCA building in Southwest Portland in 2017.

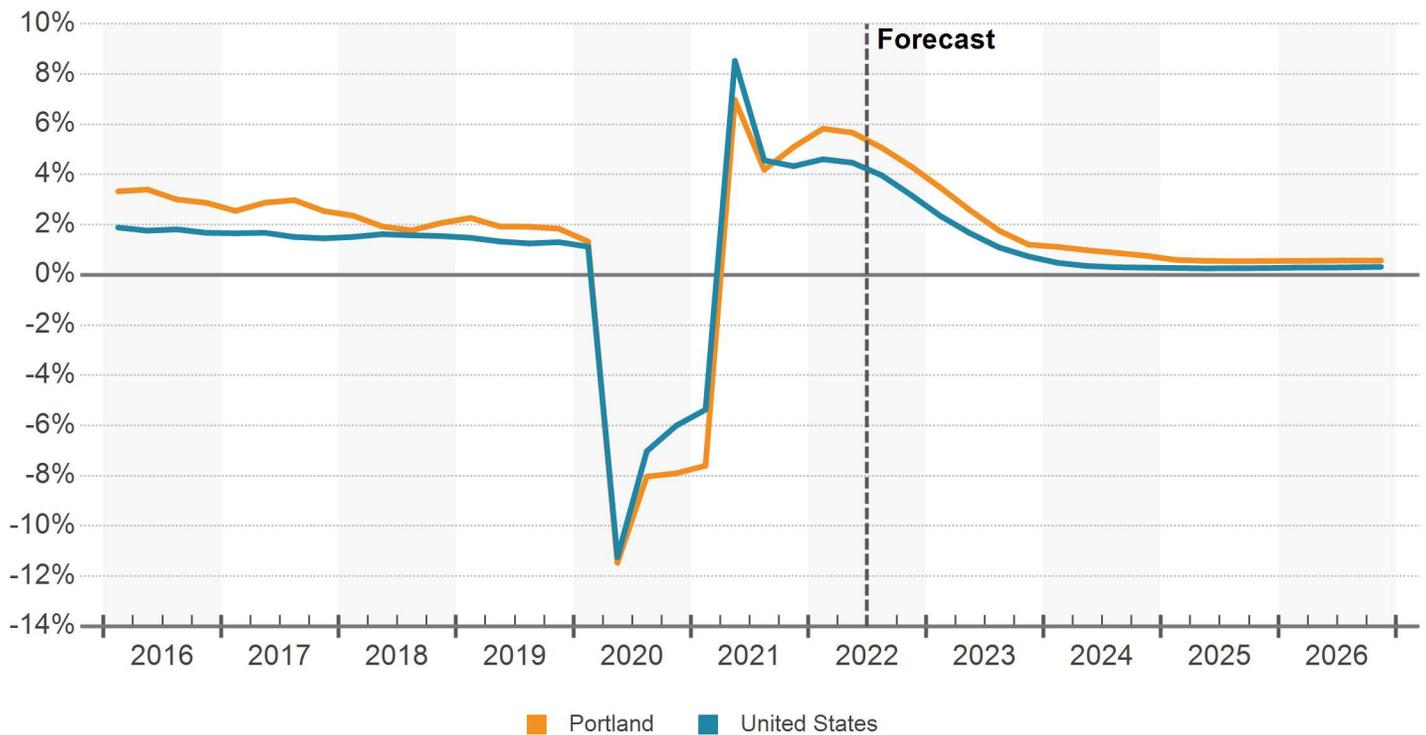
Amazon is another major contributor to Portland's economy and has invested around \$2.8 billion into Oregon. After acquiring Portland-based Elemental Technologies for \$296 million in October 2015, the company has leased about 200,000 SF of office space in the CBD, along with about 2.5 million SF of industrial space in the greater Portland metro. Amazon's industrial footprint includes a sortation center in Hillsboro employing 1,000 workers and fulfillment centers in North Portland (918,000 SF) and Troutdale (860,000 SF), both delivered in 18Q3, that collectively employ about 3,000 workers. Two other major facilities are underway for the e-commerce titan: one in Canby, as well as one in Woodburn further south along Interstate 5.

### PORTLAND EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	127	1.2	4.95%	3.61%	1.12%	0.64%	1.21%	0.23%
Trade, Transportation and Utilities	227	1.0	3.01%	3.53%	1.76%	1.19%	0.25%	0.21%
Retail Trade	119	0.9	2.64%	2.68%	1.27%	0.61%	0.40%	0.16%
Financial Activities	76	1.1	2.66%	2.08%	1.96%	1.39%	0.50%	0.29%
Government	149	0.8	4.12%	1.36%	0.46%	0.16%	0.88%	0.54%
Natural Resources, Mining and Construction	80	1.2	4.14%	4.24%	4.79%	2.50%	1.26%	0.43%
Education and Health Services	184	0.9	3.69%	2.59%	2.04%	1.57%	1.49%	0.76%
Professional and Business Services	193	1.1	4.20%	5.10%	2.71%	2.11%	0.70%	0.49%
Information	28	1.2	6.72%	5.02%	1.45%	0.96%	1.32%	0.43%
Leisure and Hospitality	118	0.9	23.50%	15.05%	1.78%	1.53%	2.32%	1.58%
Other Services	42	0.9	7.76%	5.71%	1.20%	0.54%	1.55%	0.73%
<b>Total Employment</b>	<b>1,226</b>	<b>1.0</b>	<b>5.63%</b>	<b>4.44%</b>	<b>1.86%</b>	<b>1.25%</b>	<b>1.04%</b>	<b>0.58%</b>

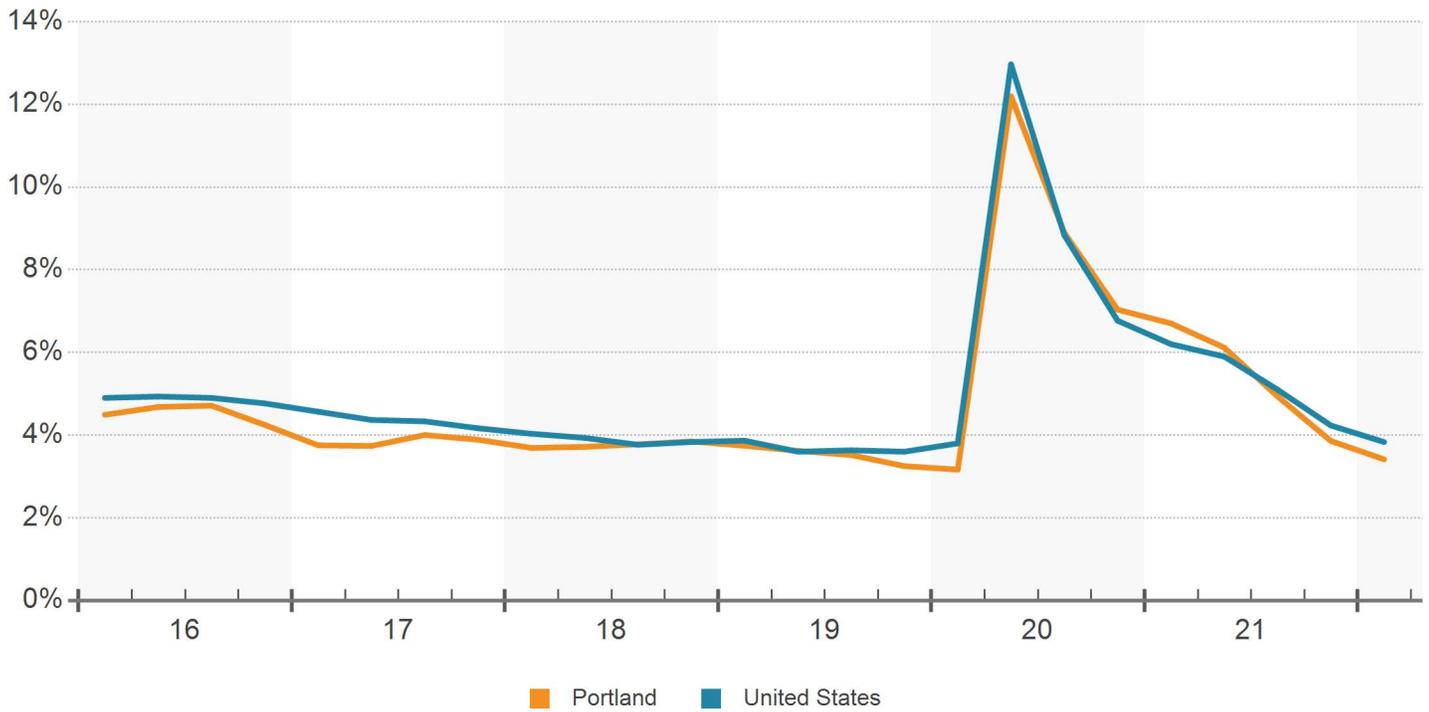
Source: Oxford Economics  
LQ = Location Quotient

### JOB GROWTH (YOY)

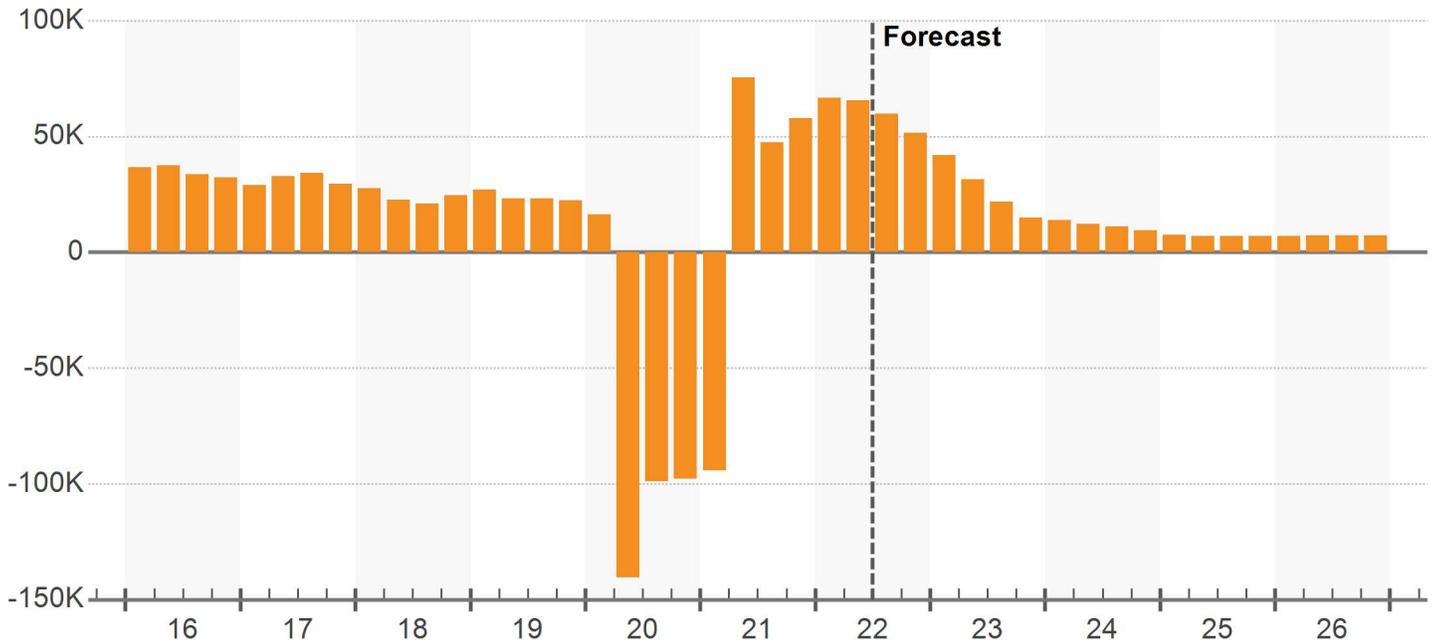


Source: Oxford Economics

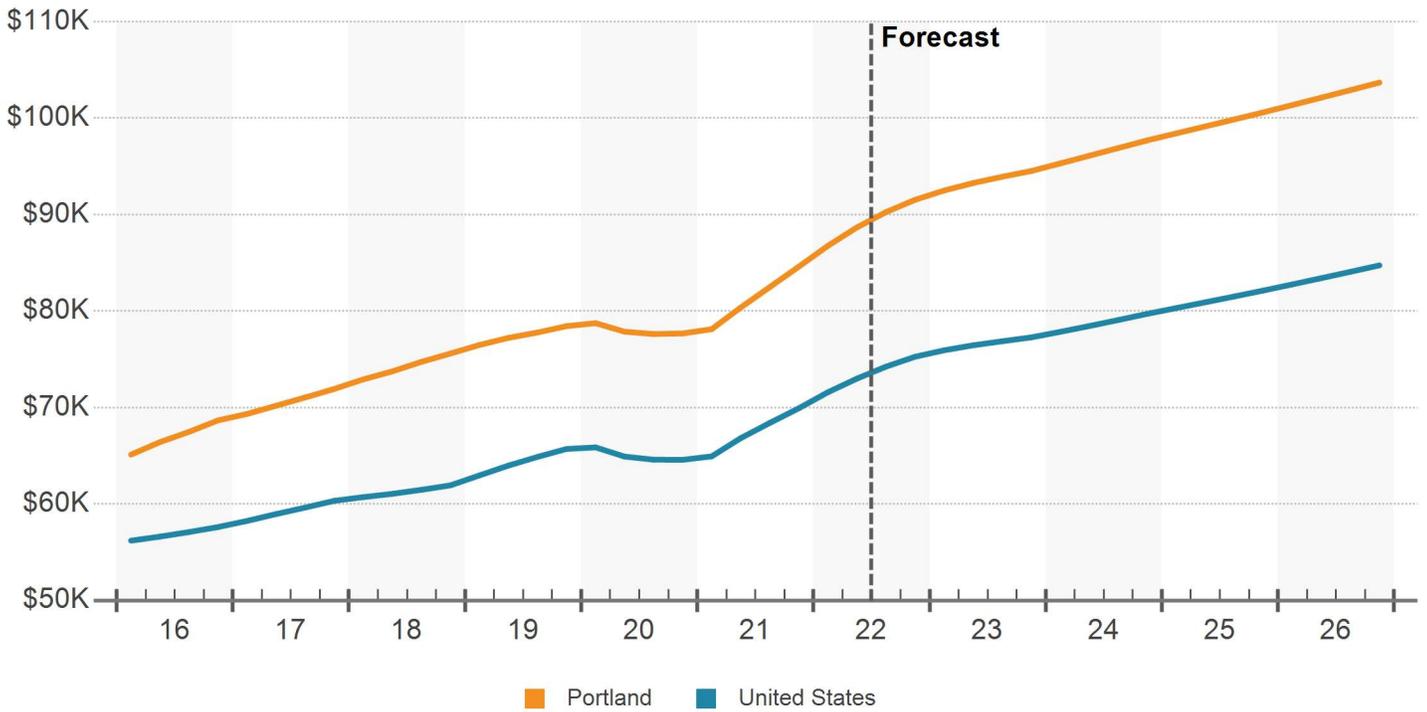
### UNEMPLOYMENT RATE (%)



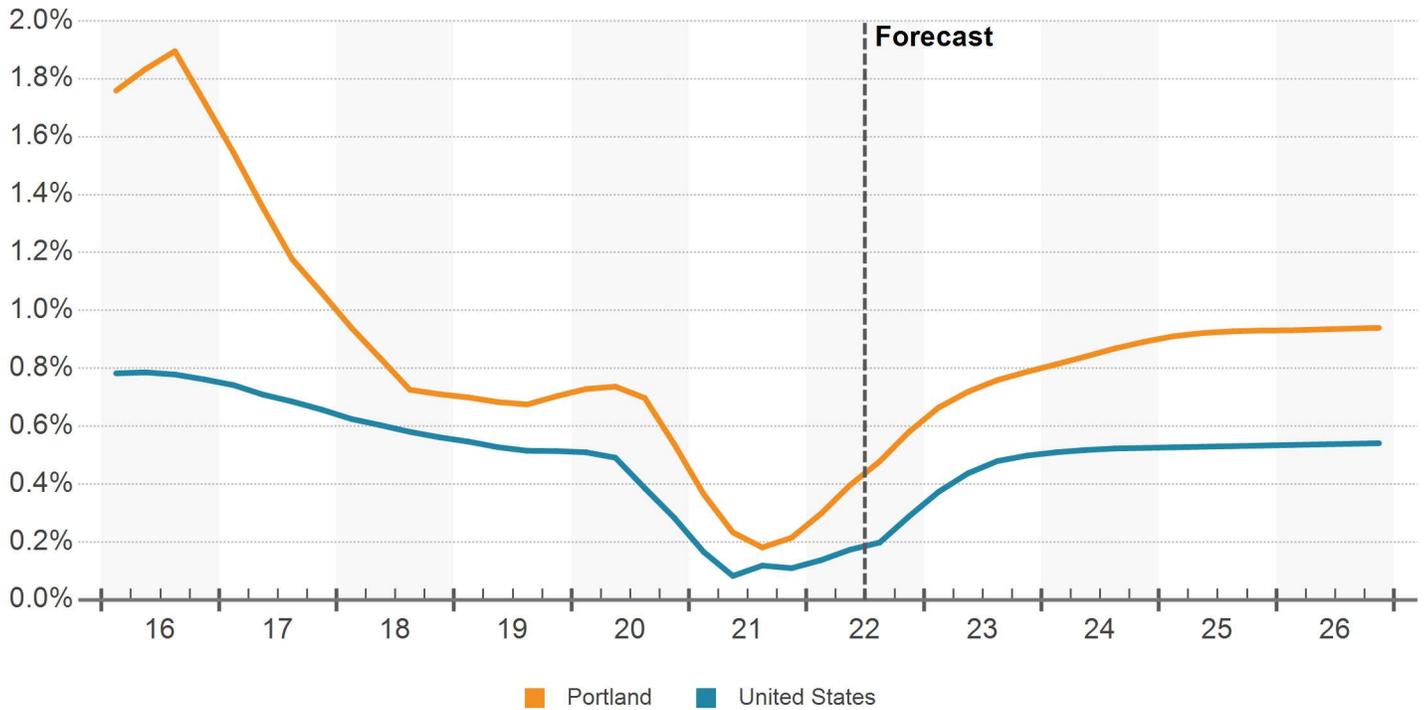
### NET EMPLOYMENT CHANGE (YOY)



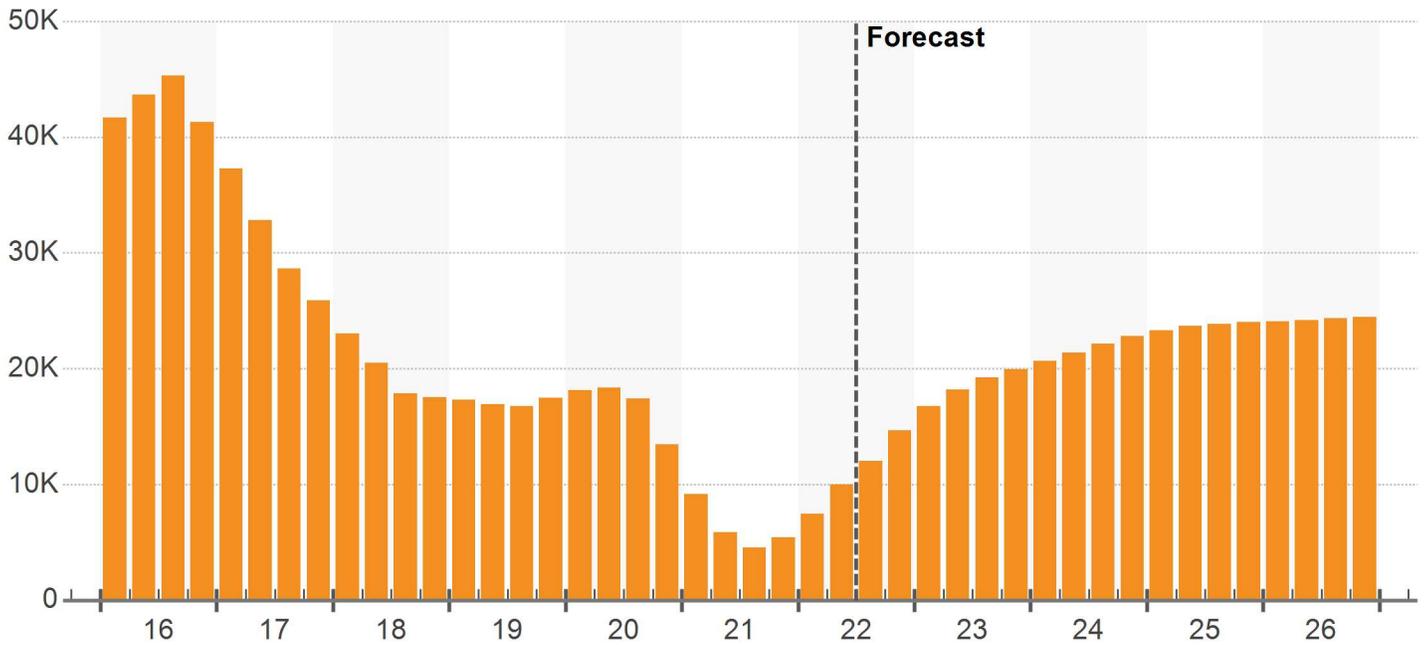
## MEDIAN HOUSEHOLD INCOME



## POPULATION GROWTH (YOY %)



### NET POPULATION CHANGE (YOY)



### DEMOGRAPHIC TRENDS

Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	2,528,943	332,315,250	0.4%	0.2%	1.0%	0.6%	0.9%	0.5%
Households	977,019	124,066,461	0.3%	0.1%	1.1%	0.7%	0.8%	0.5%
Median Household Income	\$88,751	\$73,065	10.3%	9.2%	4.8%	3.7%	3.5%	3.3%
Labor Force	1,364,789	164,642,953	2.3%	2.3%	1.3%	0.6%	0.8%	0.5%
Unemployment	3.4%	3.8%	-2.6%	-2.0%	-0.5%	-0.4%	-	-

Source: Oxford Economics

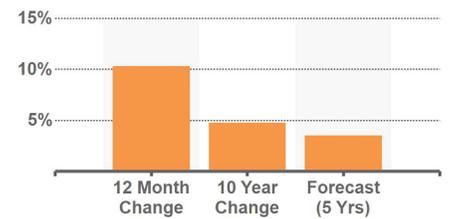
### POPULATION GROWTH



### LABOR FORCE GROWTH

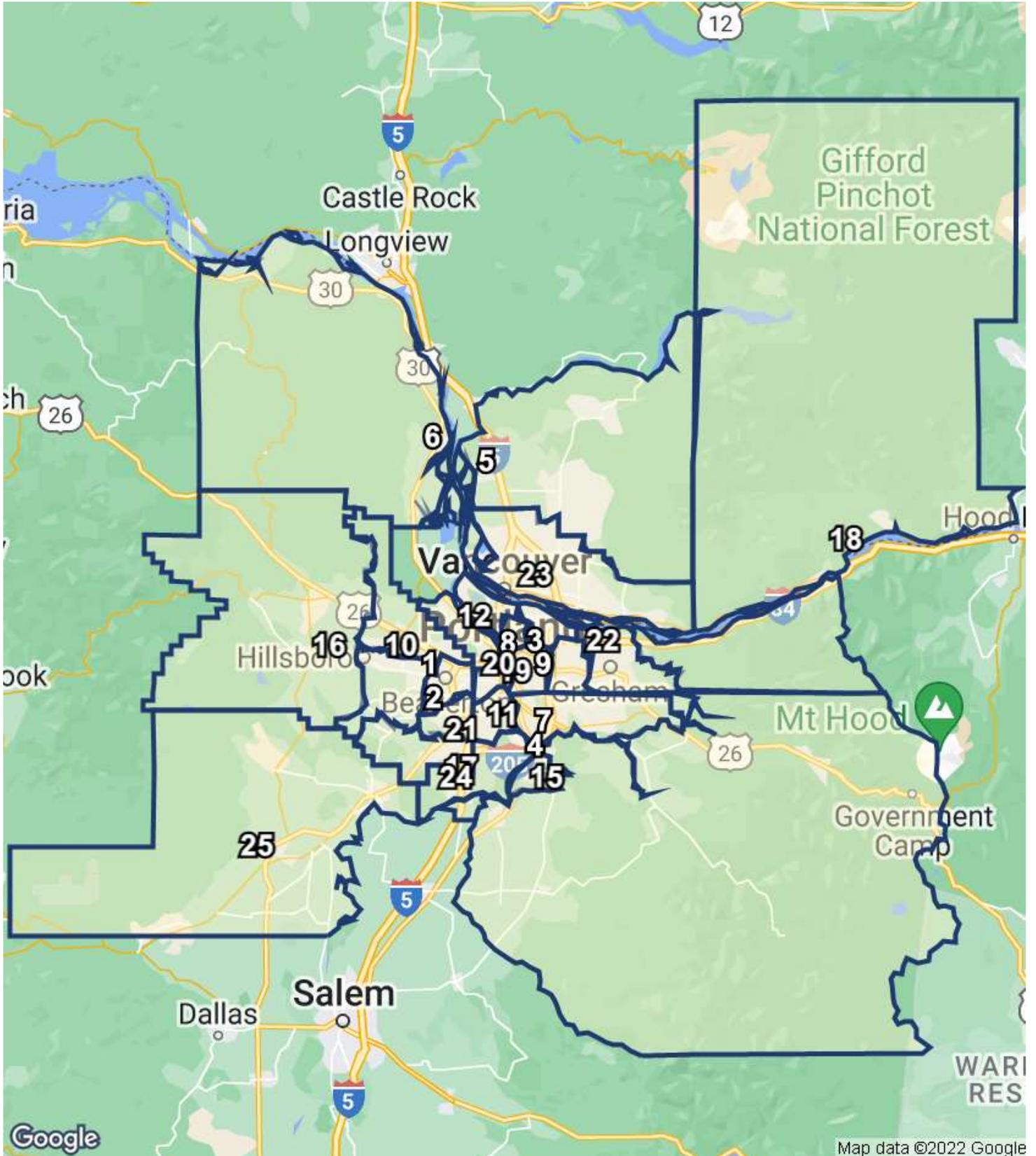


### INCOME GROWTH



Source: Oxford Economics

## PORTLAND SUBMARKETS



### SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	Units	% Market	Rank	Bldgs	Units	Percent	Rank	Bldgs	Units	Percent	Rank
1	Aloha	154	7,243	3.4%	12	0	0	0%	-	0	0	0%	-
2	Beaverton	303	15,941	7.4%	4	0	0	0%	-	0	0	0%	-
3	Central Northeast	183	4,285	2.0%	16	3	41	1.0%	12	1	141	3.3%	14
4	Clackamas County	62	2,138	1.0%	20	0	0	0%	-	4	421	19.7%	5
5	Clark County	31	1,502	0.7%	23	1	129	8.6%	9	0	0	0%	-
6	Columbia County	28	820	0.4%	24	0	0	0%	-	2	319	38.9%	8
7	Damascus	217	12,668	5.9%	8	1	271	2.1%	6	2	358	2.8%	6
8	Downtown Portland	111	12,810	5.9%	6	2	196	1.5%	7	4	774	6.0%	3
9	East Portland	409	10,187	4.7%	9	1	31	0.3%	13	0	0	0%	-
10	Hillsboro	118	20,008	9.3%	3	2	436	2.2%	3	2	266	1.3%	10
11	Lake Oswego	67	4,042	1.9%	17	0	0	0%	-	0	0	0%	-
12	North Portland	200	4,413	2.0%	15	11	151	3.4%	8	2	40	0.9%	16
13	Northeast Portland	331	7,527	3.5%	10	2	26	0.3%	14	3	273	3.6%	9
14	Northwest Portland	378	12,693	5.9%	7	5	983	7.7%	1	1	200	1.6%	12
15	Oregon City	44	2,076	1.0%	21	0	0	0%	-	0	0	0%	-
16	Outlying Washington Cou...	68	1,595	0.7%	22	0	0	0%	-	1	196	12.3%	13
17	Sherwood/Tualatin	43	3,888	1.8%	18	0	0	0%	-	0	0	0%	-
18	Skamania County	4	38	0%	25	0	0	0%	-	0	0	0%	-
19	Southeast Portland	1,023	21,440	9.9%	2	6	112	0.5%	10	9	958	4.5%	2
20	Southwest Portland	211	6,912	3.2%	13	2	326	4.7%	4	1	343	5.0%	7
21	Tigard	119	7,454	3.5%	11	0	0	0%	-	1	222	3.0%	11
22	Troutdale/Gresham	321	15,688	7.3%	5	4	278	1.8%	5	5	516	3.3%	4
23	Vancouver	573	32,859	15.2%	1	9	854	2.6%	2	14	1,782	5.4%	1
24	Wilsonville	57	4,809	2.2%	14	0	0	0%	-	0	0	0%	-
25	Yamhill County	92	2,917	1.4%	19	1	43	1.5%	11	1	75	2.6%	15

### SUBMARKET RENT

No.	Market	Asking Rents				Effective Rents					
		Per Unit	Per SF	Rank	Yr. Growth	Per Unit	Per SF	Rank	Yr. Growth	Concession	Rank
1	Aloha	\$1,737	\$1.92	10	12.3%	\$1,729	\$1.91	10	12.6%	0.5%	14
2	Beaverton	\$1,591	\$1.86	12	12.2%	\$1,584	\$1.86	12	12.6%	0.4%	19
3	Central Northeast	\$1,292	\$1.75	15	6.9%	\$1,287	\$1.74	15	7.5%	0.4%	18
4	Clackamas County	\$1,501	\$1.66	19	10.2%	\$1,494	\$1.66	18	9.9%	0.4%	16
5	Clark County	\$1,456	\$1.70	17	7.3%	\$1,449	\$1.69	17	7.2%	0.5%	12
6	Columbia County	\$1,290	\$1.59	21	6.4%	\$1,287	\$1.59	21	6.5%	0.3%	24
7	Damascus	\$1,583	\$1.81	14	9.9%	\$1,574	\$1.80	14	9.8%	0.5%	9
8	Downtown Portland	\$1,832	\$2.54	1	3.6%	\$1,780	\$2.47	1	7.6%	2.8%	1
9	East Portland	\$1,199	\$1.45	23	4.9%	\$1,194	\$1.44	23	4.9%	0.4%	17
10	Hillsboro	\$1,932	\$2.09	6	15.6%	\$1,923	\$2.08	6	15.6%	0.5%	13
11	Lake Oswego	\$1,982	\$2.14	5	11.6%	\$1,970	\$2.13	5	11.9%	0.6%	8
12	North Portland	\$1,477	\$2	8	3.4%	\$1,467	\$1.98	8	4.0%	0.7%	7
13	Northeast Portland	\$1,606	\$2.40	3	7.0%	\$1,591	\$2.38	3	9.5%	0.9%	4
14	Northwest Portland	\$1,620	\$2.50	2	3.0%	\$1,589	\$2.45	2	2.3%	1.9%	2
15	Oregon City	\$1,563	\$1.67	18	10.5%	\$1,555	\$1.66	19	11.4%	0.5%	15
16	Outlying Washington Cou...	\$1,258	\$1.59	22	9.6%	\$1,254	\$1.58	22	9.8%	0.3%	22
17	Sherwood/Tualatin	\$1,771	\$1.93	9	9.7%	\$1,762	\$1.92	9	9.4%	0.5%	11
18	Skamania County	\$1,196	-	-	-	\$1,193	-	-	-	0.3%	25
19	Southeast Portland	\$1,439	\$2.19	4	5.0%	\$1,424	\$2.17	4	6.8%	1.1%	3
20	Southwest Portland	\$1,617	\$2.06	7	4.4%	\$1,605	\$2.05	7	4.8%	0.7%	6
21	Tigard	\$1,589	\$1.85	13	9.4%	\$1,583	\$1.85	13	9.2%	0.4%	21
22	Troutdale/Gresham	\$1,467	\$1.66	20	8.1%	\$1,455	\$1.65	20	8.0%	0.8%	5
23	Vancouver	\$1,612	\$1.74	16	9.6%	\$1,603	\$1.74	16	9.8%	0.5%	10
24	Wilsonville	\$1,801	\$1.92	11	6.1%	\$1,794	\$1.91	11	5.9%	0.4%	20
25	Yamhill County	\$1,161	\$1.36	24	4.1%	\$1,158	\$1.35	24	4.3%	0.3%	23

### SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construc. Ratio
1	Aloha	296	4.1%	17	168	2.3%	12	-
2	Beaverton	439	2.8%	6	289	1.8%	8	-
3	Central Northeast	193	4.5%	19	116	2.7%	14	0.2
4	Clackamas County	63	2.9%	9	(10)	-0.5%	23	-
5	Clark County	38	2.6%	5	106	7.1%	15	-
6	Columbia County	6	0.7%	1	5	0.6%	19	-
7	Damascus	480	3.8%	13	291	2.3%	7	-
8	Downtown Portland	1,009	7.9%	25	646	5.0%	3	0.3
9	East Portland	288	2.8%	7	87	0.9%	16	0.4
10	Hillsboro	782	3.9%	15	263	1.3%	9	1.7
11	Lake Oswego	159	3.9%	16	131	3.2%	13	-
12	North Portland	337	7.6%	23	245	5.5%	11	0.5
13	Northeast Portland	539	7.2%	22	502	6.7%	6	0.1
14	Northwest Portland	972	7.7%	24	754	5.9%	2	0.9
15	Oregon City	64	3.1%	10	3	0.2%	20	-
16	Outlying Washington Cou...	21	1.3%	3	14	0.9%	18	-
17	Sherwood/Tualatin	132	3.4%	11	(33)	-0.8%	24	-
18	Skamania County	1	1.6%	4	0	0%	-	-
19	Southeast Portland	1,043	4.9%	20	513	2.4%	5	0.2
20	Southwest Portland	362	5.2%	21	255	3.7%	10	1.3
21	Tigard	217	2.9%	8	(10)	-0.1%	22	-
22	Troutdale/Gresham	688	4.4%	18	549	3.5%	4	0.3
23	Vancouver	1,140	3.5%	12	1,029	3.1%	1	0.5
24	Wilsonville	183	3.8%	14	(36)	-0.7%	25	-
25	Yamhill County	31	1.1%	2	58	2.0%	17	-

## OVERALL SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2026	231,655	3,913	1.7%	3,220	1.4%	1.2
2025	227,742	3,669	1.6%	3,309	1.5%	1.1
2024	224,073	2,377	1.1%	3,003	1.3%	0.8
2023	221,696	3,630	1.7%	3,502	1.6%	1.0
2022	218,066	3,736	1.7%	5,499	2.5%	0.7
YTD	215,953	1,623	0.8%	3,201	1.5%	0.5
2021	214,330	7,007	3.4%	10,014	4.7%	0.7
2020	207,323	7,246	3.6%	6,226	3.0%	1.2
2019	200,077	7,089	3.7%	5,506	2.8%	1.3
2018	192,988	6,421	3.4%	6,862	3.6%	0.9
2017	186,567	5,568	3.1%	4,856	2.6%	1.1
2016	180,999	5,086	2.9%	2,763	1.5%	1.8
2015	175,913	4,286	2.5%	3,777	2.1%	1.1
2014	171,627	4,654	2.8%	4,732	2.8%	1.0
2013	166,973	2,678	1.6%	3,048	1.8%	0.9
2012	164,295	2,245	1.4%	1,874	1.1%	1.2
2011	162,050	417	0.3%	163	0.1%	2.6
2010	161,633	800	0.5%	2,966	1.8%	0.3

## 4 &amp; 5 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2026	86,143	3,901	4.7%	3,331	3.9%	1.2
2025	82,242	3,252	4.1%	2,768	3.4%	1.2
2024	78,990	2,054	2.7%	2,150	2.7%	1.0
2023	76,936	2,620	3.5%	2,306	3.0%	1.1
2022	74,316	2,253	3.1%	4,023	5.4%	0.6
YTD	73,121	1,058	1.5%	2,326	3.2%	0.5
2021	72,063	5,815	8.8%	7,534	10.5%	0.8
2020	66,248	6,033	10.0%	4,455	6.7%	1.4
2019	60,215	5,737	10.5%	4,461	7.4%	1.3
2018	54,478	5,230	10.6%	5,096	9.4%	1.0
2017	49,248	4,935	11.1%	4,717	9.6%	1.0
2016	44,313	4,539	11.4%	3,134	7.1%	1.4
2015	39,774	3,769	10.5%	3,357	8.4%	1.1
2014	36,005	4,142	13.0%	4,049	11.2%	1.0
2013	31,863	2,226	7.5%	2,027	6.4%	1.1
2012	29,637	1,460	5.2%	927	3.1%	1.6
2011	28,177	31	0.1%	(31)	-0.1%	-
2010	28,146	719	2.6%	1,584	5.6%	0.5

## 3 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2026	81,844	40	0%	21	0%	1.9
2025	81,804	445	0.5%	511	0.6%	0.9
2024	81,359	357	0.4%	807	1.0%	0.4
2023	81,002	1,037	1.3%	1,145	1.4%	0.9
2022	79,965	1,474	1.9%	1,403	1.8%	1.1
YTD	79,042	551	0.7%	801	1.0%	0.7
2021	78,491	1,171	1.5%	1,965	2.5%	0.6
2020	77,320	1,062	1.4%	1,467	1.9%	0.7
2019	76,258	1,288	1.7%	878	1.2%	1.5
2018	74,970	1,211	1.6%	1,532	2.0%	0.8
2017	73,759	643	0.9%	294	0.4%	2.2
2016	73,116	501	0.7%	(10)	0%	-
2015	72,615	483	0.7%	350	0.5%	1.4
2014	72,132	562	0.8%	565	0.8%	1.0
2013	71,570	408	0.6%	709	1.0%	0.6
2012	71,162	751	1.1%	923	1.3%	0.8
2011	70,411	396	0.6%	247	0.4%	1.6
2010	70,015	102	0.1%	934	1.3%	0.1

## 1 &amp; 2 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2026	63,668	(28)	0%	(132)	-0.2%	0.2
2025	63,696	(28)	0%	30	0%	-
2024	63,724	(34)	-0.1%	46	0.1%	-
2023	63,758	(27)	0%	51	0.1%	-
2022	63,785	9	0%	73	0.1%	0.1
YTD	63,790	14	0%	74	0.1%	0.2
2021	63,776	21	0%	515	0.8%	0
2020	63,755	151	0.2%	304	0.5%	0.5
2019	63,604	64	0.1%	167	0.3%	0.4
2018	63,540	(20)	0%	234	0.4%	-
2017	63,560	(10)	0%	(155)	-0.2%	0.1
2016	63,570	46	0.1%	(361)	-0.6%	-
2015	63,524	34	0.1%	70	0.1%	0.5
2014	63,490	(50)	-0.1%	118	0.2%	-
2013	63,540	44	0.1%	312	0.5%	0.1
2012	63,496	34	0.1%	24	0%	1.4
2011	63,462	(10)	0%	(53)	-0.1%	0.2
2010	63,472	(21)	0%	448	0.7%	0

### OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2026	9,852	4.3%	0.2	\$1,912	\$2.30	2.7%	(0.8)	\$1,894	\$2.27
2025	9,160	4.0%	0.1	\$1,862	\$2.24	3.4%	(1.0)	\$1,845	\$2.22
2024	8,800	3.9%	(0.3)	\$1,801	\$2.16	4.5%	(1.5)	\$1,784	\$2.14
2023	9,424	4.3%	0	\$1,724	\$2.07	6.0%	(0.9)	\$1,708	\$2.05
2022	9,296	4.3%	(0.9)	\$1,626	\$1.95	6.9%	(2.6)	\$1,611	\$1.93
YTD	9,482	4.4%	(0.8)	\$1,611	\$1.93	8.6%	(0.9)	\$1,598	\$1.91
2021	11,036	5.1%	(1.6)	\$1,521	\$1.82	9.5%	8.6	\$1,506	\$1.80
2020	14,031	6.8%	0.3	\$1,389	\$1.66	0.9%	(1.5)	\$1,367	\$1.64
2019	12,967	6.5%	0.6	\$1,377	\$1.65	2.4%	0	\$1,358	\$1.63
2018	11,370	5.9%	(0.4)	\$1,345	\$1.61	2.4%	0.5	\$1,317	\$1.58
2017	11,782	6.3%	0.2	\$1,314	\$1.57	1.9%	(1.6)	\$1,282	\$1.54
2016	11,058	6.1%	1.2	\$1,289	\$1.54	3.5%	(5.0)	\$1,262	\$1.51
2015	8,709	5.0%	0.2	\$1,246	\$1.49	8.5%	4.1	\$1,231	\$1.47
2014	8,193	4.8%	(0.2)	\$1,149	\$1.37	4.3%	0.6	\$1,136	\$1.36
2013	8,262	4.9%	(0.3)	\$1,101	\$1.32	3.8%	0.9	\$1,092	\$1.31
2012	8,628	5.3%	0.2	\$1,061	\$1.27	2.9%	1.1	\$1,053	\$1.26
2011	8,252	5.1%	0.1	\$1,031	\$1.23	1.8%	0.2	\$1,025	\$1.23
2010	7,996	4.9%	(1.4)	\$1,013	\$1.21	1.6%	-	\$1,007	\$1.20

### 4 & 5 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2026	5,522	6.4%	0.4	\$2,221	\$2.66	2.5%	(0.8)	\$2,187	\$2.62
2025	4,951	6.0%	0.4	\$2,168	\$2.59	3.2%	(1.1)	\$2,134	\$2.55
2024	4,467	5.7%	(0.3)	\$2,100	\$2.51	4.3%	(1.6)	\$2,067	\$2.47
2023	4,562	5.9%	0.2	\$2,012	\$2.41	5.9%	(1.3)	\$1,981	\$2.37
2022	4,248	5.7%	(2.6)	\$1,900	\$2.27	7.3%	(3.5)	\$1,870	\$2.24
YTD	4,751	6.5%	(1.8)	\$1,892	\$2.25	9.1%	(1.7)	\$1,867	\$2.23
2021	5,994	8.3%	(3.3)	\$1,771	\$2.11	10.8%	11.4	\$1,743	\$2.08
2020	7,706	11.6%	1.5	\$1,598	\$1.90	-0.6%	(2.2)	\$1,556	\$1.85
2019	6,090	10.1%	1.3	\$1,609	\$1.92	1.5%	(0.3)	\$1,574	\$1.88
2018	4,808	8.8%	(0.6)	\$1,584	\$1.89	1.8%	0.8	\$1,542	\$1.84
2017	4,665	9.5%	(0.5)	\$1,556	\$1.85	1.0%	(0.3)	\$1,508	\$1.80
2016	4,436	10.0%	2.5	\$1,541	\$1.84	1.4%	(5.2)	\$1,490	\$1.78
2015	3,000	7.5%	0.4	\$1,520	\$1.81	6.5%	3.5	\$1,496	\$1.78
2014	2,582	7.2%	(0.6)	\$1,427	\$1.70	3.1%	(0.3)	\$1,406	\$1.67
2013	2,482	7.8%	0.1	\$1,385	\$1.65	3.4%	0.7	\$1,370	\$1.63
2012	2,283	7.7%	1.5	\$1,339	\$1.59	2.7%	1.1	\$1,328	\$1.58
2011	1,749	6.2%	0.2	\$1,305	\$1.55	1.5%	0.2	\$1,297	\$1.54
2010	1,686	6.0%	(3.3)	\$1,285	\$1.53	1.3%	-	\$1,276	\$1.52

### 3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2026	2,512	3.1%	0	\$1,897	\$2.21	2.8%	(0.7)	\$1,887	\$2.20
2025	2,494	3.0%	(0.1)	\$1,846	\$2.15	3.5%	(1.0)	\$1,836	\$2.14
2024	2,559	3.1%	(0.6)	\$1,783	\$2.08	4.5%	(1.5)	\$1,773	\$2.07
2023	3,009	3.7%	(0.2)	\$1,705	\$1.99	6.0%	(1.3)	\$1,696	\$1.98
2022	3,117	3.9%	0	\$1,608	\$1.88	7.4%	(3.4)	\$1,600	\$1.87
YTD	2,797	3.5%	(0.3)	\$1,594	\$1.86	10.1%	(0.7)	\$1,587	\$1.85
2021	3,046	3.9%	(1.1)	\$1,498	\$1.75	10.8%	8.8	\$1,489	\$1.74
2020	3,837	5.0%	(0.6)	\$1,352	\$1.58	2.0%	(1.2)	\$1,340	\$1.56
2019	4,238	5.6%	0.5	\$1,325	\$1.54	3.3%	0.4	\$1,313	\$1.53
2018	3,821	5.1%	(0.5)	\$1,283	\$1.49	2.9%	0.6	\$1,257	\$1.46
2017	4,123	5.6%	0.4	\$1,247	\$1.45	2.2%	(2.7)	\$1,220	\$1.42
2016	3,770	5.2%	0.7	\$1,220	\$1.42	4.9%	(6.1)	\$1,204	\$1.40
2015	3,261	4.5%	0.2	\$1,163	\$1.35	11.0%	5.4	\$1,150	\$1.34
2014	3,125	4.3%	0	\$1,047	\$1.22	5.7%	1.4	\$1,037	\$1.21
2013	3,127	4.4%	(0.4)	\$991	\$1.15	4.3%	1.0	\$985	\$1.15
2012	3,425	4.8%	(0.3)	\$950	\$1.11	3.3%	1.0	\$943	\$1.10
2011	3,592	5.1%	0.2	\$919	\$1.07	2.4%	0.4	\$914	\$1.06
2010	3,442	4.9%	(1.2)	\$898	\$1.05	1.9%	-	\$893	\$1.04

### 1 & 2 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2026	1,818	2.9%	0.2	\$1,450	\$1.83	2.9%	(0.7)	\$1,444	\$1.83
2025	1,714	2.7%	(0.1)	\$1,410	\$1.78	3.6%	(1.0)	\$1,404	\$1.78
2024	1,773	2.8%	(0.1)	\$1,361	\$1.72	4.6%	(1.5)	\$1,355	\$1.71
2023	1,852	2.9%	(0.1)	\$1,301	\$1.65	6.1%	1.0	\$1,295	\$1.64
2022	1,931	3.0%	(0.1)	\$1,226	\$1.55	5.2%	1.2	\$1,221	\$1.54
YTD	1,935	3.0%	(0.1)	\$1,197	\$1.51	4.6%	0.6	\$1,192	\$1.51
2021	1,996	3.1%	(0.8)	\$1,166	\$1.47	4.0%	1.8	\$1,161	\$1.46
2020	2,488	3.9%	(0.2)	\$1,121	\$1.41	2.3%	(0.3)	\$1,115	\$1.41
2019	2,639	4.1%	(0.2)	\$1,096	\$1.38	2.6%	(0.3)	\$1,090	\$1.38
2018	2,741	4.3%	(0.4)	\$1,069	\$1.35	2.8%	(0.5)	\$1,060	\$1.34
2017	2,995	4.7%	0.2	\$1,039	\$1.31	3.4%	(2.4)	\$1,030	\$1.30
2016	2,853	4.5%	0.6	\$1,005	\$1.27	5.8%	(2.8)	\$998	\$1.26
2015	2,449	3.9%	(0.1)	\$950	\$1.20	8.6%	3.5	\$944	\$1.19
2014	2,485	3.9%	(0.3)	\$875	\$1.10	5.1%	1.4	\$870	\$1.09
2013	2,654	4.2%	(0.4)	\$833	\$1.05	3.7%	1.0	\$828	\$1.04
2012	2,921	4.6%	0	\$803	\$1.01	2.8%	1.4	\$798	\$1
2011	2,912	4.6%	0.1	\$781	\$0.98	1.4%	(0.2)	\$777	\$0.98
2010	2,868	4.5%	(0.7)	\$771	\$0.97	1.6%	-	\$766	\$0.96

## OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2026	-	-	-	-	-	-	\$347,252	363	4.5%
2025	-	-	-	-	-	-	\$339,454	354	4.5%
2024	-	-	-	-	-	-	\$329,751	344	4.5%
2023	-	-	-	-	-	-	\$316,656	331	4.5%
2022	-	-	-	-	-	-	\$297,958	311	4.4%
YTD	155	\$1.2B	2.8%	\$11,147,875	\$277,821	5.0%	\$291,927	305	4.4%
2021	398	\$4.4B	8.3%	\$13,969,211	\$263,156	5.1%	\$275,238	287	4.4%
2020	236	\$1.8B	4.2%	\$10,087,713	\$230,021	5.5%	\$248,295	259	4.5%
2019	307	\$2.2B	5.8%	\$9,485,550	\$221,738	5.5%	\$234,069	244	4.8%
2018	351	\$2.2B	6.4%	\$9,279,022	\$212,262	5.4%	\$216,070	226	4.9%
2017	301	\$1.6B	5.3%	\$8,340,533	\$201,854	5.5%	\$200,851	210	5.1%
2016	309	\$3B	9.1%	\$11,570,117	\$188,305	5.5%	\$189,445	198	5.2%
2015	318	\$2.2B	8.6%	\$7,981,992	\$151,022	5.8%	\$177,383	185	5.3%
2014	232	\$1.5B	6.3%	\$7,464,538	\$144,424	6.3%	\$159,053	166	5.6%
2013	196	\$928.1M	5.4%	\$5,185,035	\$106,619	6.5%	\$144,259	151	5.9%
2012	189	\$868.4M	5.1%	\$5,231,559	\$107,733	6.6%	\$138,163	144	5.9%
2011	149	\$953.2M	5.7%	\$7,221,144	\$111,576	6.6%	\$131,609	137	6.0%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 4 &amp; 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2026	-	-	-	-	-	-	\$467,849	333	4.2%
2025	-	-	-	-	-	-	\$458,115	326	4.2%
2024	-	-	-	-	-	-	\$445,823	317	4.2%
2023	-	-	-	-	-	-	\$428,698	305	4.2%
2022	-	-	-	-	-	-	\$403,758	287	4.2%
YTD	16	\$306M	2.1%	\$21,857,536	\$325,884	4.7%	\$395,652	282	4.1%
2021	63	\$2.2B	9.9%	\$41,196,069	\$320,616	4.5%	\$372,387	265	4.1%
2020	33	\$871.9M	4.5%	\$29,064,257	\$324,982	5.1%	\$341,292	243	4.2%
2019	38	\$1.3B	7.6%	\$37,618,579	\$297,104	4.7%	\$325,123	231	4.4%
2018	33	\$949M	6.6%	\$33,894,122	\$311,363	4.8%	\$300,957	214	4.6%
2017	27	\$604.5M	6.2%	\$28,783,762	\$274,380	4.9%	\$283,351	202	4.7%
2016	36	\$1.7B	15.3%	\$47,972,691	\$248,526	4.6%	\$268,704	191	4.8%
2015	28	\$907.7M	12.1%	\$32,417,257	\$188,983	5.3%	\$255,074	182	4.9%
2014	24	\$641.5M	8.1%	\$26,728,317	\$220,062	5.5%	\$231,326	165	5.1%
2013	15	\$418.9M	8.1%	\$27,927,827	\$162,813	5.7%	\$211,396	150	5.4%
2012	14	\$267.7M	7.0%	\$19,118,623	\$128,807	5.8%	\$202,126	144	5.4%
2011	16	\$533.3M	12.8%	\$35,550,254	\$163,174	5.6%	\$193,396	138	5.5%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2026	-	-	-	-	-	-	\$321,273	404	4.4%
2025	-	-	-	-	-	-	\$313,663	395	4.4%
2024	-	-	-	-	-	-	\$304,343	383	4.4%
2023	-	-	-	-	-	-	\$292,031	367	4.4%
2022	-	-	-	-	-	-	\$274,649	345	4.4%
YTD	43	\$644.6M	3.4%	\$20,144,907	\$289,334	4.9%	\$269,558	339	4.3%
2021	107	\$1.7B	8.6%	\$17,810,240	\$252,917	4.9%	\$253,207	318	4.4%
2020	65	\$618.2M	4.0%	\$10,657,949	\$202,146	5.3%	\$223,538	281	4.5%
2019	65	\$497.9M	4.4%	\$9,762,354	\$192,083	5.7%	\$208,268	262	4.7%
2018	90	\$931.4M	6.5%	\$12,095,920	\$200,341	5.3%	\$191,862	241	4.9%
2017	76	\$768.6M	5.7%	\$12,397,091	\$195,081	5.3%	\$175,693	221	5.1%
2016	84	\$1B	8.9%	\$13,182,701	\$161,904	5.5%	\$165,078	208	5.2%
2015	87	\$955.1M	9.0%	\$13,451,606	\$148,648	5.4%	\$151,887	191	5.4%
2014	66	\$728.6M	7.8%	\$11,384,916	\$129,351	6.0%	\$134,823	170	5.6%
2013	53	\$357.2M	5.5%	\$7,441,669	\$94,547	6.3%	\$121,135	152	6.0%
2012	48	\$458.8M	5.8%	\$10,427,266	\$115,567	6.4%	\$115,955	146	6.0%
2011	44	\$304.5M	5.3%	\$7,611,790	\$89,001	6.5%	\$109,687	138	6.1%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 1 &amp; 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2026	-	-	-	-	-	-	\$234,643	376	5.0%
2025	-	-	-	-	-	-	\$228,946	367	5.0%
2024	-	-	-	-	-	-	\$221,882	356	4.9%
2023	-	-	-	-	-	-	\$212,657	341	4.9%
2022	-	-	-	-	-	-	\$199,826	320	4.9%
YTD	96	\$286.8M	2.7%	\$4,411,870	\$222,822	5.1%	\$194,924	312	4.9%
2021	228	\$518.6M	6.1%	\$3,124,397	\$161,926	5.4%	\$185,809	298	4.9%
2020	138	\$325.7M	3.9%	\$3,540,212	\$151,277	5.7%	\$167,387	268	5.0%
2019	204	\$404.8M	5.8%	\$2,791,480	\$137,581	5.6%	\$156,855	251	5.2%
2018	228	\$365.1M	6.0%	\$2,664,978	\$126,684	5.6%	\$144,283	231	5.4%
2017	198	\$245M	4.3%	\$2,207,070	\$130,798	5.8%	\$133,170	213	5.6%
2016	189	\$266.2M	4.9%	\$1,848,786	\$99,190	5.7%	\$124,595	200	5.7%
2015	203	\$364.2M	5.9%	\$2,023,492	\$103,533	6.0%	\$115,962	186	5.9%
2014	142	\$145.2M	3.6%	\$1,262,495	\$74,685	6.8%	\$102,571	164	6.2%
2013	128	\$152M	3.9%	\$1,310,377	\$64,573	6.8%	\$92,582	148	6.5%
2012	127	\$142M	3.4%	\$1,314,614	\$70,531	6.9%	\$89,156	143	6.5%
2011	89	\$115.5M	3.1%	\$1,499,552	\$62,279	6.9%	\$84,796	136	6.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

### DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2026	-	231,657	4.3%	-	3,952	-	3,913	-	-
2025	-	227,744	4.0%	-	3,756	-	3,669	-	-
2024	-	224,075	3.9%	-	2,326	-	2,378	-	-
2023	-	221,697	4.3%	-	3,657	-	3,630	-	-
2022	-	218,067	4.3%	-	3,741	-	3,737	-	-
YTD	5,147	215,953	4.4%	27	1,623	27	1,623	53	6,884
2021	5,120	214,330	5.1%	77	7,012	76	7,007	62	5,782
2020	5,044	207,323	6.8%	78	7,246	78	7,246	103	9,375
2019	4,966	200,077	6.5%	109	7,089	109	7,089	124	12,116
2018	4,857	192,988	5.9%	92	6,449	91	6,420	149	12,416
2017	4,766	186,567	6.3%	67	5,601	64	5,566	136	12,240
2016	4,702	180,999	6.1%	61	5,097	60	5,086	105	9,377
2015	4,642	175,913	5.0%	59	4,286	59	4,286	85	8,753
2014	4,583	171,627	4.8%	58	4,738	55	4,654	75	7,039
2013	4,528	166,973	4.9%	36	2,678	36	2,678	70	6,789
2012	4,492	164,295	5.3%	23	2,251	22	2,245	50	4,462
2011	4,470	162,050	5.1%	6	445	3	417	32	3,241
2010	4,467	161,633	4.9%	15	847	10	800	11	1,158