



Multi-Family Market Report

Portland - OR

PREPARED BY

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MULTI-FAMILY MARKET REPORT

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12 Mo. Delivered Units

3,404

12 Mo. Absorption Units

3,249

Vacancy Rate

5.2%

12 Mo. Asking Rent Growth

3.9%

Leasing activity in the Portland metro area has cooled heading into the historically slower winter months. Net absorption in the region is thus beginning to recalibrate from the record performance turned in during 2021, but deliveries of new product have been slowing over the past few quarters. As such, vacancies have stabilized in the 5.2% range.

As a result, occupancy has climbed to 94.8% metro wide, a figure well above the long-term average. Driving this trend is a recovery in the urban core areas that saw an exodus during the pandemic. In downtown, for example, occupancy has risen to well above 90%, outpacing the historical average and a more than 900-basis-point upswing from the low point reached in late 2020.

This degree of demand gave rents the runway needed to surpass record highs. The market asking rate now sits near \$1,600/unit, reflecting year-over-year growth of 3.9%. Many suburban submarkets have seen rents grow well into the double digits on a percentage basis, and in supply-constrained communities such as Hillsboro and Lake Oswego, asking rates are nearing \$2,000/unit.

Downward pressure on rents, however, is materializing. Residents tightening budgets to battle inflation has eroded household formations. And despite slowing deliveries from a previously light pipeline, construction

starts in the region have recently picked up. Units underway total over 10,000, which is a boost from the seven-year low reached at the end of 2021. Permitting activity has also gained steam in certain areas of the region, but the latest data still suggests approvals for new units remain below the 2017 peak. This was formed as developers raced to get projects approved before Portland's inclusionary zoning policy was implemented.

CoStar's base case forecast projects annual deliveries in 2023 and 2024 will outpace 2022 figures. This means that in the near term, prospective tenants will have fewer competing options coming on line to choose from when selecting a unit. Nonetheless, as developers ramp up construction, particularly in the core submarkets, tenant pricing and negotiation power should improve.

Rent growth and a lack of competing supply over the past year boosted Portland multifamily asset attractiveness, prompting buyers to converge on the area to place capital. Suburban assets with good linkages to employment nodes are pushing pricing to the largest degree, but value-add plays have also been popular for investors targeting an upside in rents. In addition, when examining deals over \$25 million in value occurring since the start of 2021, the distribution across the metro area has been fairly uniform. This points to the desirability of the larger region, as buyers appear willing to secure assets wherever they can find them.

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	75,632	6.5%	\$1,844	\$1,826	37	0	7,570
3 Star	78,709	4.9%	\$1,587	\$1,578	44	0	3,417
1 & 2 Star	63,910	4.1%	\$1,214	\$1,209	0	0	112
Market	218,251	5.2%	\$1,599	\$1,587	81	0	11,099

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0%	5.5%	5.9%	7.4%	2004 Q1	3.5%	2000 Q3
Absorption Units	3,249	3,054	4,592	10,986	2021 Q2	(2,836)	2002 Q1
Delivered Units	3,404	3,327	5,456	8,306	2021 Q2	440	2011 Q2
Demolished Units	62	26	27	152	2009 Q3	0	2020 Q4
Asking Rent Growth (YOY)	3.9%	2.6%	3.0%	9.3%	2021 Q4	-4.2%	2009 Q4
Effective Rent Growth (YOY)	4.2%	2.6%	3.0%	9.9%	2021 Q4	-4.4%	2009 Q4
Sales Volume	\$2.7B	\$1.3B	N/A	\$4.4B	2022 Q2	\$209.4M	2009 Q3

Steady apartment demand over the past 18 months came by way of relocations amidst strong regional migration figures. Nonetheless, leasing has cooled from its record-setting mid-2021 performance. Trailing four-quarter net absorption now equates to 3,200 units, versus the average annual figure of 6,500 units over the past five years.

Vacancies still remain near the widely-accepted 5% equilibrium mark, at 5.2%, reflecting a 0.0% change over the previous 12 months. But this is primarily because construction to-date has not kept pace with demand. Developers have recently picked up some of the slack, however, and more units are expected in coming quarters. This may be poorly timed, as residents reassess spending to battle inflation, delaying some household formations.

An onslaught of supply on the horizon may not be a death sentence for Portland's multifamily market. Homeownership is still out of reach for many residents and will likely continue to be in the near term, given rising interest rates as a result of the FED's battle against inflation. As such, renters as a whole comprise over 45% of Portland households. Relief in the form of new single-family residential units isn't around the corner, either. 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 single-family subdivisions.

These factors could keep forcing a healthy percentage of residents to turn to apartment living options, and should provide a measured stream of renters for landlords in quarters to come.

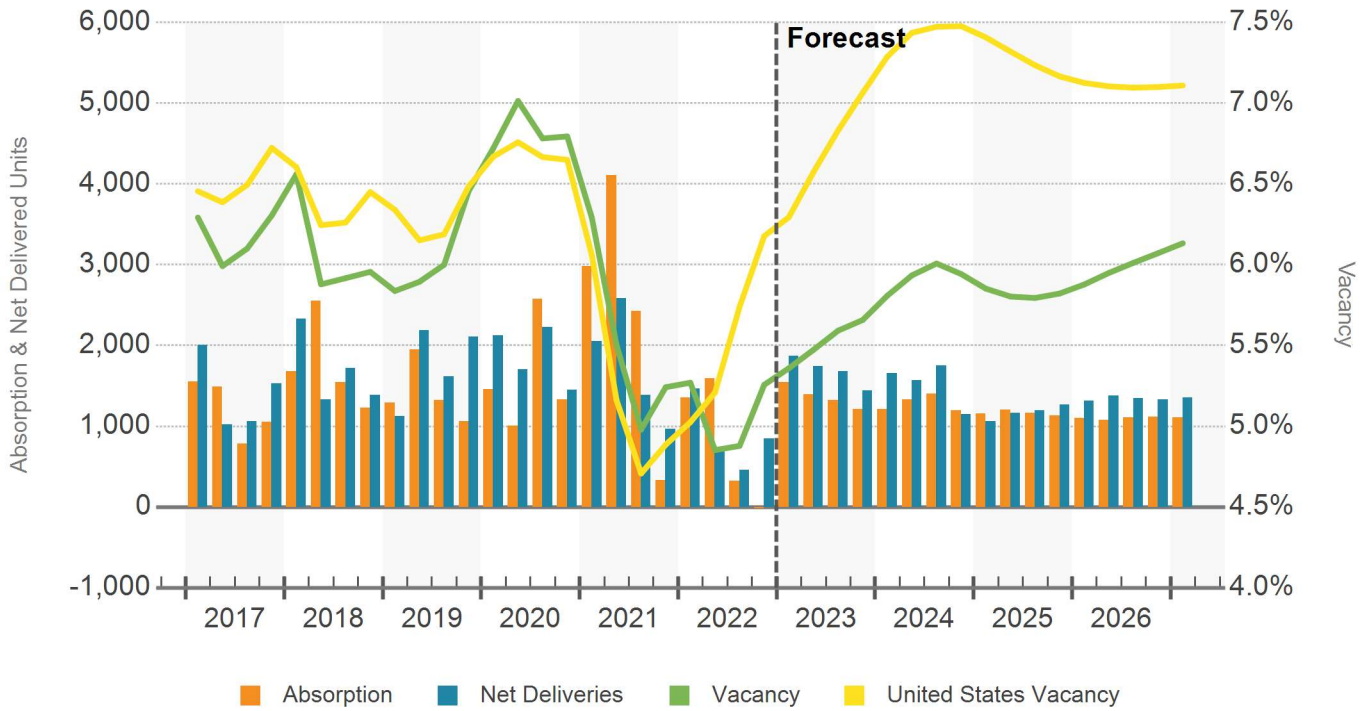
Given Portland's land constraints, the few large tracts that are available have been identified and almost all are

being developed. In the Southwest Portland submarket, vacancies have compressed to sit below the 5% mark. The recent movement is attributable to tenants – a large portion of whom are employed at Oregon Health and Science University – who are drawn to the nearby South Waterfront neighborhood's proximity to downtown amenities in addition to its upscale and exclusive feel. OHSU also broke ground on a major hospital expansion in mid-2022 that will create an additional 3,000 jobs when complete. This should keep demand here outsized over the long term. As inventory needs rise in Southwest Portland, developers appear committed to keeping tenants from bleeding into other neighborhoods. The South Waterfront 45 will bring close to 300 4 Star units out of the ground by late 2023, with additional phases in the works.

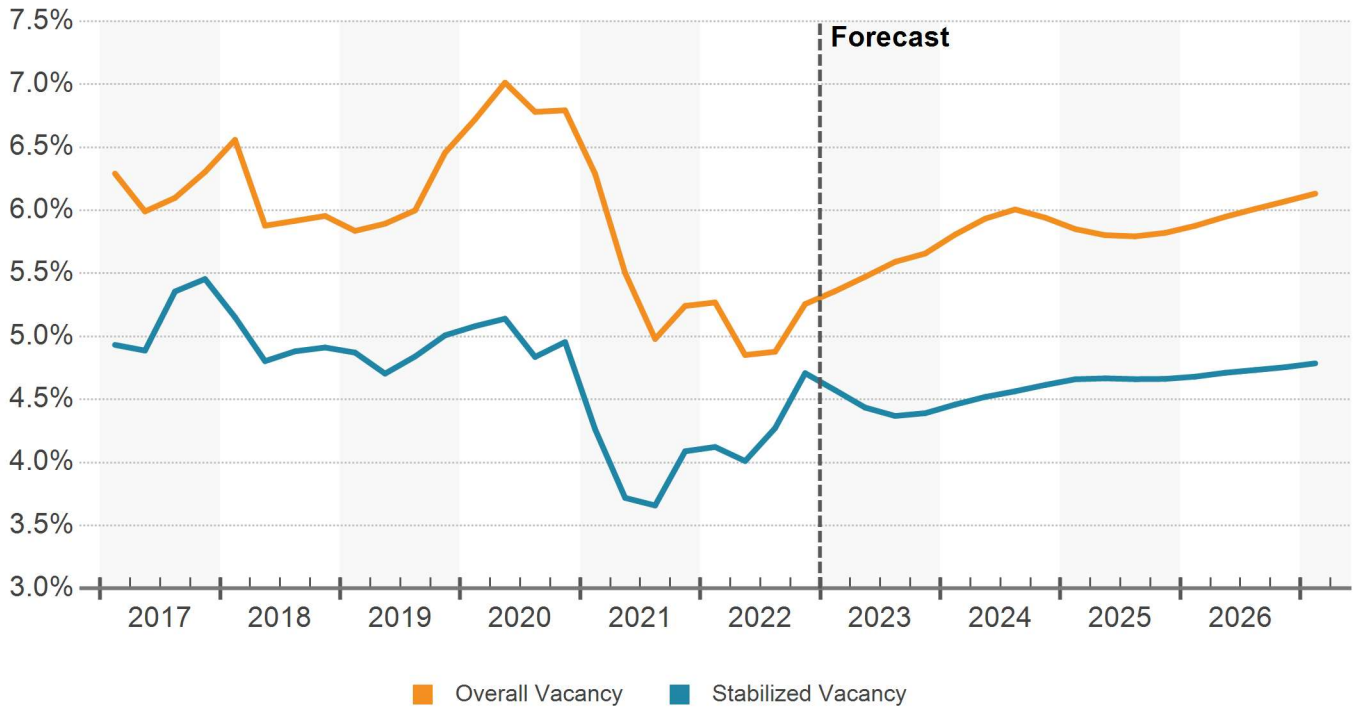
Another area that could serve to shift demand with existing product is Portland's Downtown core. Here, vacancies remain elevated relative to the rest of the metro, at above 7%, but have compressed approximately 300 basis points over the last year. Contributing to the decline are renters that left the pricey business district during the height of the pandemic, some of which are now being drawn back to Portland's busiest hub as restaurants and other entertainment offerings open back up and the necessity to be proximate to these services grows.

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 of late. Resulting rent growth is forecast to continue to post near double-digit figures on a year-over-year basis.

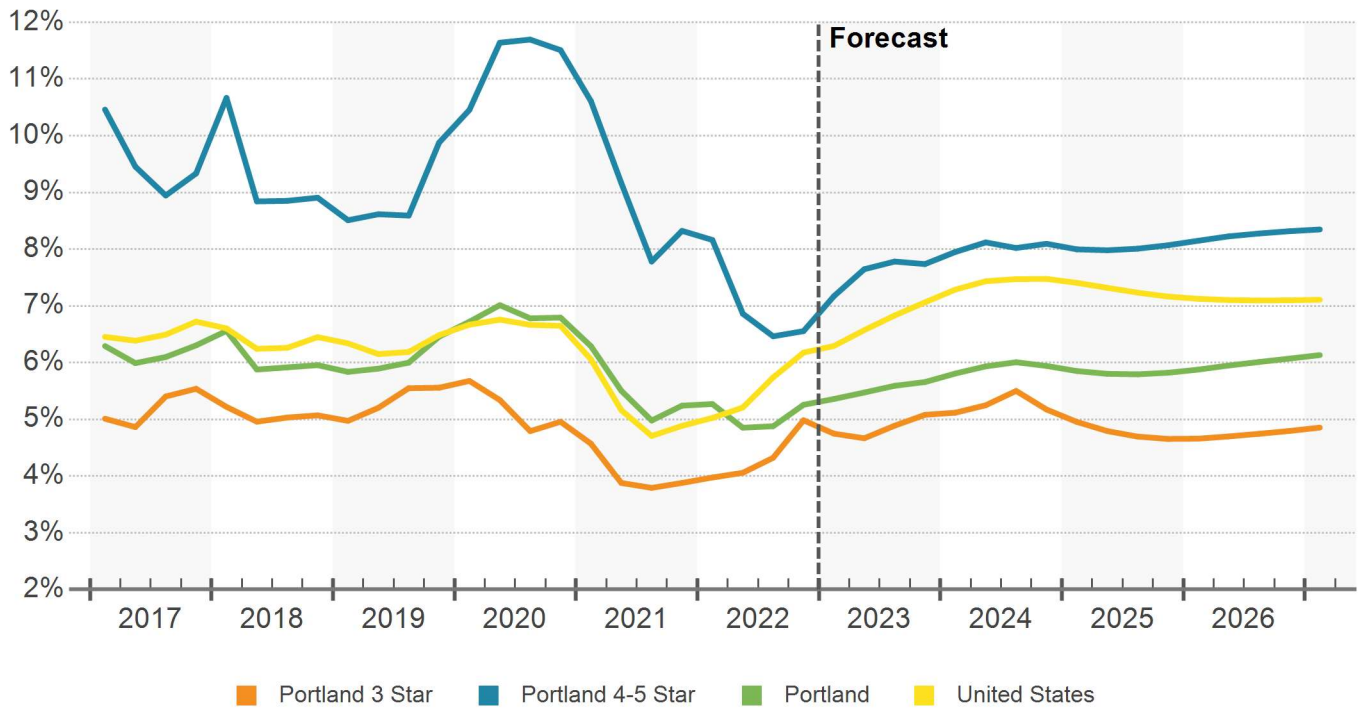
ABSORPTION, NET DELIVERIES & VACANCY



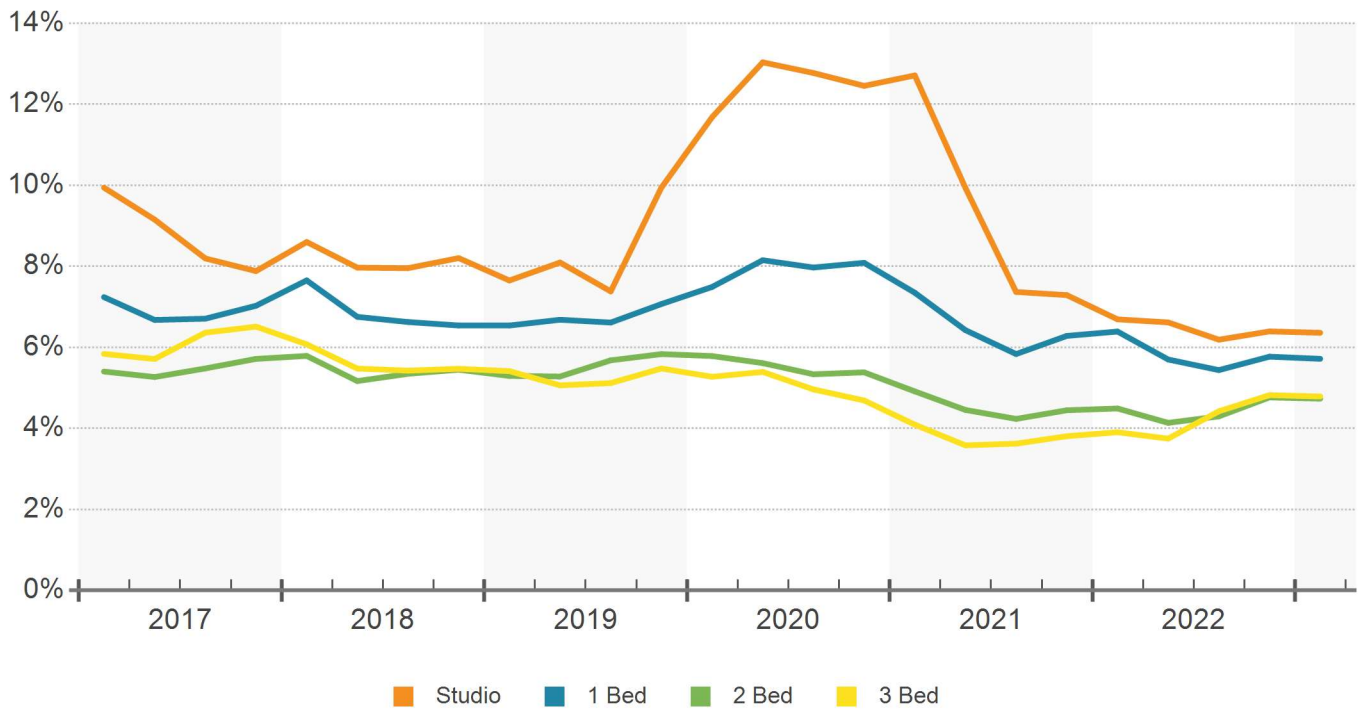
OVERALL & STABILIZED VACANCY



VACANCY RATE



VACANCY BY BEDROOM



As of the first quarter of 2023, market rent in Portland has reached \$1,600 per month, reflecting year-over-year growth of 3.9%. By comparison, the national index posted average growth of 3.5% over the same period. Over the past ten years, Portland has averaged rent growth of 4.2% per year.

High in-migration figures put added pressure on housing needs in recent quarters, as new residents scrambled to find well-located units. New supply in the pipeline, however, will serve to loosen the market in future quarters. This, coupled with tempered leasing, will place some downward pressure on rent growth.

In the meantime, 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 keep some slight pressure on rental rates in the absence of competing options. The Hillsboro, Beaverton, Sherwood and Aloha submarkets have all seen trailing four quarter rent growth comfortably outpace metro averages.

Downtown, rents had bounced back by mid-2022, 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

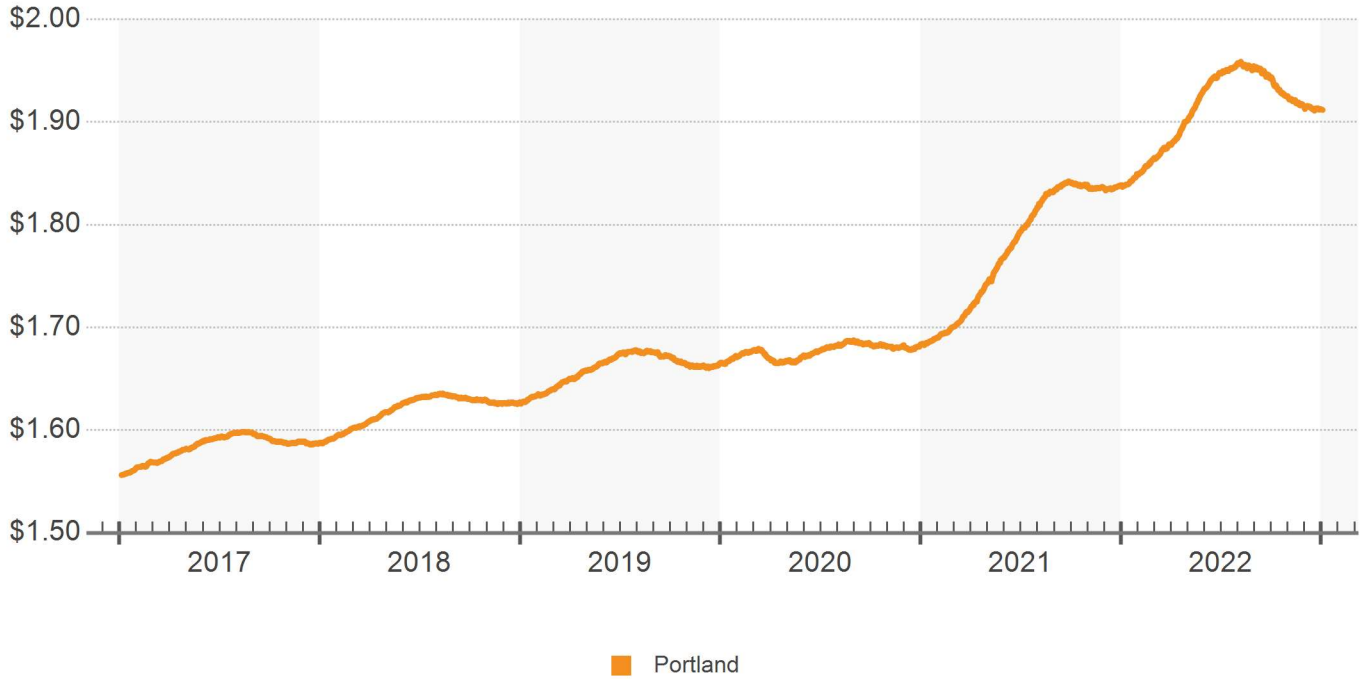
business core remains a shell of its pre-pandemic form. The upcoming departures of the Umpqua Bank and Unitus Community Credit Union headquarters will deal another significant blow to central Portland in the coming months.

The State of Oregon capped annual rent increases at 7% plus inflation for assets 15 years old or older in 2019. 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.

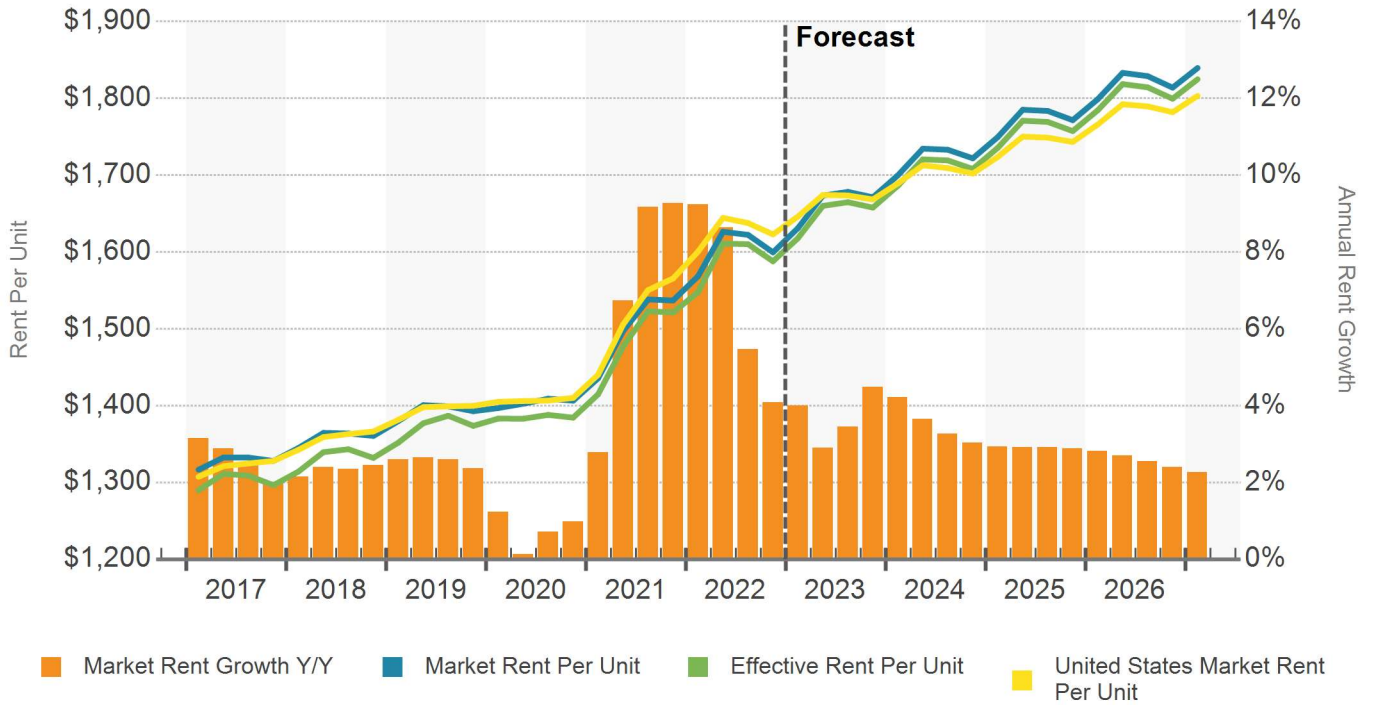
In turn, a rent increase cap of 7% plus inflation is actually a large premium to the metropolitan area's historical average rent growth of 2.7%. Investors, for their part, seem unfazed by the cap. Sales volume in the region posted an outsized record in 2021 and elevated activity has continued into 2022.

In the last decade, the typical rent for a market-rate Portland apartment has increased by 48.7%. By comparison, national rent growth was 41.9% over this period.

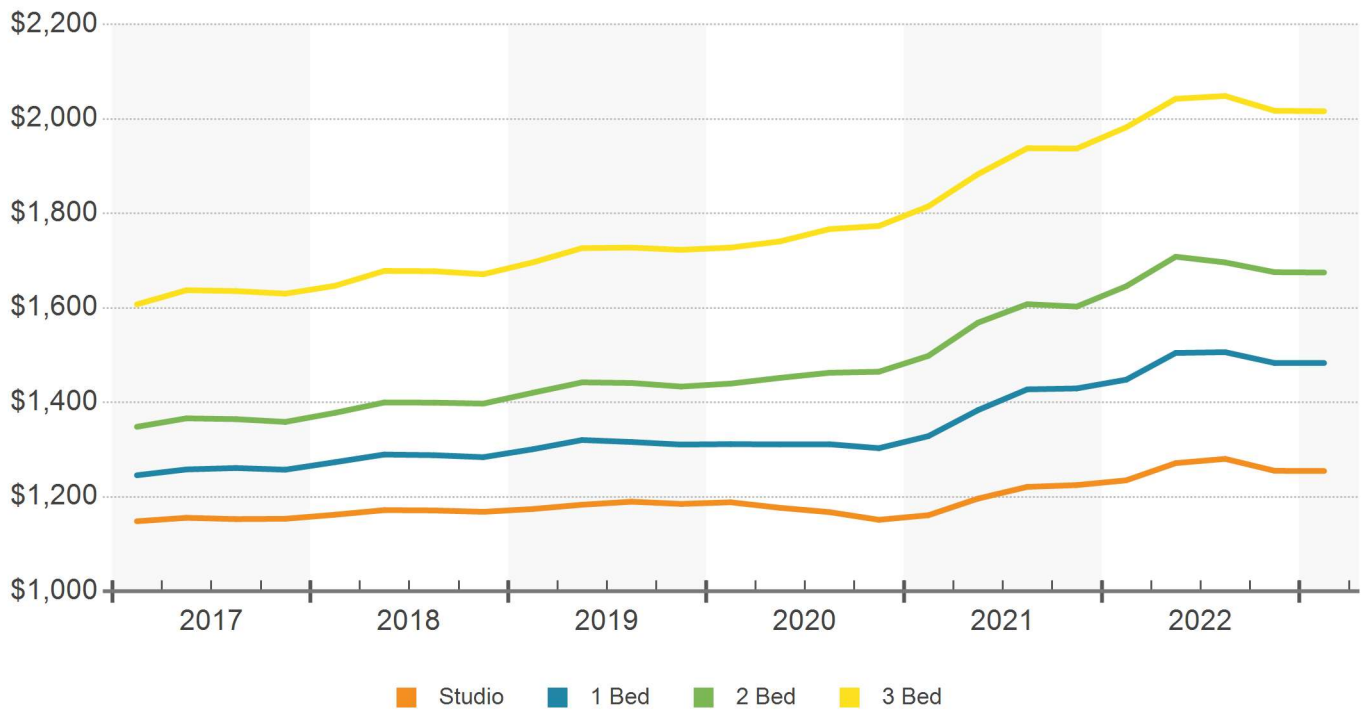
DAILY ASKING RENT PER SF



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	
Portland	\$0.53	\$0.73	\$0.82	\$0.67	\$0.86	\$0.97	\$0.26	\$1.40	\$0.29	\$1.80	\$3.05	\$11.38
Aloha	\$0.38	\$0.79	\$0.53	\$0.64	\$0.79	\$0.51	\$0.26	\$1.29	\$0.32	\$1.84	\$3.09	\$10.44
Beaverton	\$0.48	\$0.74	\$0.62	\$0.70	\$0.86	\$0.90	\$0.25	\$1.32	\$0.28	\$1.69	\$2.85	\$10.69
Central Northeast	\$0.57	\$0.77	\$1.40	\$0.85	\$0.98	\$1.15	\$0.30	\$1.53	\$0.30	\$1.94	\$3.25	\$13.04
Clackamas County	\$0.52	\$0.77	\$1.13	\$1.14	\$1.17	\$2.74	\$0.25	\$1.74	\$0.30	\$1.94	\$3.25	\$14.95
Clark County	\$0.52	\$0.65	\$0.36	\$0.44	\$0.69	\$0.58	\$0.24	\$1.10	\$0.30	\$1.94	\$3.25	\$10.07
Damascus	\$0.52	\$0.77	\$0.53	\$0.57	\$0.76	\$0.93	\$0.25	\$1.53	\$0.30	\$1.94	\$3.25	\$11.35
Downtown Portland	\$0.60	\$0.74	\$0.64	\$0.53	\$0.99	\$0.62	\$0.25	\$1.51	\$0.28	\$1.76	\$2.98	\$10.90
East Portland	\$0.52	\$0.77	\$1.22	\$1.10	\$1.13	\$2.53	\$0.25	\$1.71	\$0.30	\$1.94	\$3.25	\$14.72
Hillsboro	\$0.38	\$0.79	\$0.53	\$0.64	\$0.79	\$0.54	\$0.26	\$1.30	\$0.32	\$1.84	\$3.09	\$10.48
Lake Oswego	\$0.51	\$0.70	\$0.45	\$0.56	\$0.70	\$0.91	\$0.22	\$1.25	\$0.23	\$1.19	\$2.15	\$8.87
North Portland	\$0.56	\$0.77	\$1.31	\$0.95	\$1.04	\$1.68	\$0.28	\$1.60	\$0.30	\$1.94	\$3.25	\$13.68
Northeast Portland	\$0.58	\$0.77	\$1.40	\$0.85	\$0.98	\$1.15	\$0.30	\$1.53	\$0.30	\$1.94	\$3.25	\$13.05
Northwest Portland	\$0.53	\$0.77	\$0.53	\$0.55	\$0.93	\$0.55	\$0.25	\$1.44	\$0.30	\$1.89	\$3.18	\$10.92
Outlying Washingto...	\$0.52	\$0.77	\$1.13	\$1.14	\$1.17	\$2.74	\$0.25	\$1.74	\$0.30	\$1.94	\$3.25	\$14.95
Sherwood/Tualatin	\$0.53	\$0.73	\$1.12	\$0.70	\$0.91	\$1.14	\$0.24	\$1.51	\$0.28	\$1.69	\$2.89	\$11.74
Southeast Portland	\$0.59	\$0.75	\$1.37	\$0.81	\$0.94	\$1.14	\$0.29	\$1.52	\$0.29	\$1.82	\$3.07	\$12.59
Southwest Portland	\$0.60	\$0.77	\$0.53	\$0.50	\$1	\$0.59	\$0.25	\$1.53	\$0.30	\$1.94	\$3.25	\$11.26
Tigard	\$0.53	\$0.72	\$1.12	\$0.70	\$0.92	\$1.14	\$0.24	\$1.50	\$0.27	\$1.64	\$2.81	\$11.59
Troutdale/Gresham	\$0.53	\$0.73	\$1.17	\$0.71	\$0.81	\$1.14	\$0.24	\$1.51	\$0.28	\$1.73	\$2.94	\$11.79
Vancouver	\$0.52	\$0.64	\$0.36	\$0.44	\$0.69	\$0.57	\$0.24	\$1.09	\$0.29	\$1.82	\$3.10	\$9.76
Wilsonville	\$0.49	\$0.64	\$0.46	\$0.55	\$0.70	\$0.90	\$0.22	\$1.28	\$0.21	\$1.31	\$2.27	\$9.03

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	
Portland	\$0.50	\$0.57	\$0.67	\$0.62	\$0.78	\$0.98	\$0.20	\$1.26	\$0.18	\$0.49	\$1.20	\$7.45
Aloha	\$0.36	\$0.54	\$0.51	\$0.61	\$0.78	\$0.49	\$0.20	\$1.23	\$0.17	\$0.44	\$1.06	\$6.39
Beaverton	\$0.49	\$0.54	\$0.52	\$0.67	\$0.78	\$1.01	\$0.20	\$1.37	\$0.17	\$0.46	\$1.08	\$7.29
Central Northeast	\$0.51	\$0.55	\$1.08	\$0.68	\$0.79	\$1.10	\$0.20	\$1.41	\$0.18	\$0.49	\$1.13	\$8.12
Clackamas County	\$0.49	\$0.63	\$1.07	\$1.09	\$1.11	\$2.61	\$0.19	\$1.66	\$0.24	\$0.44	\$1.06	\$10.59
Clark County	\$0.51	\$0.54	\$0.35	\$0.42	\$0.65	\$0.55	\$0.20	\$1.04	\$0.17	\$0.39	\$1.38	\$6.20
Columbia County	\$0.49	\$0.63	\$1.07	\$1.09	\$1.11	\$2.61	\$0.19	\$1.66	\$0.24	\$0.44	\$1.06	\$10.59
Damascus	\$0.49	\$0.61	\$0.36	\$0.54	\$0.65	\$0.88	\$0.19	\$0.96	\$0.16	\$0.44	\$1.04	\$6.32
Downtown Portland	\$0.56	\$0.60	\$0.67	\$0.53	\$0.92	\$0.59	\$0.21	\$1.44	\$0.20	\$0.80	\$1.58	\$8.10
East Portland	\$0.49	\$0.62	\$1.07	\$1.08	\$1.10	\$2.54	\$0.20	\$1.64	\$0.23	\$0.49	\$1.12	\$10.58
Hillsboro	\$0.36	\$0.55	\$0.51	\$0.61	\$0.78	\$0.51	\$0.20	\$1.24	\$0.18	\$0.54	\$1.20	\$6.68
Lake Oswego	\$0.50	\$0.61	\$0.38	\$0.53	\$0.67	\$0.83	\$0.19	\$0.99	\$0.16	\$0.44	\$1.04	\$6.34
North Portland	\$0.50	\$0.57	\$1.07	\$0.88	\$0.94	\$1.84	\$0.20	\$1.51	\$0.20	\$0.44	\$1.04	\$9.19
Northeast Portland	\$0.52	\$0.57	\$1.12	\$0.70	\$0.81	\$1.10	\$0.21	\$1.42	\$0.19	\$0.68	\$1.41	\$8.73
Northwest Portland	\$0.52	\$0.56	\$0.51	\$0.50	\$0.91	\$0.35	\$0.20	\$1.36	\$0.17	\$0.46	\$1.08	\$6.62
Oregon City	\$0.50	\$0.63	\$0.36	\$0.54	\$0.65	\$0.88	\$0.20	\$0.97	\$0.17	\$0.44	\$1.06	\$6.40
Outlying Washingto...	\$0.50	\$0.65	\$1.08	\$1.10	\$1.12	\$2.63	\$0.20	\$1.67	\$0.25	\$0.63	\$1.33	\$11.16
Sherwood/Tualatin	\$0.51	\$0.55	\$1.01	\$0.67	\$0.77	\$1.08	\$0.20	\$1.37	\$0.17	\$0.44	\$1.06	\$7.83
Southeast Portland	\$0.51	\$0.54	\$1.08	\$0.71	\$0.80	\$1.18	\$0.20	\$1.42	\$0.18	\$0.49	\$1.12	\$8.23
Southwest Portland	\$0.56	\$0.55	\$0.50	\$0.46	\$0.94	\$0.30	\$0.20	\$1.37	\$0.16	\$0.44	\$1.03	\$6.51
Tigard	\$0.50	\$0.54	\$1.04	\$0.68	\$0.78	\$1.09	\$0.20	\$1.40	\$0.17	\$0.44	\$1.05	\$7.89
Troutdale/Gresham	\$0.51	\$0.56	\$1.08	\$0.71	\$0.81	\$1.22	\$0.20	\$1.43	\$0.18	\$0.51	\$1.16	\$8.37
Vancouver	\$0.51	\$0.53	\$0.34	\$0.42	\$0.65	\$0.55	\$0.20	\$1.04	\$0.17	\$0.43	\$1.42	\$6.26
Wilsonville	\$0.50	\$0.62	\$0.51	\$0.57	\$0.68	\$0.93	\$0.20	\$1.07	\$0.18	\$0.49	\$1.13	\$6.88
Yamhill County	\$0.49	\$0.62	\$1.07	\$1.08	\$1.09	\$2.53	\$0.20	\$1.63	\$0.23	\$0.51	\$1.14	\$10.59

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	
Portland	\$0.43	\$0.39	\$0.60	\$0.54	\$0.68	\$0.71	\$0.18	\$1.04	\$0.07	\$0.41	\$0.96	\$6.01
Aloha	\$0.34	\$0.47	\$0.48	\$0.58	\$0.74	\$0.46	\$0.19	\$1.06	\$0.07	\$0.42	\$0.86	\$5.67
Beaverton	\$0.47	\$0.47	\$0.47	\$0.64	\$0.74	\$1	\$0.19	\$1.08	\$0.08	\$0.42	\$0.87	\$6.43
Central Northeast	\$0.46	\$0.31	\$1.02	\$0.61	\$0.71	\$0.87	\$0.19	\$1.10	\$0.07	\$0.42	\$0.86	\$6.62
Clackamas County	\$0.38	\$0.23	\$1.01	\$0.78	\$0.58	\$0.61	\$0.19	\$1.05	\$0.06	\$0.42	\$0.86	\$6.17
Clark County	\$0.45	\$0.41	\$0.21	\$0.40	\$0.63	\$0.52	\$0.14	\$0.99	\$0.06	\$0.37	\$1.31	\$5.49
Columbia County	\$0.42	\$0.34	\$1.03	\$0.87	\$0.73	\$1.18	\$0.19	\$1.22	\$0.11	\$0.43	\$0.91	\$7.43
Damascus	\$0.44	\$0.43	\$0.35	\$0.52	\$0.62	\$0.84	\$0.19	\$0.92	\$0.06	\$0.42	\$0.86	\$5.65
Downtown Portland	\$0.47	\$0.42	\$0.70	\$0.52	\$0.78	\$0.54	\$0.19	\$1.13	\$0.09	\$0.42	\$0.89	\$6.15
East Portland	\$0.37	\$0.28	\$0.94	\$0.66	\$0.66	\$0.76	\$0.18	\$1.06	\$0.06	\$0.42	\$0.86	\$6.25
Hillsboro	\$0.34	\$0.47	\$0.48	\$0.58	\$0.74	\$0.48	\$0.19	\$1.06	\$0.07	\$0.42	\$0.86	\$5.69
Lake Oswego	\$0.44	\$0.44	\$0.39	\$0.49	\$0.67	\$0.66	\$0.19	\$0.96	\$0.06	\$0.42	\$0.86	\$5.58
North Portland	\$0.43	\$0.27	\$1.01	\$0.71	\$0.66	\$0.73	\$0.19	\$1.08	\$0.07	\$0.42	\$0.86	\$6.43
Northeast Portland	\$0.48	\$0.31	\$1.02	\$0.64	\$0.74	\$0.86	\$0.19	\$1.10	\$0.08	\$0.42	\$0.86	\$6.70
Northwest Portland	\$0.46	\$0.45	\$0.48	\$0.44	\$0.81	\$0.29	\$0.19	\$1.11	\$0.08	\$0.42	\$0.89	\$5.62
Oregon City	\$0.44	\$0.43	\$0.35	\$0.52	\$0.62	\$0.84	\$0.19	\$0.92	\$0.06	\$0.42	\$0.86	\$5.65
Outlying Washingto...	\$0.39	\$0.24	\$1	\$0.78	\$0.59	\$0.64	\$0.19	\$1.06	\$0.06	\$0.42	\$0.86	\$6.23
Sherwood/Tualatin	\$0.38	\$0.50	\$0.22	\$0.61	\$0.73	\$0.98	\$0.17	\$1.19	\$0.09	\$0.42	\$0.87	\$6.16
Southeast Portland	\$0.48	\$0.34	\$1.02	\$0.64	\$0.74	\$0.95	\$0.19	\$1.10	\$0.07	\$0.42	\$0.86	\$6.81
Southwest Portland	\$0.44	\$0.43	\$0.48	\$0.44	\$0.77	\$0.29	\$0.19	\$1.05	\$0.06	\$0.42	\$0.86	\$5.43
Tigard	\$0.35	\$0.51	\$0.16	\$0.64	\$0.74	\$0.99	\$0.19	\$1.11	\$0.07	\$0.42	\$0.86	\$6.04
Troutdale/Gresham	\$0.31	\$0.37	\$1	\$0.51	\$0.64	\$0.81	\$0.17	\$1.06	\$0.05	\$0.42	\$0.86	\$6.20
Vancouver	\$0.45	\$0.41	\$0.21	\$0.40	\$0.63	\$0.52	\$0.14	\$0.99	\$0.06	\$0.37	\$1.31	\$5.49
Wilsonville	\$0.44	\$0.43	\$0.35	\$0.52	\$0.62	\$0.84	\$0.19	\$0.92	\$0.06	\$0.42	\$0.86	\$5.65
Yamhill County	\$0.39	\$0.24	\$1.01	\$0.79	\$0.59	\$0.66	\$0.19	\$1.06	\$0.06	\$0.42	\$0.86	\$6.27

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 32.7%. This was the largest construction cycle in metro history that brought a wave of mostly high-end supply, substantially altering the dynamics of Portland's housing market. Rent per unit has grown by 48.7% over the last ten years.

Since this time, a slowdown in construction may indicate historical legislative changes to address affordability have impacted the region's development appeal slightly. Other factors, however, were also at play over the last two years. Elevated materials costs as a result of the global supply chain crunch, as well as labor shortages inhibited the ground-breaking of new projects. Permitting activity has thus lagged slightly, with the most recent data suggesting total permits issued in 2021 were well below the 2017 peak.

Regardless, there are now 11,000 units under construction, which will expand existing inventory by 5.1%. And this represents an uptick since the start of the year, meaning developers may be starting to react in earnest to the historically heavy leasing of the past 18 months, or projects previously approved before the pandemic have now begun. Not all of these units will be hitting the market immediately, however. Net deliveries over the last 12 months totaled 3,300 units, indicating a small shortage has formed recently, based on trailing-year net absorption of 3,200 units.

Locationally, 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.

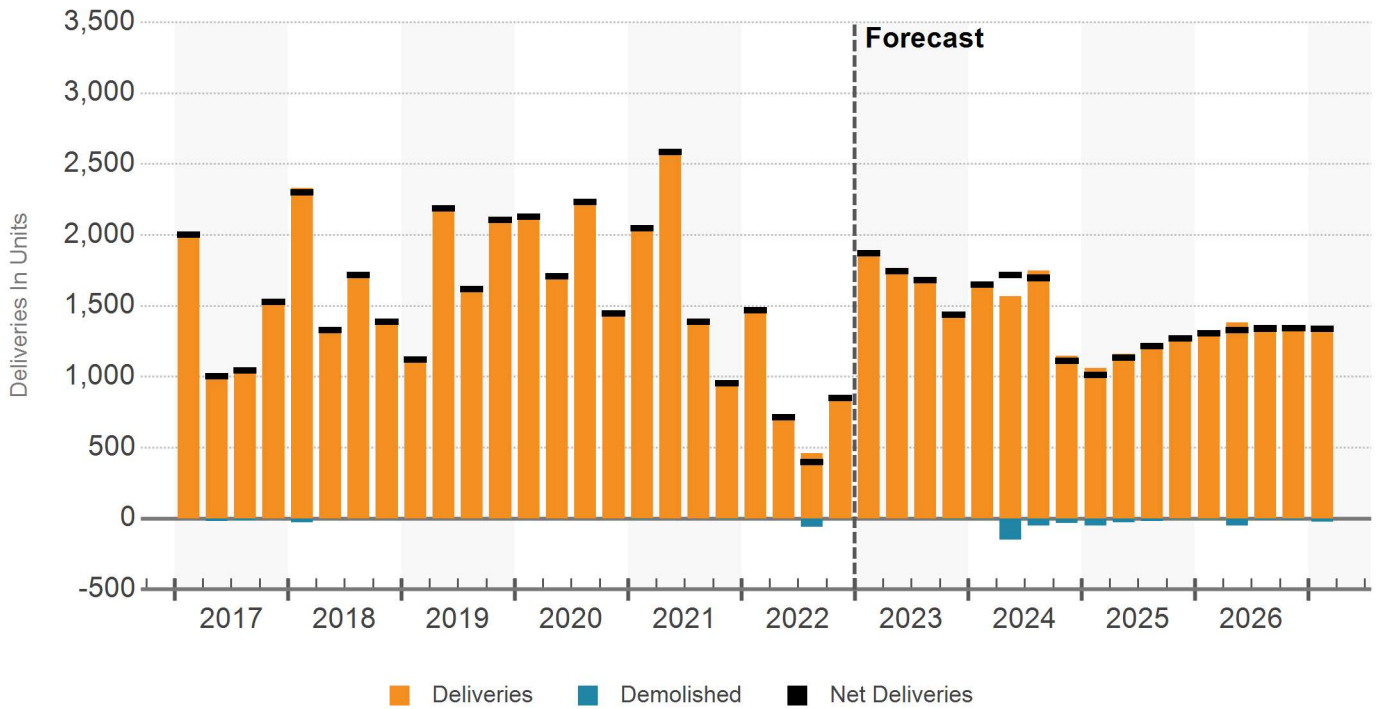
Dense hubs such as downtown, though, often require a more complex development path. With virtually no vacant

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. The complex includes 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.

DELIVERIES & DEMOLITIONS



Under Construction Properties

Portland Multi-Family

Properties

Units

Percent of Inventory

Avg. No. Units

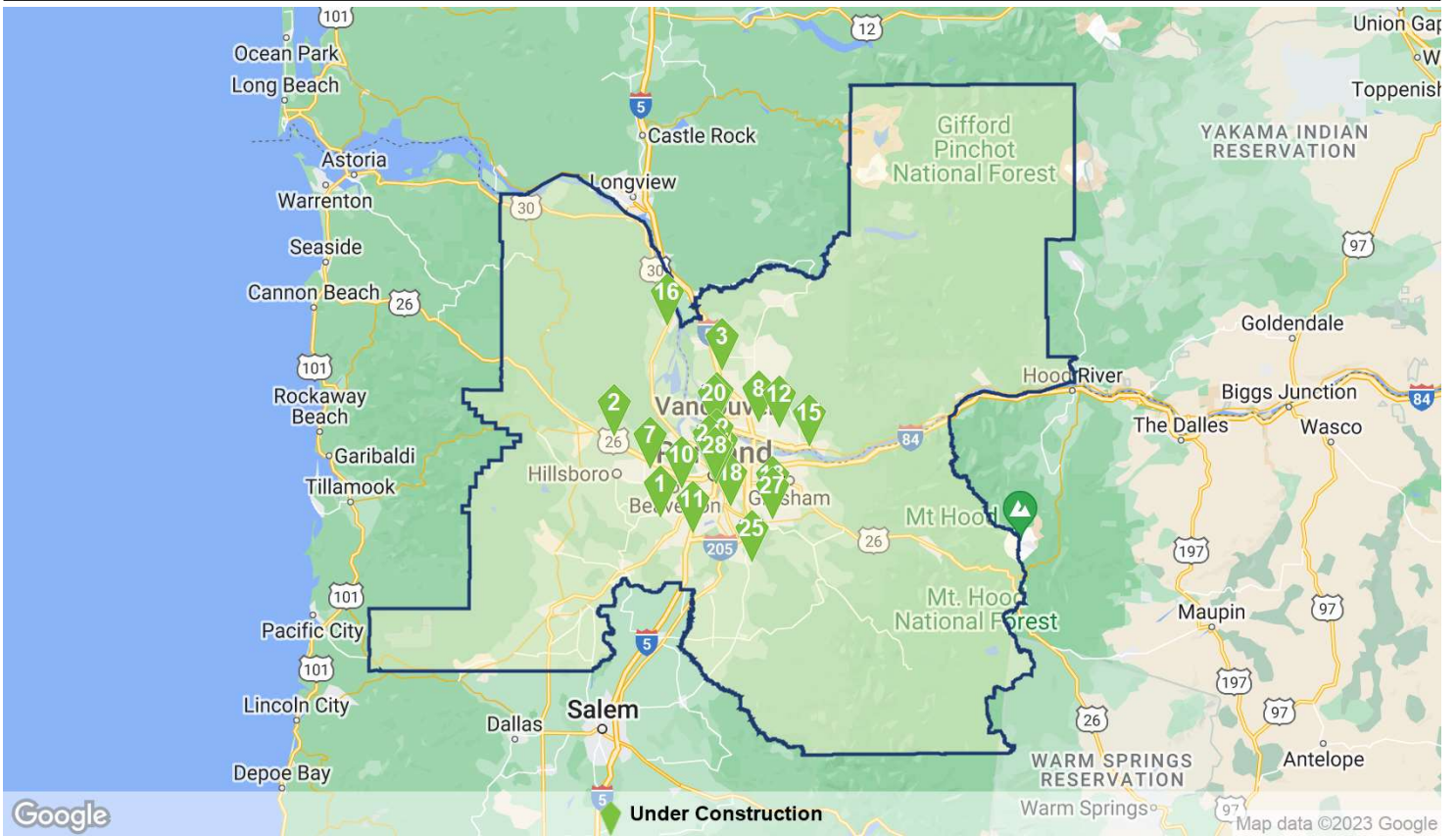
71

11,099

5.1%

156

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 River Terrace Town Center 13794 SW Roy Roger Way	★★★★☆	501	3	Nov 2022	Nov 2023	Taylor Morrison BTR, Inc. a Dela...
2 Brynhill Development 32055 NW North Ave	★★★★☆	500	2	Oct 2021	Apr 2023	Pacific Community Design
3 South Ridge Apartments 1920 NE 179th St	★★★★☆	413	3	Jan 2022	Feb 2023	Capstone Partners Capstone Partners
4 Aegis I & II 1119 C St	★★★★☆	342	6	Nov 2022	Nov 2023	Marathon Real Estate Services, L... Marathon Real Estate Services, L...
5 The Press Blocks – Resi... 1621 SW Taylor St	★★★★☆	341	24	Oct 2022	Dec 2023	Urban Renaissance Group Security Properties, Inc.
6 The Willamette Tower - B... 4100 SE River Pky	★★★★☆	340	23	Nov 2021	Nov 2023	Alamo Manhattan LLC Alamo Manhattan LLC
7 Alta Amberglen 19602-19698 Northwest V...	★★★★☆	326	5	Sep 2022	Jan 2024	Wood Partners

Under Construction Properties

Portland Multi-Family

UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
8 Meritum Evergreen 1441 NE 136th Ave	★ ★ ★ ★ ★	300	3	Mar 2022	Mar 2023	Investment Development Manage... -
9 110 N Tomahawk Island Dr	★ ★ ★ ★ ★	284	1	Jun 2022	Sep 2023	- -
10 Modera Raleigh Hills 4822 SW Western Ave	★ ★ ★ ★ ★	270	5	Oct 2022	Sep 2024	Mill Creek Residential Trust LLC Mill Creek Residential Trust LLC
11 Commons on the Tualatin 6645 SW Nyberg Ln	★ ★ ★ ★ ★	264	3	Jan 2021	Mar 2023	- Tandem Property Management
12 The Oliveen 19814 SE 1st St	★ ★ ★ ★ ★	264	4	Mar 2021	Feb 2023	Cascadia Development Partners Romano Capital
13 Pleasant Valley Villages... 11404 SE Mt Talbert Ave	★ ★ ★ ★ ★	259	3	Nov 2022	Nov 2023	Holt Homes -
14 Modera Morrison 1120 SE Morrison St	★ ★ ★ ★ ★	247	7	Sep 2021	Jul 2023	Mill Creek Residential Trust LLC Mill Creek Residential Trust LLC
15 Ninebark 198 S 6th St	★ ★ ★ ★ ★	242	3	Apr 2022	May 2023	Killian Pacific Killian Pacific
16 Broadleaf Arbor 2298 Gable Rd	★ ★ ★ ★ ★	239	4	Jan 2021	Aug 2023	LMC Construction Atlas Investments
17 The Sutton 1550 NW Naito Pky	★ ★ ★ ★ ★	236	17	Mar 2021	Feb 2023	Lincoln Property Company Lincoln Property Company
18 Seven Acres 10999 SE 37th Ave	★ ★ ★ ★ ★	234	3	Jan 2021	Mar 2023	- tyee Management Company LLC
19 The Olivia - Block 42 3850 S Bond Ave	★ ★ ★ ★ ★	231	5	Jan 2020	Mar 2023	Alamo Manhattan LLC Alamo Manhattan LLC
20 Timber House 500 W Columbia Way	★ ★ ★ ★ ★	226	8	Jan 2022	Apr 2023	CEDARst Companies CEDARst Companies
21 The Residences at Eleve... 1102 SW Washington St	★ ★ ★ ★ ★	222	24	Feb 2020	Feb 2023	Downtown Development Group Downtown Development Group
22 Zeal Lofts 3185 N Williams Ave	★ ★ ★ ★ ★	215	6	Mar 2022	Sep 2023	Vibrant Cities Segrin Living Trust
23 Residences at 11W 1140 SW Washington St	★ ★ ★ ★ ★	213	3	Oct 2021	Feb 2023	Downtown Development Group -
24 Slabtown Square/Block... 1417 NW 20th Ave	★ ★ ★ ★ ★	200	6	Apr 2022	Mar 2024	Guardian Real Estate Services Guardian Real Estate Services
25 Timberview 19896 S Beaver Creek Rd	★ ★ ★ ★ ★	180	3	Apr 2021	Feb 2023	- Gregg A Mecham
26 Sonder Fields 14798 SE Parklane Dr	★ ★ ★ ★ ★	180	2	Nov 2021	Feb 2023	- -
27 Cobalt Apartments 14721 SE 172nd Ave	★ ★ ★ ★ ★	180	2	May 2022	Jul 2023	- HV PARKLANE LLC
28 Waterleaf 2065 SW River Pky	★ ★ ★ ★ ★	178	6	Jan 2021	Feb 2023	BRIDGE Housing Corporation BRIDGE Housing Corporation

Portland has become a major market for institutional investors chasing both population growth and a diverse economic base. Multifamily cap rates have tightened over the past five years as a result, trending to 4.4%, versus the national rate of 5.0%. And this compression has done little to deter more capital from entering the market. Given added institutional interest, many Portland communities are transacting as part of much larger portfolio deals, as investors increasingly seek 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.

Outside of portfolio deals, the largest standalone trades have been taking place in the suburbs. In July 2022, Oak

Street Lofts, located in Tigard, sold for \$81.5 million (\$436,000/unit) to JLL Income Property Trust. New York-based Abacus Capital Group offloaded the stabilized asset. The 4 Star community features 187 studio, one-, and two-bedroom units. It was built in 2019. Suburban Portland communities like Tigard with strong population growth and access to employment nodes have enticed investors to push pricing on deals like these. Home ownership has also become increasingly out of reach for most buyers, lending support to continued strong leasing, at least mid-term.

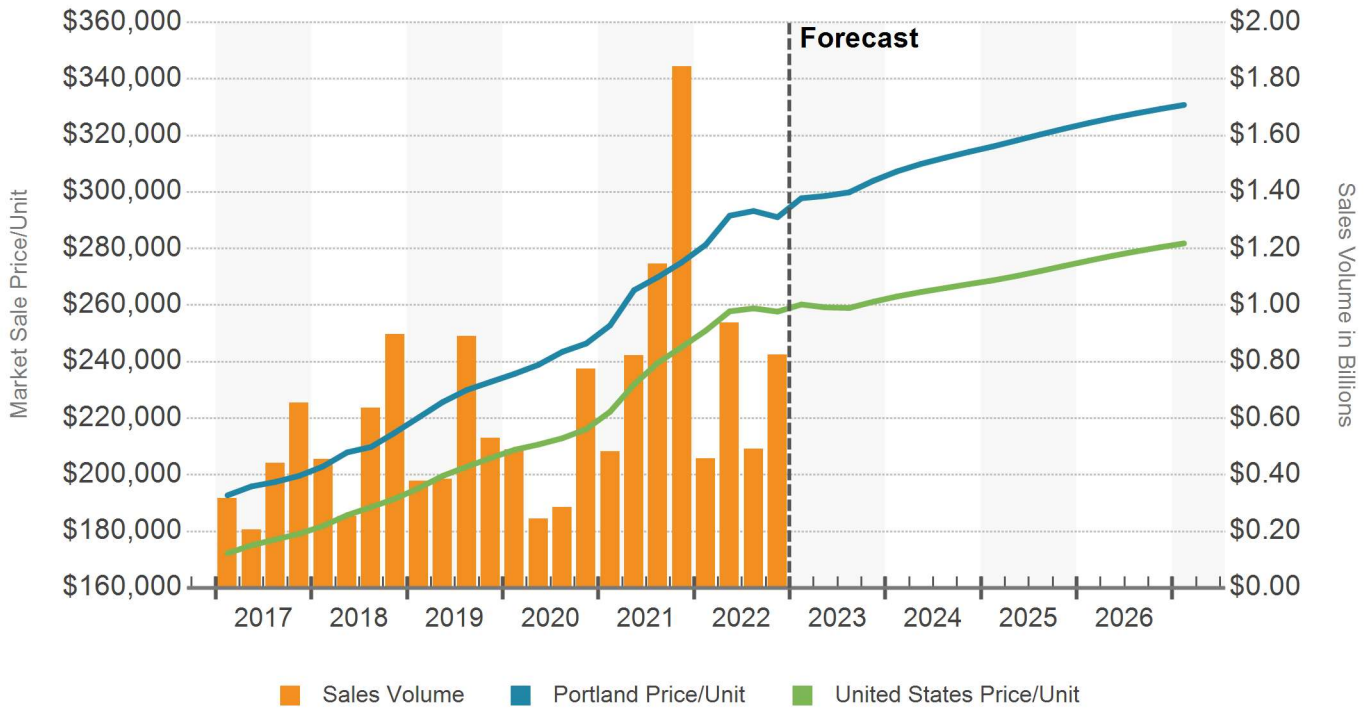
In October 2022, the 347-unit One Jefferson in Lake Oswego sold for \$124 million (\$357,000/unit). The 4 Star garden complex was built in 1987, with a fully modernized renovation in 2019. Abacus Capital Group LLC acquired the property from Security Properties, Inc. and Pacific Life Insurance Company. Security had originally purchased the asset in 2016 for \$78 million and the sale met their return and time horizon goals.

Value-add plays in the region 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.

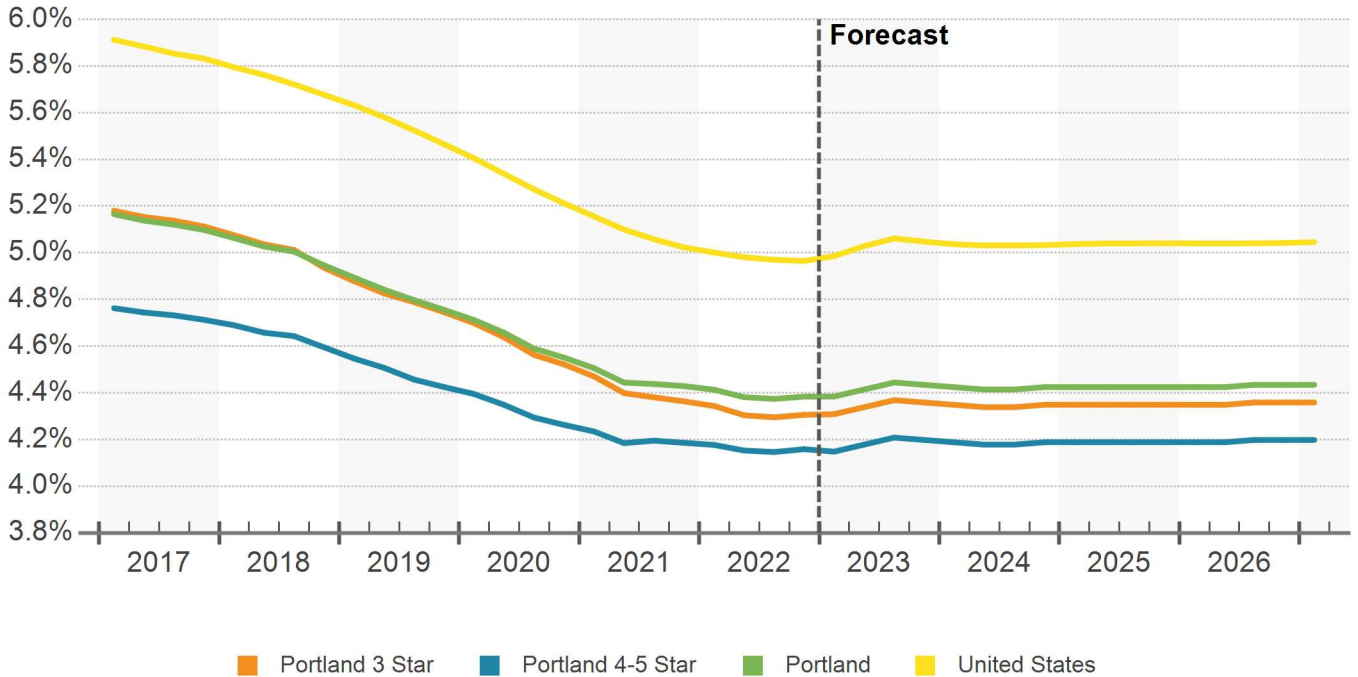
For example, in October 2021, Greystar purchased the 423-unit Seven West at the Trails in Beaverton. Closing price was equal to \$145.2 million (\$343,000/unit). Many of the units had received recent upgrades and Greystar had planned to complete more renovations. The complex was stabilized at the time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

Trailing four quarter volume as a result of these deals equates to \$2.7 billion, compared with the ten-year average of \$2.2 billion per year. The market sale price has swelled to \$300,000 per unit, in comparison to the national index of \$260,000 per unit.

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

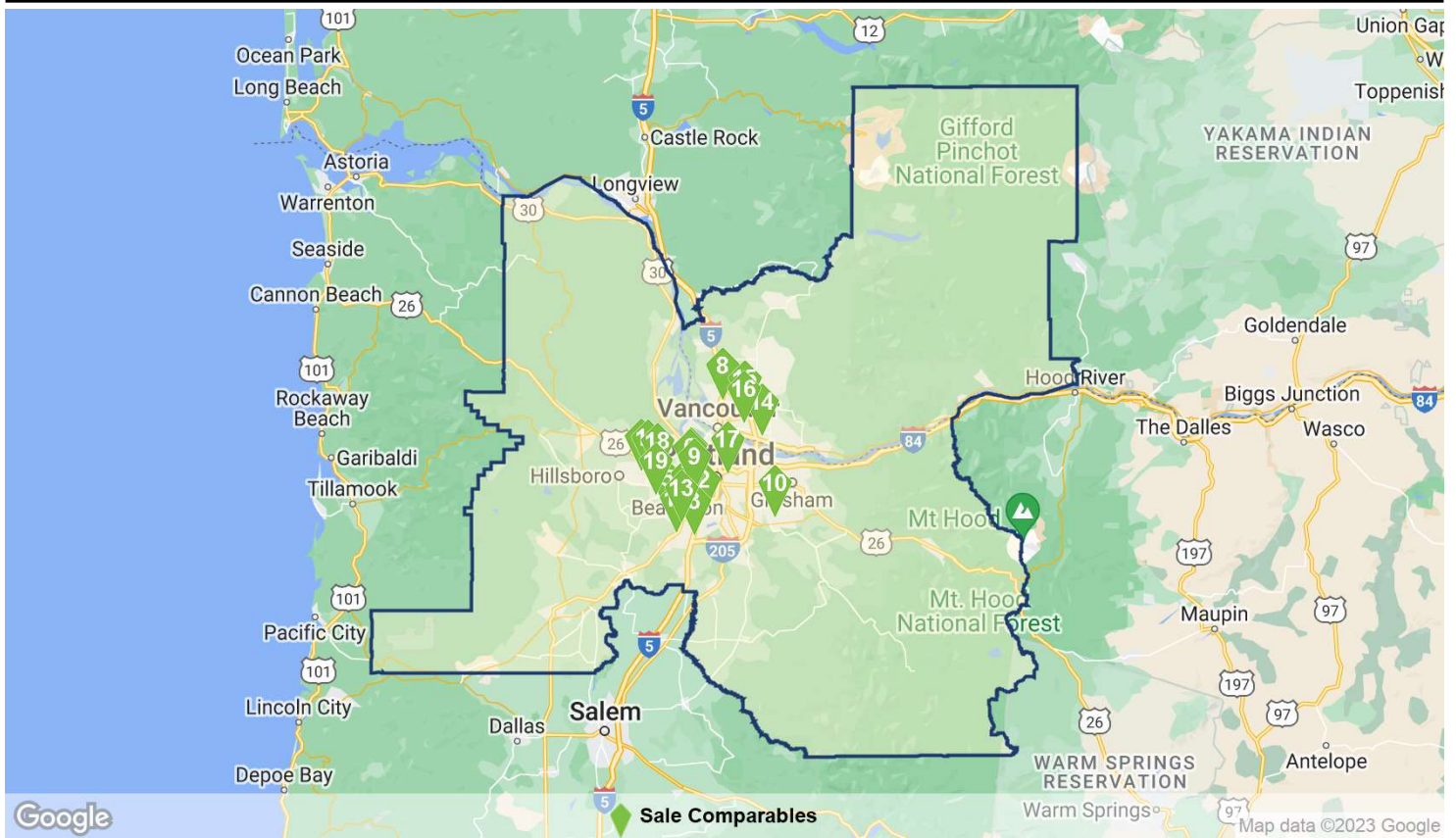
278

\$272

\$12.7

5.0%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$593,358	\$12,666,041	\$3,312,500	\$156,456,591
Price/Unit	\$56,147	\$272,360	\$207,670	\$458,333
Cap Rate	1.0%	5.0%	5.1%	7.6%
Vacancy Rate At Sale	0%	5.0%	0%	100%
Time Since Sale in Months	0.2	6.6	6.9	12.0
Property Attributes	Low	Average	Median	High
Property Size in Units	3	41	14	357
Number of Floors	1	2	2	6
Average Unit SF	100	869	823	5,443
Year Built	1888	1973	1973	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	6.7%	5/19/2022	\$156,456,591	\$438,253	\$579
2 One Jefferson 1 Jefferson Pky	★★★★★	1987	347	6.6%	10/6/2022	\$124,000,000	\$357,348	\$341
3 Timbers at Tualatin 6765 SW Nyberg St	★★★★★	1994	300	1.0%	10/4/2022	\$96,500,000	\$321,666	\$382
4 Avery at Orenco Station 6199 NE Alder St	★★★★★	2004	264	2.7%	10/4/2022	\$96,200,000	\$364,393	\$348
5 Skyline at Murrayhill 11601 SW Teal Blvd	★★★★★	1990	312	7.1%	10/4/2022	\$90,000,000	\$288,461	\$187
6 Haven at Golf Creek 1807 SW Golf Creek Dr	★★★★★	1990	282	6.4%	10/4/2022	\$82,300,000	\$291,843	\$328
7 Oak Street Lofts 8920 SW Oak St	★★★★★	2019	187	6.4%	7/15/2022	\$81,500,000	\$435,828	\$408
8 Portola Bridge Creek 9211 NE 15th Ave	★★★★★	1989	270	4.8%	1/20/2022	\$75,000,000	\$277,777	\$299
9 Montclair Terrace 4835 SW Oleson Rd	★★★★★	1968	188	4.8%	5/19/2022	\$74,015,780	\$393,700	\$429
10 Heather Lodge 13432 SE 169th Ave	★★★★★	2021	178	3.9%	1/11/2022	\$71,000,000	\$398,876	\$473
11 River Ridge Apartments 17865 SW Pacific Hwy	★★★★★	2017	180	2.8%	6/9/2022	\$70,000,000	\$388,888	\$389
12 The Jones 1099 NW Ordonez PI	★★★★★	2012	193	1.6%	10/4/2022	\$69,500,000	\$360,103	\$290
13 Hudson South Apartments 10635-10695 SW Murdock Ln	★★★★★	1974	227	2.6%	7/29/2022	\$59,200,000	\$260,792	\$317
14 Aspenridge Apartments 13719 SE 18th St	★★★★★	1985	240	2.5%	5/24/2022	\$57,150,000	\$238,125	\$196
15 Silver Oak Apartment Homes 8701 NE 54th St	★★★★★	1989	204	5.9%	1/14/2022	\$55,700,000	\$273,039	\$273
16 Sedona At Bridgecreek 2220 NE Bridgecreek Ave	★★★★★	1989	200	3.9%	1/14/2022	\$52,900,000	\$264,500	\$298
17 Burnside 26 2625 E Burnside St	★★★★★	2014	135	3.7%	5/18/2022	\$44,250,000	\$327,777	\$466
18 Lineage at Willow Creek 18380 NW Heritage Pky	★★★★★	1981	121	2.5%	4/7/2022	\$42,000,000	\$347,107	\$395
19 Aster Parc Apartments and T... 6300 SW 188th Ct	★★★★★	1974	146	0.7%	6/22/2022	\$40,000,000	\$273,972	\$585
20 Terra at Hazel Dell 2600 NE Minnehaha St	★★★★★	1991	206	1.0%	10/4/2022	\$39,500,000	\$191,747	\$232

Over the past year, 55,000 jobs have been added to nonfarm payrolls in Portland, for a change of 4.6%. Total job growth in the U.S. over the past year was 3.1%. While the Federal Reserve should maintain a hawkish stance on its battle with inflation, consumers appear much more prepared to deal with a slight downturn in the economy, showing resilience in spending despite decades-high CPI growth. Rate hikes by the Central Bank to tame surging prices are likely to continue in the near term, given recent labor market tightness. Unemployment, despite currently sitting below long-run averages, will likely trend upward as a result.

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 has now been completed. 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.

Along with Intel, job sector growth by way of biotechnology firms is beginning to pick up speed and could drive population and wage gains. 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 late 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.

Aiding in this talent pipeline will be Oregon Health & Science University, whose board of directors approved a \$650-million hospital expansion last fall, expected to break ground in the near term. The project will accommodate an additional 4,000 staff members to serve the facilities when complete.

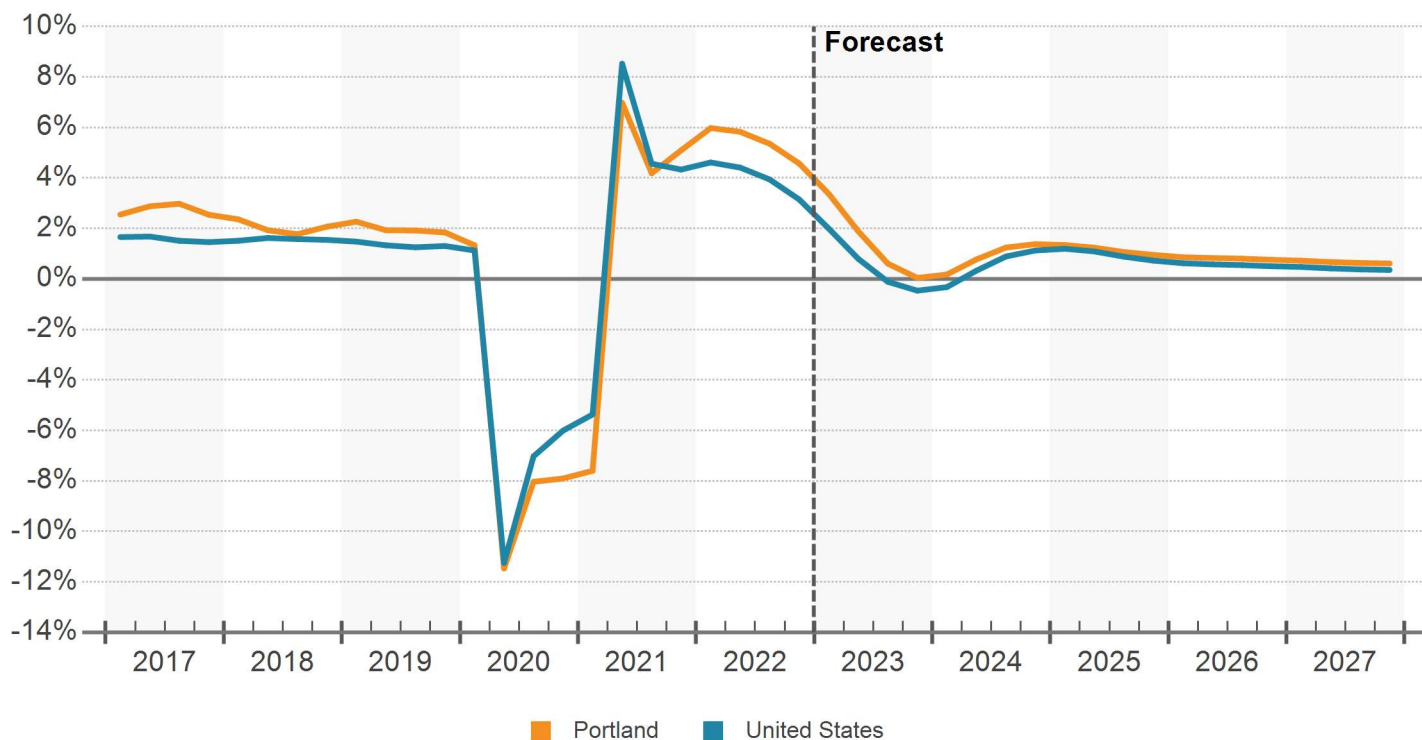
Amazon is another major contributor to Portland's economy and has invested around \$2.8 billion into Oregon. After acquiring Portland-based Elemental Technologies for \$296 million in October 2015, the company has leased about 200,000 SF of office space in the CBD, along with about 2.5 million SF of 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. Other major facilities underway for the e-commerce titan include a fulfillment facility in Woodburn, 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	132	1.3	5.56%	2.96%	1.43%	0.75%	0.79%	0.11%
Trade, Transportation and Utilities	228	1.0	1.56%	2.85%	1.69%	1.25%	0.13%	0.07%
Retail Trade	118	0.9	0.67%	2.04%	1.11%	0.64%	0.32%	0.03%
Financial Activities	78	1.1	3.89%	1.87%	2.13%	1.43%	0.31%	0.20%
Government	149	0.8	1.31%	0.65%	0.49%	0.17%	0.93%	0.55%
Natural Resources, Mining and Construction	82	1.2	4.62%	3.58%	5.04%	2.51%	1.05%	0.34%
Education and Health Services	191	1.0	6.10%	3.18%	2.36%	1.66%	1.04%	0.64%
Professional and Business Services	196	1.1	3.07%	3.64%	2.70%	2.16%	0.58%	0.44%
Information	28	1.1	4.78%	4.93%	1.65%	1.31%	1.31%	0.35%
Leisure and Hospitality	123	0.9	12.57%	6.44%	1.90%	1.33%	1.28%	1.19%
Other Services	43	0.9	7.83%	2.80%	1.36%	0.51%	0.89%	0.42%
Total Employment	1,251	1.0	4.50%	3.08%	1.98%	1.29%	0.75%	0.45%

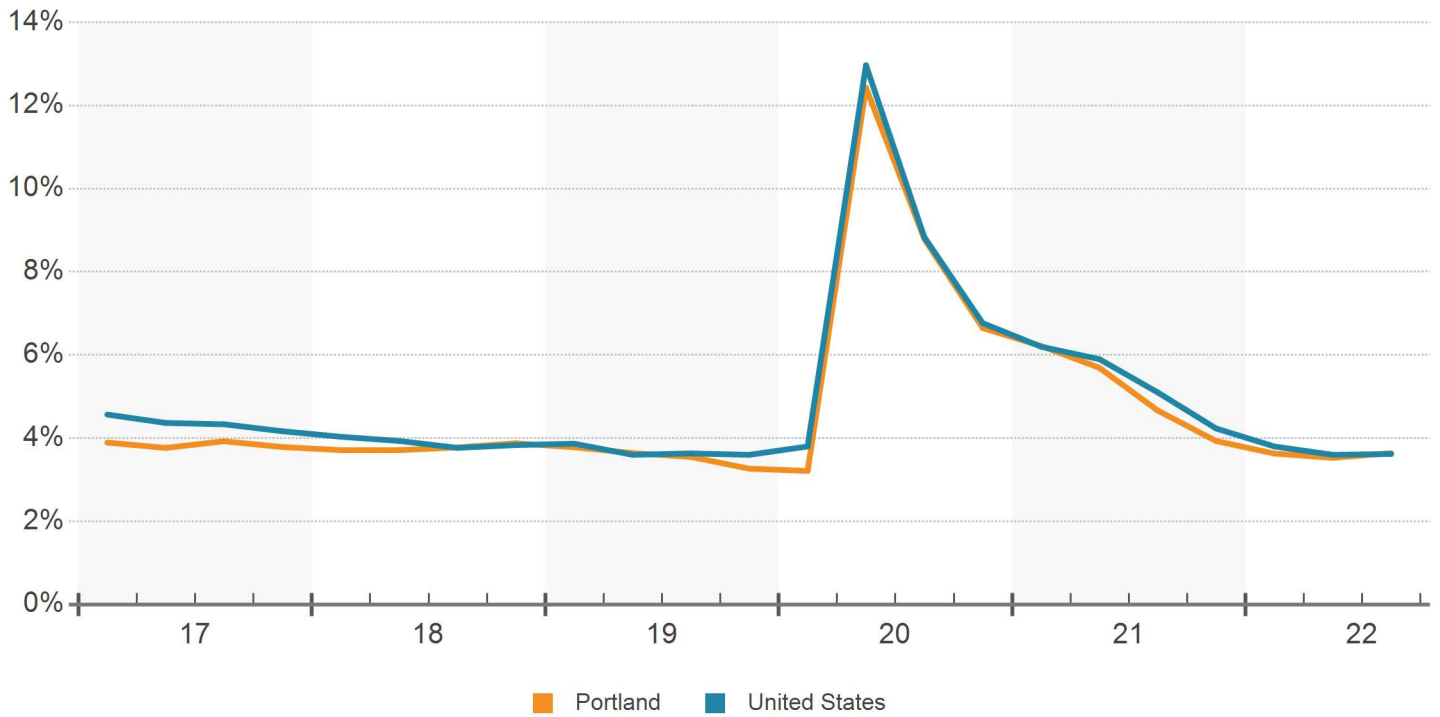
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

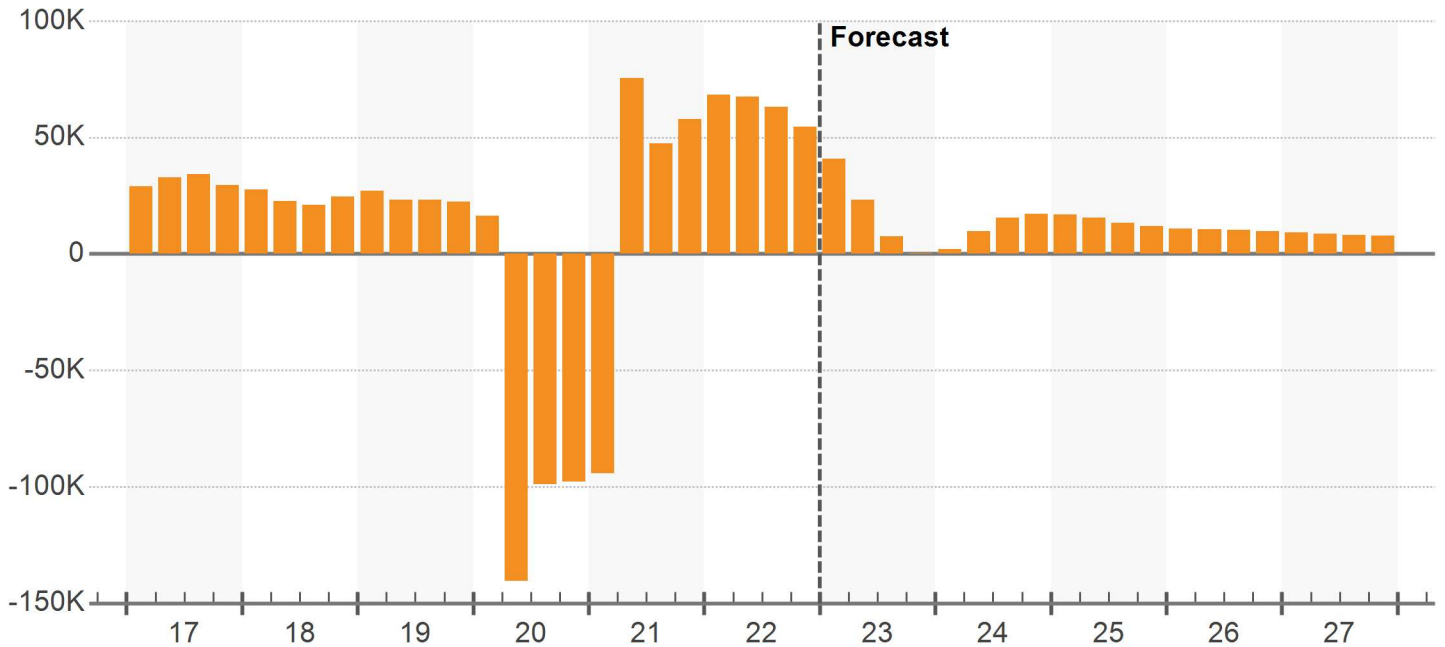


Source: Oxford Economics

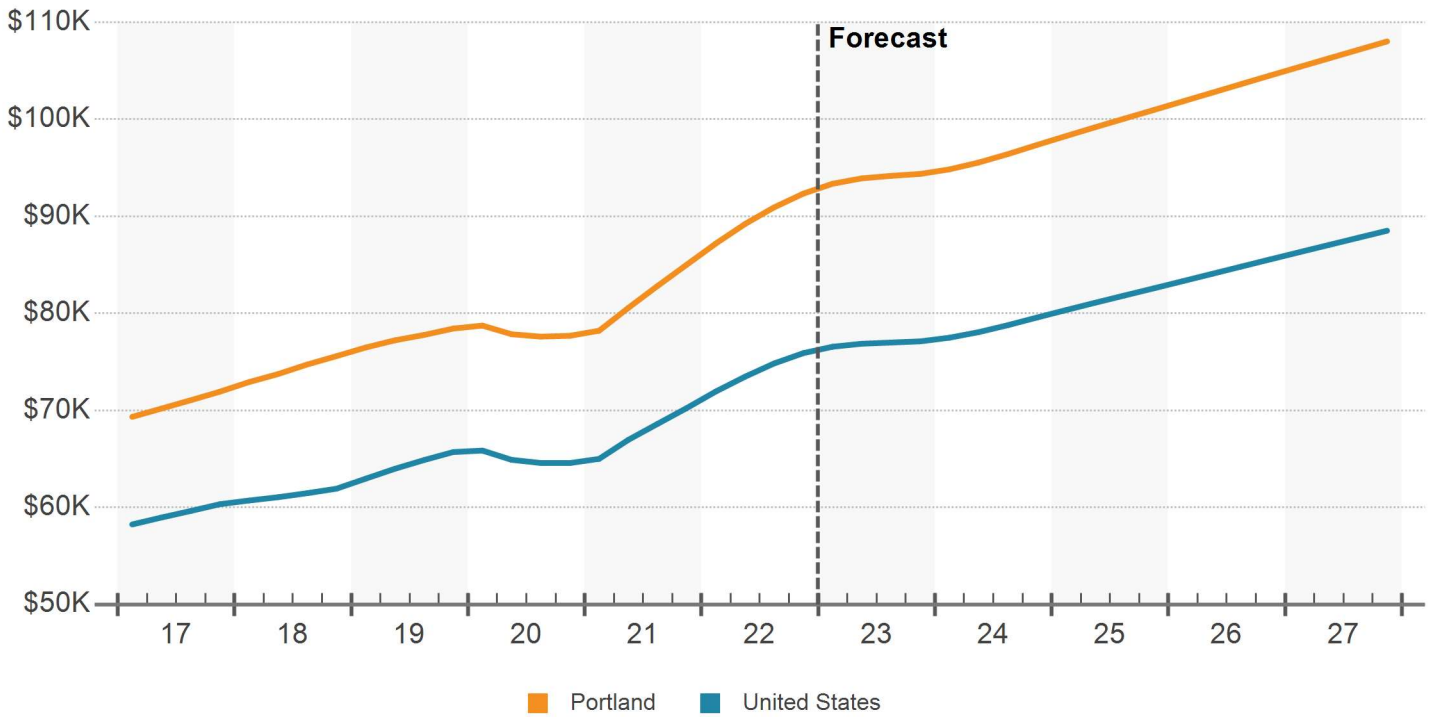
UNEMPLOYMENT RATE (%)



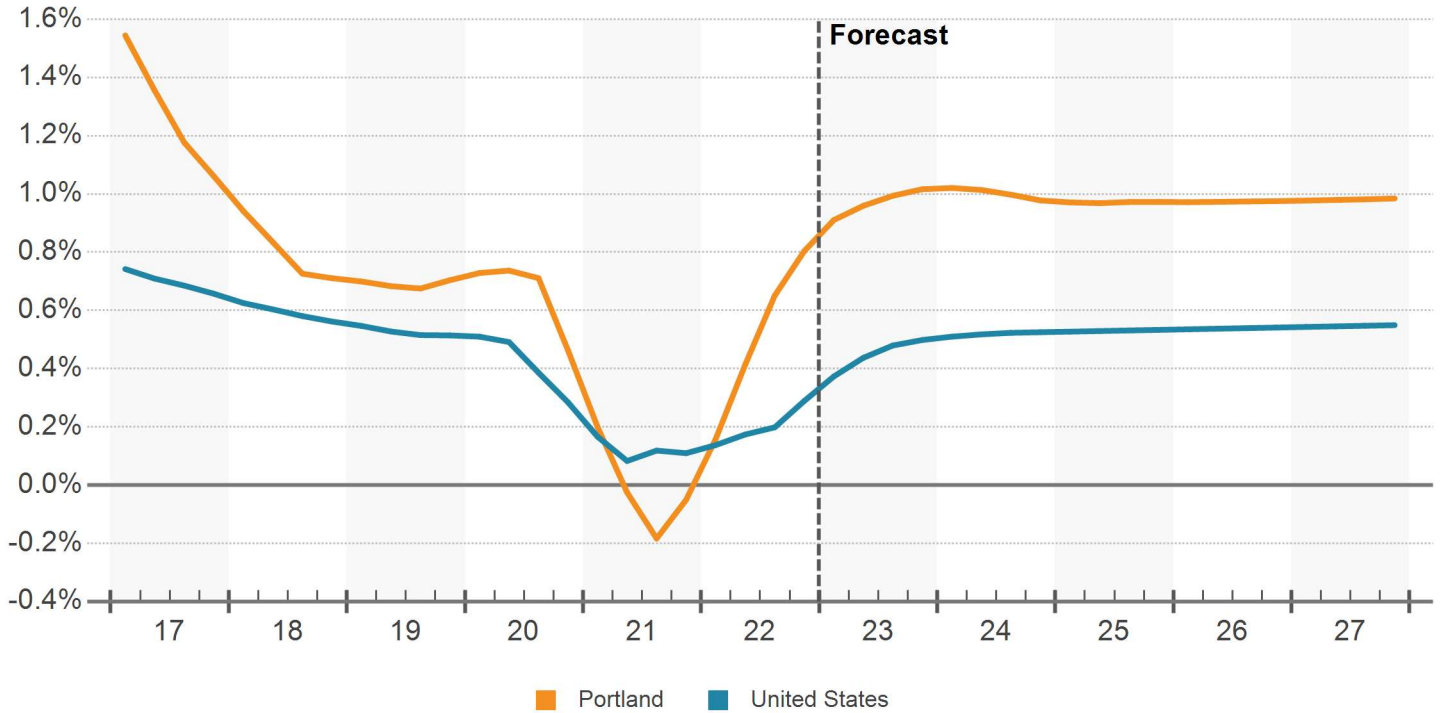
NET EMPLOYMENT CHANGE (YOY)



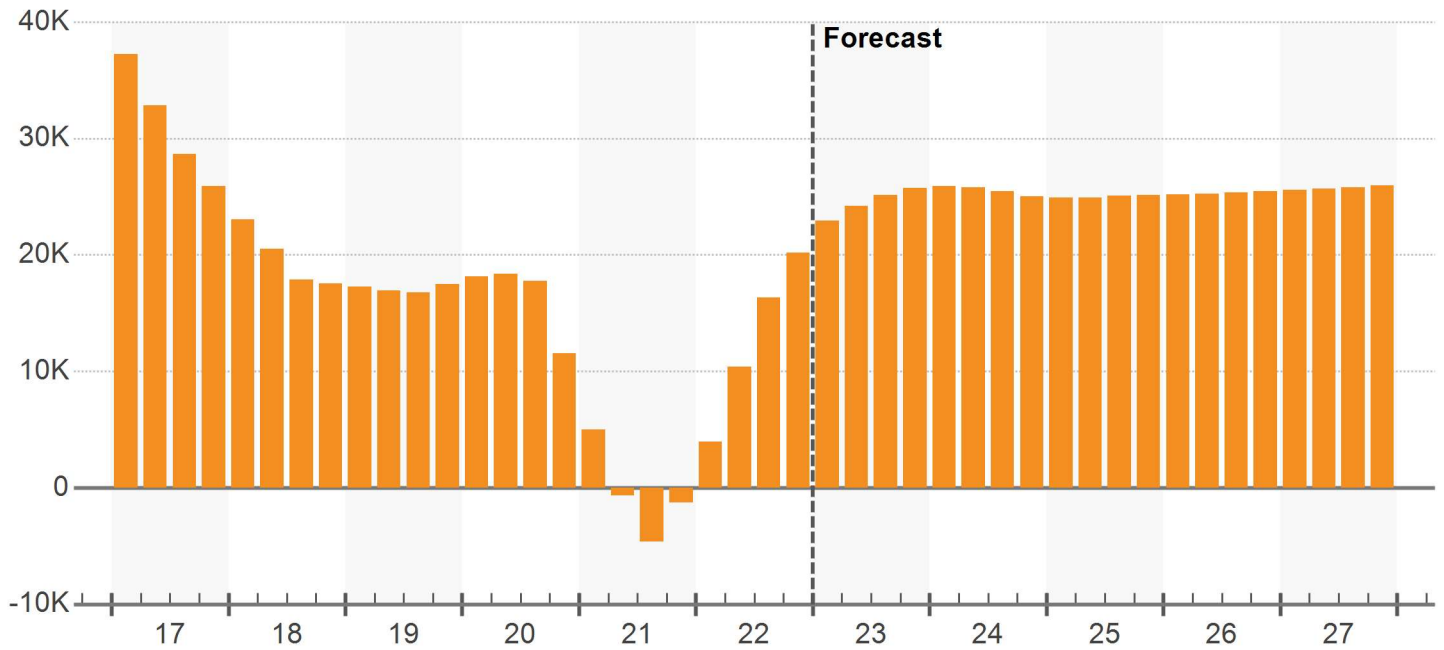
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)



DEMOGRAPHIC TRENDS

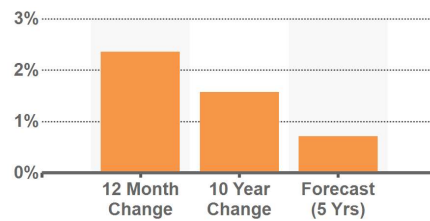
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	2,534,546	332,968,469	0.8%	0.3%	1.0%	0.6%	1.0%	0.5%
Households	978,963	124,274,852	0.8%	0.2%	1.1%	0.7%	1.0%	0.5%
Median Household Income	\$92,404	\$75,945	8.5%	8.0%	4.9%	4.0%	3.2%	3.1%
Labor Force	1,390,292	165,204,563	2.4%	1.9%	1.6%	0.6%	0.7%	0.5%
Unemployment	3.6%	3.6%	-0.3%	-0.6%	-0.4%	-0.4%	-	-

Source: Oxford Economics

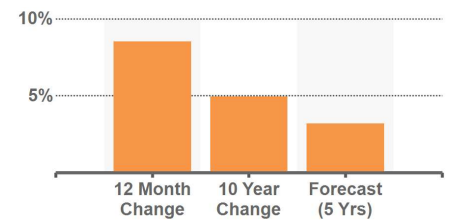
POPULATION GROWTH



LABOR FORCE GROWTH

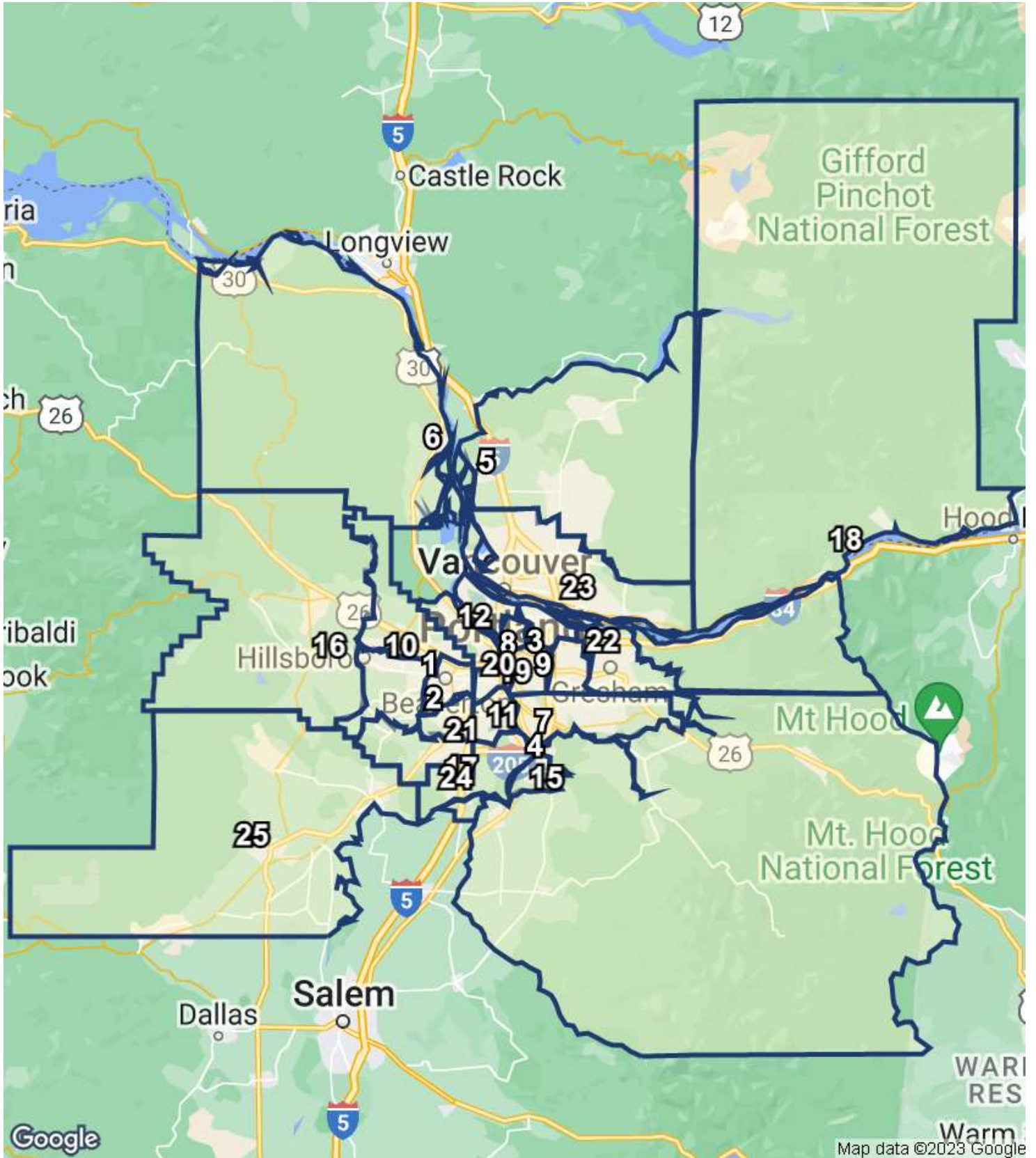


INCOME GROWTH



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	153	7,235	3.3%	12	0	0	0%	-	0	0	0%	-
2	Beaverton	303	15,894	7.3%	4	0	0	0%	-	1	270	1.7%	15
3	Central Northeast	183	4,287	2.0%	16	0	0	0%	-	2	22	0.5%	19
4	Clackamas County	67	2,302	1.1%	20	2	91	4.0%	12	4	355	15.4%	11
5	Clark County	32	1,670	0.8%	23	1	144	8.6%	9	2	247	14.8%	18
6	Columbia County	28	820	0.4%	24	0	0	0%	-	2	319	38.9%	12
7	Damascus	219	12,756	5.8%	7	0	0	0%	-	7	1,188	9.3%	2
8	Downtown Portland	109	12,699	5.8%	8	0	131	1.0%	10	5	907	7.1%	3
9	East Portland	412	10,253	4.7%	9	1	31	0.3%	15	2	250	2.4%	17
10	Hillsboro	118	20,007	9.2%	3	2	412	2.1%	3	3	592	3.0%	6
11	Lake Oswego	66	4,088	1.9%	17	0	0	0%	-	0	0	0%	-
12	North Portland	207	4,586	2.1%	15	14	227	4.9%	6	5	365	8.0%	10
13	Northeast Portland	334	7,595	3.5%	11	4	79	1.0%	13	2	319	4.2%	12
14	Northwest Portland	381	12,820	5.9%	6	2	324	2.5%	4	3	648	5.1%	5
15	Oregon City	44	2,076	1.0%	21	0	0	0%	-	0	0	0%	-
16	Outlying Washington Cou...	69	1,791	0.8%	22	1	196	10.9%	8	1	500	27.9%	9
17	Sherwood/Tualatin	43	3,888	1.8%	18	0	0	0%	-	1	264	6.8%	16
18	Skamania County	4	38	0%	25	0	0	0%	-	0	0	0%	-
19	Southeast Portland	1,037	21,934	10.0%	2	15	527	2.4%	2	5	683	3.1%	4
20	Southwest Portland	214	6,965	3.2%	13	2	103	1.5%	11	2	571	8.2%	7
21	Tigard	122	7,707	3.5%	10	1	219	2.8%	7	3	550	7.1%	8
22	Troutdale/Gresham	323	15,709	7.2%	5	4	256	1.6%	5	3	302	1.9%	14
23	Vancouver	580	33,355	15.3%	1	11	621	1.9%	1	18	2,747	8.2%	1
24	Wilsonville	57	4,809	2.2%	14	0	0	0%	-	0	0	0%	-
25	Yamhill County	93	2,967	1.4%	19	1	49	1.7%	14	0	0	0%	-

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	\$1,690	\$1.86	10	4.2%	\$1,668	\$1.83	10	3.6%	1.3%	3
2	Beaverton	\$1,554	\$1.81	14	5.7%	\$1,546	\$1.80	13	5.7%	0.5%	18
3	Central Northeast	\$1,332	\$1.79	15	0.9%	\$1,325	\$1.78	15	1.1%	0.6%	12
4	Clackamas County	\$1,582	\$1.73	18	5.7%	\$1,576	\$1.72	18	5.5%	0.4%	22
5	Clark County	\$1,530	\$1.78	16	7.6%	\$1,509	\$1.75	16	6.4%	1.4%	2
6	Columbia County	\$1,354	\$1.71	19	5.4%	\$1,349	\$1.70	19	5.2%	0.4%	23
7	Damascus	\$1,584	\$1.81	13	6.4%	\$1,576	\$1.80	14	6.3%	0.5%	14
8	Downtown Portland	\$1,891	\$2.56	1	2.0%	\$1,868	\$2.53	1	4.0%	1.2%	4
9	East Portland	\$1,216	\$1.47	23	3.5%	\$1,210	\$1.46	23	3.5%	0.5%	17
10	Hillsboro	\$1,817	\$1.97	8	3.5%	\$1,804	\$1.96	8	3.5%	0.7%	8
11	Lake Oswego	\$1,924	\$2.06	5	8.4%	\$1,913	\$2.05	5	8.1%	0.5%	15
12	North Portland	\$1,457	\$1.99	7	2.5%	\$1,444	\$1.98	7	2.3%	0.8%	7
13	Northeast Portland	\$1,584	\$2.37	3	2.3%	\$1,555	\$2.33	3	2.9%	1.8%	1
14	Northwest Portland	\$1,614	\$2.49	2	2.5%	\$1,598	\$2.47	2	3.8%	1.0%	5
15	Oregon City	\$1,555	\$1.65	21	6.4%	\$1,545	\$1.64	21	6.2%	0.6%	11
16	Outlying Washington Cou...	\$1,265	\$1.59	22	5.6%	\$1,260	\$1.59	22	5.4%	0.4%	21
17	Sherwood/Tualatin	\$1,743	\$1.89	9	6.3%	\$1,735	\$1.89	9	6.2%	0.5%	20
18	Skamania County	\$1,202	-	-	-	\$1,199	-	-	-	0.3%	25
19	Southeast Portland	\$1,424	\$2.18	4	0.9%	\$1,410	\$2.15	4	0.5%	1.0%	6
20	Southwest Portland	\$1,597	\$2.05	6	2.5%	\$1,587	\$2.04	6	6.3%	0.6%	10
21	Tigard	\$1,568	\$1.83	12	3.7%	\$1,560	\$1.82	12	3.5%	0.5%	19
22	Troutdale/Gresham	\$1,477	\$1.66	20	4.4%	\$1,468	\$1.65	20	4.4%	0.7%	9
23	Vancouver	\$1,626	\$1.76	17	5.1%	\$1,617	\$1.75	17	5.2%	0.5%	16
24	Wilsonville	\$1,720	\$1.83	11	1.5%	\$1,710	\$1.82	11	2.4%	0.6%	13
25	Yamhill County	\$1,229	\$1.43	24	4.1%	\$1,225	\$1.43	24	4.1%	0.3%	24

SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construc. Ratio
1	Aloha	324	4.5%	11	140	1.9%	9	-
2	Beaverton	687	4.3%	8	(103)	-0.6%	25	-
3	Central Northeast	255	6.0%	19	(20)	-0.5%	23	-
4	Clackamas County	109	4.7%	13	39	1.7%	16	2.3
5	Clark County	170	10.2%	25	40	2.4%	15	3.6
6	Columbia County	17	2.0%	3	(3)	-0.4%	22	-
7	Damascus	555	4.3%	9	91	0.7%	13	-
8	Downtown Portland	1,012	8.0%	24	283	2.2%	5	-
9	East Portland	424	4.1%	6	(36)	-0.4%	24	-
10	Hillsboro	992	5.0%	14	115	0.6%	12	-
11	Lake Oswego	204	5.0%	15	41	1.0%	14	-
12	North Portland	316	6.9%	22	323	7.1%	4	0.3
13	Northeast Portland	547	7.2%	23	201	2.6%	7	0.3
14	Northwest Portland	845	6.6%	21	593	4.6%	1	0
15	Oregon City	107	5.1%	17	4	0.2%	20	-
16	Outlying Washington Cou...	33	1.8%	2	186	10.4%	8	1.1
17	Sherwood/Tualatin	125	3.2%	5	13	0.3%	18	-
18	Skamania County	1	2.3%	4	0	0%	-	-
19	Southeast Portland	1,316	6.0%	20	341	1.6%	3	1.3
20	Southwest Portland	358	5.1%	16	249	3.6%	6	0.1
21	Tigard	319	4.1%	7	129	1.7%	10	1.7
22	Troutdale/Gresham	916	5.8%	18	118	0.8%	11	1.6
23	Vancouver	1,498	4.5%	12	463	1.4%	2	0.9
24	Wilsonville	210	4.4%	10	11	0.2%	19	-
25	Yamhill County	52	1.8%	1	33	1.1%	17	1.5

OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	246,346	5,268	2.2%	4,381	1.8%	1.2
2026	241,078	5,311	2.3%	4,406	1.8%	1.2
2025	235,767	4,621	2.0%	4,650	2.0%	1.0
2024	231,146	6,169	2.7%	5,143	2.2%	1.2
2023	224,977	6,726	3.1%	5,469	2.4%	1.2
YTD	218,251	0	0%	81	0%	0
2022	218,251	3,424	1.6%	3,243	1.5%	1.1
2021	214,827	6,966	3.4%	9,838	4.6%	0.7
2020	207,861	7,404	3.7%	6,365	3.1%	1.2
2019	200,457	7,027	3.6%	5,619	2.8%	1.3
2018	193,430	6,726	3.6%	7,003	3.6%	1.0
2017	186,704	5,569	3.1%	4,876	2.6%	1.1
2016	181,135	5,101	2.9%	2,729	1.5%	1.9
2015	176,034	4,286	2.5%	3,802	2.2%	1.1
2014	171,748	4,676	2.8%	4,754	2.8%	1.0
2013	167,072	2,654	1.6%	3,023	1.8%	0.9
2012	164,418	2,294	1.4%	1,929	1.2%	1.2
2011	162,124	417	0.3%	162	0.1%	2.6

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	99,765	5,126	5.4%	4,622	4.6%	1.1
2026	94,639	5,167	5.8%	4,521	4.8%	1.1
2025	89,472	4,493	5.3%	4,171	4.7%	1.1
2024	84,979	4,475	5.6%	3,803	4.5%	1.2
2023	80,504	4,872	6.4%	3,599	4.5%	1.4
YTD	75,632	0	0%	37	0%	0
2022	75,632	1,782	2.4%	3,003	4.0%	0.6
2021	73,850	5,809	8.5%	7,500	10.2%	0.8
2020	68,041	6,169	10.0%	4,578	6.7%	1.3
2019	61,872	5,683	10.1%	4,583	7.4%	1.2
2018	56,189	5,402	10.6%	5,146	9.2%	1.0
2017	50,787	4,936	10.8%	4,695	9.2%	1.1
2016	45,851	4,533	11.0%	3,083	6.7%	1.5
2015	41,318	3,769	10.0%	3,340	8.1%	1.1
2014	37,549	4,117	12.3%	4,044	10.8%	1.0
2013	33,432	2,202	7.1%	2,020	6.0%	1.1
2012	31,230	1,599	5.4%	1,093	3.5%	1.5
2011	29,631	31	0.1%	(55)	-0.2%	-

3 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	82,661	165	0.2%	(45)	-0.1%	-
2026	82,496	168	0.2%	44	0.1%	3.8
2025	82,328	145	0.2%	565	0.7%	0.3
2024	82,183	1,613	2.0%	1,455	1.8%	1.1
2023	80,570	1,861	2.4%	1,691	2.1%	1.1
YTD	78,709	0	0%	44	0.1%	0
2022	78,709	1,596	2.1%	665	0.8%	2.4
2021	77,113	1,158	1.5%	1,937	2.5%	0.6
2020	75,955	1,062	1.4%	1,468	1.9%	0.7
2019	74,893	1,280	1.7%	859	1.1%	1.5
2018	73,613	1,274	1.8%	1,567	2.1%	0.8
2017	72,339	643	0.9%	337	0.5%	1.9
2016	71,696	516	0.7%	12	0%	43.0
2015	71,180	483	0.7%	377	0.5%	1.3
2014	70,697	609	0.9%	592	0.8%	1.0
2013	70,088	408	0.6%	699	1.0%	0.6
2012	69,680	661	1.0%	807	1.2%	0.8
2011	69,019	396	0.6%	270	0.4%	1.5

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	63,920	(23)	0%	(196)	-0.3%	0.1
2026	63,943	(24)	0%	(159)	-0.2%	0.2
2025	63,967	(17)	0%	(86)	-0.1%	0.2
2024	63,984	81	0.1%	(115)	-0.2%	-
2023	63,903	(7)	0%	179	0.3%	0
YTD	63,910	0	0%	0	0%	-
2022	63,910	46	0.1%	(425)	-0.7%	-
2021	63,864	(1)	0%	401	0.6%	0
2020	63,865	173	0.3%	319	0.5%	0.5
2019	63,692	64	0.1%	177	0.3%	0.4
2018	63,628	50	0.1%	290	0.5%	0.2
2017	63,578	(10)	0%	(156)	-0.2%	0.1
2016	63,588	52	0.1%	(366)	-0.6%	-
2015	63,536	34	0.1%	85	0.1%	0.4
2014	63,502	(50)	-0.1%	118	0.2%	-
2013	63,552	44	0.1%	304	0.5%	0.1
2012	63,508	34	0.1%	29	0%	1.2
2011	63,474	(10)	0%	(53)	-0.1%	0.2

OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	15,525	6.3%	0.2	\$1,851	\$2.22	2.1%	(0.3)	\$1,836	\$2.21
2026	14,637	6.1%	0.2	\$1,814	\$2.18	2.4%	(0.5)	\$1,799	\$2.16
2025	13,725	5.8%	(0.1)	\$1,771	\$2.13	2.9%	(0.2)	\$1,757	\$2.11
2024	13,733	5.9%	0.3	\$1,722	\$2.07	3.0%	(1.4)	\$1,708	\$2.05
2023	12,728	5.7%	0.4	\$1,671	\$2.01	4.5%	0.4	\$1,658	\$1.99
YTD	11,392	5.2%	0	\$1,599	\$1.91	3.9%	(0.1)	\$1,587	\$1.90
2022	11,473	5.3%	0	\$1,599	\$1.91	4.1%	(5.2)	\$1,588	\$1.90
2021	11,261	5.2%	(1.6)	\$1,537	\$1.84	9.3%	8.3	\$1,521	\$1.82
2020	14,121	6.8%	0.3	\$1,406	\$1.68	1.0%	(1.4)	\$1,384	\$1.65
2019	12,944	6.5%	0.5	\$1,393	\$1.66	2.4%	(0.1)	\$1,374	\$1.64
2018	11,520	6.0%	(0.3)	\$1,361	\$1.62	2.5%	0.5	\$1,332	\$1.59
2017	11,771	6.3%	0.2	\$1,328	\$1.59	2.0%	(1.5)	\$1,296	\$1.55
2016	11,066	6.1%	1.2	\$1,302	\$1.56	3.5%	(4.8)	\$1,275	\$1.52
2015	8,682	4.9%	0.2	\$1,258	\$1.50	8.3%	4.1	\$1,243	\$1.48
2014	8,187	4.8%	(0.2)	\$1,162	\$1.39	4.2%	0.5	\$1,149	\$1.37
2013	8,254	4.9%	(0.3)	\$1,115	\$1.33	3.7%	0.9	\$1,106	\$1.32
2012	8,621	5.2%	0.2	\$1,075	\$1.28	2.9%	1.1	\$1,066	\$1.27
2011	8,247	5.1%	0.1	\$1,045	\$1.25	1.8%	-	\$1,038	\$1.24

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
2027	8,376	8.4%	0.1	\$2,115	\$2.54	1.8%	(0.3)	\$2,093	\$2.51
2026	7,871	8.3%	0.2	\$2,077	\$2.49	2.2%	(0.5)	\$2,055	\$2.47
2025	7,219	8.1%	0	\$2,033	\$2.44	2.7%	(0.2)	\$2,011	\$2.41
2024	6,877	8.1%	0.4	\$1,980	\$2.38	2.9%	(1.5)	\$1,959	\$2.35
2023	6,229	7.7%	1.2	\$1,925	\$2.31	4.3%	0.5	\$1,904	\$2.29
YTD	4,921	6.5%	0	\$1,844	\$2.20	3.7%	(0.2)	\$1,826	\$2.18
2022	4,958	6.6%	(1.8)	\$1,844	\$2.20	3.8%	(6.8)	\$1,827	\$2.18
2021	6,147	8.3%	(3.2)	\$1,777	\$2.12	10.6%	11.1	\$1,748	\$2.09
2020	7,831	11.5%	1.6	\$1,606	\$1.92	-0.5%	(1.9)	\$1,564	\$1.87
2019	6,112	9.9%	1.0	\$1,614	\$1.93	1.5%	(0.3)	\$1,580	\$1.89
2018	5,005	8.9%	(0.4)	\$1,591	\$1.90	1.8%	0.8	\$1,548	\$1.85
2017	4,741	9.3%	(0.5)	\$1,562	\$1.87	1.0%	(0.5)	\$1,513	\$1.81
2016	4,493	9.8%	2.5	\$1,547	\$1.85	1.5%	(5.0)	\$1,497	\$1.79
2015	3,028	7.3%	0.4	\$1,524	\$1.82	6.5%	3.4	\$1,500	\$1.79
2014	2,592	6.9%	(0.6)	\$1,431	\$1.71	3.1%	(0.3)	\$1,410	\$1.68
2013	2,511	7.5%	0.1	\$1,388	\$1.66	3.3%	0.7	\$1,374	\$1.64
2012	2,329	7.5%	1.3	\$1,343	\$1.60	2.6%	1.2	\$1,331	\$1.59
2011	1,819	6.1%	0.3	\$1,309	\$1.56	1.5%	-	\$1,301	\$1.55

3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	4,166	5.0%	0.2	\$1,849	\$2.15	2.2%	(0.3)	\$1,837	\$2.14
2026	3,956	4.8%	0.1	\$1,809	\$2.11	2.6%	(0.5)	\$1,797	\$2.09
2025	3,832	4.7%	(0.5)	\$1,763	\$2.06	3.0%	(0.1)	\$1,752	\$2.04
2024	4,252	5.2%	0.1	\$1,711	\$1.99	3.1%	(1.4)	\$1,700	\$1.98
2023	4,093	5.1%	0.1	\$1,659	\$1.93	4.5%	(0.3)	\$1,649	\$1.92
YTD	3,879	4.9%	(0.1)	\$1,587	\$1.84	4.6%	(0.2)	\$1,578	\$1.83
2022	3,923	5.0%	1.1	\$1,588	\$1.84	4.8%	(5.5)	\$1,578	\$1.83
2021	2,991	3.9%	(1.1)	\$1,515	\$1.75	10.3%	8.1	\$1,506	\$1.74
2020	3,766	5.0%	(0.6)	\$1,374	\$1.59	2.2%	(1.3)	\$1,362	\$1.57
2019	4,162	5.6%	0.5	\$1,345	\$1.55	3.4%	0.4	\$1,333	\$1.54
2018	3,733	5.1%	(0.5)	\$1,300	\$1.50	3.0%	0.6	\$1,274	\$1.47
2017	4,007	5.5%	0.4	\$1,262	\$1.46	2.4%	(2.6)	\$1,235	\$1.43
2016	3,695	5.2%	0.7	\$1,232	\$1.42	5.0%	(5.7)	\$1,216	\$1.40
2015	3,192	4.5%	0.1	\$1,173	\$1.36	10.7%	5.3	\$1,160	\$1.34
2014	3,081	4.4%	0	\$1,060	\$1.22	5.4%	1.1	\$1,050	\$1.21
2013	3,063	4.4%	(0.4)	\$1,006	\$1.16	4.3%	1.0	\$1,000	\$1.15
2012	3,351	4.8%	(0.3)	\$964	\$1.11	3.3%	0.9	\$957	\$1.10
2011	3,493	5.1%	0.2	\$933	\$1.08	2.3%	-	\$928	\$1.07

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
2027	2,983	4.7%	0.3	\$1,420	\$1.79	2.3%	(0.3)	\$1,413	\$1.78
2026	2,810	4.4%	0.2	\$1,389	\$1.75	2.6%	(0.5)	\$1,382	\$1.74
2025	2,673	4.2%	0.1	\$1,353	\$1.71	3.1%	(0.1)	\$1,346	\$1.70
2024	2,603	4.1%	0.3	\$1,312	\$1.66	3.2%	(1.5)	\$1,306	\$1.65
2023	2,406	3.8%	(0.3)	\$1,271	\$1.60	4.7%	1.5	\$1,265	\$1.60
YTD	2,593	4.1%	0	\$1,214	\$1.53	3.2%	0	\$1,209	\$1.52
2022	2,592	4.1%	0.7	\$1,214	\$1.53	3.2%	(0.9)	\$1,208	\$1.52
2021	2,123	3.3%	(0.6)	\$1,176	\$1.48	4.1%	1.8	\$1,171	\$1.47
2020	2,525	4.0%	(0.2)	\$1,130	\$1.42	2.3%	(0.2)	\$1,123	\$1.41
2019	2,670	4.2%	(0.2)	\$1,104	\$1.39	2.5%	(0.4)	\$1,098	\$1.38
2018	2,782	4.4%	(0.4)	\$1,077	\$1.35	2.9%	(0.6)	\$1,067	\$1.34
2017	3,023	4.8%	0.2	\$1,046	\$1.32	3.5%	(2.4)	\$1,037	\$1.30
2016	2,878	4.5%	0.7	\$1,011	\$1.27	5.8%	(2.6)	\$1,003	\$1.26
2015	2,462	3.9%	(0.1)	\$956	\$1.20	8.4%	3.4	\$949	\$1.19
2014	2,514	4.0%	(0.3)	\$881	\$1.11	5.1%	1.3	\$876	\$1.10
2013	2,681	4.2%	(0.4)	\$839	\$1.05	3.7%	1.0	\$834	\$1.05
2012	2,940	4.6%	0	\$809	\$1.01	2.7%	1.4	\$804	\$1.01
2011	2,935	4.6%	0.1	\$787	\$0.99	1.4%	-	\$783	\$0.98

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
2027	-	-	-	-	-	-	\$335,029	352	4.4%
2026	-	-	-	-	-	-	\$329,333	346	4.4%
2025	-	-	-	-	-	-	\$322,401	339	4.4%
2024	-	-	-	-	-	-	\$314,154	330	4.4%
2023	-	-	-	-	-	-	\$303,930	319	4.4%
YTD	-	-	-	-	-	-	\$295,188	310	4.4%
2022	278	\$2.7B	5.1%	\$12,721,719	\$272,362	5.0%	\$291,080	306	4.4%
2021	397	\$4.3B	8.2%	\$13,897,585	\$262,555	5.1%	\$275,140	289	4.4%
2020	235	\$1.8B	4.1%	\$9,946,046	\$230,499	5.5%	\$246,410	259	4.6%
2019	306	\$2.2B	5.8%	\$9,485,550	\$221,828	5.5%	\$232,830	244	4.8%
2018	353	\$2.2B	6.4%	\$9,221,014	\$211,547	5.4%	\$214,885	226	4.9%
2017	301	\$1.6B	5.3%	\$8,340,533	\$201,854	5.5%	\$199,629	210	5.1%
2016	309	\$3B	9.0%	\$11,570,117	\$188,305	5.5%	\$188,545	198	5.2%
2015	318	\$2.2B	8.6%	\$7,981,992	\$151,022	5.8%	\$175,978	185	5.3%
2014	233	\$1.5B	6.3%	\$7,438,555	\$144,410	6.3%	\$157,739	166	5.6%
2013	196	\$928.1M	5.4%	\$5,185,035	\$106,619	6.5%	\$143,375	151	5.9%
2012	190	\$868.4M	5.1%	\$5,231,559	\$107,733	6.6%	\$137,089	144	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 & 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
2027	-	-	-	-	-	-	\$440,147	323	4.2%
2026	-	-	-	-	-	-	\$433,406	318	4.2%
2025	-	-	-	-	-	-	\$425,111	312	4.2%
2024	-	-	-	-	-	-	\$414,973	305	4.2%
2023	-	-	-	-	-	-	\$401,915	295	4.2%
YTD	-	-	-	-	-	-	\$390,864	287	4.1%
2022	26	\$703.2M	3.1%	\$29,300,229	\$341,860	4.7%	\$383,344	282	4.2%
2021	61	\$2.3B	10.0%	\$44,417,118	\$322,046	4.5%	\$364,613	268	4.2%
2020	32	\$871.9M	4.4%	\$29,064,257	\$324,861	5.1%	\$331,985	244	4.3%
2019	38	\$1.3B	8.4%	\$37,618,579	\$297,104	4.7%	\$317,255	233	4.4%
2018	33	\$949M	6.4%	\$33,894,122	\$311,363	4.8%	\$293,565	216	4.6%
2017	28	\$655.5M	6.5%	\$29,793,591	\$265,691	4.9%	\$275,875	203	4.7%
2016	37	\$1.8B	15.7%	\$49,306,783	\$247,255	4.6%	\$261,682	192	4.8%
2015	29	\$971.6M	12.6%	\$33,502,868	\$185,913	5.3%	\$247,603	182	4.9%
2014	24	\$641.5M	7.8%	\$26,728,317	\$220,062	5.5%	\$223,998	165	5.1%
2013	15	\$418.9M	7.7%	\$27,927,827	\$162,813	5.7%	\$205,367	151	5.4%
2012	15	\$296.4M	7.4%	\$19,759,848	\$128,533	5.8%	\$195,911	144	5.4%

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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
2027	-	-	-	-	-	-	\$312,089	392	4.4%
2026	-	-	-	-	-	-	\$306,335	385	4.4%
2025	-	-	-	-	-	-	\$299,408	376	4.3%
2024	-	-	-	-	-	-	\$291,327	366	4.3%
2023	-	-	-	-	-	-	\$281,616	354	4.4%
YTD	-	-	-	-	-	-	\$273,430	343	4.3%
2022	78	\$1.4B	6.7%	\$21,092,544	\$285,091	4.9%	\$270,266	339	4.3%
2021	106	\$1.5B	8.2%	\$16,417,727	\$246,843	4.9%	\$253,493	318	4.4%
2020	64	\$591.1M	3.9%	\$10,369,492	\$202,835	5.3%	\$222,262	279	4.5%
2019	64	\$497.9M	3.7%	\$9,762,354	\$192,009	5.7%	\$207,455	261	4.7%
2018	90	\$925.5M	6.6%	\$12,019,857	\$199,081	5.3%	\$191,121	240	4.9%
2017	75	\$717.6M	5.4%	\$11,764,256	\$195,218	5.3%	\$175,024	220	5.1%
2016	84	\$936.9M	8.5%	\$12,010,906	\$156,350	5.5%	\$165,002	207	5.2%
2015	86	\$891.2M	8.6%	\$12,730,914	\$148,478	5.4%	\$151,006	190	5.4%
2014	66	\$729.9M	8.0%	\$11,405,447	\$129,584	6.0%	\$134,256	169	5.7%
2013	53	\$357.2M	5.7%	\$7,441,669	\$94,547	6.3%	\$120,647	152	6.0%
2012	47	\$430.1M	5.6%	\$10,001,459	\$114,929	6.4%	\$115,319	145	6.0%

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1 & 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
2027	-	-	-	-	-	-	\$227,838	367	4.8%
2026	-	-	-	-	-	-	\$223,572	360	4.8%
2025	-	-	-	-	-	-	\$218,405	351	4.8%
2024	-	-	-	-	-	-	\$212,404	342	4.8%
2023	-	-	-	-	-	-	\$205,203	330	4.8%
YTD	-	-	-	-	-	-	\$198,748	320	4.8%
2022	174	\$572.2M	5.5%	\$4,729,155	\$200,010	5.0%	\$197,866	318	4.8%
2021	230	\$518.6M	6.1%	\$3,124,397	\$161,926	5.3%	\$186,623	300	4.8%
2020	139	\$327.3M	3.9%	\$3,519,349	\$150,899	5.7%	\$166,167	267	5.0%
2019	204	\$404.8M	5.8%	\$2,791,480	\$137,816	5.6%	\$155,654	251	5.2%
2018	230	\$366.1M	6.0%	\$2,653,202	\$126,474	5.6%	\$143,111	230	5.4%
2017	198	\$245M	4.3%	\$2,207,070	\$130,798	5.8%	\$132,097	213	5.6%
2016	188	\$261.6M	4.8%	\$1,829,546	\$99,857	5.7%	\$123,691	199	5.7%
2015	203	\$364.2M	5.9%	\$2,023,492	\$103,533	6.0%	\$114,922	185	5.9%
2014	143	\$146M	3.6%	\$1,258,939	\$74,509	6.8%	\$101,748	164	6.2%
2013	128	\$152M	3.9%	\$1,310,377	\$64,573	6.8%	\$91,963	148	6.5%
2012	128	\$142M	3.4%	\$1,314,614	\$70,531	6.9%	\$88,565	143	6.5%

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DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2027	-	246,349	6.3%	-	5,322	-	5,269	-	-
2026	-	241,080	6.1%	-	5,366	-	5,310	-	-
2025	-	235,770	5.8%	-	4,677	-	4,622	-	-
2024	-	231,148	5.9%	-	6,112	-	6,170	-	-
2023	-	224,978	5.7%	-	6,733	-	6,727	-	-
YTD	5,198	218,251	5.2%	0	0	0	0	71	11,099
2022	5,198	218,251	5.3%	62	3,486	61	3,424	71	11,099
2021	5,137	214,827	5.2%	77	6,979	75	6,966	85	7,842
2020	5,062	207,861	6.8%	83	7,505	83	7,505	107	9,456
2019	4,979	200,457	6.5%	109	7,027	109	7,027	130	12,392
2018	4,870	193,430	6.0%	93	6,754	92	6,725	150	12,452
2017	4,778	186,704	6.3%	67	5,602	64	5,567	135	12,438
2016	4,714	181,135	6.1%	63	5,112	62	5,101	106	9,602
2015	4,652	176,034	4.9%	59	4,286	59	4,286	87	8,778
2014	4,593	171,748	4.8%	57	4,760	54	4,676	75	7,039
2013	4,539	167,072	4.9%	35	2,654	35	2,654	69	6,811
2012	4,504	164,418	5.2%	25	2,300	24	2,294	49	4,438
2011	4,480	162,124	5.1%	6	445	3	417	34	3,290