



Multi-Family Market Report

Portland - OR

PREPARED BY

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MULTI-FAMILY MARKET REPORT

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12 Mo. Delivered Units

5,849

12 Mo. Absorption Units

2,058

Vacancy Rate

6.4%

12 Mo. Asking Rent Growth

-0.9%

Leasing activity in the Portland metro area has cooled, resulting in a drastic recalibration of net absorption as of the third quarter of 2023. The 2,100 units absorbed on a trailing 12-month basis indicates a massive reduction from peak performance of 11,000 units in the third quarter of 2021. In tandem, deliveries of new product will heat up in the coming quarters, likely pushing vacancies closer to the 7% mark.

Portland's construction pipeline surge to 9,100 units reflects a 40% increase from the third quarter of 2021. The uptick in ground breakings over the past 12 months likely resulted partially from starts by developers who had paused activity during the pandemic for various reasons. The latest 2022 preliminary census data suggests the pace of permits pulled in the region is projected to surpass the 2021 mark of around 6,500 units, meaning supply pressures might not ease for at least another year.

New supply will be concentrated primarily in Vancouver and Portland's urban core submarkets. Vancouver's impending wave of over 2,000 units suggests an inventory expansion of around 7%. Population growth, streamlined planning and permitting processes, an absence of rent control or inclusionary zoning mandates, and a larger inventory of developable land are big draws for developers.

Elsewhere, urban core markets will see more units coming online in 2023 and 2024. Waterfront locations are prized, but the pace of the deliveries in areas like Southeast and Southwest Portland, as well as Downtown will be more measured. Land constraints mean projects here can require demolition of previously blighted or underperforming improvements, with mid- and high-rise

assets dominating the urban landscapes. As such, these types of communities typically require double the construction time of suburban garden-style properties.

Overall, Portland's unit mix currently underway favors luxury communities. Upon completion of this cycle, the balance of existing inventory will be skewed slightly towards the 4 & 5 Star class. The timing could be a challenge for property managers, as residents scrutinize spending to battle inflation, or even delay household formations altogether. This could create formidable headwinds, with concentrated downward pressure expected on rent growth. This may be especially amplified in high-end communities where vacancies are already running nearly 200 basis points above metro averages. 3 Star properties will face less supply pressure in coming quarters, with a potentially larger prospective renter pool, thus rent growth projects to trend above metro performance. Portland's market asking rate currently reflects year-over-year growth of -0.9%, a large retreat from the three-year average of 4.4%, but in line with national trends.

For several reasons besides rent growth challenges, investment activity in 2023 is primed for further decreases in activity. First quarter volume was already down nearly 70% from the first quarter of 2022. 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, if they can secure reasonable financing. Lending conditions, however, are deteriorating amidst the Federal Reserve's battle against inflation. Large, well-qualified players are even starting to turn to debt assumptions as they aim to capture lower rates.

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	75,865	8.3%	\$1,862	\$1,847	10	0	6,280
3 Star	83,254	6.3%	\$1,612	\$1,601	6	0	2,698
1 & 2 Star	63,933	4.5%	\$1,241	\$1,234	0	0	100
Market	223,052	6.4%	\$1,621	\$1,610	16	0	9,078

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.5%	5.5%	6.6%	7.4%	2004 Q1	3.5%	2000 Q3
Absorption Units	2,058	3,033	3,730	10,914	2021 Q2	(2,778)	2002 Q1
Delivered Units	5,849	3,416	4,169	8,295	2020 Q3	447	2011 Q4
Demolished Units	60	27	23	152	2009 Q3	0	2020 Q4
Asking Rent Growth (YOY)	-0.9%	2.6%	2.5%	9.0%	2022 Q1	-4.2%	2009 Q4
Effective Rent Growth (YOY)	-0.6%	2.5%	2.5%	9.6%	2021 Q4	-4.4%	2009 Q4
Sales Volume	\$1.7B	\$1.4B	N/A	\$4.6B	2022 Q2	\$209.4M	2009 Q3

Leasing has cooled drastically from its record-setting mid-2021 performance. Trailing four-quarter net absorption as of the third quarter of 2023 now equates to 2,100 units, versus the average annual figure of 6,100 units over the past five years. Vacancies have trended to 6.4% in response, reflecting a 1.5% change over the previous 12 months.

This is primarily because construction to date has picked up, with developers expected to bring a wave of units online in coming quarters. Most of this product reflects communities rated 4 & 5 Star. The timing of delivering luxury product on this scale could be a challenge for property managers, as residents scrutinize spending to battle inflation, or even delay household formations altogether. This will create formidable headwinds, with concentrated downward pressure expected on rent growth, especially in high-end communities.

While concerning given external factors, an onslaught of supply on the horizon may not be a complete death sentence for Portland's multifamily market. Financing homes is still out of reach for many residents and will likely continue to be in the near term, given elevated interest rates as a result of the Fed's battle against inflation. Multiple residential brokers across Portland have noted that their client bases in the 25 to 35 age category are struggling to make home ownership pencil out. One broker noted that around 95% of their younger clients have elected to rent an apartment in the near-term, while waiting out interest rates and hoping pricing doesn't rebound heavily to the upside.

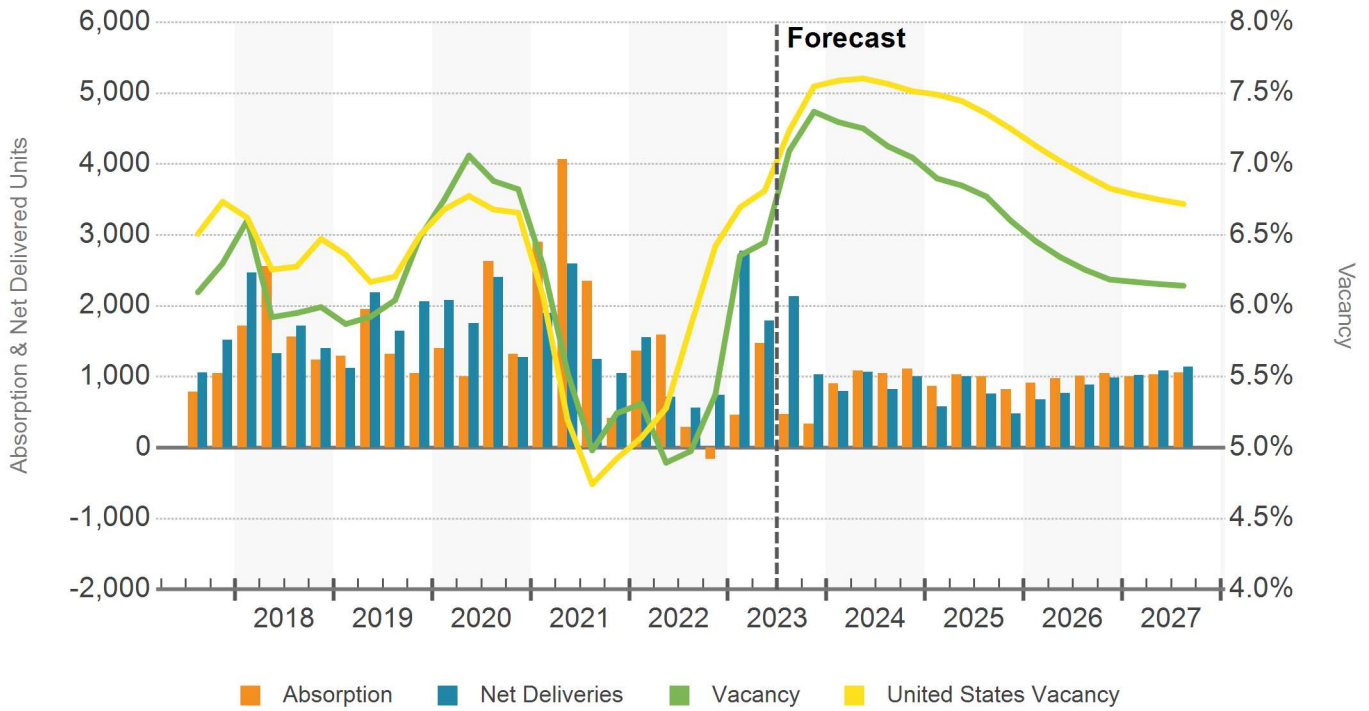
Renters as a whole comprise about 45% of Portland households. Relief in the form of new single-family residential units isn't around the corner, either. Despite

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, providing a measured stream of renters for landlords in quarters to come and keep vacancies below national trends.

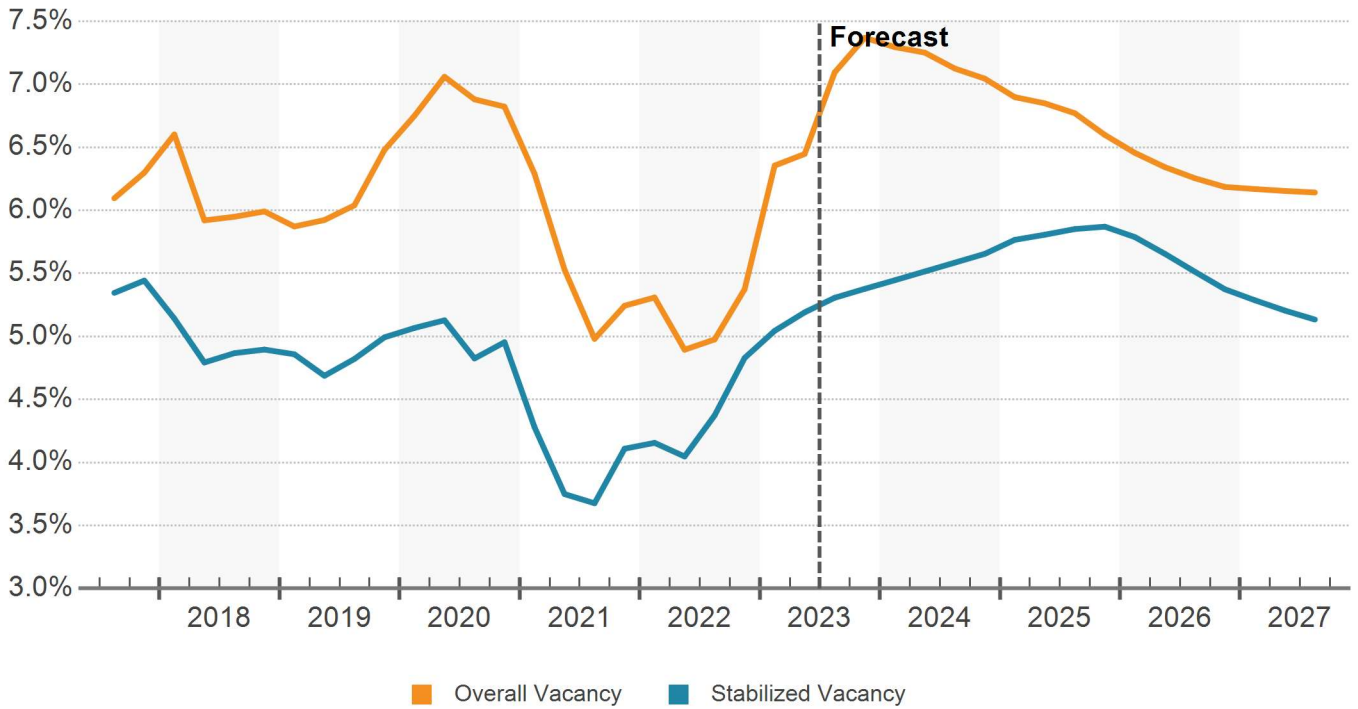
Shifts in locational preferences have also formed over the past year, as some pandemic-era leasing hotspots are no longer drawing renters en masse. One area where this has been notable is Portland's Downtown core. Here, vacancies remain elevated relative to the rest of the metro, but are approximately half of their 2020 peak of over 16%. Contributing to the decline are renters that left during the height of the pandemic, some of whom are now being drawn back to Portland's busiest hub as restaurants and other entertainment offerings open back up and the convenience of being proximate to these services grows.

Conversely, suburban submarkets expected to outperform metro occupancy readings include communities such as Damascus—despite its elevated supply pipeline—and Tigard. Asking rates currently fall in line with metro averages, mixing affordability with proximity to job nodes. Beaverton is also a well amenitized community with similar drivers. For tenants less willing to adopt an urban lifestyle, a desire to live close to major employers like Nike and Intel drives structural demand. Resulting rent growth could continue to post above-trend figures on a year-over-year basis, as construction pipelines here remain relatively light.

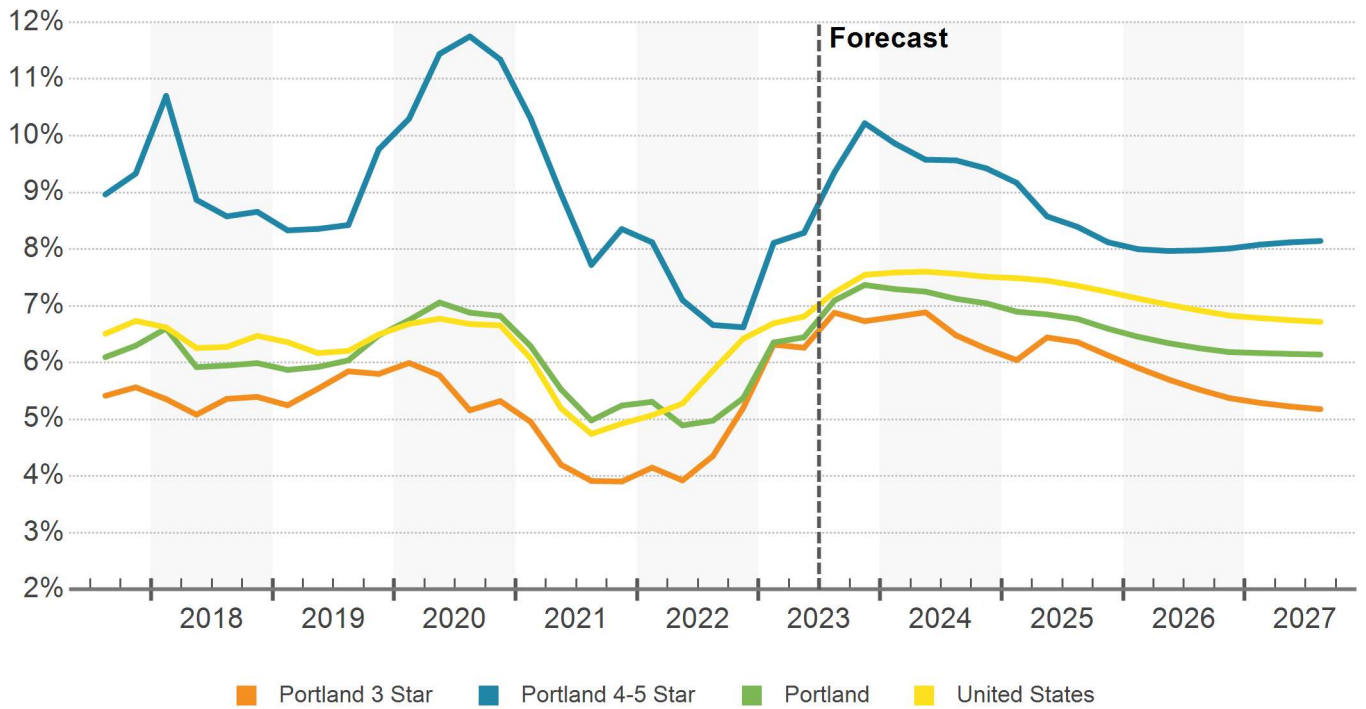
ABSORPTION, NET DELIVERIES & VACANCY



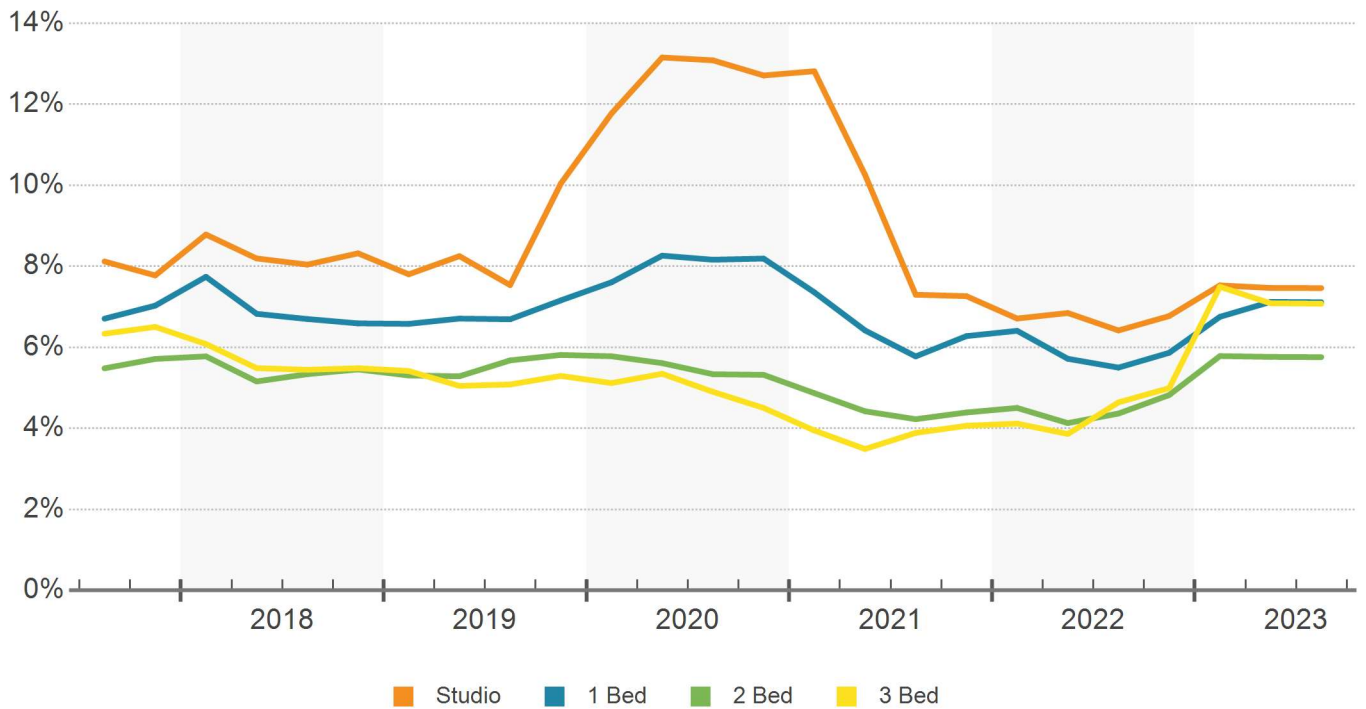
OVERALL & STABILIZED VACANCY



VACANCY RATE



VACANCY BY BEDROOM



As of the third quarter of 2023, market rent in Portland equates to \$1,620/unit, reflecting year-over-year growth of -0.9%. By comparison, the national index posted average growth of 1.1% over the same period. Over the past ten years, Portland has averaged rent growth of 3.9% per year.

High in-migration figures put added pressure on housing needs during 2021 and early 2022, as new residents scrambled to find well-located units. New supply currently 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, particularly in the 4 & 5 Star rated communities, which make up over 75% of the current pipeline. In fact, the current wave of construction will tilt the balance of Portland's market to favor a majority of luxury units. Previously, 3 Star inventory made up the largest share. Annual rent growth in 4 & 5 Star communities trends to -2.1%, with vacancies of 8.3% sitting above the metro average, as well as the 3 Star average figure of 6.3%.

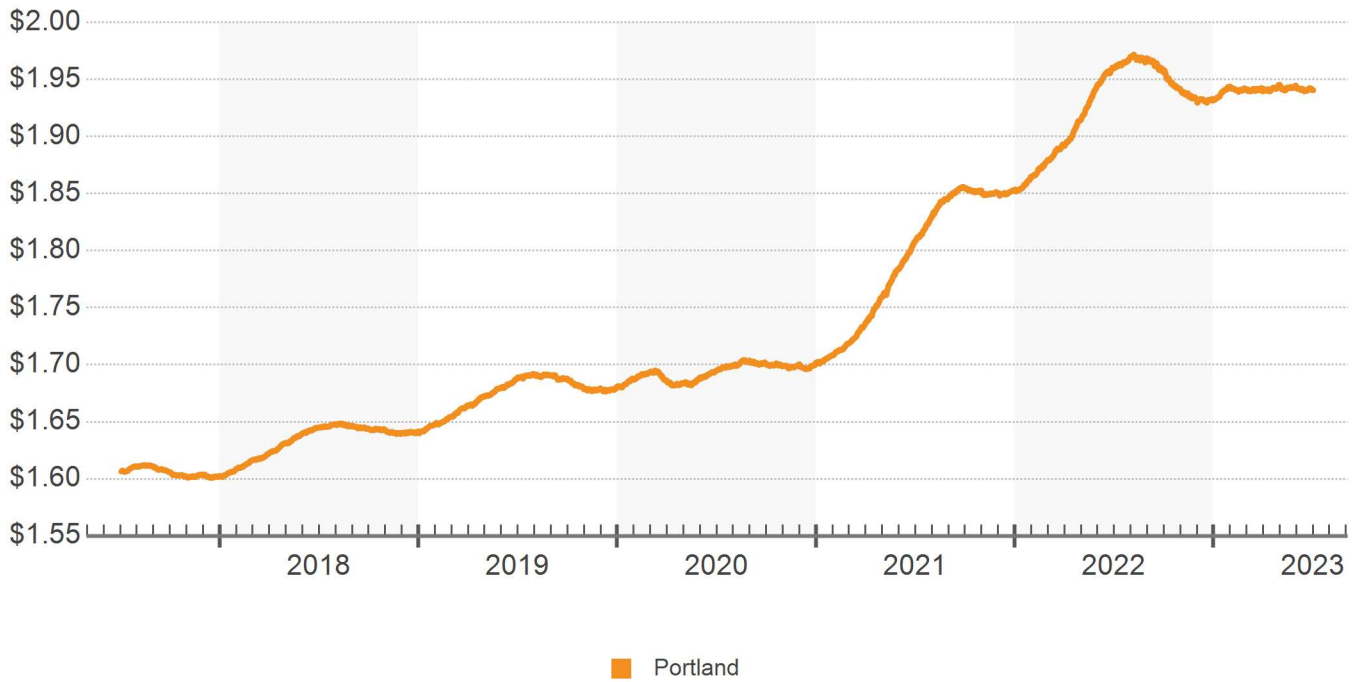
Those looking for higher end units will have more options to choose from, as well as more leverage in pricing negotiations. This will be especially true inside the urban cores where construction is heavily clustered and concessions have started to return in earnest. Some communities are offering over one month free on select units. Downtown, rents had bounced back by mid-2022 in response to some renters returning, but companies will need to continue to commit workers to the core for this

trend to continue at scale. The departures of the Umpqua Bank and Unitus Community Credit Union headquarters are another blemish in a string of significant blows to central Portland.

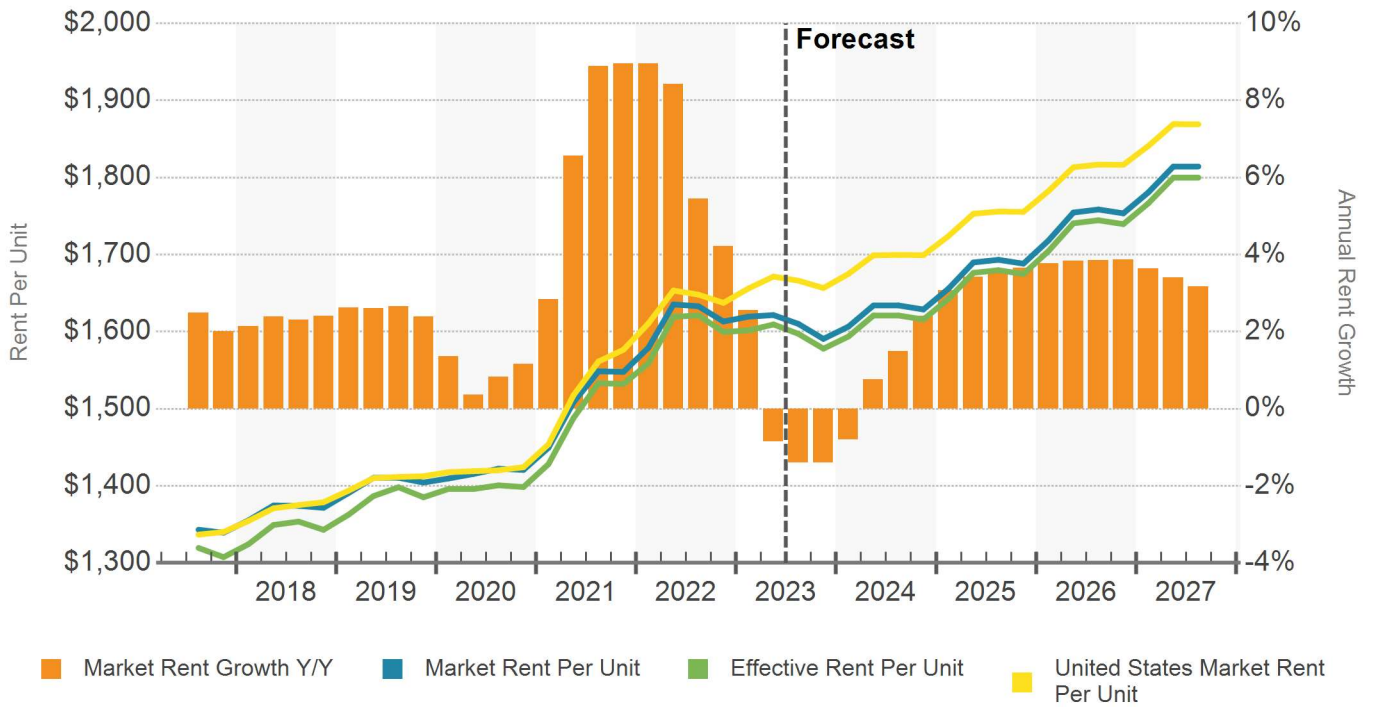
Meanwhile, Portland's outlying suburban communities should continue to post the strongest rent growth. As renter preferences shifted and the importance of a central location diminished during the worst of the pandemic, tenants found suburban apartments more appealing. Some who relocated will likely stay there permanently, allowing landlords to keep some slight pressure on rental rates in the absence of competing options. The Beaverton, Tigard and Damascus submarkets have all seen trailing four quarter rent growth comfortably outpace metro averages.

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, a rent increase limit of 7% plus inflation is actually a premium to the metropolitan area's historical average performance of 2.6%. In the last decade, the typical rent for a market-rate Portland apartment has increased by 46.1%. By comparison, national rent growth was 42.5% over this period. Therefore, it appears the organically growing pipeline will serve as a more outsized deterrent to rent growth than legislative initiatives.

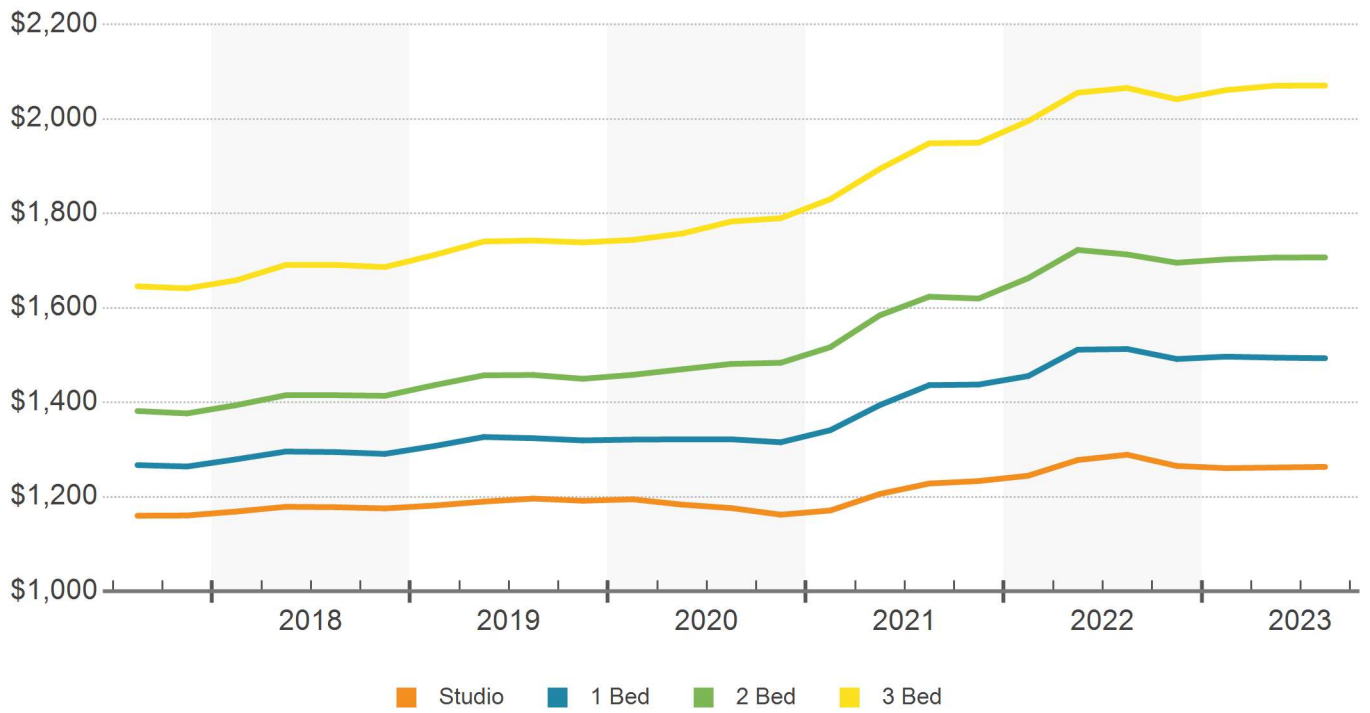
DAILY ASKING RENT PER SF



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	\$1.83	\$3.08	\$10.46
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	\$0.56	\$0.51	\$0.61	\$0.78	\$0.51	\$0.20	\$1.24	\$0.18	\$0.56	\$1.23	\$6.74
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	\$0.55	\$1.09	\$0.71	\$0.81	\$1.18	\$0.20	\$1.42	\$0.18	\$0.51	\$1.15	\$8.31
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.

Portland's apartment construction pipeline now stands at 9,100 units underway as of the third quarter of 2023, which will expand existing inventory by 4.1%. While some of these projects were previously permitted and put on hold, the uptick is nonetheless a sign that developers may be starting to react in earnest to the historically heavy leasing of the past 18 months. Not all of these units will be hitting the market immediately, but net deliveries over the past 12 months totaled 5,800 units. This indicates a notable surplus is forming, based on trailing-year net absorption of 2,100 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, and this trend still holds true for communities currently underway. In particular, the Pearl District and Northwest Portland, flush with restaurants and other urban amenities, have been popular targets. 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.

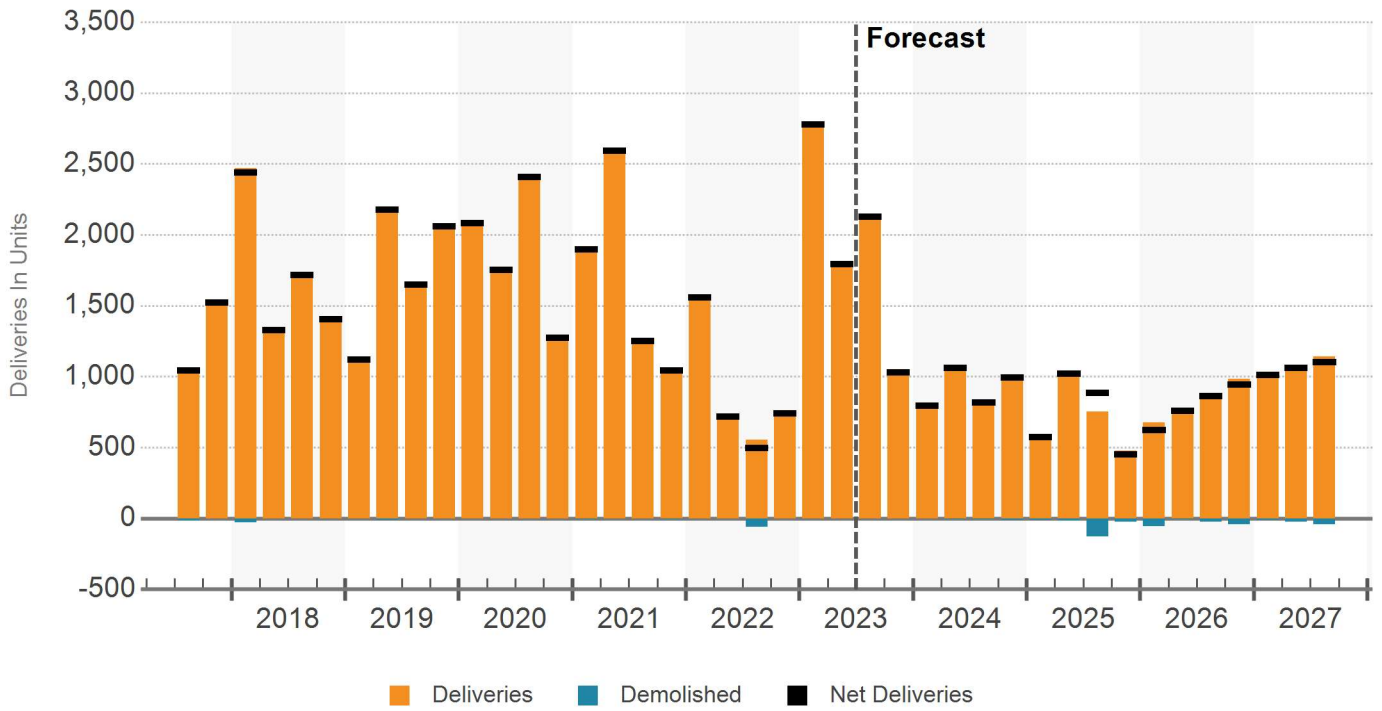
Given Portland's land constraints, much of the development in and around the urban cores has shifted to Southwest Portland, where some of the last remaining vacant tracts of readily buildable land remain. The South Waterfront area alone has seen nearly 2,000 units added since 2016, over 300 of which 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, who also has another 1,200 units in the works that will span five-buildings and include 22,000 SF of ground level retail space. The first phases of the project are the Willamette Tower and the Olivia, which will bring more than 500 units online in the coming quarters.

Southwest Portland is primed to be a dominant player for future development and leasing. Compressed vacancies of late are attributable to tenants – a large portion of whom are employed at Oregon Health and Science University – who are drawn to the nearby South Waterfront'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, and developers appear committed to keeping tenants from bleeding into other neighborhoods.

Vancouver, Washington, is a popular destination for builders too. Around 2,500 units have delivered here since the beginning of 2021 with thousands more underway, ranking at 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 remain structural. 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.

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.

DELIVERIES & DEMOLITIONS



Under Construction Properties

Portland Multi-Family

Properties

Units

Percent of Inventory

Avg. No. Units

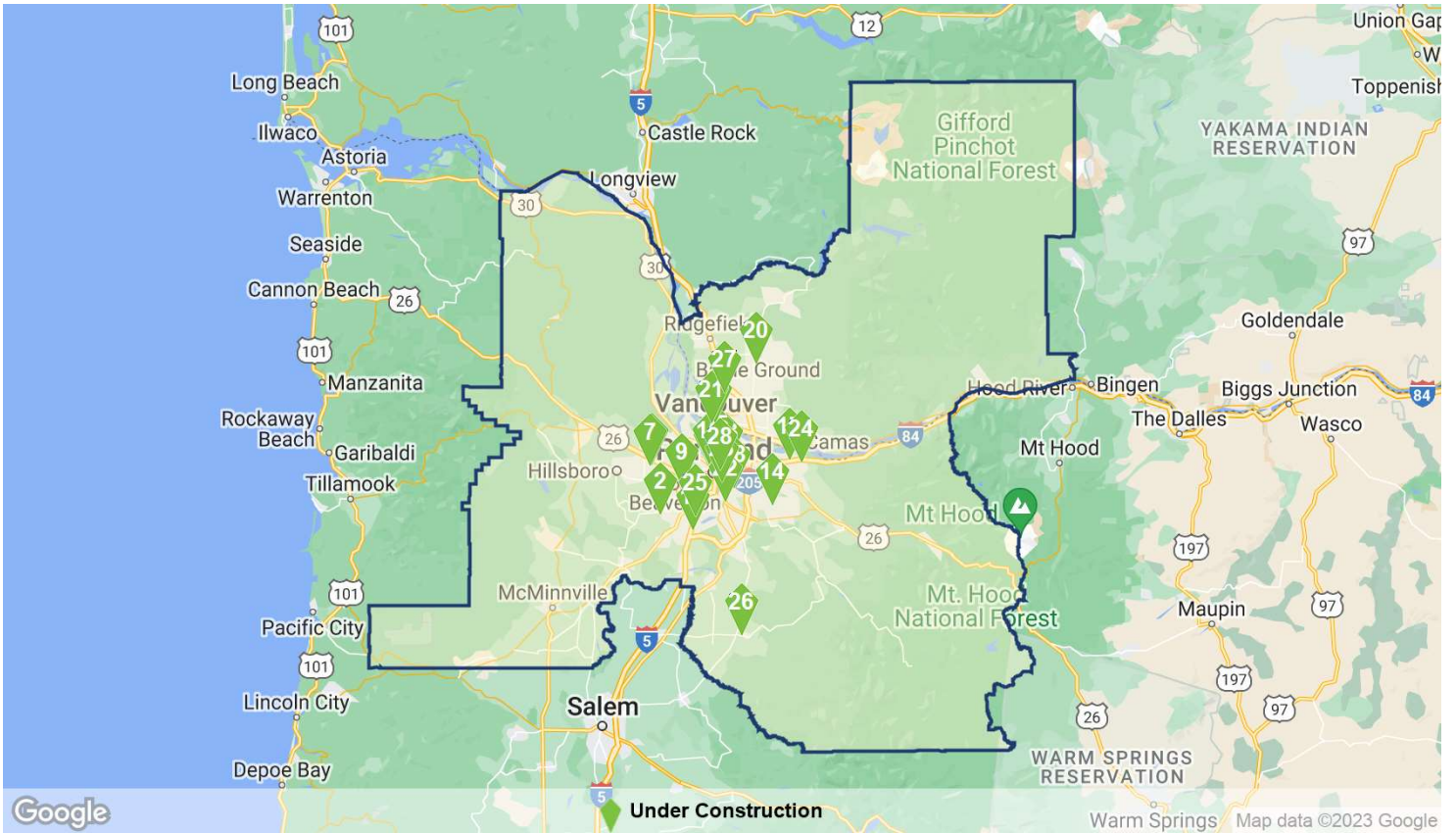
61

9,078

4.1%

149

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 1985-1988 NW Savier St	★★★★☆	364	7	Apr 2023	Jun 2024	Greystar Real Estate Partners
2 River Terrace Town Center 13794 SW Roy Roger Way	★★★★☆	348	3	Nov 2022	Nov 2023	Taylor Morrison The New Home Company
3 Block 44 3860 S Bond Ave	★★★★☆	344	13	Jun 2023	Jan 2025	Alamo Manhattan Alamo Manhattan
4 The Press Blocks – Resi... 1621 SW Taylor St	★★★★☆	341	24	Oct 2022	Dec 2023	Urban Renaissance Group Security Properties, Inc.
5 The Willamette Tower - B... 4100 SE River Pky	★★★★☆	340	23	Nov 2021	Nov 2023	Alamo Manhattan LLC Alamo Manhattan LLC
6 Alta Amberglen NE Eckert Drive and Walke	★★★★☆	336	3	Sep 2022	Jan 2024	Wood Partners
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 Prose Apartments 110 N Tomahawk Island Dr	★ ★ ★ ★ ★	284	5	Jun 2022	Sep 2023	-
9 Modera Raleigh Hills 4822 SW Western Ave	★ ★ ★ ★ ★	270	5	Oct 2022	Sep 2024	Mill Creek Residential Trust LLC Mill Creek Residential Trust LLC
10 Commons on the Tualati... 6645 SW Nyberg Ln	★ ★ ★ ★ ★	264	3	Feb 2022	Mar 2024	- Tandem Property Management
11 Pleasant Valley Villages 11404 SE Mt Talbert Ave	★ ★ ★ ★ ★	259	3	Nov 2022	Nov 2023	Holt Homes Pleasant Valley Villages Master A...
12 Modera Morrison 1120 SE Morrison St	★ ★ ★ ★ ★	247	7	Sep 2021	Aug 2023	Mill Creek Residential Trust LLC Mill Creek Residential Trust LLC
13 Splash Apartments 2505 NE Pacific St	★ ★ ★ ★ ★	219	8	Nov 2022	Aug 2024	Security Properties, Inc. -
14 Scouter's Mountain 11386 SE Pleasant Valley	★ ★ ★ ★ ★	216	4	Nov 2021	Aug 2023	- Fore Property Company
15 Zeal Lofts 3185 N Williams Ave	★ ★ ★ ★ ★	215	6	Mar 2022	Sep 2023	Vibrant Cities Segrin Living Trust
16 Slabtown Square/Block... 1417 NW 20th Ave	★ ★ ★ ★ ★	200	6	Apr 2022	Mar 2024	Guardian Real Estate Services Guardian Real Estate Services
17 Fairview Meadows 22199 NE Sandy Blvd	★ ★ ★ ★ ★	200	4	Jun 2022	Dec 2023	West Coast Home Solutions, LLC West Coast Home Solutions, LLC
18 Modera Woodstock 4804 SE Woodstock Blvd	★ ★ ★ ★ ★	194	5	Feb 2023	Mar 2024	- Mill Creek Residential Trust LLC
19 Adera Apartments 412 W 4th St	★ ★ ★ ★ ★	186	6	Jun 2022	May 2024	Hurley Development -
20 Prose Battleground 18717 NE 122nd Ave	★ ★ ★ ★ ★	180	3	Jan 2022	Jan 2024	Hurley Development Alliance Residential Company
21 Broadstone Block 19 1110 W Columbia Way	★ ★ ★ ★ ★	180	7	Jan 2022	Mar 2024	Alliance Residential Company Alliance Residential Company
22 Henley Place 10300 SE Main St	★ ★ ★ ★ ★	178	6	May 2022	Jan 2024	Pahlisch Homes -
23 Brookland 4225 SE Milwaukie Ave	★ ★ ★ ★ ★	166	4	Aug 2021	Sep 2023	Ethos Development Ethos Development
24 Fox Ridge 910 SW Halsey Loop	★ ★ ★ ★ ★	162	2	Mar 2022	Nov 2023	- Carla Properties
25 5600 Meadows Rd	★ ★ ★ ★ ★	158	3	Oct 2022	Oct 2023	- Kruse Development Llc
26 Cascade Place 201 Leroy St	★ ★ ★ ★ ★	151	5	Jan 2022	Aug 2023	- I & E Construction, Inc.
27 Alena Apartments 2703 NE 99th St	★ ★ ★ ★ ★	150	2	Apr 2022	Aug 2023	- -
28 Pine Street Lofts 306 SE 8th Ave	★ ★ ★ ★ ★	144	7	Sep 2022	Dec 2023	Specht 306 Llc 29th Street Capital

As of the third quarter of 2023, trailing four quarter sales volume has slowed to \$1.7 billion, compared with the ten-year average of \$2.3 billion per year in multifamily deals. Volume previously peaked at \$4.6 billion in early 2022. The market sale price has swelled to \$280,000 per unit, in comparison to the national index of \$240,000 per unit. However, deteriorating lending conditions as a result of the Fed's ongoing battle with inflation have made deals more difficult to pencil out and activity could slow further in 2023. That said, Portland remains attractive from a pricing standpoint, relative to some of its other Western gateway peer markets, and certain investors have shown a willingness to execute deals creatively in a time of high inflation and high rates.

One example includes Greystar's 23Q1 purchase of the Heatherbrae Commons in Milwaukie. The institutional giant took on the asset from LivCor through a debt assumption, which allowed them to secure a lower rate executed prior to the Federal Reserve's current rate hike cycle. The 174-unit community was built in 1995 and fully renovated in 2014. Closing price totaled \$49 million (\$282,000/unit).

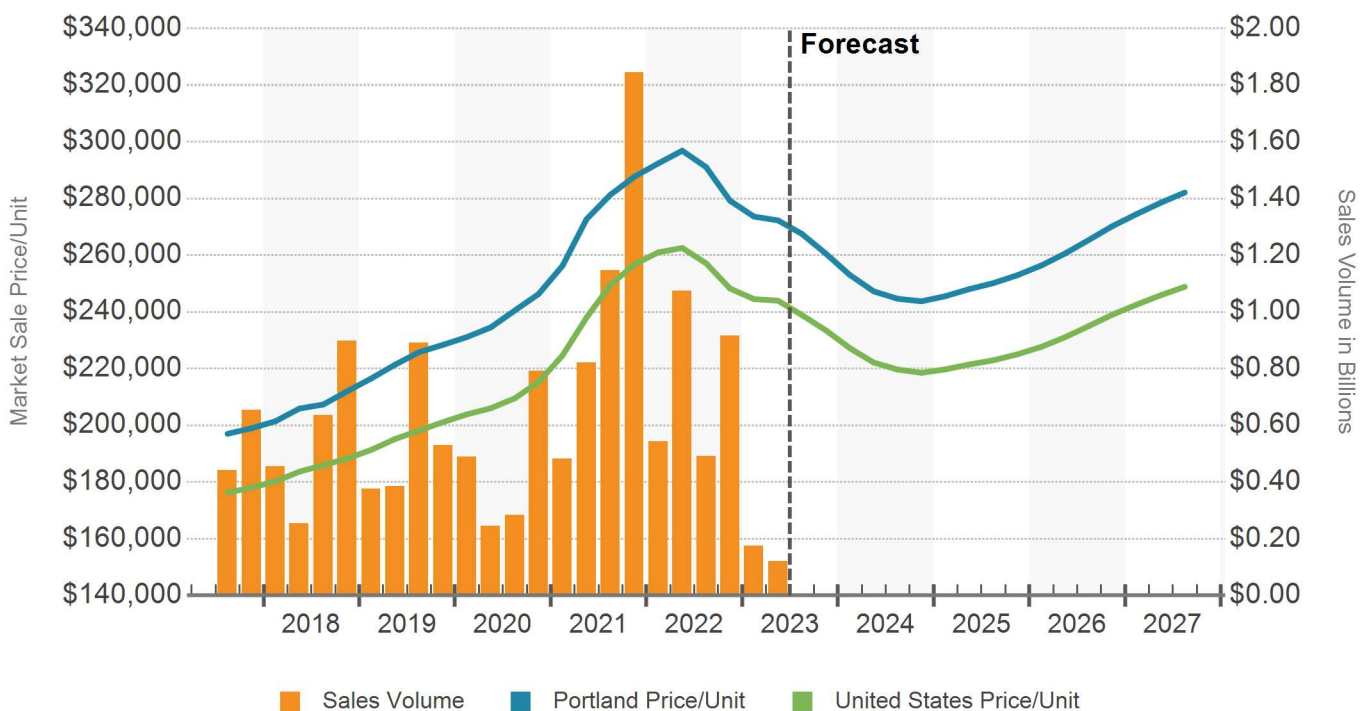
Portland's transition to a major market for institutional investors chasing both population growth and a diverse economic base has developed over the course of a decade or so. Multifamily cap rates have tightened over

the past five years as a result. And this compression did little to deter more capital from entering the market between late 2020 and mid-2022. Some of the largest conventional trades over the past year have been taking place in the suburbs.

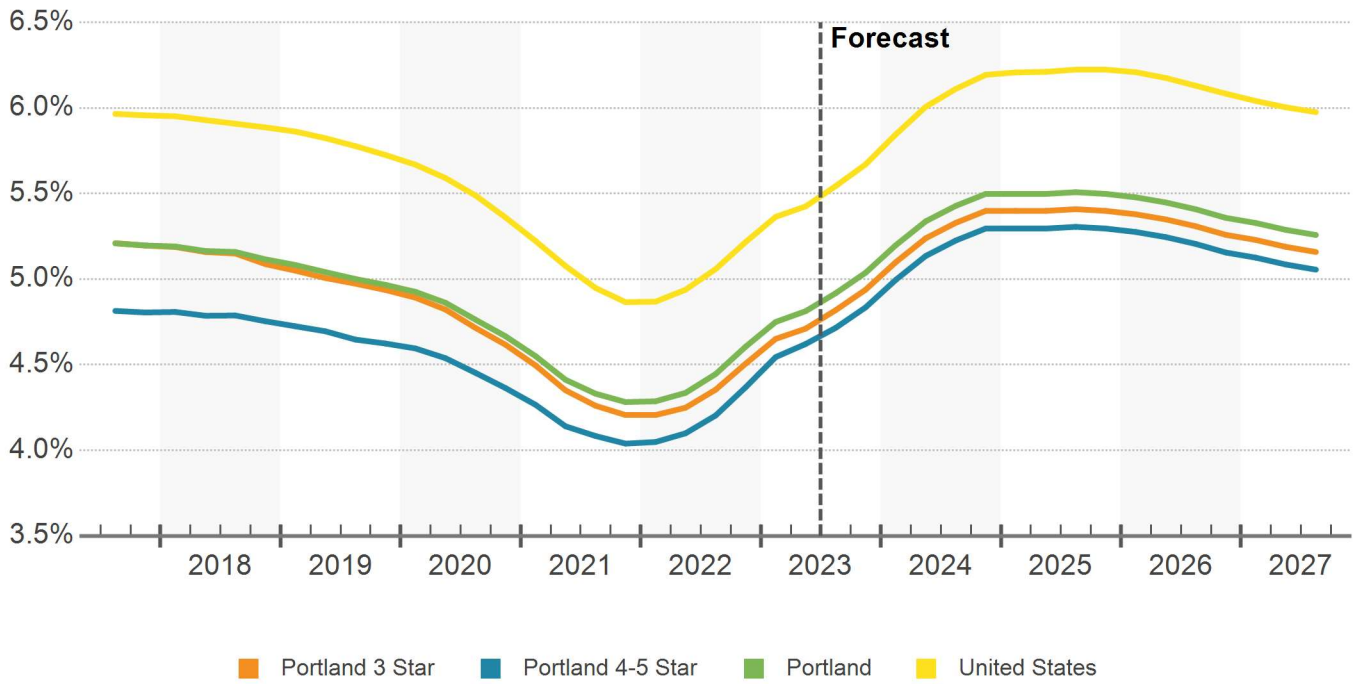
For example, in 23Q1, the 100-unit Westridge Lofts in Camas sold for \$31 million (\$310,000/unit) to a local investor. The community was built in 2021, hovering near full occupancy. In 22Q4, the 347-unit One Jefferson in Lake Oswego sold for \$124 million (\$357,000/unit). The 4 Star garden complex 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 late 2022, RedHill Realty Investors purchased the 240-unit Aspenridge Apartments in Vancouver. Closing price was equal to \$57.2 million (\$238,000/unit). Many of the 1985-vintage units will receive upgrades.

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

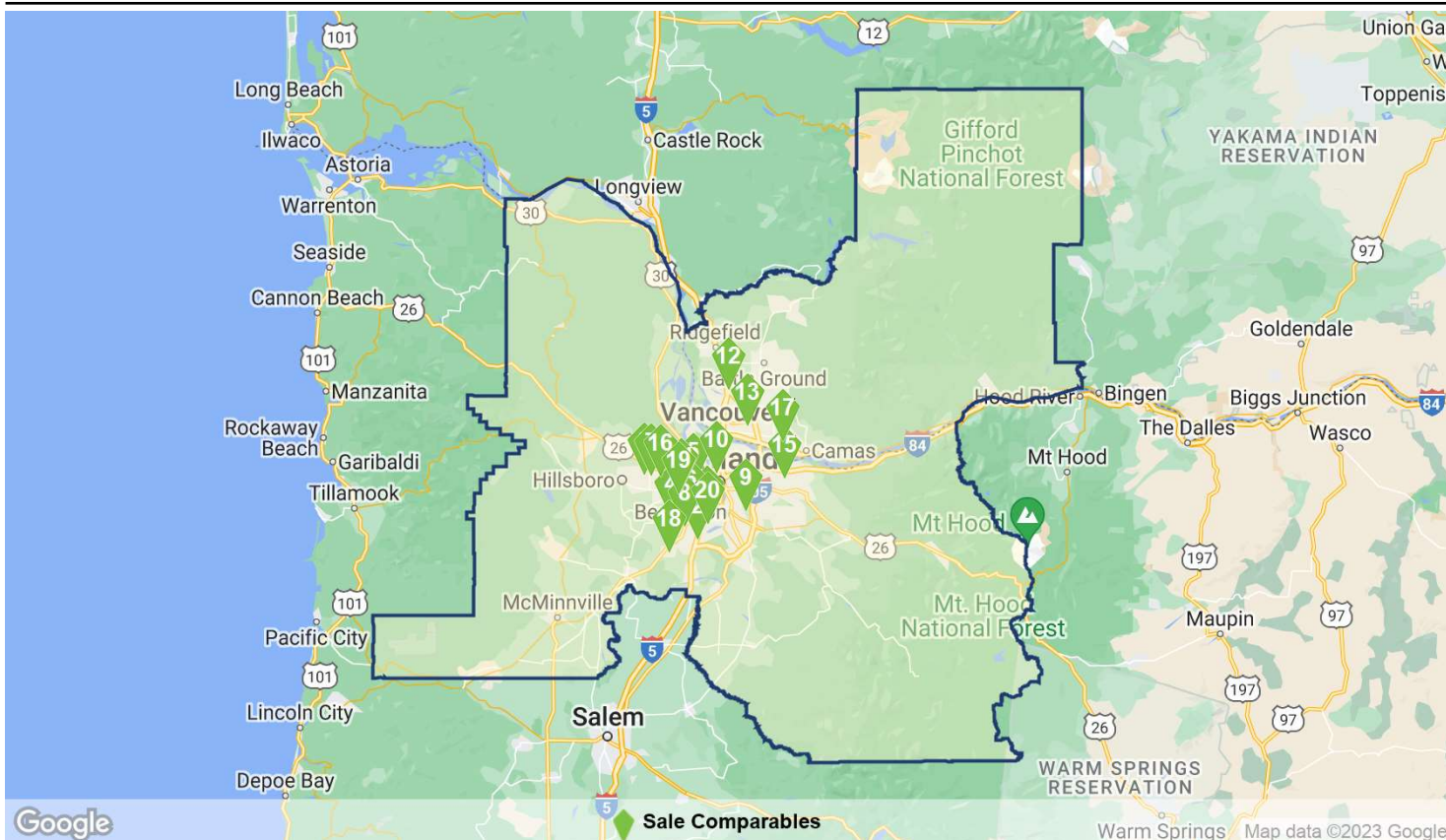
178

\$264

\$12.5

7.1%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$587,086	\$12,516,101	\$3,667,500	\$124,000,000
Price/Unit	\$58,333	\$263,578	\$201,696	\$1,637,500
Cap Rate	3.8%	5.0%	5.1%	5.9%
Vacancy Rate At Sale	0%	7.1%	1.1%	100%
Time Since Sale in Months	0.4	7.3	8.4	11.9
Property Attributes	Low	Average	Median	High
Property Size in Units	2	42	14	347
Number of Floors	1	2	2	6
Average Unit SF	316	870	832	2,329
Year Built	1888	1974	1973	2023
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 One Jefferson 1 Jefferson Pky	★★★★★	1987	347	10.7%	10/6/2022	\$124,000,000	\$357,348	\$341
2 Timbers at Tualatin 6765 SW Nyberg St	★★★★★	1994	300	3.0%	10/4/2022	\$96,500,000	\$321,666	\$268
3 Avery at Orenco Station 6199 NE Alder St	★★★★★	2004	264	3.8%	10/4/2022	\$96,200,000	\$364,393	\$348
4 Skyline at Murrayhill 11601 SW Teal Blvd	★★★★★	1990	312	7.4%	10/4/2022	\$90,000,000	\$288,461	\$187
5 Haven at Golf Creek 1807 SW Golf Creek Dr	★★★★★	1990	282	9.9%	10/4/2022	\$82,300,000	\$291,843	\$328
6 Oak Street Lofts 8920 SW Oak St	★★★★★	2019	187	7.5%	7/15/2022	\$81,500,000	\$435,828	\$408
7 The Jones 1099 NW Ordonez Pl	★★★★★	2012	193	1.6%	10/4/2022	\$69,500,000	\$360,103	\$290
8 The Hudson by Trion Living 10635-10695 SW Murdock Ln	★★★★★	1974	227	5.7%	7/29/2022	\$59,200,000	\$260,792	\$317
9 Heatherbrae Commons 10303 SE Bell Ave	★★★★★	1995	174	5.8%	2/16/2023	\$49,000,000	\$281,609	\$272
10 Reveal 1411 NW Quimby St	★★★★★	2019	147	16.3%	11/7/2022	\$48,000,000	\$326,530	\$201
11 Terra at Hazel Dell 2600 NE Minnehaha St	★★★★★	1991	206	1.0%	10/4/2022	\$39,500,000	\$191,747	\$232
12 134th Street Lofts 13414 NE 23rd Ave	★★★★★	2021	124	21.8%	7/15/2022	\$38,750,000	\$312,500	\$357
13 Meadow Brook Place 2231 NE Bridgecreek Ave	★★★★★	1996	154	0%	12/13/2022	\$38,500,000	\$250,000	\$129
14 Willow Grove by Trion Living 11981 SW Center St	★★★★★	1986	119	5.0%	9/1/2022	\$36,100,000	\$303,361	\$325
15 The Nash Apartments 224 SE 188th Ave	★★★★★	1975	180	1.1%	9/15/2022	\$34,000,000	\$188,888	\$252
16 Jasper Place by Trion Living 18300 NW Walker Rd	★★★★★	1985	100	8.0%	9/1/2022	\$32,076,503	\$320,765	\$326
17 Westridge Lofts 2221 SE 192nd Ave	★★★★★	2021	100	3.0%	3/1/2023	\$31,000,000	\$310,000	\$370
18 Cannery Row 22550 SW Highland Dr	★★★★★	2014	101	1.0%	10/13/2022	\$30,000,000	\$297,029	\$353
19 Westline 4545 SW Angel Ave	★★★★★	2017	87	9.0%	10/13/2022	\$30,000,000	\$344,827	\$417
20 Haven Lake Oswego 15000 Davis Ln	★★★★★	1987	82	2.4%	11/29/2022	\$27,725,000	\$338,109	\$374

Over the past year, 36,000 jobs have been added to nonfarm payrolls in Portland, for a change of 3.0%. Total job growth in the U.S. over the past year was 2.5%. 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 that can 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.

Another factor becoming more entrenched in the market is increased exposure to trade by way of the Port of Portland, as shippers look to avoid logjams at larger West Coast entry points. Since the beginning of 2021, total containerized cargo volume at the port has doubled. To handle this rising demand, port officials have added weekly container service from Mediterranean shipper MSC, in addition to increased vessel calls from South Korea-based container carrier SM Line. Port officials hope this volume and service from other lines will build over time, and they have committed resources to ramp up port marketing in an effort to attract more shipping

partners. Should the Port of Portland's profile continue to rise, more logistics service providers could be enticed to establish a presence in the region and keep demand for industrial product elevated. From a logistical standpoint,

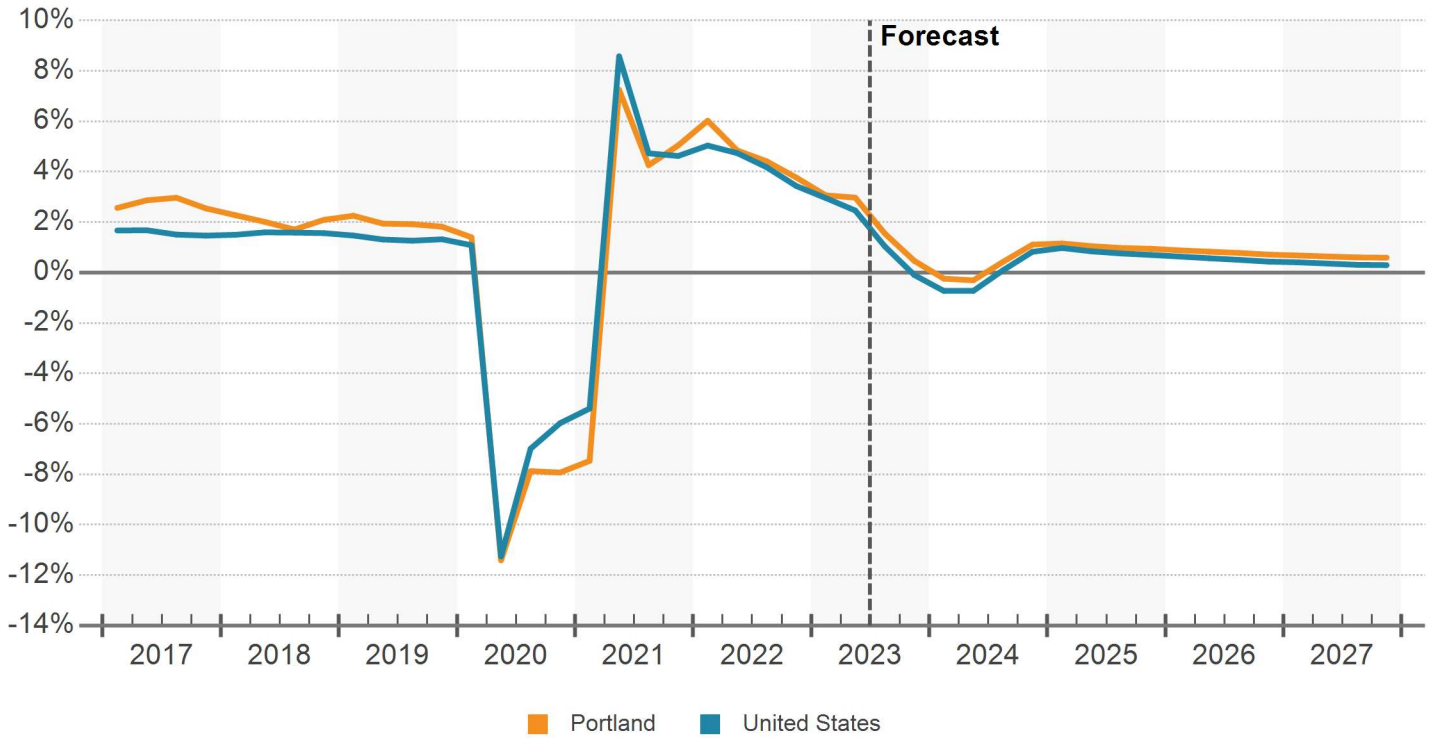
Portland can reach nearly 8.5 million people within just a four-hour truck drive, including the Seattle metropolitan area further north.

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	128	1.2	1.17%	1.57%	1.08%	0.80%	0.68%	-0.10%
Trade, Transportation and Utilities	227	1.0	0.39%	0.94%	1.51%	1.21%	-0.05%	-0.03%
Retail Trade	118	0.9	1.18%	0.70%	0.86%	0.41%	0.20%	-0.02%
Financial Activities	78	1.1	1.68%	1.05%	2.07%	1.49%	0.12%	-0.04%
Government	151	0.8	2.95%	1.80%	0.61%	0.30%	0.79%	0.44%
Natural Resources, Mining and Construction	86	1.2	4.77%	2.95%	4.92%	2.52%	1.03%	0.08%
Education and Health Services	189	0.9	3.63%	3.72%	2.12%	1.77%	0.82%	0.54%
Professional and Business Services	205	1.1	3.38%	2.17%	2.81%	2.15%	0.36%	0.21%
Information	28	1.1	-0.12%	-1.22%	1.55%	1.14%	0.79%	0.17%
Leisure and Hospitality	122	0.9	7.74%	5.96%	1.65%	1.60%	1.10%	0.84%
Other Services	43	0.9	4.25%	3.08%	1.39%	0.69%	0.55%	0.16%
Total Employment	1,256	1.0	2.92%	2.41%	1.88%	1.36%	0.56%	0.27%

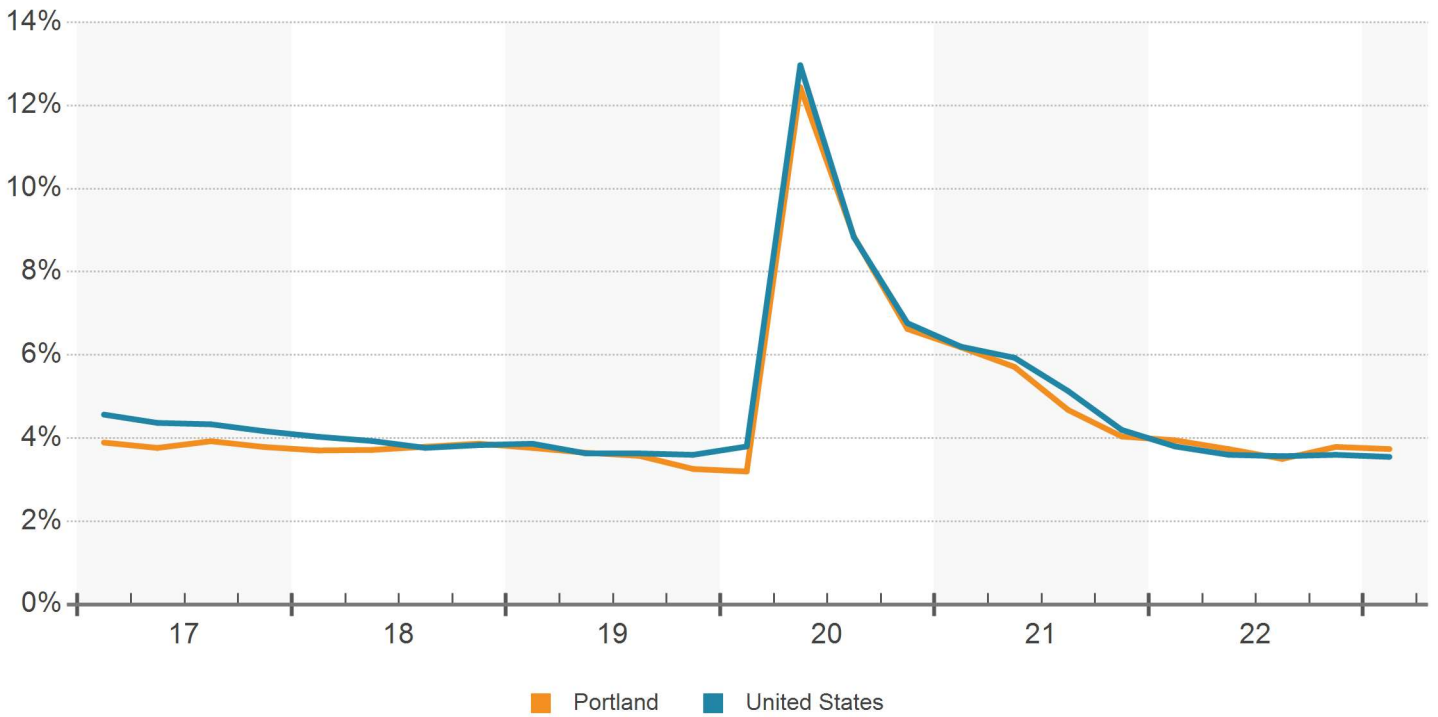
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

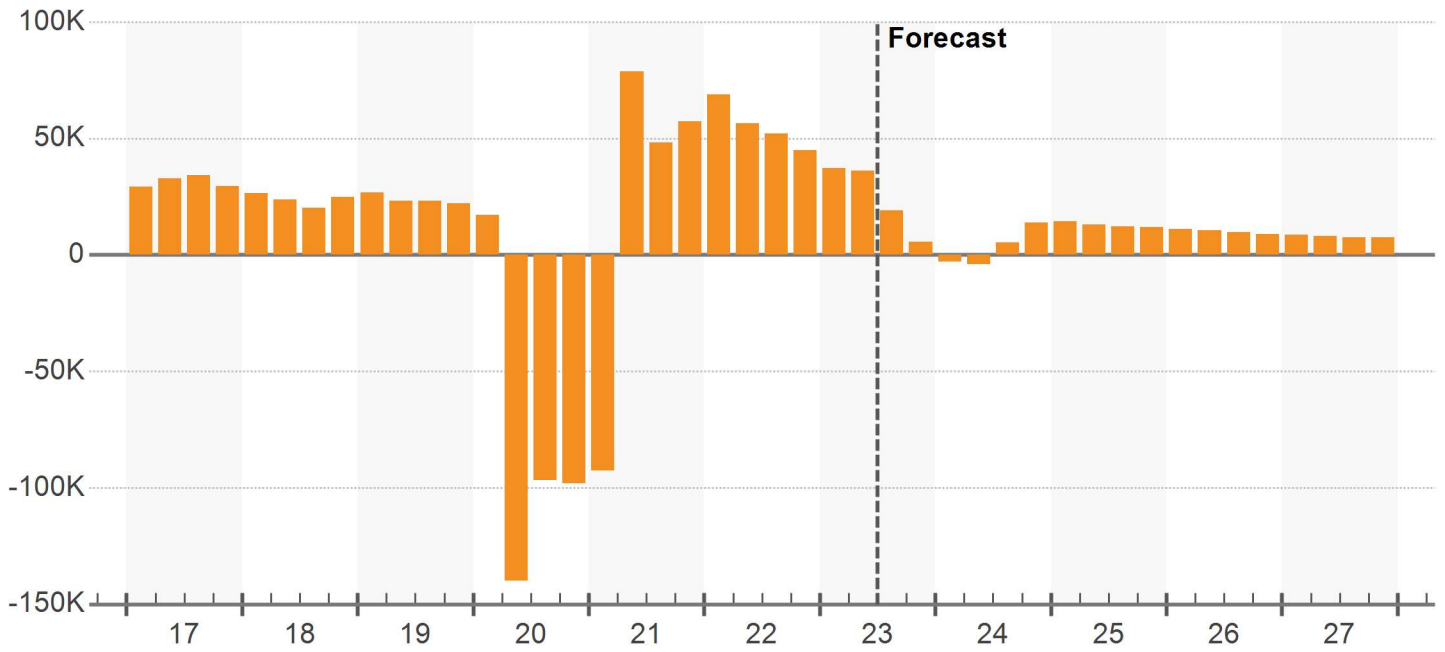


Source: Oxford Economics

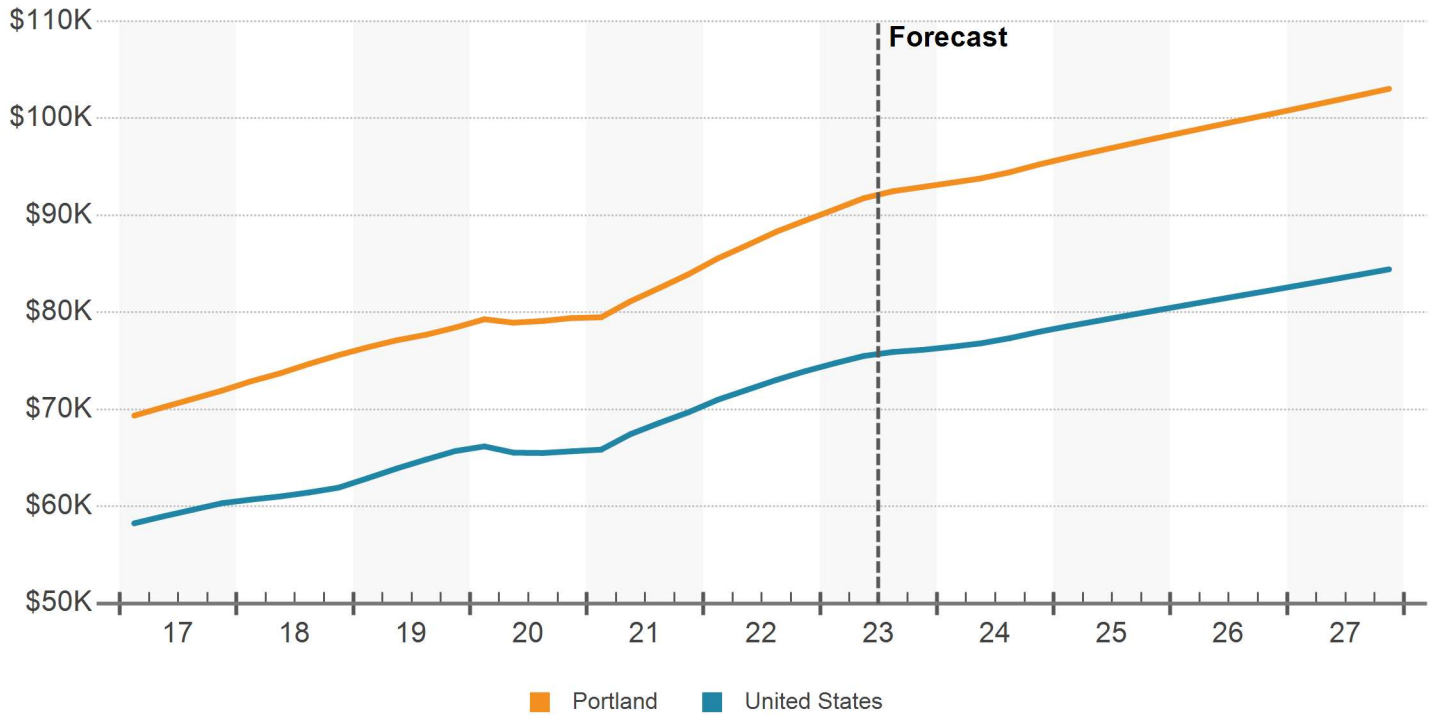
UNEMPLOYMENT RATE (%)



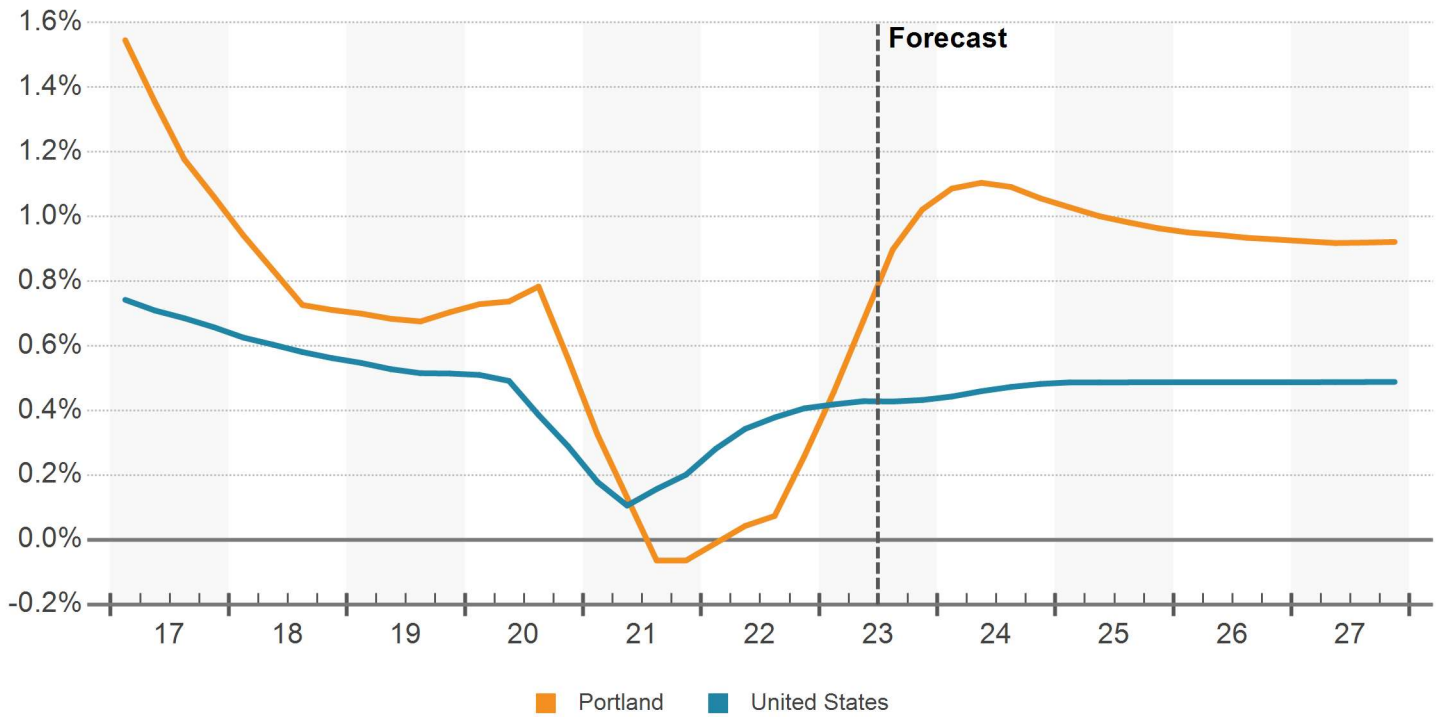
NET EMPLOYMENT CHANGE (YOY)



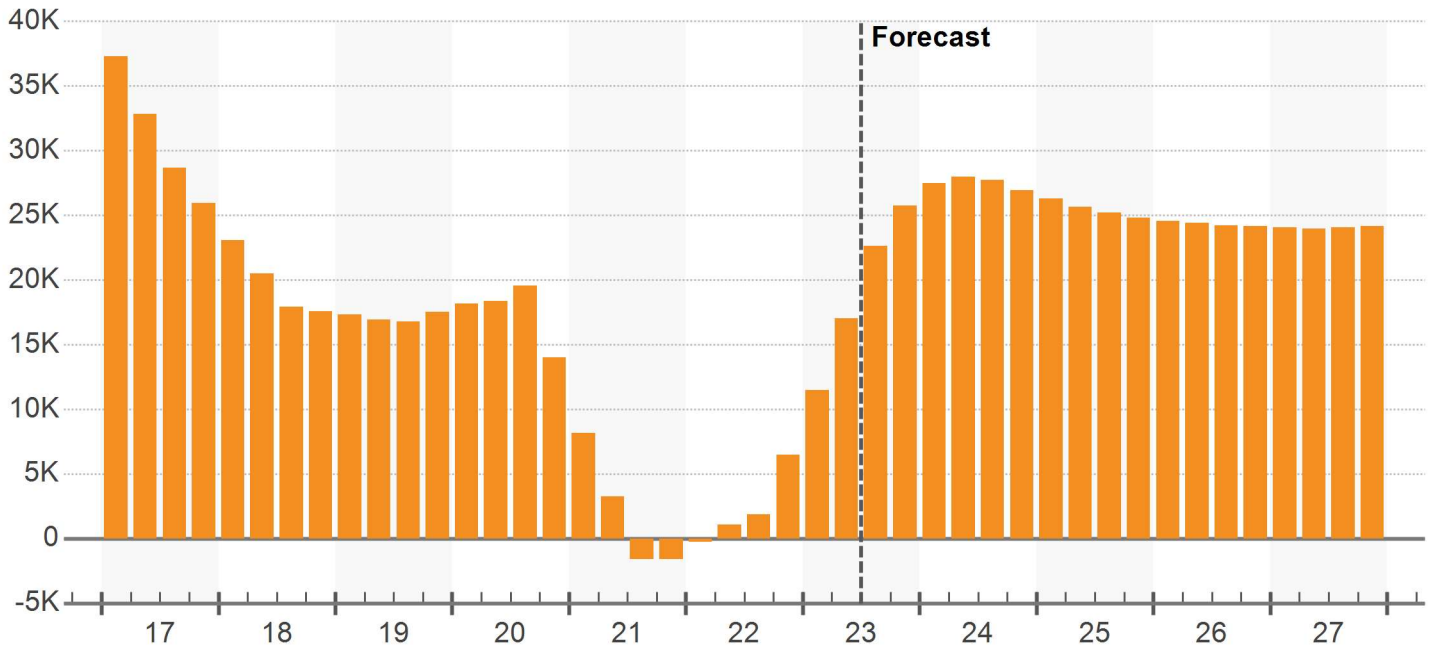
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

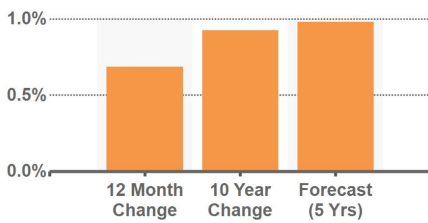


DEMOGRAPHIC TRENDS

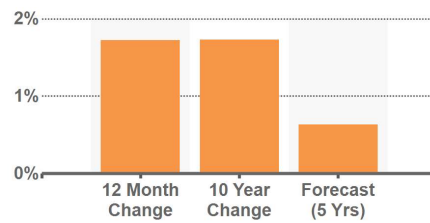
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	2,534,494	334,377,406	0.7%	0.4%	0.9%	0.6%	1.0%	0.5%
Households	1,021,474	129,806,727	1.0%	0.8%	1.4%	0.9%	1.1%	0.6%
Median Household Income	\$91,794	\$75,521	5.6%	4.8%	4.7%	3.8%	2.6%	2.5%
Labor Force	1,400,343	165,400,969	1.7%	0.8%	1.7%	0.6%	0.6%	0.4%
Unemployment	3.7%	3.5%	0%	0%	-0.3%	-0.4%	-	-

Source: Oxford Economics

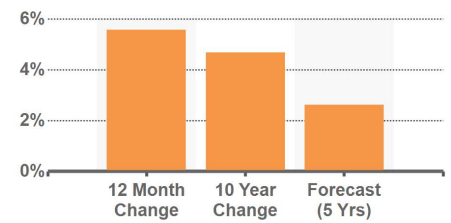
POPULATION GROWTH



LABOR FORCE GROWTH

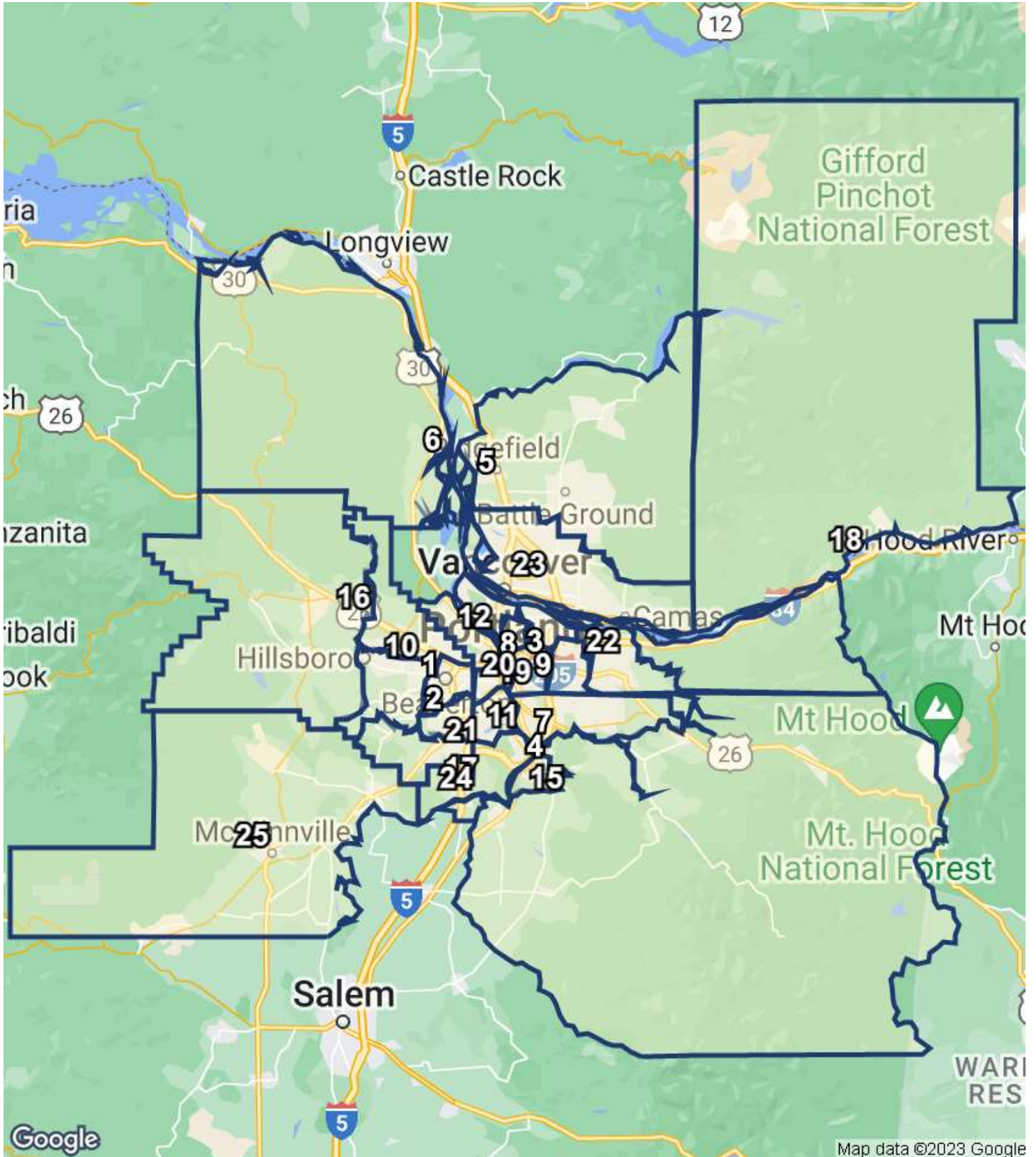


INCOME GROWTH



Source: Oxford Economics

PORTLAND SUBMARKETS



Submarkets

Portland Multi-Family

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	7,227	3.2%	12	0	0	0%	-	0	0	0%	-
2	Beaverton	303	15,900	7.1%	4	0	0	0%	-	1	270	1.7%	11
3	Central Northeast	186	4,334	1.9%	16	0	0	0%	-	1	10	0.2%	19
4	Clackamas County	69	2,533	1.1%	20	5	319	12.6%	4	1	151	6.0%	15
5	Clark County	32	1,666	0.7%	23	1	144	8.6%	12	1	180	10.8%	13
6	Columbia County	33	1,182	0.5%	24	2	319	27.0%	4	0	0	0%	-
7	Damascus	222	13,111	5.9%	7	3	429	3.3%	3	4	753	5.7%	6
8	Downtown Portland	113	13,216	5.9%	6	3	507	3.8%	2	0	0	0%	-
9	East Portland	421	10,339	4.6%	9	1	8	0.1%	16	2	106	1.0%	16
10	Hillsboro	119	20,183	9.0%	3	1	162	0.8%	11	3	766	3.8%	5
11	Lake Oswego	65	4,030	1.8%	17	0	0	0%	-	2	173	4.3%	14
12	North Portland	214	4,717	2.1%	15	9	196	4.2%	9	3	344	7.3%	10
13	Northeast Portland	340	7,711	3.5%	10	7	186	2.4%	10	4	422	5.5%	8
14	Northwest Portland	381	12,906	5.8%	8	2	66	0.5%	14	5	1,119	8.7%	3
15	Oregon City	44	2,073	0.9%	21	0	0	0%	-	0	0	0%	-
16	Outlying Washington Cou...	73	1,827	0.8%	22	2	206	11.3%	8	0	0	0%	-
17	Sherwood/Tualatin	43	3,888	1.7%	18	0	0	0%	-	1	264	6.8%	12
18	Skamania County	4	38	0%	25	0	0	0%	-	0	0	0%	-
19	Southeast Portland	1,043	22,025	9.9%	2	6	225	1.0%	7	9	1,393	6.3%	1
20	Southwest Portland	216	7,203	3.2%	13	2	246	3.4%	6	5	880	12.2%	4
21	Tigard	122	7,703	3.5%	11	0	0	0%	-	2	388	5.0%	9
22	Troutdale/Gresham	324	15,742	7.1%	5	3	107	0.7%	13	3	470	3.0%	7
23	Vancouver	598	35,729	16.0%	1	19	2,685	7.5%	1	12	1,214	3.4%	2
24	Wilsonville	57	4,797	2.2%	14	0	0	0%	-	1	100	2.1%	17
25	Yamhill County	93	2,972	1.3%	19	1	48	1.6%	15	1	75	2.5%	18

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	\$1,705	\$1.88	11	-2.7%	\$1,696	\$1.87	11	-3.0%	0.5%	19
2	Beaverton	\$1,585	\$1.85	14	-1.0%	\$1,576	\$1.84	14	-1.2%	0.6%	16
3	Central Northeast	\$1,329	\$1.79	16	-0.7%	\$1,322	\$1.78	16	-0.7%	0.5%	21
4	Clackamas County	\$1,601	\$1.72	17	1.0%	\$1,589	\$1.71	17	0.5%	0.7%	7
5	Clark County	\$1,648	\$1.68	20	0.7%	\$1,632	\$1.66	21	0.3%	1.0%	4
6	Columbia County	\$1,377	\$1.69	19	8.1%	\$1,373	\$1.69	19	7.9%	0.3%	24
7	Damascus	\$1,636	\$1.86	13	0.5%	\$1,627	\$1.85	12	0.3%	0.6%	17
8	Downtown Portland	\$1,864	\$2.53	1	-2.4%	\$1,838	\$2.50	1	-0.2%	1.4%	1
9	East Portland	\$1,243	\$1.50	24	1.2%	\$1,236	\$1.49	24	1.2%	0.5%	20
10	Hillsboro	\$1,823	\$1.98	8	-4.4%	\$1,812	\$1.97	8	-4.5%	0.6%	13
11	Lake Oswego	\$1,985	\$2.14	5	-1.3%	\$1,973	\$2.13	5	-1.5%	0.6%	14
12	North Portland	\$1,454	\$2.01	7	-0.6%	\$1,438	\$1.99	7	-1.1%	1.1%	3
13	Northeast Portland	\$1,600	\$2.41	3	-1.1%	\$1,589	\$2.40	3	-0.7%	0.7%	8
14	Northwest Portland	\$1,576	\$2.47	2	-1.6%	\$1,563	\$2.45	2	0.4%	0.8%	5
15	Oregon City	\$1,566	\$1.67	22	0.3%	\$1,556	\$1.66	22	1.1%	0.6%	11
16	Outlying Washington Cou...	\$1,358	\$1.70	18	2.2%	\$1,349	\$1.69	18	1.9%	0.6%	12
17	Sherwood/Tualatin	\$1,762	\$1.92	9	-2.0%	\$1,753	\$1.91	9	-2.0%	0.5%	18
18	Skamania County	\$1,208	-	-	-	\$1,205	-	-	-	0.3%	25
19	Southeast Portland	\$1,449	\$2.23	4	0%	\$1,438	\$2.21	4	1.0%	0.8%	6
20	Southwest Portland	\$1,641	\$2.11	6	0.6%	\$1,622	\$2.09	6	0.4%	1.1%	2
21	Tigard	\$1,597	\$1.87	12	-0.3%	\$1,588	\$1.85	13	-0.4%	0.6%	15
22	Troutdale/Gresham	\$1,493	\$1.68	21	-0.2%	\$1,484	\$1.67	20	0%	0.7%	10
23	Vancouver	\$1,673	\$1.82	15	0.5%	\$1,662	\$1.80	15	0.4%	0.7%	9
24	Wilsonville	\$1,779	\$1.90	10	-2.4%	\$1,771	\$1.89	10	-2.5%	0.5%	22
25	Yamhill County	\$1,299	\$1.50	23	3.9%	\$1,295	\$1.49	23	3.9%	0.3%	23

SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construc. Ratio
1	Aloha	371	5.1%	9	(63)	-0.9%	20	-
2	Beaverton	781	4.9%	6	(269)	-1.7%	25	-
3	Central Northeast	264	6.1%	15	(52)	-1.2%	18	-
4	Clackamas County	235	9.3%	23	148	5.8%	5	2.2
5	Clark County	108	6.5%	16	79	4.7%	11	1.8
6	Columbia County	202	17.1%	25	132	11.2%	7	2.4
7	Damascus	1,028	7.8%	21	(100)	-0.8%	23	-
8	Downtown Portland	1,430	10.8%	24	91	0.7%	9	5.6
9	East Portland	474	4.6%	5	(97)	-0.9%	22	-
10	Hillsboro	1,113	5.5%	11	(62)	-0.3%	19	-
11	Lake Oswego	218	5.4%	10	(47)	-1.2%	17	-
12	North Portland	364	7.7%	20	128	2.7%	8	1.2
13	Northeast Portland	556	7.2%	18	155	2.0%	4	0.6
14	Northwest Portland	953	7.4%	19	134	1.0%	6	0.3
15	Oregon City	105	5.1%	8	(24)	-1.2%	16	-
16	Outlying Washington Cou...	54	2.9%	3	181	9.9%	2	1.1
17	Sherwood/Tualatin	197	5.1%	7	(76)	-2.0%	21	-
18	Skamania County	1	2.7%	2	0	0%	-	-
19	Southeast Portland	1,325	6.0%	13	175	0.8%	3	0.6
20	Southwest Portland	598	8.3%	22	17	0.2%	14	14.6
21	Tigard	333	4.3%	4	82	1.1%	10	-
22	Troutdale/Gresham	884	5.6%	12	24	0.2%	13	1.6
23	Vancouver	2,434	6.8%	17	1,566	4.4%	1	1.6
24	Wilsonville	289	6.0%	14	(103)	-2.2%	24	-
25	Yamhill County	46	1.6%	1	38	1.3%	12	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	240,279	4,298	1.8%	4,175	1.7%	1.0
2026	235,981	3,181	1.4%	3,943	1.7%	0.8
2025	232,800	2,924	1.3%	3,733	1.6%	0.8
2024	229,876	3,667	1.6%	4,144	1.8%	0.9
2023	226,209	7,727	3.5%	2,730	1.2%	2.8
YTD	223,052	4,570	2.1%	1,943	0.9%	2.4
2022	218,482	3,510	1.6%	3,075	1.4%	1.1
2021	214,972	6,782	3.3%	9,734	4.5%	0.7
2020	208,190	7,409	3.7%	6,354	3.1%	1.2
2019	200,781	7,001	3.6%	5,621	2.8%	1.2
2018	193,780	6,885	3.7%	7,067	3.6%	1.0
2017	186,895	5,603	3.1%	4,929	2.6%	1.1
2016	181,292	5,126	2.9%	2,735	1.5%	1.9
2015	176,166	4,283	2.5%	3,771	2.1%	1.1
2014	171,883	4,676	2.8%	4,765	2.8%	1.0
2013	167,207	2,656	1.6%	3,046	1.8%	0.9
2012	164,551	2,235	1.4%	1,886	1.1%	1.2
2011	162,316	419	0.3%	194	0.1%	2.2

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	90,328	4,281	5.0%	3,823	4.2%	1.1
2026	86,047	3,179	3.8%	3,018	3.5%	1.1
2025	82,868	1,999	2.5%	2,862	3.5%	0.7
2024	80,869	2,512	3.2%	2,898	3.6%	0.9
2023	78,357	4,665	6.3%	1,393	1.8%	3.3
YTD	75,865	2,173	2.9%	775	1.0%	2.8
2022	73,692	1,906	2.7%	3,056	4.1%	0.6
2021	71,786	5,451	8.2%	6,987	9.7%	0.8
2020	66,335	5,752	9.5%	4,272	6.4%	1.3
2019	60,583	5,199	9.4%	4,092	6.8%	1.3
2018	55,384	5,136	10.2%	5,034	9.1%	1.0
2017	50,248	4,982	11.0%	4,667	9.3%	1.1
2016	45,266	4,369	10.7%	3,004	6.6%	1.5
2015	40,897	3,736	10.1%	3,278	8.0%	1.1
2014	37,161	4,017	12.1%	3,974	10.7%	1.0
2013	33,144	2,202	7.1%	2,027	6.1%	1.1
2012	30,942	1,599	5.4%	1,102	3.6%	1.5
2011	29,343	33	0.1%	(34)	-0.1%	-

3 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	86,039	46	0.1%	242	0.3%	0.2
2026	85,993	34	0%	680	0.8%	0.1
2025	85,959	962	1.1%	1,002	1.2%	1.0
2024	84,997	1,078	1.3%	1,419	1.7%	0.8
2023	83,919	3,044	3.8%	1,636	1.9%	1.9
YTD	83,254	2,379	2.9%	1,377	1.7%	1.7
2022	80,875	1,558	2.0%	449	0.6%	3.5
2021	79,317	1,298	1.7%	2,364	3.0%	0.5
2020	78,019	1,473	1.9%	1,769	2.3%	0.8
2019	76,546	1,747	2.3%	1,350	1.8%	1.3
2018	74,799	1,699	2.3%	1,746	2.3%	1.0
2017	73,100	631	0.9%	413	0.6%	1.5
2016	72,469	705	1.0%	93	0.1%	7.6
2015	71,764	513	0.7%	413	0.6%	1.2
2014	71,251	709	1.0%	668	0.9%	1.1
2013	70,542	410	0.6%	715	1.0%	0.6
2012	70,132	614	0.9%	769	1.1%	0.8
2011	69,518	396	0.6%	275	0.4%	1.4

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	63,912	(29)	0%	110	0.2%	-
2026	63,941	(32)	-0.1%	245	0.4%	-
2025	63,973	(37)	-0.1%	(131)	-0.2%	0.3
2024	64,010	77	0.1%	(173)	-0.3%	-
2023	63,933	18	0%	(299)	-0.5%	-
YTD	63,933	18	0%	(209)	-0.3%	-
2022	63,915	46	0.1%	(430)	-0.7%	-
2021	63,869	33	0.1%	383	0.6%	0.1
2020	63,836	184	0.3%	313	0.5%	0.6
2019	63,652	55	0.1%	179	0.3%	0.3
2018	63,597	50	0.1%	287	0.5%	0.2
2017	63,547	(10)	0%	(151)	-0.2%	0.1
2016	63,557	52	0.1%	(362)	-0.6%	-
2015	63,505	34	0.1%	80	0.1%	0.4
2014	63,471	(50)	-0.1%	123	0.2%	-
2013	63,521	44	0.1%	304	0.5%	0.1
2012	63,477	22	0%	15	0%	1.5
2011	63,455	(10)	0%	(47)	-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	14,747	6.1%	0	\$1,805	\$2.17	2.9%	(0.9)	\$1,791	\$2.15
2026	14,596	6.2%	(0.4)	\$1,753	\$2.11	3.9%	0.2	\$1,740	\$2.09
2025	15,360	6.6%	(0.4)	\$1,688	\$2.03	3.6%	1.2	\$1,675	\$2.01
2024	16,196	7.0%	(0.3)	\$1,629	\$1.96	2.4%	3.8	\$1,616	\$1.94
2023	16,670	7.4%	2.0	\$1,591	\$1.91	-1.4%	(5.6)	\$1,578	\$1.90
YTD	14,366	6.4%	1.1	\$1,621	\$1.94	-0.9%	(5.1)	\$1,610	\$1.93
2022	11,742	5.4%	0.1	\$1,613	\$1.93	4.2%	(4.7)	\$1,600	\$1.91
2021	11,272	5.2%	(1.6)	\$1,548	\$1.85	8.9%	7.8	\$1,532	\$1.83
2020	14,204	6.8%	0.3	\$1,421	\$1.70	1.2%	(1.2)	\$1,399	\$1.67
2019	13,009	6.5%	0.5	\$1,404	\$1.68	2.4%	0	\$1,385	\$1.66
2018	11,610	6.0%	(0.3)	\$1,372	\$1.64	2.4%	0.4	\$1,343	\$1.61
2017	11,773	6.3%	0.2	\$1,339	\$1.60	2.0%	(1.4)	\$1,308	\$1.56
2016	11,085	6.1%	1.2	\$1,313	\$1.57	3.4%	(4.8)	\$1,286	\$1.54
2015	8,691	4.9%	0.2	\$1,270	\$1.52	8.2%	4.0	\$1,254	\$1.50
2014	8,173	4.8%	(0.2)	\$1,173	\$1.40	4.2%	0.5	\$1,160	\$1.39
2013	8,254	4.9%	(0.3)	\$1,126	\$1.35	3.7%	0.9	\$1,117	\$1.33
2012	8,641	5.3%	0.1	\$1,086	\$1.30	2.8%	1.1	\$1,078	\$1.29
2011	8,283	5.1%	0.1	\$1,056	\$1.26	1.7%	-	\$1,050	\$1.25

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	7,379	8.2%	0.2	\$2,049	\$2.45	2.7%	(1.0)	\$2,029	\$2.42
2026	6,891	8.0%	(0.1)	\$1,994	\$2.38	3.7%	0.1	\$1,975	\$2.36
2025	6,729	8.1%	(1.3)	\$1,923	\$2.30	3.5%	1.3	\$1,905	\$2.28
2024	7,622	9.4%	(0.8)	\$1,857	\$2.22	2.3%	4.8	\$1,840	\$2.20
2023	8,008	10.2%	3.6	\$1,816	\$2.17	-2.5%	(6.7)	\$1,798	\$2.15
YTD	6,278	8.3%	1.7	\$1,862	\$2.22	-2.1%	(6.3)	\$1,847	\$2.20
2022	4,881	6.6%	(1.7)	\$1,862	\$2.22	4.2%	(6.0)	\$1,840	\$2.19
2021	5,998	8.4%	(3.0)	\$1,787	\$2.13	10.2%	10.4	\$1,758	\$2.09
2020	7,525	11.3%	1.6	\$1,622	\$1.93	-0.3%	(1.8)	\$1,579	\$1.88
2019	5,913	9.8%	1.1	\$1,626	\$1.94	1.5%	(0.3)	\$1,593	\$1.90
2018	4,795	8.7%	(0.7)	\$1,602	\$1.91	1.8%	0.8	\$1,561	\$1.86
2017	4,690	9.3%	(0.3)	\$1,574	\$1.87	1.0%	(0.3)	\$1,524	\$1.81
2016	4,366	9.6%	2.3	\$1,558	\$1.85	1.4%	(5.1)	\$1,508	\$1.80
2015	2,997	7.3%	0.5	\$1,536	\$1.83	6.5%	3.4	\$1,512	\$1.80
2014	2,535	6.8%	(0.7)	\$1,443	\$1.72	3.1%	(0.2)	\$1,422	\$1.69
2013	2,487	7.5%	0	\$1,400	\$1.67	3.3%	0.7	\$1,385	\$1.65
2012	2,312	7.5%	1.3	\$1,355	\$1.61	2.6%	1.2	\$1,343	\$1.60
2011	1,811	6.2%	0.2	\$1,320	\$1.57	1.5%	-	\$1,312	\$1.56

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	4,425	5.1%	(0.2)	\$1,801	\$2.12	3.1%	(0.9)	\$1,788	\$2.10
2026	4,622	5.4%	(0.8)	\$1,748	\$2.05	4.0%	0.3	\$1,735	\$2.04
2025	5,269	6.1%	(0.1)	\$1,681	\$1.98	3.7%	1.3	\$1,668	\$1.96
2024	5,308	6.2%	(0.5)	\$1,621	\$1.91	2.4%	3.4	\$1,609	\$1.89
2023	5,648	6.7%	1.5	\$1,583	\$1.86	-1.0%	(5.6)	\$1,571	\$1.85
YTD	5,208	6.3%	1.1	\$1,612	\$1.88	-0.4%	(5.0)	\$1,601	\$1.87
2022	4,208	5.2%	1.3	\$1,598	\$1.86	4.6%	(5.3)	\$1,588	\$1.85
2021	3,097	3.9%	(1.4)	\$1,528	\$1.78	9.9%	7.6	\$1,519	\$1.77
2020	4,152	5.3%	(0.5)	\$1,390	\$1.62	2.3%	(1.1)	\$1,378	\$1.61
2019	4,441	5.8%	0.4	\$1,359	\$1.58	3.4%	0.5	\$1,346	\$1.57
2018	4,036	5.4%	(0.2)	\$1,315	\$1.53	2.8%	0.4	\$1,288	\$1.50
2017	4,068	5.6%	0.3	\$1,279	\$1.49	2.4%	(2.3)	\$1,252	\$1.46
2016	3,844	5.3%	0.8	\$1,248	\$1.45	4.8%	(5.6)	\$1,230	\$1.43
2015	3,230	4.5%	0.1	\$1,191	\$1.39	10.4%	5.1	\$1,178	\$1.37
2014	3,127	4.4%	0	\$1,079	\$1.26	5.3%	1.0	\$1,069	\$1.24
2013	3,085	4.4%	(0.5)	\$1,025	\$1.19	4.2%	1.1	\$1,019	\$1.19
2012	3,388	4.8%	(0.3)	\$984	\$1.14	3.1%	0.9	\$976	\$1.14
2011	3,537	5.1%	0.1	\$954	\$1.11	2.2%	-	\$948	\$1.10

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	2,943	4.6%	(0.2)	\$1,410	\$1.78	3.1%	(0.9)	\$1,402	\$1.77
2026	3,083	4.8%	(0.4)	\$1,367	\$1.73	4.0%	0.3	\$1,360	\$1.72
2025	3,362	5.3%	0.2	\$1,314	\$1.66	3.8%	1.2	\$1,307	\$1.65
2024	3,266	5.1%	0.4	\$1,266	\$1.60	2.6%	2.2	\$1,259	\$1.59
2023	3,013	4.7%	0.6	\$1,234	\$1.56	0.3%	(3.1)	\$1,227	\$1.55
YTD	2,879	4.5%	0.4	\$1,241	\$1.56	1.3%	(2.1)	\$1,234	\$1.55
2022	2,654	4.2%	0.7	\$1,230	\$1.55	3.4%	(0.7)	\$1,224	\$1.54
2021	2,177	3.4%	(0.5)	\$1,189	\$1.50	4.1%	1.7	\$1,184	\$1.49
2020	2,527	4.0%	(0.2)	\$1,142	\$1.44	2.4%	(0.1)	\$1,135	\$1.43
2019	2,656	4.2%	(0.2)	\$1,114	\$1.40	2.5%	(0.4)	\$1,108	\$1.39
2018	2,778	4.4%	(0.4)	\$1,087	\$1.37	3.0%	(0.5)	\$1,078	\$1.35
2017	3,016	4.7%	0.2	\$1,056	\$1.33	3.5%	(2.4)	\$1,046	\$1.31
2016	2,875	4.5%	0.6	\$1,020	\$1.28	5.9%	(2.6)	\$1,012	\$1.27
2015	2,463	3.9%	(0.1)	\$964	\$1.21	8.4%	3.4	\$957	\$1.20
2014	2,510	4.0%	(0.3)	\$889	\$1.11	5.1%	1.3	\$884	\$1.11
2013	2,682	4.2%	(0.4)	\$846	\$1.06	3.7%	1.0	\$842	\$1.05
2012	2,942	4.6%	0	\$816	\$1.02	2.7%	1.4	\$811	\$1.02
2011	2,936	4.6%	0.1	\$794	\$0.99	1.4%	-	\$789	\$0.99

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	-	-	-	-	-	-	\$286,167	296	5.2%
2026	-	-	-	-	-	-	\$270,347	280	5.4%
2025	-	-	-	-	-	-	\$252,921	262	5.5%
2024	-	-	-	-	-	-	\$243,751	252	5.5%
2023	-	-	-	-	-	-	\$260,564	270	5.0%
YTD	52	\$294.5M	0.8%	\$7,749,006	\$218,931	5.1%	\$275,497	285	4.8%
2022	291	\$3B	5.5%	\$13,381,909	\$276,850	5.0%	\$279,169	289	4.6%
2021	396	\$4.3B	8.2%	\$13,935,564	\$262,501	5.1%	\$287,669	298	4.3%
2020	236	\$1.8B	4.1%	\$9,987,780	\$228,516	5.5%	\$246,324	255	4.7%
2019	303	\$2.2B	5.7%	\$9,525,617	\$222,158	5.5%	\$228,377	236	5.0%
2018	353	\$2.2B	6.3%	\$9,221,014	\$211,547	5.4%	\$212,005	219	5.1%
2017	301	\$1.6B	5.3%	\$8,340,533	\$201,854	5.5%	\$198,984	206	5.2%
2016	309	\$3B	9.0%	\$11,570,117	\$188,305	5.5%	\$188,309	195	5.3%
2015	318	\$2.2B	8.6%	\$7,956,676	\$151,022	5.8%	\$178,603	185	5.3%
2014	234	\$1.5B	6.3%	\$7,401,836	\$144,333	6.3%	\$160,324	166	5.6%
2013	196	\$928.1M	5.4%	\$5,185,035	\$106,619	6.5%	\$145,678	151	5.9%
2012	190	\$868.4M	5.1%	\$5,231,559	\$107,733	6.6%	\$139,123	144	5.9%

(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	-	-	-	-	-	-	\$373,738	268	5.0%
2026	-	-	-	-	-	-	\$353,451	253	5.2%
2025	-	-	-	-	-	-	\$330,920	237	5.3%
2024	-	-	-	-	-	-	\$319,177	229	5.3%
2023	-	-	-	-	-	-	\$342,100	245	4.8%
YTD	4	\$46.5M	0.2%	\$11,621,717	\$325,083	5.2%	\$362,139	260	4.6%
2022	27	\$916.1M	4.0%	\$36,644,660	\$346,489	4.7%	\$367,760	264	4.4%
2021	58	\$2.2B	10.0%	\$46,398,396	\$326,223	4.5%	\$383,061	275	4.0%
2020	30	\$864.2M	4.5%	\$30,863,311	\$318,178	5.0%	\$334,087	239	4.4%
2019	38	\$1.3B	8.5%	\$37,618,579	\$297,104	4.7%	\$313,179	224	4.6%
2018	32	\$933.1M	6.4%	\$34,559,067	\$309,177	4.8%	\$291,616	209	4.8%
2017	27	\$630M	6.3%	\$29,998,047	\$268,754	4.9%	\$276,933	198	4.8%
2016	37	\$1.8B	15.9%	\$49,306,783	\$247,255	4.6%	\$263,294	189	4.9%
2015	27	\$967M	12.7%	\$35,814,192	\$185,815	5.3%	\$253,196	181	4.9%
2014	24	\$641.5M	7.8%	\$26,728,317	\$220,062	5.5%	\$229,665	165	5.1%
2013	15	\$418.9M	7.8%	\$27,927,827	\$162,813	5.7%	\$210,604	151	5.4%
2012	15	\$296.4M	7.5%	\$19,759,848	\$128,533	5.8%	\$200,693	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	-	-	-	-	-	-	\$269,302	332	5.1%
2026	-	-	-	-	-	-	\$254,050	314	5.3%
2025	-	-	-	-	-	-	\$237,392	293	5.4%
2024	-	-	-	-	-	-	\$228,689	282	5.4%
2023	-	-	-	-	-	-	\$244,624	302	4.9%
YTD	13	\$159.2M	1.1%	\$13,263,257	\$231,336	4.8%	\$258,725	319	4.7%
2022	82	\$1.5B	6.8%	\$20,871,332	\$285,427	4.9%	\$262,072	324	4.5%
2021	110	\$1.5B	8.2%	\$16,138,707	\$244,526	4.9%	\$267,037	330	4.2%
2020	67	\$616.3M	4.0%	\$10,271,934	\$203,674	5.3%	\$224,248	277	4.6%
2019	62	\$497.6M	3.6%	\$9,951,402	\$192,782	5.7%	\$205,376	254	4.9%
2018	91	\$941.5M	6.6%	\$12,070,123	\$201,212	5.3%	\$190,141	235	5.1%
2017	76	\$743.1M	5.5%	\$11,985,801	\$195,609	5.3%	\$175,846	217	5.2%
2016	84	\$936.9M	8.4%	\$12,010,906	\$156,350	5.5%	\$165,982	205	5.3%
2015	88	\$895.8M	8.5%	\$12,441,167	\$148,699	5.4%	\$154,376	191	5.4%
2014	66	\$729.6M	7.9%	\$11,399,919	\$129,522	6.0%	\$137,277	169	5.6%
2013	53	\$357.2M	5.6%	\$7,441,669	\$94,547	6.3%	\$123,287	152	5.9%
2012	47	\$430.1M	5.5%	\$10,001,459	\$114,929	6.4%	\$117,627	145	6.0%

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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.

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	-	-	-	-	-	-	\$196,457	315	5.6%
2026	-	-	-	-	-	-	\$185,607	297	5.8%
2025	-	-	-	-	-	-	\$173,697	278	5.9%
2024	-	-	-	-	-	-	\$167,202	268	5.9%
2023	-	-	-	-	-	-	\$177,355	284	5.4%
YTD	35	\$88.8M	1.0%	\$4,037,104	\$172,794	5.4%	\$186,854	299	5.2%
2022	182	\$584.6M	5.6%	\$4,567,091	\$198,704	5.1%	\$188,459	302	5.0%
2021	228	\$515.7M	6.0%	\$3,144,603	\$161,768	5.3%	\$192,982	309	4.7%
2020	139	\$327.3M	3.9%	\$3,519,349	\$150,899	5.7%	\$163,362	262	5.1%
2019	203	\$404.8M	5.6%	\$2,791,480	\$138,004	5.6%	\$150,457	241	5.4%
2018	230	\$366.1M	6.0%	\$2,653,202	\$126,474	5.6%	\$139,217	223	5.6%
2017	198	\$245M	4.3%	\$2,207,070	\$130,798	5.8%	\$130,040	208	5.7%
2016	188	\$261.6M	4.8%	\$1,829,546	\$99,857	5.7%	\$122,079	196	5.8%
2015	203	\$365.1M	5.9%	\$2,017,250	\$103,610	6.0%	\$115,427	185	5.9%
2014	144	\$146.3M	3.6%	\$1,250,444	\$74,454	6.8%	\$102,302	164	6.2%
2013	128	\$152M	3.9%	\$1,310,377	\$64,573	6.8%	\$92,438	148	6.5%
2012	128	\$142M	3.4%	\$1,314,614	\$70,531	6.9%	\$88,987	143	6.5%

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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.

DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2027	-	240,281	6.1%	-	4,347	-	4,298	-	-
2026	-	235,983	6.2%	-	3,311	-	3,181	-	-
2025	-	232,802	6.6%	-	2,814	-	2,925	-	-
2024	-	229,877	7.0%	-	3,690	-	3,668	-	-
2023	-	226,209	7.4%	-	7,727	-	7,727	-	-
YTD	5,268	223,052	6.4%	39	4,570	39	4,570	61	9,078
2022	5,229	218,482	5.4%	67	3,572	66	3,510	89	12,082
2021	5,163	214,972	5.2%	77	6,795	75	6,782	94	7,528
2020	5,088	208,190	6.8%	84	7,509	84	7,509	111	9,367
2019	5,004	200,781	6.5%	108	7,010	107	7,001	132	12,346
2018	4,897	193,780	6.0%	96	6,913	95	6,884	151	12,394
2017	4,802	186,895	6.3%	67	5,636	64	5,601	136	12,532
2016	4,738	181,292	6.1%	64	5,137	63	5,126	107	9,744
2015	4,675	176,166	4.9%	59	4,283	59	4,283	87	8,791
2014	4,616	171,883	4.8%	57	4,760	54	4,676	74	7,024
2013	4,562	167,207	4.9%	35	2,656	35	2,656	68	6,796
2012	4,527	164,551	5.3%	24	2,241	23	2,235	49	4,440
2011	4,504	162,316	5.1%	6	447	3	419	33	3,231