



Multi-Family Market Report Portland - OR (USA)

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Jamie King



MULTI-FAMILY MARKET REPORT

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12 Mo Delivered Units

5,554

12 Mo Absorption Units

3,772

Vacancy Rate

6.9%

12 Mo Asking Rent Growth

-0.5%

Supply and demand dynamics in Portland's multifamily market were able to avoid a sixth consecutive quarter of imbalance, but the region continues to wade through a sharp demand recalibration. Despite absorption increasing for the second quarter in a row—recording 1,300 units in 2024Q1—vacancies continue to hover near a 10-year high mark in excess of 7%. This marks a noticeable jump from the rate one year ago of 6.8%. Annual rent growth thus decelerated for the seventh consecutive quarter to -0.4%, a performance which ranks Portland in the bottom 10 of the largest 50 markets that CoStar tracks.

On a trailing 12-month basis, entrenched weak demand is even more visible. Absorption as of the second quarter of 2024 totals 3,800 units, and 5,400 new units have delivered in the past year. While nearly every submarket faces an uphill battle to secure tenants, exceptions include fringe submarkets that are sparsely populated like Yamhill County, Outlying Washington County and Skamania County. Here, minimal new construction and tenant relocations for affordability reasons have boosted occupancies, with annual rent growth ranging from 1.0% to 2.5%. Conversely, higher-cost neighborhoods like Lake Oswego and Downtown Portland have seen rent growth trending 250 to 300 basis points below metro averages.

With around 3.5 luxury units under construction for every 3 Star unit in the pipeline, concentrated downward pressure on rent growth at high end offerings should form, as vacancies in 4 & 5 Star segment are already around 200 basis points above metro averages. Construction-laden submarkets such as Northwest Portland, Southeast Portland and Southwest Portland could grapple with longer runways to equilibrium, particularly at the top of the quality range.

Facing significantly less supply pressure in the coming quarters, 3 Star communities will benefit from a growing prospective renter pool that is cost-sensitive, and mid-market rent growth, thus, projects to trend above metro performance.

That said, Portland's 7,600 units underway represent a significant drop from the previous three-year high mark of 12,000 units reached in late 2022. This is partially due to a surge in deliveries over the past three quarters in Vancouver, which has led the metro area in development over the past two years. In turn, starts across the region have slowed rapidly since late 2022, given financing challenges. With less competing supply delivering over the next 18 months, and early indications of demand stabilization forming, rent growth could see a recovery later in 2024.

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	78,483	9.0%	\$1,846	\$1,823	2	0	5,788
3 Star	84,732	6.2%	\$1,602	\$1,590	23	0	1,508
1 & 2 Star	64,361	5.4%	\$1,271	\$1,263	0	0	301
Market	227,576	6.9%	\$1,620	\$1,605	25	0	7,597

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.6%	5.6%	6.2%	7.4%	2004 Q1	3.5%	2000 Q3
Absorption Units	3,772	3,037	4,009	10,854	2021 Q2	(2,878)	2002 Q1
Delivered Units	5,554	3,499	3,785	8,313	2020 Q3	379	2002 Q1
Demolished Units	17	27	23	152	2009 Q3	0	2023 Q3
Asking Rent Growth (YOY)	-0.5%	2.4%	2.9%	8.8%	2021 Q3	-4.2%	2009 Q4
Effective Rent Growth (YOY)	-0.3%	2.4%	2.9%	9.3%	2021 Q4	-4.4%	2009 Q4
Sales Volume	\$929M	\$1.4B	N/A	\$4.7B	2022 Q2	\$210.2M	2009 Q3

With apartment leasing looking for solid footing, absorption across Portland over the past 12 months equates to 3,800 units. This figure compares to the historical average annual figure of 2,970 units. Vacancies have trended to 6.9% in response, which indicates a trailing four-quarter change of 0.6%, mostly given the current imbalance related to new supply.

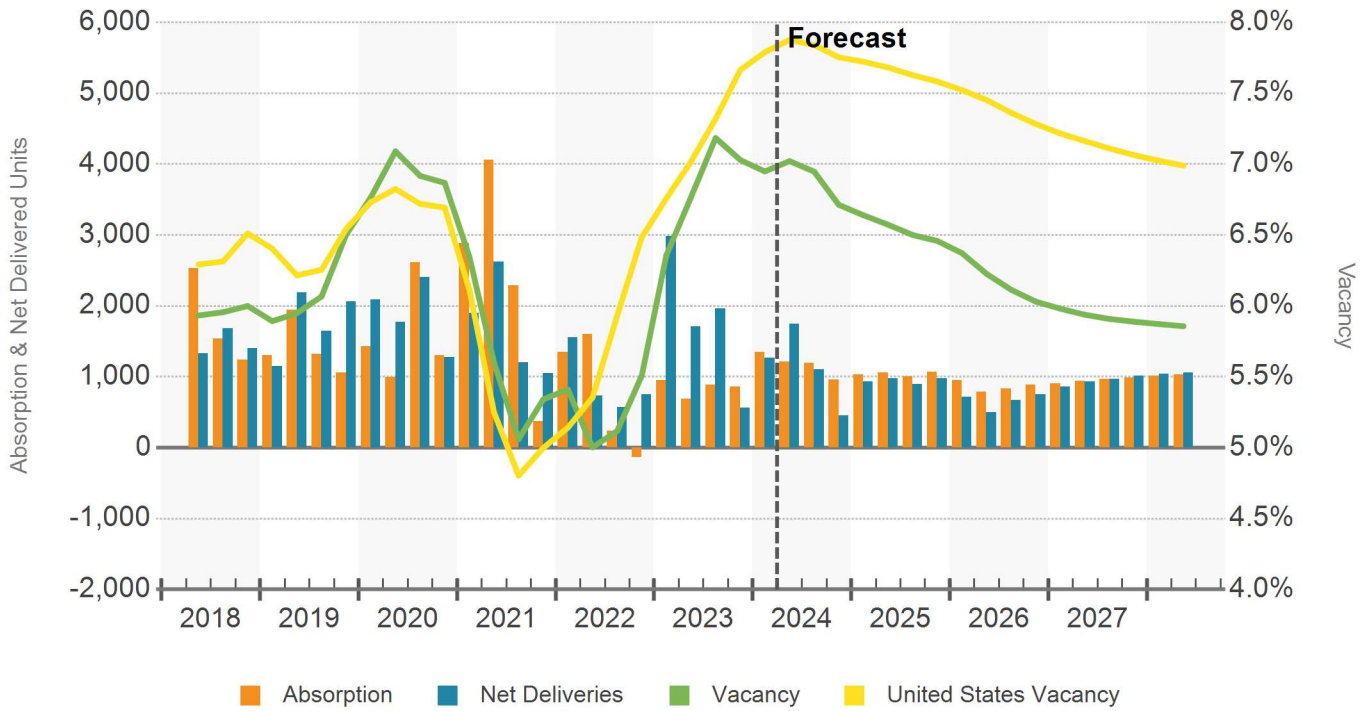
Developers have a wave of units set to come on line near-term, though the construction pipeline has shrunk over the past year for a variety of external factors. Most of the apartment product underway reflects communities in the 4 & 5 Star quality slice, primarily located in the core submarkets of the city. Remaining pockets of activity can be found in urban or suburban submarkets close to job nodes. Vacancy rates for 4 & 5 Star properties have climbed to 9.0%, while 3 Star and 1 & 2 Star vacancies equate to 6.2% and 5.4%, respectively. In terms of velocity, 4 & 5 Star vacancies are approximately 200 basis points higher than the mark one year ago, compared to 80 to 130 basis-point growth for mid- and lower-tier properties that are facing significantly less pressure from competing supply.

In the luxury category, communities delivered over the past three years have had a profound impact on vacancy rates in core and urban submarkets such as Downtown and Northwest, as well as the Interstate 84 and Willamette River corridors of Southeast and Southwest Portland. A plethora of high- and mid-rise projects in these denser neighborhoods have vacancies running around 150 to 500 basis points higher than previous lows reached during 2021 and early 2022.

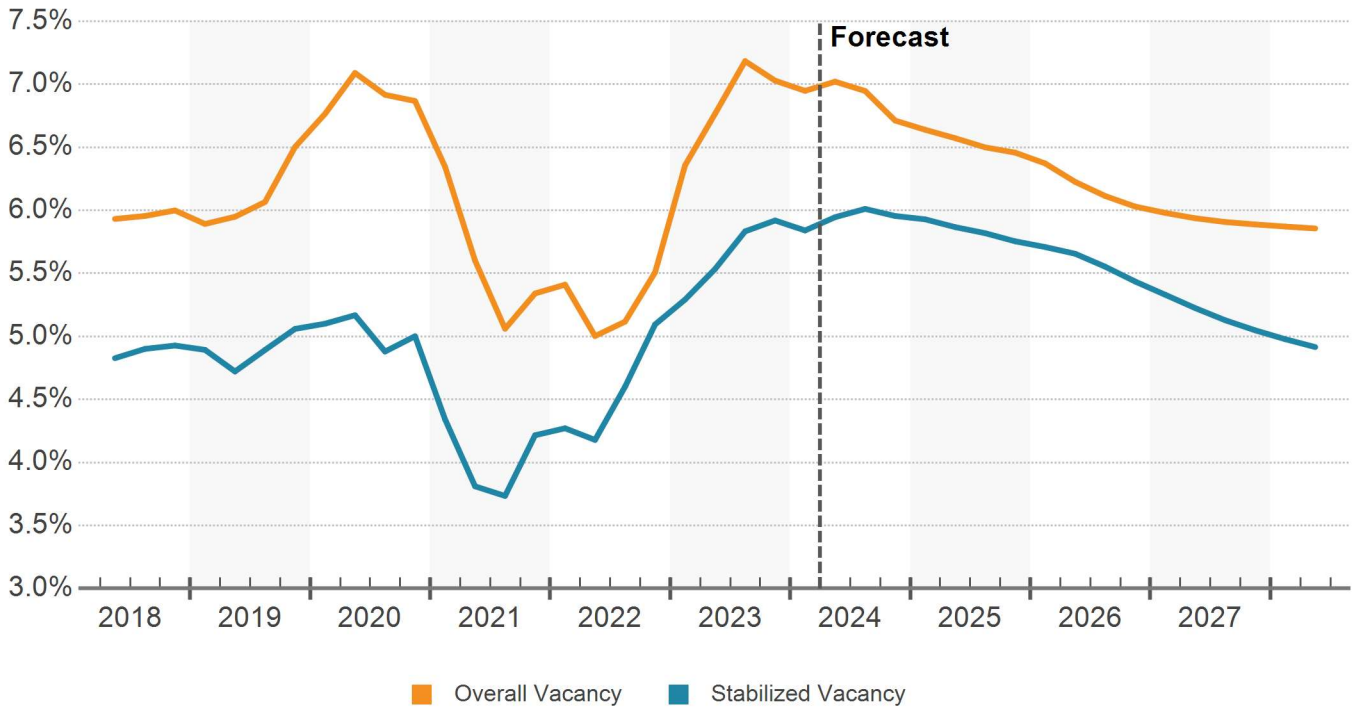
Conversely, submarkets that are more suburban in nature such as Vancouver, Hillsboro, Aloha, Beaverton and Damascus have been more resilient in the midst of their respective supply additions. Vancouver, for example, continues to be one of the region's lone bright spots when it comes to the current population stagnation. Tax advantages and a growing list of larger employers have some more than willing to reside across the river from Portland. Vacancies in the metro's largest submarket by unit count have, therefore, already declined by over 100 basis points from a peak of over 9% in 23Q3.

While macroeconomic factors such as job and wage growth are currently performing near national trends, a sharp deterioration in economic performance could exacerbate an already budget-conscious renter pool looking to lease 3 Star offerings. However, if a soft landing is engineered by the Federal Reserve in its fight to stabilize inflation, this segment could be a driver in stabilizing Portland's historically elevated vacancy rate. Persistent inflation and drastic rent increases through 2022 had prevented some potential three-star renter households from forming in the middle-priced segment. However, three-star leasing re-stabilized in 2023, and has now averaged over 300 units absorbed over the past four quarters. This, coupled with a construction pipeline that has shrunk by more than 50% in one year, and a near absence of starts over the last two quarters of 2023, hints at a steep deceleration in vacancies in the middle market over the latter half of 2024.

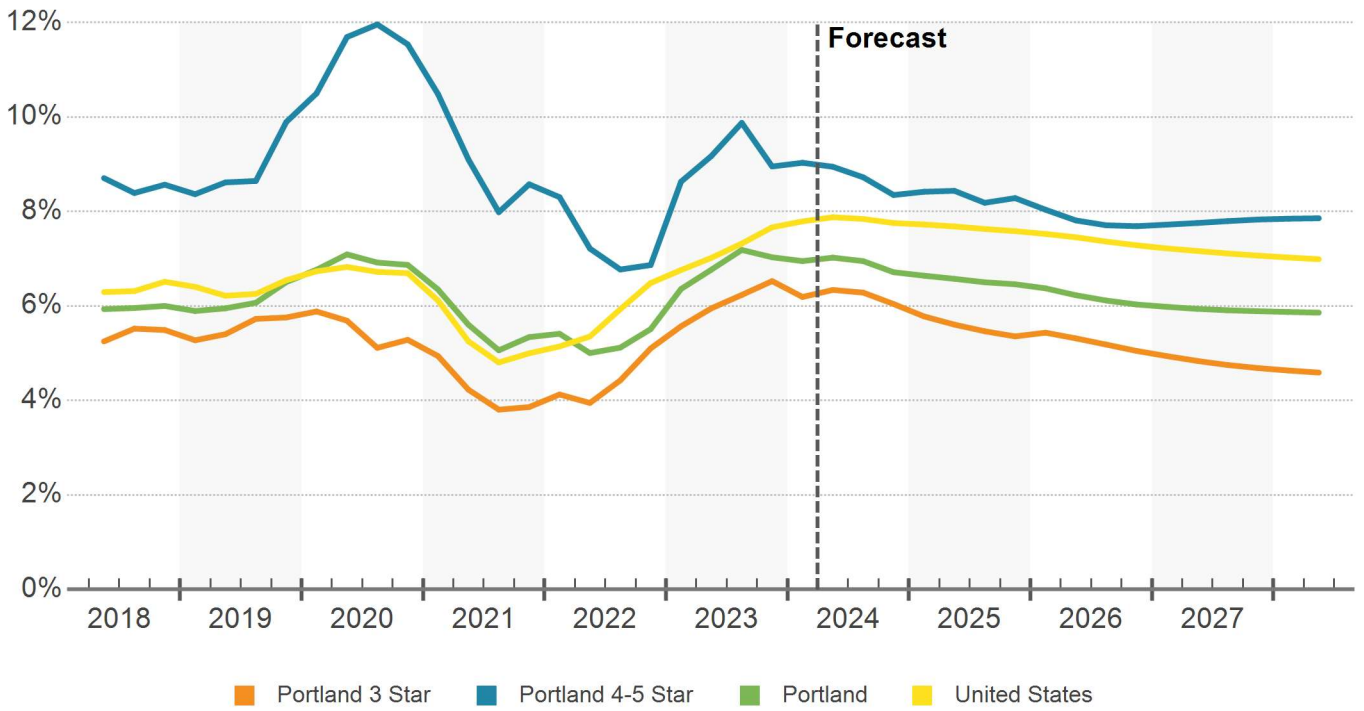
ABSORPTION, NET DELIVERIES & VACANCY



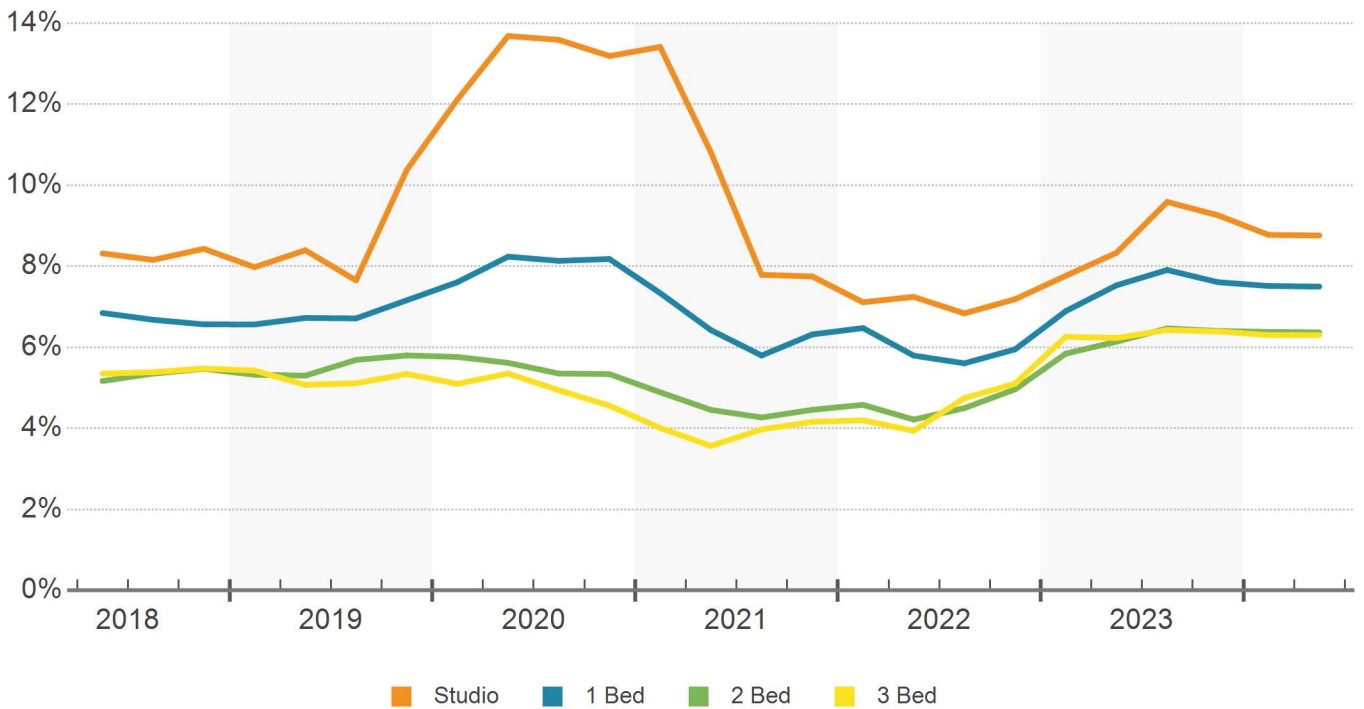
OVERALL & STABILIZED VACANCY



VACANCY RATE



VACANCY BY BEDROOM



As of the second quarter of 2024, market rent in Portland reflects notable stagnation, trending to \$1,620/unit. As such, year-over-year growth of -0.4% reflects one of the market's worst performances since the Great Recession, and compares to the national index of 0.8% over the same period. Over the past decade, Portland has averaged rent growth of 3.5% annually.

While starts have slowed and the construction pipeline is dwindling, new supply expected in the short term, coupled with tempered leasing, could keep rent growth below long-run averages through mid- to late-2024. This is particularly a concern for stakeholders in 4 & 5 Star rated communities, which make up over 75% of the current pipeline. In fact, the current wave of construction will pull luxury inventory essentially even with 3 Star inventory, which previously made up the largest share of the market.

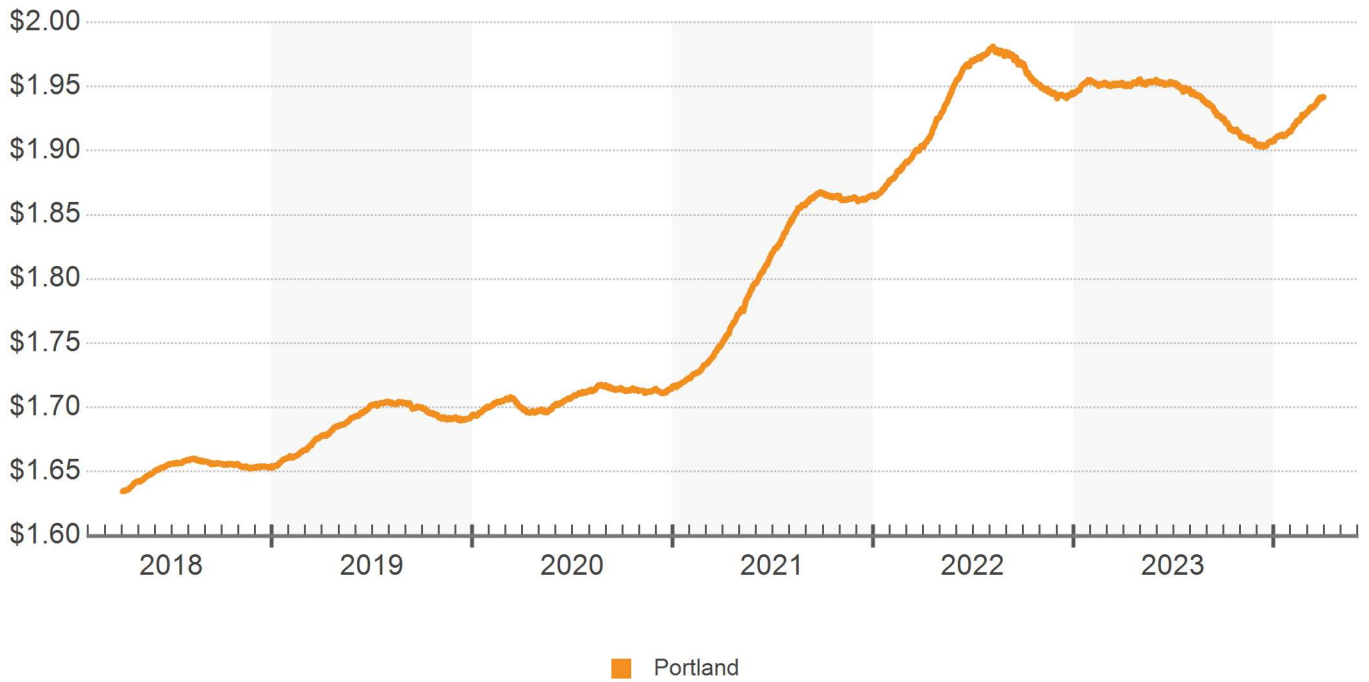
Thus, those looking for higher end units will have more options to choose from in coming quarters, which has led to more leverage in pricing negotiations in the urban cores where construction is heavily clustered. Concessions have thus returned in earnest. Some communities are offering well over one month free on select units. In the Downtown Submarket, rents had bounced back by mid-2022 in response to some renters returning, but landlords have reported that in addition to securing new tenants, negative or flat renewals are now more common to keep tenants in place and maintain

both occupancies and cash flow. Metrowide, annual rent growth in 4 & 5 Star communities currently trends to -1.2%, with market asking rates sinking to \$1,850/unit. Conversely, given the price sensitivity that has formed, 3 Star units posted less dramatic annual rent losses of -0.2%, with utilitarian offerings showing the strongest gains of 1.1%.

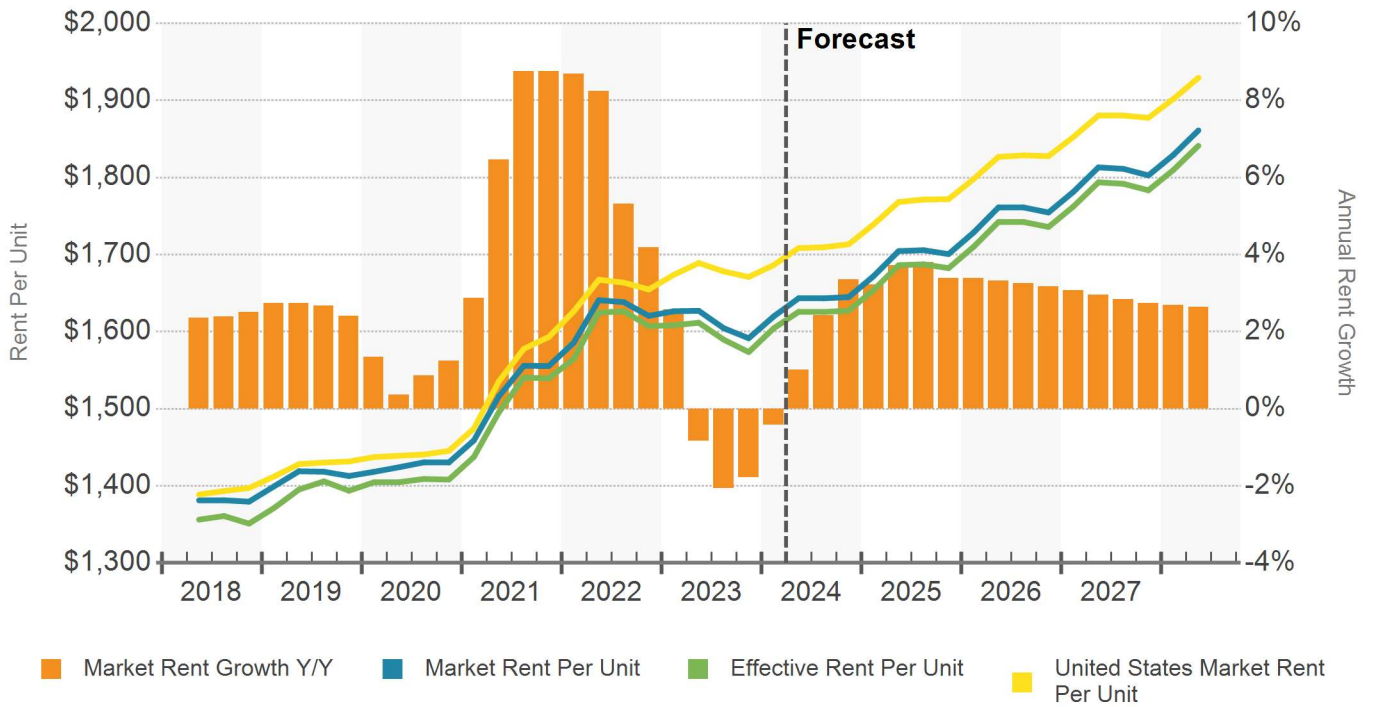
Exurban and a select number of Portland's suburban communities should continue to post the strongest rent growth. As renter preferences shifted and the importance of a central location diminished during the worst of the pandemic, tenants found suburban apartments more appealing. Some who relocated will likely stay there permanently, allowing landlords to keep some slight pressure on rental rates. The Outlying Washington County, Columbia County, Clackamas County and Yamhill County Submarkets have all seen trailing four quarter rent growth comfortably outpace metro averages.

Oregon's statewide law regarding annual rent increases was just amended to cap rents at a maximum 10% increase. However, this rent increase cap is actually a premium to the metropolitan area's historical average performance of 2.4%. In the last decade, the typical rent for a market-rate Portland apartment has increased by 41.8%. Therefore, it appears the organically growing pipeline has served as a more outsized deterrent to rent growth than legislative initiatives.

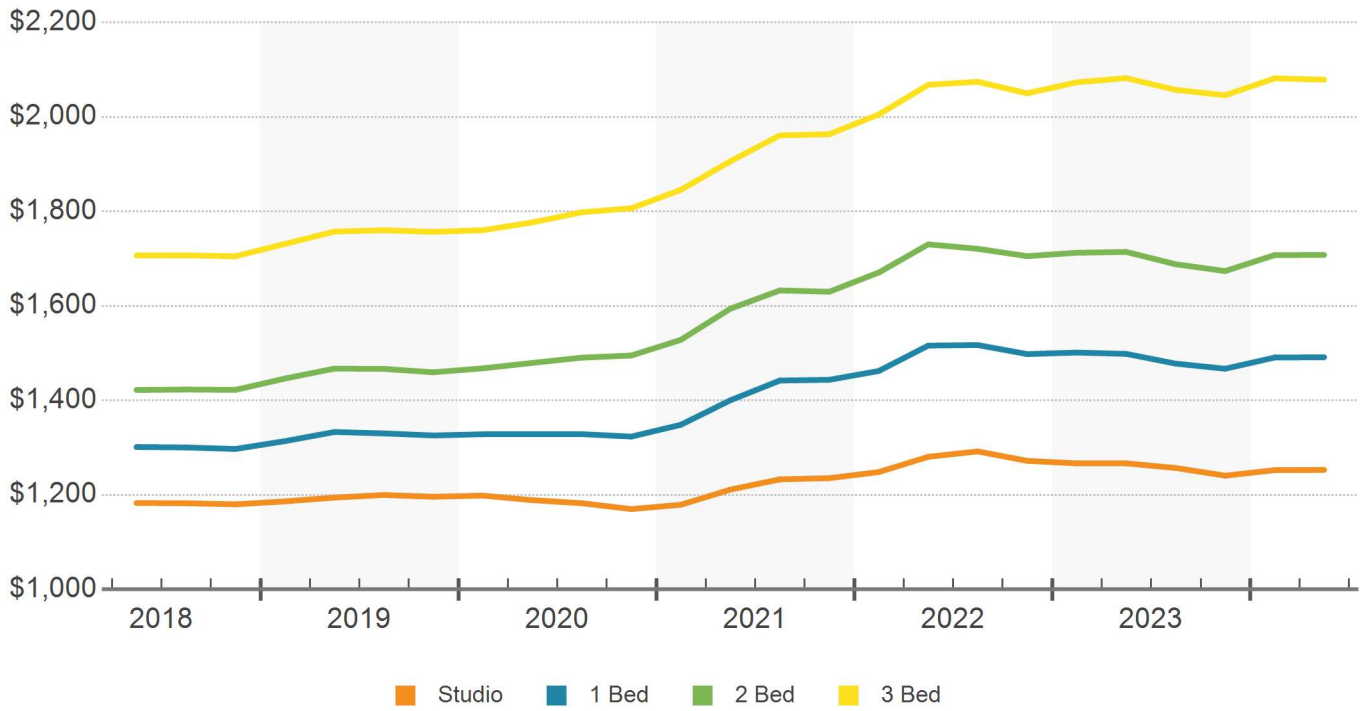
DAILY ASKING RENT PER SF



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	\$0.97	\$0.20	\$1.26	\$0.18	\$0.50	\$1.22	\$7.47
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	\$0.54	\$1.08	\$0.68	\$0.78	\$1.09	\$0.20	\$1.40	\$0.17	\$0.48	\$1.11	\$8.04
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	\$1.07	\$1.09	\$2.52	\$0.20	\$1.63	\$0.23	\$0.51	\$1.15	\$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	\$0.59	\$0.51	\$0.50	\$0.91	\$0.35	\$0.21	\$1.37	\$0.19	\$0.65	\$1.35	\$7.15
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	\$0.53	\$1.08	\$0.71	\$0.81	\$1.18	\$0.20	\$1.40	\$0.17	\$0.50	\$1.13	\$8.22
Southwest Portland	\$0.55	\$0.54	\$0.50	\$0.46	\$0.93	\$0.30	\$0.20	\$1.35	\$0.15	\$0.44	\$1.03	\$6.45
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	\$0.54	\$0.34	\$0.42	\$0.65	\$0.55	\$0.20	\$1.04	\$0.17	\$0.47	\$1.47	\$6.36
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	\$0.44	\$0.28	\$1.02	\$0.71	\$0.66	\$0.75	\$0.19	\$1.09	\$0.07	\$0.42	\$0.87	\$6.50
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 stands at 7,600 units underway as of the second quarter of 2024, which will expand existing inventory by 3.3%. Net deliveries over the past 12 months total 5,400 units, indicating a surplus has formed, based on absorption of 3,800 units over the same period.

Locationally, Downtown Portland and other surrounding urban submarkets underwent the region's most dramatic shift in development and subsequent expansion over the past decade, with almost all new product reflective of luxury 4 & 5 Star projects. In particular, the Pearl District and Northwest Portland, flush with restaurants and other urban amenities, were popular targets. Denser hubs such as downtown often require a more complex development path, given zoning restrictions and land scarcity, but this hasn't prevented several high-rise towers from making their way to the city center in recent years.

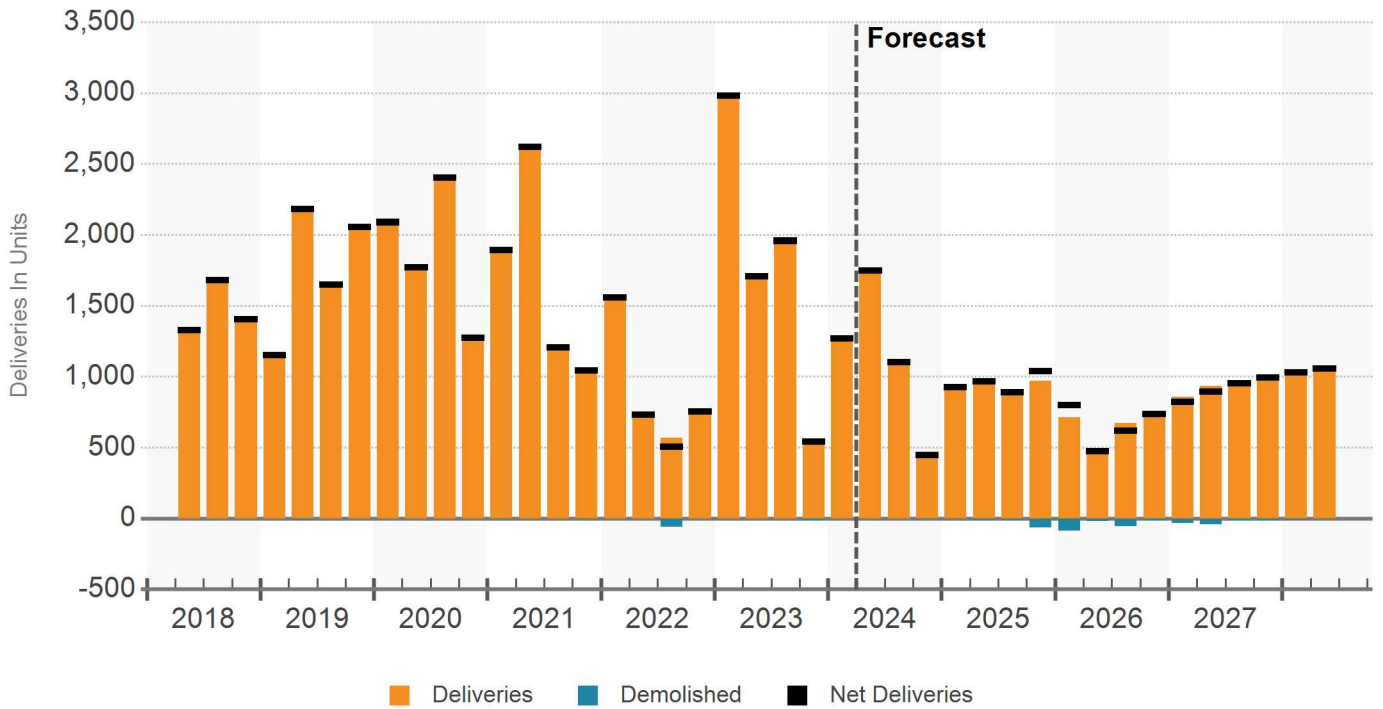
Nonetheless, given Portland's land constraints, a large share of the development in and around the urban cores has shifted to Southwest Portland, where coveted tracts of readily buildable ground remain. More specifically, the South Waterfront neighborhood has seen a heavy dose of deliveries recently. Texas-based Alamo Manhattan, who is the most active developer in the area, 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

combined units to market. Southwest Portland is thus primed to be a dominant player for future development, as well as leasing. A large portion of renters here are employed at Oregon Health and Science University, 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, which could keep demand here outsized over the long term.

Vancouver, Washington, is a popular destination for builders as well, with cumulative growth over the past decade positioning it as Portland's largest submarket by a substantial margin. Around 3,000 units have delivered in the past 12 months alone, pushing inventory to over 36,000 units. 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 outpace its Oregon counterparts.

Looking ahead, however, an elevated interest rate environment and a pullback in construction lending should significantly curb apartment starts in 2024. Groundbreakings in 23Q4 totaled around 500 units, the lowest mark since 2009. This could feed a pattern of dwindling deliveries through early 2026, allowing certain overbuilt core submarkets to absorb supply and march to equilibrium.

DELIVERIES & DEMOLITIONS



Under Construction Properties

Portland Multi-Family

Properties

Units

Percent of Inventory

Avg. No. Units

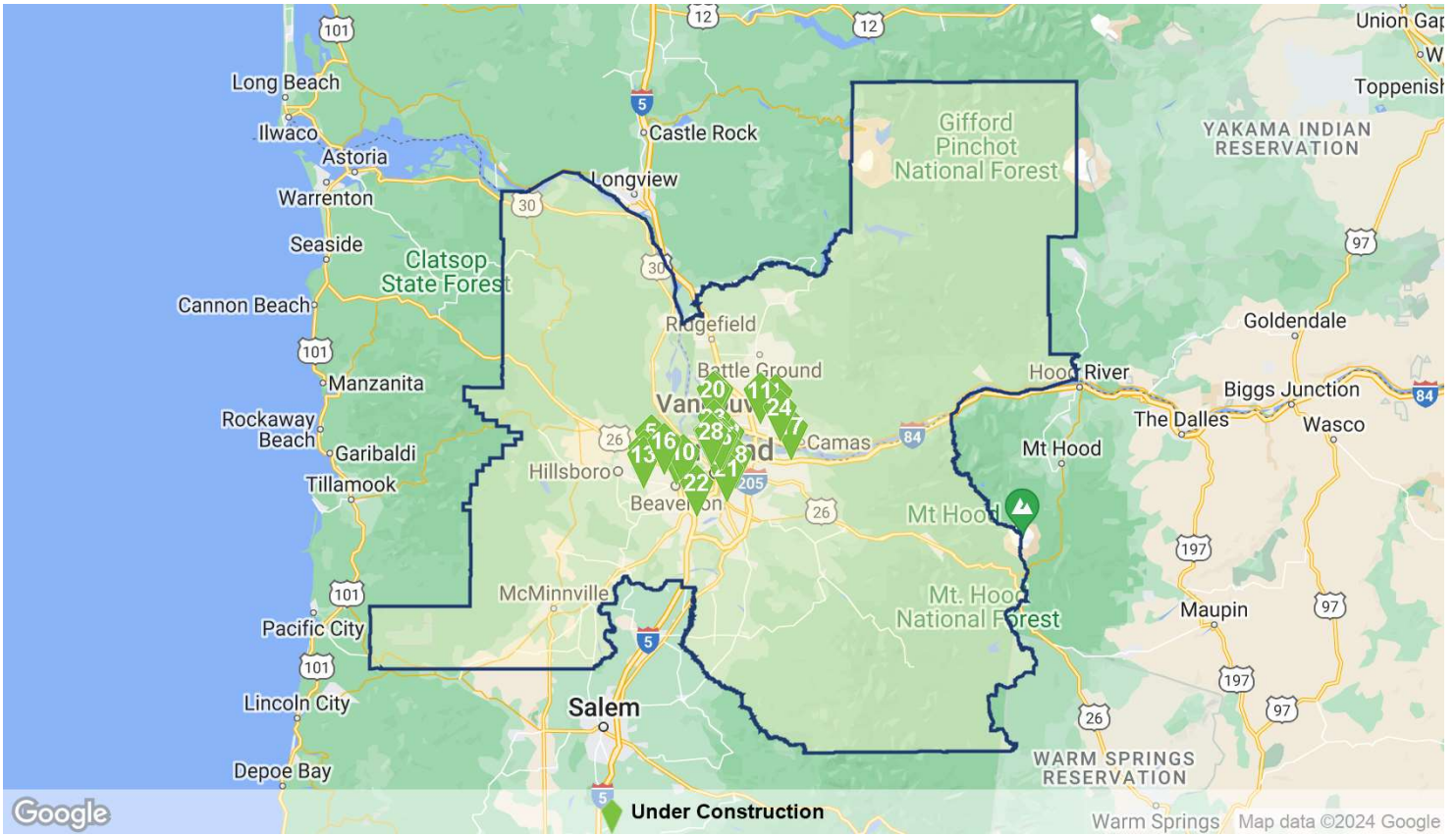
43

7,597

3.3%

177

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 Bennington on First 505 SE 184th Ave	★★★★☆	588	3	Mar 2022	Nov 2024	-
2 Millhouse 1985-1988 NW Savier St	★★★★☆	364	7	Apr 2023	Jun 2024	Greystar Real Estate Partners Greystar Real Estate Partners
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	Oct 2025	Urban Renaissance Group Security Properties, Inc.
5 9950 NE Gibbs Dr	★★★★☆	326	5	Sep 2022	Jun 2024	Wood Partners Wood Partners
6 Modera Beaverton 12230 SW Broadway St	★★★★☆	312	5	Dec 2022	Jun 2025	- Mill Creek Residential
7 Savanna at Reeds Cross... 3405 SE Reed Dr	★★★☆☆	301	5	Mar 2024	Oct 2024	-

Under Construction Properties

Portland Multi-Family

UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
8 Block 45 4000 S Bond Ave	★★★★☆	272	7	Nov 2023	Jun 2025	Alamo Manhattan Alamo Manhattan
9 Sunshine Dairy Apartme... 801 NE 21st Ave	★★★★☆	271	7	Aug 2023	Sep 2024	NBP Capital -
10 Modera Raleigh Hills 4822 SW Western Ave	★★★★☆	270	5	Oct 2022	Sep 2024	Mill Creek Residential Mill Creek Residential
11 Jens Pointe Apartments 333 NE 136th Ave	★★★☆☆	240	4	Dec 2023	May 2024	MAJ Development Corporation First Republic Bank
12 Splash Apartments 2505 NE Pacific St	★★★★☆	219	8	Nov 2022	Aug 2024	Security Properties, Inc. -
13 Atlas Plaza SE Cornelius Pass Rd	★★★★☆	218	4	Feb 2024	Jan 2025	- Hillsboro School District 1-j
14 Zeal Lofts 3185 N Williams Ave	★★★☆☆	215	6	Mar 2022	Aug 2024	Vibrant Cities Vibrant Cities
15 Slabtown Square/Block... 1417 NW 20th Ave	★★★★★	200	6	Apr 2022	May 2024	Guardian Real Estate Services Guardian Real Estate Services
16 1340 SW 160th Ave	★★★★☆	199	4	Nov 2023	Jan 2025	Pahlisch Homes Pahlisch Homes
17 Fairview Meadows 22199 NE Sandy Blvd	★★★☆☆	196	4	Jun 2022	Jun 2024	West Coast Home Solutions, LLC West Coast Home Solutions, LLC
18 Modera Woodstock 4804 SE Woodstock Blvd	★★★★☆	194	5	Sep 2023	Jul 2024	Mill Creek Residential Mill Creek Residential
19 Adera Apartments 400 Washington St	★★★☆☆	186	6	Jun 2022	Aug 2024	Hurley Development -
20 Broadstone Block 19 1110 W Columbia Way	★★★★☆	180	7	Jan 2022	May 2024	Alliance Residential Company Alliance Residential Company
21 Henley Place 10306 SE Main St	★★★☆☆	178	7	May 2022	May 2024	Pahlisch Homes -
22 Willow 5600 Meadows Rd	★★★★☆	158	3	Oct 2022	Jul 2024	- Shorenstein Properties
23 Koz on Killingsworth 1404 N Killingsworth St	★★★☆☆	154	6	May 2023	May 2024	KOZ Development, Inc. -
24 The Ledges at Columbia... 19801 SE Ascension Loop	★★★★☆	141	5	Oct 2022	Oct 2024	Kirkland Development LLC KRISTIN KIRKLAND
25 Memoir Buckman 1010 SE Ash St	★★★★☆	132	6	Mar 2022	May 2024	AJ Capital Partners AJ Capital Partners
26 District Office 550 SE Martin Luther King...	★★★★☆	132	13	Jan 2023	Mar 2025	Beam Development Burns Bros, Inc.
27 MERX 1339 NW 19th Ave	★★★★☆	126	7	Mar 2023	May 2024	Deacon Development Group Deacon Development Group
28 The Weidler 1784 NW Northrup St	★★★★☆	125	6	May 2022	May 2024	HMS Development Andersen Construction

Trailing four-quarter sales volume has slowed to \$1.0 billion, well below the 10-year average of \$2.3 billion per year in multifamily deals. For historical reference, volume previously peaked at \$4.7 billion in early 2022. Market pricing currently trends to \$250,000/unit, which is well below the previous cycle peak of \$300,000/unit reached in mid-2022, with pricing forecast to fall another 10% or so to a trough by the end of 2024.

Private capital has dominated Portland's multifamily market of late, generating around 70% of sales volume in the past year, with just under 25% pushed by institutional buyers. In total, 85% of the buyer pool over the past year had headquarters outside of the Portland metro area, as the region remains attractive from a pricing standpoint, relative to some of its other peer gateway markets. Buyers can generally obtain superior yields in Portland, relative to San Francisco and Seattle, for example, where cap rates have historically run 50 to 100 basis points lower.

Over the past year, buyers are paying around \$10 million per deal on average, with reported cap rates in the 5.6% range. Previously, from 2012 to early 2022, multifamily cap rates had tightened by over 170 basis-points. However, rates have now shown steady upward pressure of approximately 50 basis points over the past few quarters in the face of widening bid-ask spreads and value erosion. Some buyers have responded by moving up the quality range, drawn to luxury assets that are marked down, relative to comps that traded in 2021 and early 2022.

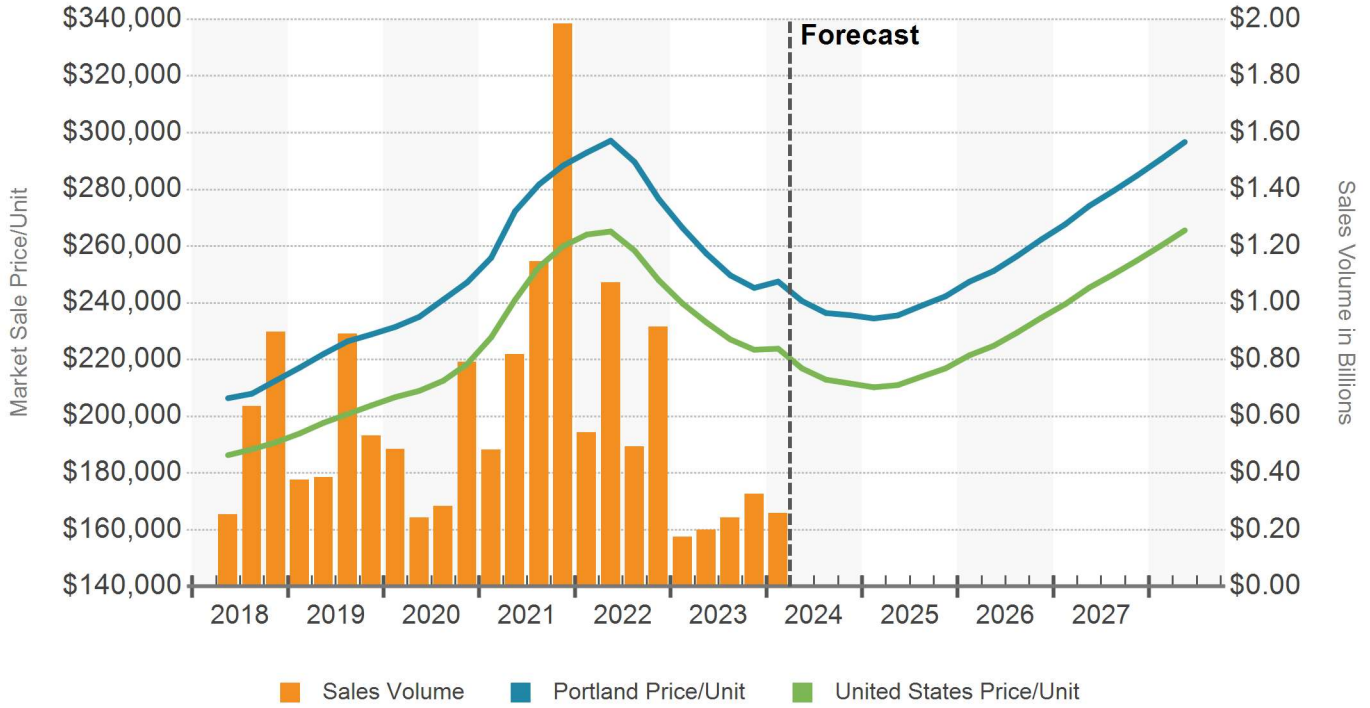
Thus, suburban submarkets with outsized population growth have pushed pricing and volume of late. For example, in 23Q4, Sequoia Equities paid \$99 million (\$326,000/unit) to acquire Tessera at Orenco Station

from Seattle-based Security Properties, Inc. The 2014 vintage and stabilized occupancy—which would preclude hefty maintenance and lease-up costs—drove pricing on this deal. Additionally, walkable proximity to the Intel campus adds a degree of stability to the asset and limits downside renter turnover risk.

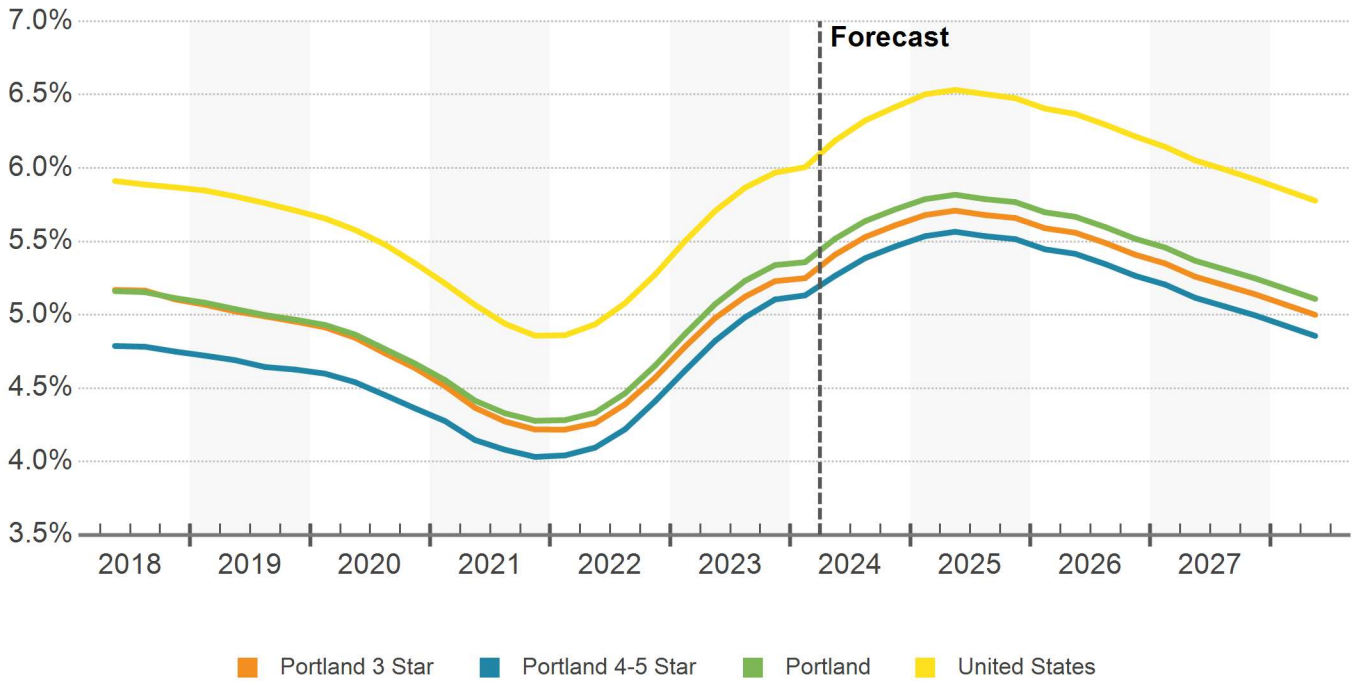
Turn-key and core-plus properties, however, haven't completely outshined potential value-add deals. Some institutional money remains active across a variety of purchasing strategies. In 23Q3, New York-based Abacus Capital Group acquired the 440-unit Lumina Apartments for \$98 million (\$223,000/unit). The location with proximity to employment nodes should help preserve occupancy and cash flow, while the 1994 vintage means some lighter upgrades could yield higher returns on future rent bumps to what is already one of Gresham's nicer 3 Star communities.

Lastly, discussions with several representatives of other larger financial institutions that are active in much larger markets also indicate they have an interest in Portland from a repositioning standpoint. In the core submarkets where negative press has engulfed areas like downtown for the last few years, this could provide an opportunity to place capital with little to no competition on steep pricing discounts for underperforming assets. In 23Q2, Chicago-based Waterton, with \$10.7 billion in total assets, re-entered the market with the purchase of the 177-unit Parker in the Pearl District. Astor Pacific, LLC, Argosy Real Estate Management, and Invesco sold the multifamily property. Closing price was equal to \$52 million (\$294,000/unit). It was previously purchased for \$63.5 million in 2015. A light refresh of some of the luxury units is anticipated, along with a new operating strategy to boost occupancy.

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

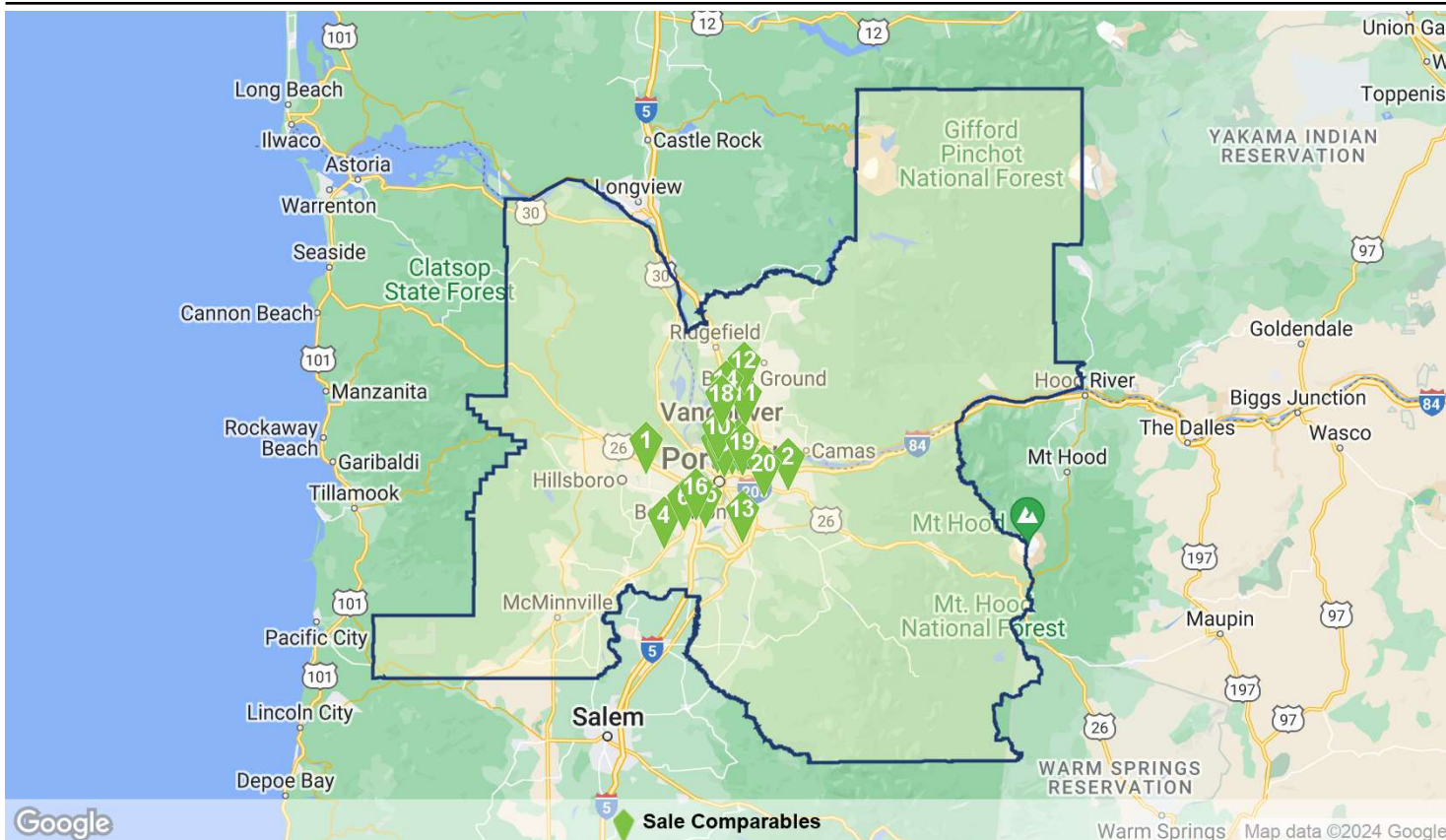
106

\$237

\$9.8

7.9%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$850,000	\$9,808,178	\$3,045,500	\$99,000,000
Price/Unit	\$64,845	\$236,611	\$197,656	\$679,245
Cap Rate	3.5%	5.7%	5.6%	8.0%
Vacancy Rate At Sale	0%	7.9%	4.3%	100%
Time Since Sale in Months	0.2	6.8	7.3	12.0
Property Attributes	Low	Average	Median	High
Property Size in Units	5	38	14	440
Number of Floors	1	2	2	7
Average Unit SF	45	826	820	1,934
Year Built	1891	1977	1973	2023
Star Rating	★★★★★	★★★★★ 2.6	★★★★★	★★★★★

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 Tessera at Orenco Station 6523 NE Cherry Dr	★★★★★	2014	304	4.3%	12/28/2023	\$99,000,000	\$325,657	\$305	
2 Lumina Apartments 2700 W Powell Blvd	★★★★★	1994	440	5.7%	8/22/2023	\$98,000,000	\$222,727	\$262	
3 The Arbory 9250 NE Rockspring St	★★★★★	2018	276	4.4%	12/13/2023	\$78,600,000	\$284,782	\$316	
4 Creekview Crossing 21759 SW Cedar Brook Way	★★★★★	2009	183	1.1%	2/29/2024	\$61,250,000	\$334,699	\$309	
5 The Parker 1447 NW 12th Ave	★★★★★	2014	177	9.0%	6/30/2023	\$52,000,000	\$293,785	\$254	
6 Woodspring Apartments 16100 SW 113th Ave	★★★★★	1991	172	6.4%	7/6/2023	\$46,600,000	\$270,930	\$254	
7 Sandy Lofts 2865 NE Sandy Blvd	★★★★★	2020	206	5.3%	10/17/2023	\$43,000,000	\$208,737	\$261	
8 The Beverly 2021-2025 NE 44th Ave	★★★★★	2009	53	3.8%	2/28/2024	\$36,000,000	\$679,245	\$404	
9 Skylar Grand 465 NE Davis St	★★★★★	2022	170	9.4%	2/27/2024	\$34,000,000	\$200,000	\$286	
10 Green Leaf Jasper 5325 N Interstate Ave	★★★★★	2020	141	7.8%	10/20/2023	\$31,000,000	\$219,858	\$207	
11 Ridgeline View 7401 NE 18th St	★★★★★	2022	50	6.0%	5/22/2023	\$18,100,000	\$362,000	\$362	
12 The JAX 7105 NE 123rd St	★★★★★	2023	50	34.0%	5/24/2023	\$16,000,000	\$320,000	\$352	
13 Fairway Village Apartments 19725 SE River Rd	★★★★★	1965	75	10.7%	10/26/2023	\$14,750,000	\$196,666	\$234	
14 The Ridge 6208 NE 17th Ave	★★★★★	1987	80	6.3%	11/28/2023	\$14,750,000	\$184,375	\$130	
15 ReNew Oakridge 4628 Oakridge Rd	★★★★★	1969	55	10.9%	5/1/2023	\$13,500,000	\$245,454	\$307	
16 The York by Trion Living 7582 SW Hunziker St	★★★★★	1969	52	3.9%	8/14/2023	\$10,850,000	\$208,653	\$234	
17 Hamilton & Eliza Apartments 2000-2012 Broadway St	★★★★★	2018	44	6.8%	4/4/2023	\$10,288,132	\$233,821	\$369	
18 Broadway Apartments 1901 Broadway St	★★★★★	2018	36	13.9%	4/4/2023	\$9,711,868	\$269,774	\$471	
19 Nota 5681-5687 NE Glisan St	★★★★★	2020	30	0%	9/25/2023	\$8,200,000	\$273,333	\$343	
20 SpringWater Court 5906 SE 122nd Ave	★★★★★	2009	32	6.3%	7/11/2023	\$8,150,000	\$254,687	\$177	

Based on data from Oxford Economics, 18,000 jobs have been added to nonfarm payrolls in Portland over the past 12 months, for a change of 1.4%. Total job growth in the U.S. amounts to 1.5% over the same period. When compared with previous points in time, consumers appear to be better prepared to deal with a slight economic downturn, showing some resilience in spending despite elevated CPI growth. In addition, rate hikes by the Central Bank to control surging prices have likely witnessed a peak, with many factors pointing to a broader slowdown in pricing growth across a variety of goods and services.

Labor markets remained tight at the end of 2023, with an unemployment rate of 3.9% trending essentially even with the national performance of 3.8%. Moving forward, Federal Reserve officials must balance taming price growth with maintaining healthy labor markets. Headwinds in the form of office sector job growth are forming in Portland. While employment currently stands just over 4% higher than its pre-pandemic peak, preliminary data suggests the information and financial activities categories each shed jobs, on a net basis, during 2023. Further, employment growth in professional and business services was essentially flat.

Incomes in Portland, however, exceed the national average. And while the cost of living has risen, of the 11 West Coast metros with at least 1 million residents, only Fresno, California, currently has cheaper average apartment rents than Portland. This affordability draw could help the region emerge from a population growth slump that has taken hold over the past two years. Other appealing factors are the lack of a sales tax in Oregon and an income tax across the Columbia River in Vancouver, Washington.

Intel and Nike, the metro's largest non-government, non-healthcare employers, have recently expanded 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, which 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. While Nike's relationship with the state government has been somewhat volatile, both Intel and Nike negotiated a deal to lock in a particular tax structure for the two companies for 30 years in 2012. This guaranteed their tax structure would remain constant, even if the state changed its tax code. Nike's commitment to the region has culminated in constructing an additional 1.4 million SF of office space

at its Beaverton campus, one of the largest corporate campuses in America. In 2023, Intel announced further expansions to its semiconductor manufacturing operations in Hillsboro.

Neither of these giants has been entirely immune to downsizings, and Nike's 2023 announcement that it will pursue \$2 billion in cost savings could lead to significant layoffs. That said, Nike has also attracted a skilled workforce and several competitors to the metro. Dr. Martens, Columbia Sportswear, and Lacrosse Footwear have headquarters in the region, as does significant competitor Adidas. North American operations for Adidas have now completed a 425,000-SF office expansion of its headquarters. Under Armour also moved into a former YMCA building in Southwest Portland in 2017.

Aside from established players, emerging job sectors with more growth potential include biotechnology, which could drive further population and wage gains. Drawn to the area's affordability and dynamic workforce, 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 can accommodate around 400 additional bioscience employees. Moves such as these will likely draw more companies to the area in search of talent. Oregon Health & Science University, whose board of directors approved a \$650 million hospital expansion that has broken ground, will aid in this talent pipeline. When complete, the project will accommodate thousands of additional staff members to serve the facilities.

Amazon is another major contributor to Portland's economy and has invested around \$2.8 billion in Oregon. After acquiring Portland-based Elemental Technologies for \$296 million in October 2015, the company has leased a large block of office space in the CBD. It also occupies or owns millions of SF of industrial space in the greater Portland metro and larger region. Major facilities include a sortation center in Hillsboro employing 1,000 workers, along with fulfillment centers in North Portland (918,000 SF) and Troutdale (860,000 SF) that collectively employ about 3,000 workers. Other major facilities delivering for the e-commerce titan include a fulfillment facility in Woodburn, along Interstate 5.

Increased exposure to trade by way of the Port of Portland has been evident since the beginning of 2021, where total containerized cargo volume at the port has doubled. Port officials added weekly container service from Mediterranean shipper MSC to handle this rising demand, with increased vessel calls from South Korea-based container carrier SM Line. From a logistical standpoint, Portland can reach nearly 8.5 million people within a four-hour truck drive, a range that includes the Seattle metropolitan area further north. Shipping trends aside, Oregon remains at the core of the growing mass

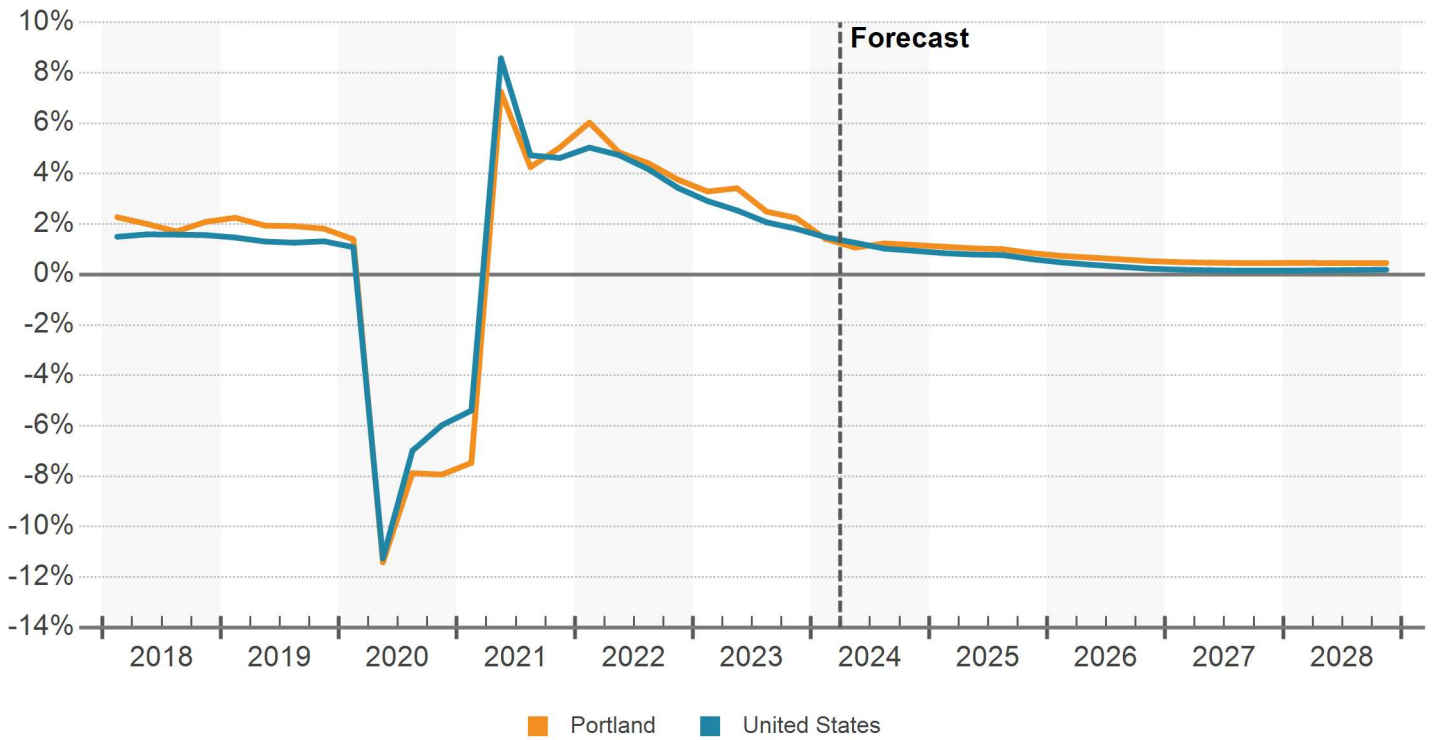
timber industry. The Oregon Mass Timber Coalition is working to fund connected projects that seek to transform the mass timber market and the state's role as the epicenter. As for the port's future role in these developments, a new factory, research lab, and fabrication facility are expected to be constructed at the Terminal 2 point along the Willamette River. This future Mass Timber Innovation Hub aims to advance the development of wood products that could serve all kinds of real estate projects.

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	125	1.2	-2.26%	0.03%	0.69%	0.71%	0.76%	0.14%
Trade, Transportation and Utilities	224	1.0	-1.28%	0.08%	1.20%	1.04%	0.06%	0.14%
Retail Trade	116	0.9	-1.51%	-0.16%	0.50%	0.19%	0.23%	0.13%
Financial Activities	78	1.1	0.13%	0.61%	2.05%	1.45%	0.35%	0.18%
Government	157	0.8	3.58%	2.39%	0.99%	0.55%	0.69%	0.33%
Natural Resources, Mining and Construction	92	1.3	6.95%	2.21%	4.77%	2.38%	0.98%	0.25%
Education and Health Services	193	0.9	3.12%	3.45%	2.16%	1.98%	1.08%	0.64%
Professional and Business Services	206	1.1	0.22%	0.75%	2.44%	1.98%	0.52%	0.48%
Information	29	1.2	0.80%	-1.80%	2.01%	1.10%	0.97%	0.22%
Leisure and Hospitality	126	0.9	4.84%	2.55%	1.66%	1.52%	0.96%	0.70%
Other Services	43	0.9	-0.74%	1.52%	1.20%	0.66%	0.73%	0.27%
Total Employment	1,272	1.0	1.41%	1.48%	1.79%	1.35%	0.65%	0.37%

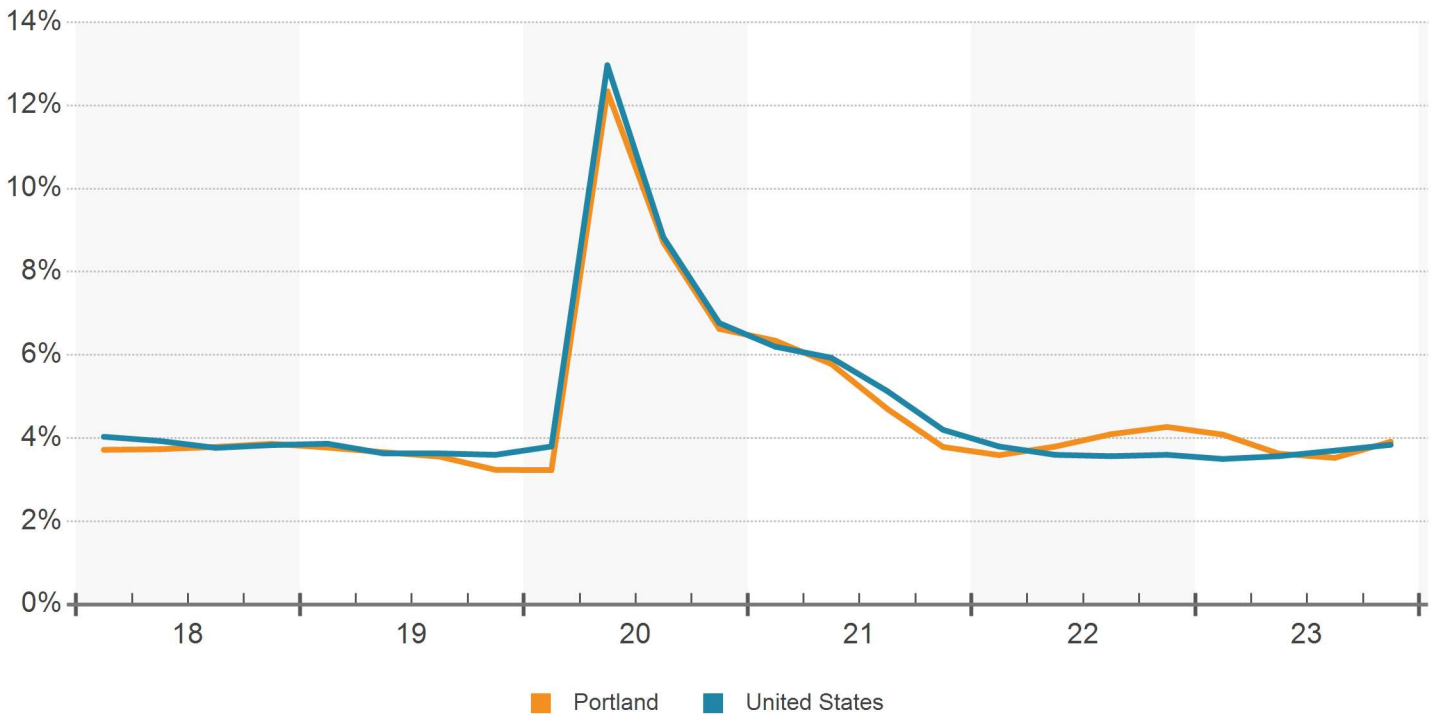
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

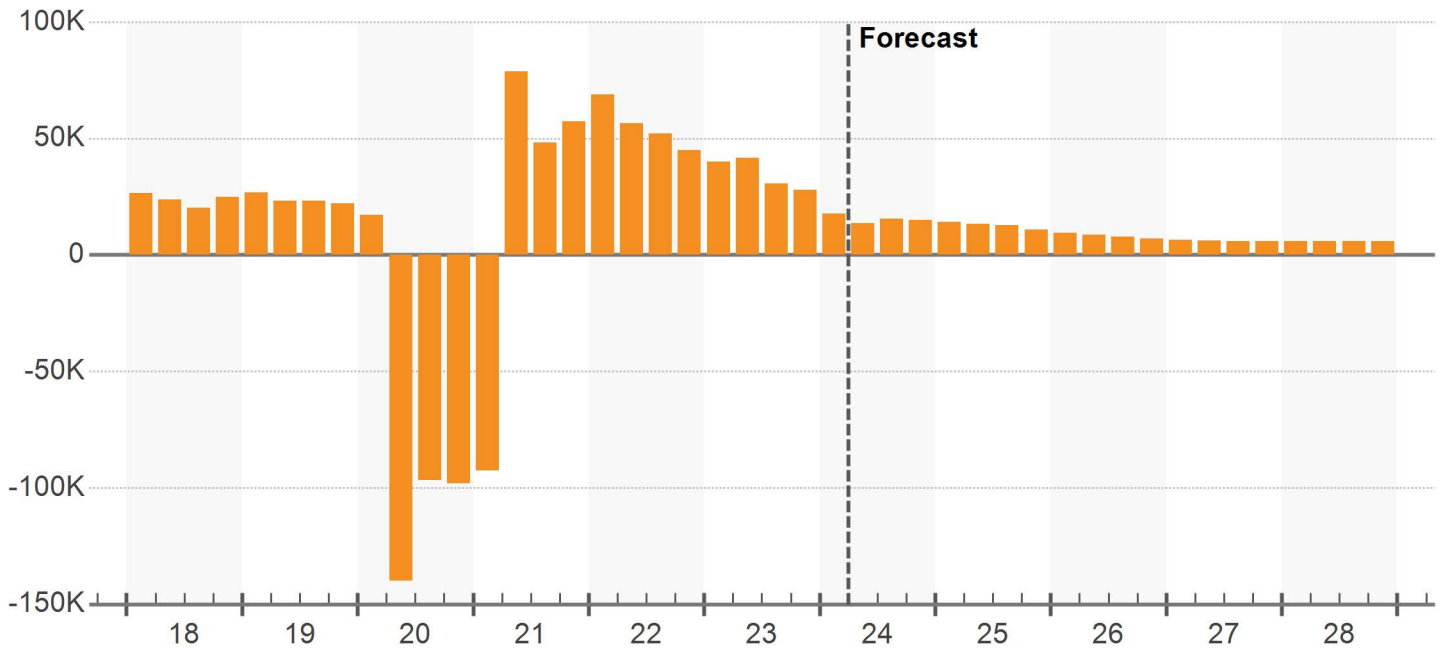


Source: Oxford Economics

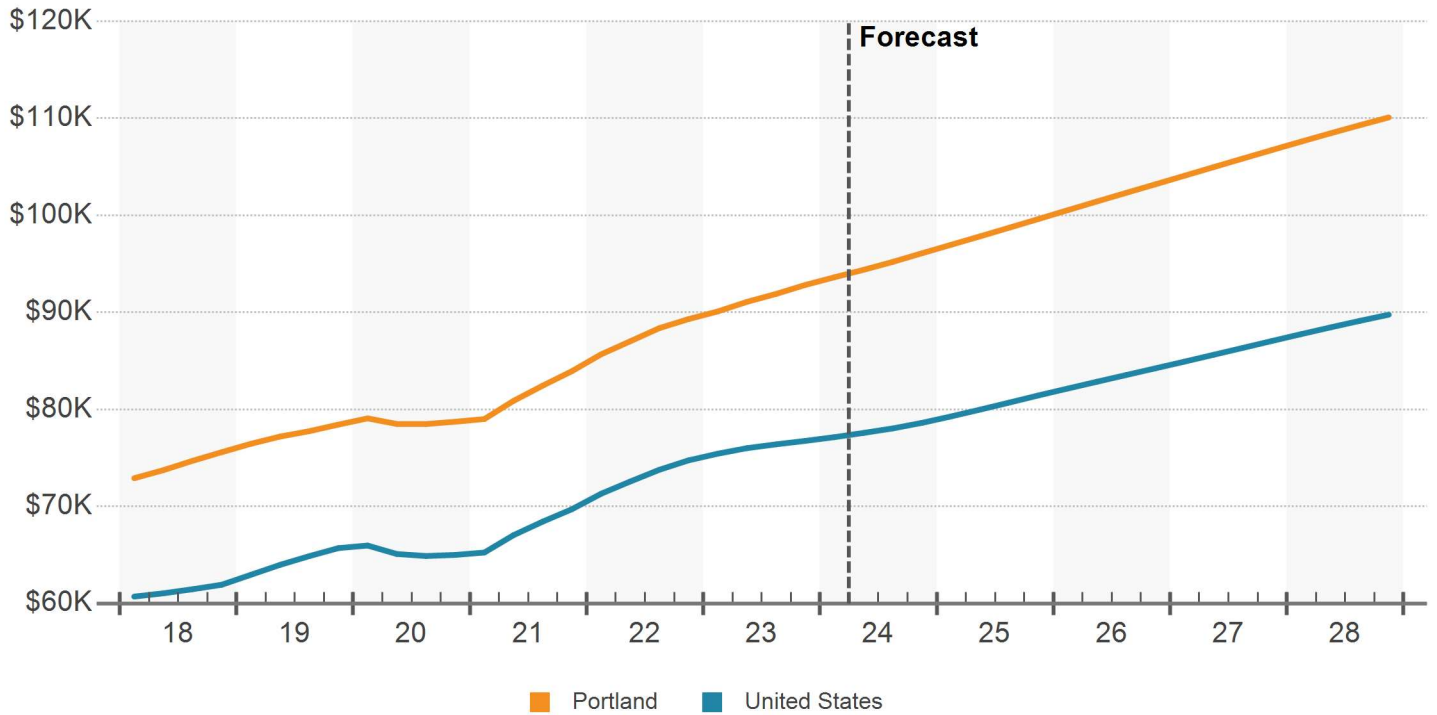
UNEMPLOYMENT RATE (%)



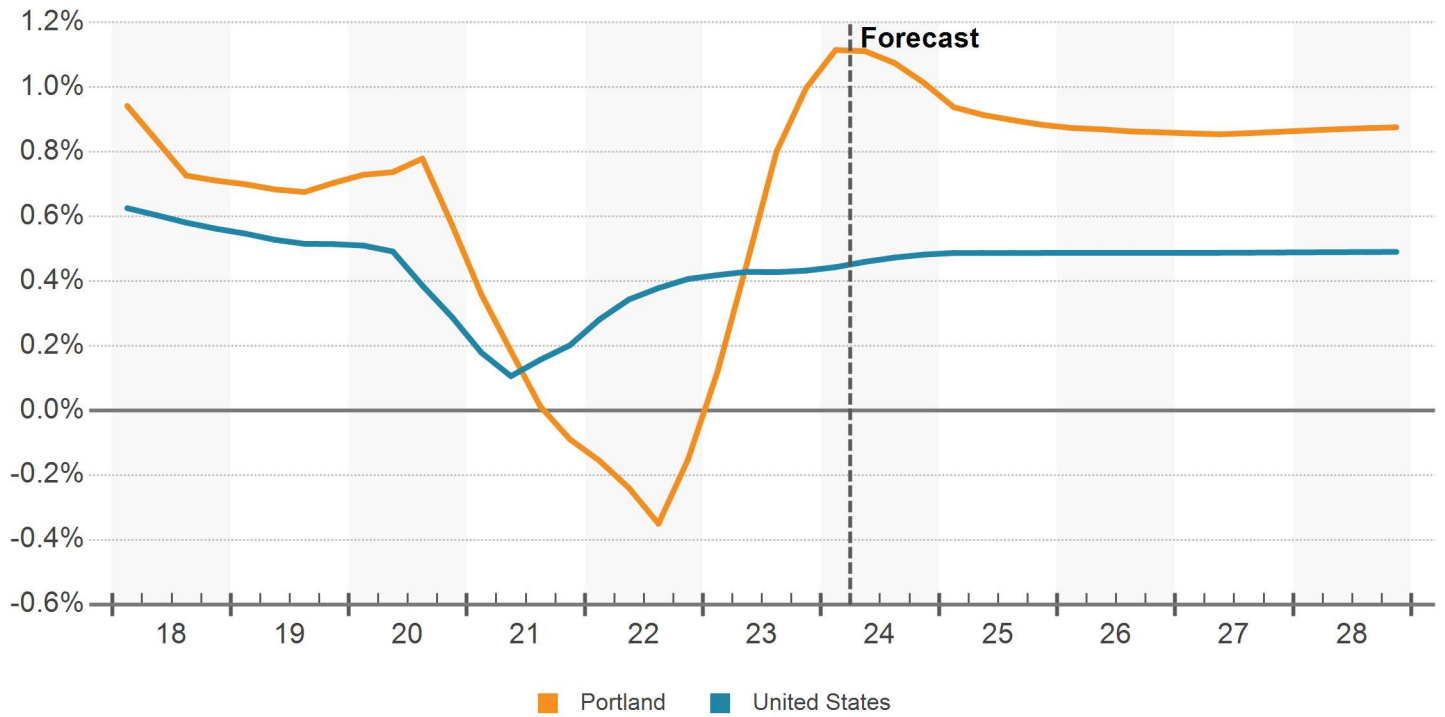
NET EMPLOYMENT CHANGE (YOY)



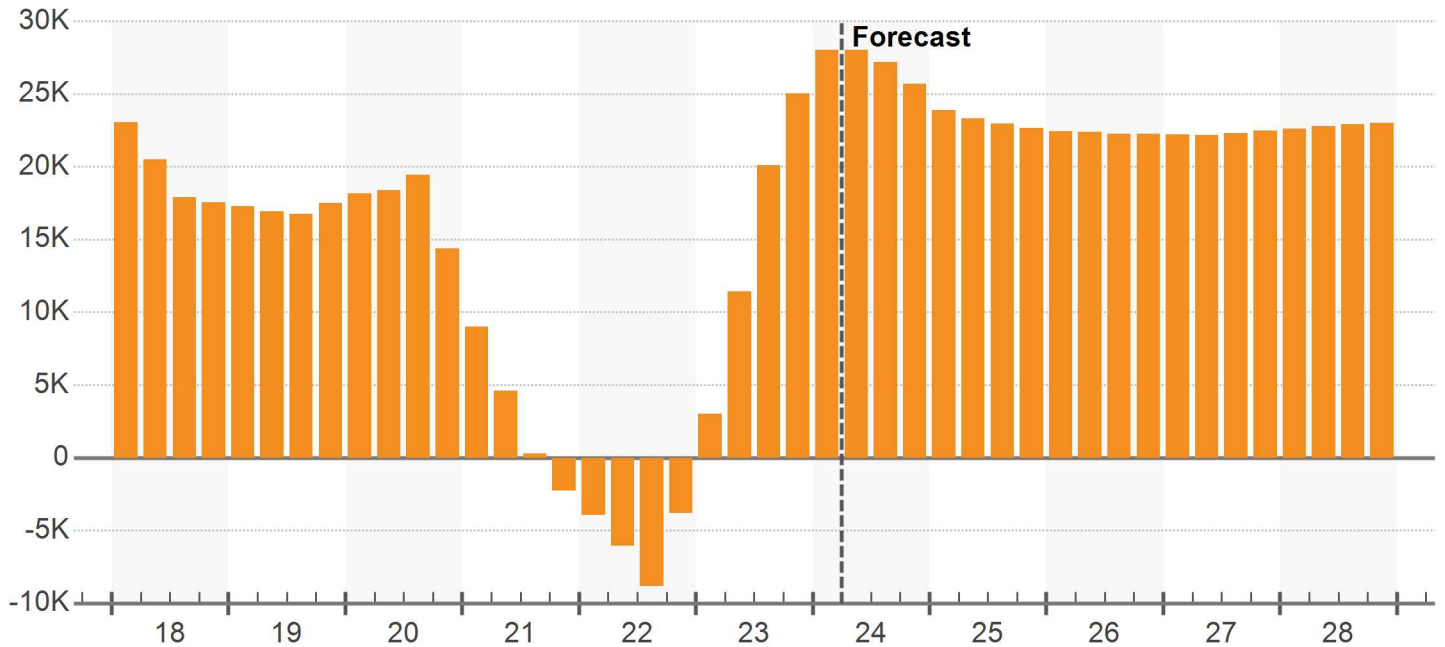
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

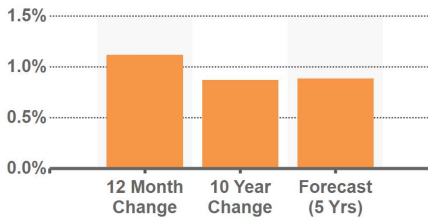


DEMOGRAPHIC TRENDS

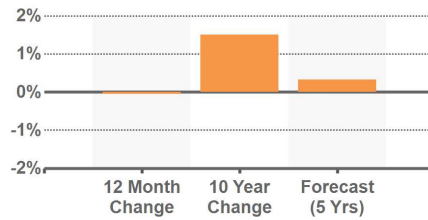
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	2,544,802	335,503,156	1.1%	0.4%	0.9%	0.5%	0.9%	0.5%
Households	1,028,384	131,034,789	1.3%	0.6%	1.3%	0.9%	1.0%	0.6%
Median Household Income	\$93,639	\$77,154	3.9%	2.3%	4.7%	3.9%	3.4%	3.2%
Labor Force	1,380,351	169,033,328	-0.1%	1.7%	1.5%	0.8%	0.3%	0.1%
Unemployment	3.9%	3.8%	-0.2%	0.3%	-0.2%	-0.3%	-	-

Source: Oxford Economics

POPULATION GROWTH



LABOR FORCE GROWTH

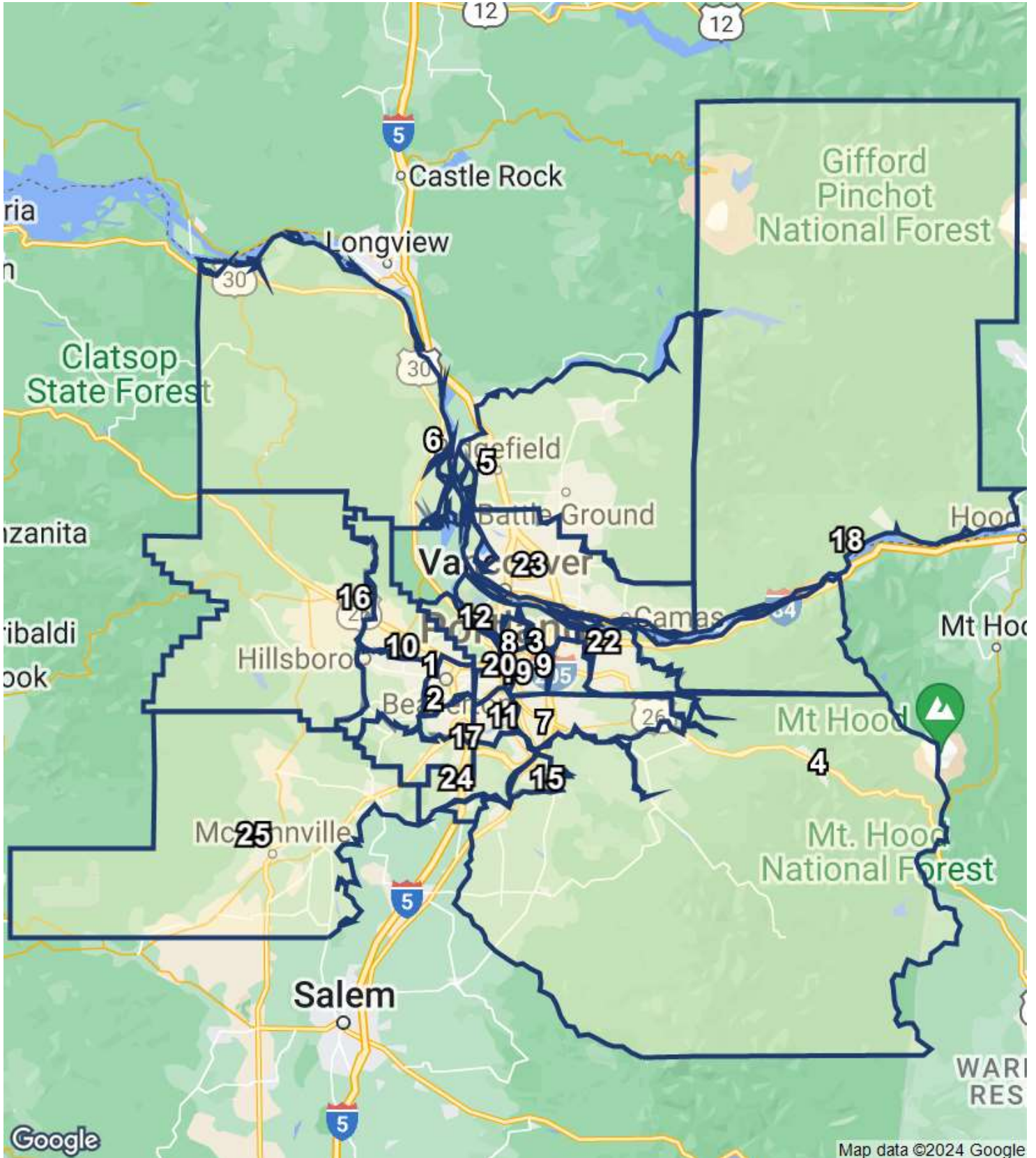


INCOME GROWTH



Source: Oxford Economics

PORTLAND SUBMARKETS



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	156	7,497	3.3%	13	2	255	3.4%	8	3	718	9.6%	5
2	Beaverton	306	16,018	7.0%	5	0	0	0%	-	3	604	3.8%	6
3	Central Northeast	195	4,594	2.0%	16	4	47	1.0%	14	0	0	0%	-
4	Clackamas County	73	2,734	1.2%	20	3	199	7.3%	9	0	0	0%	-
5	Clark County	33	1,846	0.8%	22	1	180	9.8%	11	0	0	0%	-
6	Columbia County	33	1,182	0.5%	24	0	0	0%	-	0	0	0%	-
7	Damascus	227	13,280	5.8%	6	4	492	3.7%	4	1	178	1.3%	10
8	Downtown Portland	113	13,233	5.8%	7	0	0	0%	-	0	0	0%	-
9	East Portland	428	10,528	4.6%	9	2	26	0.2%	15	0	0	0%	-
10	Hillsboro	122	20,368	8.9%	3	2	263	1.3%	7	2	379	1.9%	8
11	Lake Oswego	67	4,100	1.8%	18	1	15	0.4%	16	1	158	3.9%	11
12	North Portland	238	5,228	2.3%	14	16	474	9.1%	5	1	27	0.5%	14
13	Northeast Portland	348	7,855	3.5%	10	5	131	1.7%	12	2	369	4.7%	9
14	Northwest Portland	385	12,978	5.7%	8	0	0	0%	-	5	1,156	8.9%	2
15	Oregon City	45	2,106	0.9%	21	0	0	0%	-	0	0	0%	-
16	Outlying Washington Cou...	74	1,832	0.8%	23	1	10	0.5%	17	0	0	0%	-
17	Sherwood/Tualatin	44	4,153	1.8%	17	1	264	6.4%	6	0	0	0%	-
18	Skamania County	4	38	0%	25	0	0	0%	-	0	0	0%	-
19	Southeast Portland	1,062	22,582	9.9%	2	10	518	2.3%	3	6	1,069	4.7%	3
20	Southwest Portland	223	7,674	3.4%	12	6	683	8.9%	2	3	737	9.6%	4
21	Tigard	122	7,704	3.4%	11	0	0	0%	-	3	136	1.8%	12
22	Troutdale/Gresham	329	16,031	7.0%	4	2	196	1.2%	10	4	449	2.8%	7
23	Vancouver	611	36,155	15.9%	1	19	1,651	4.6%	1	8	1,517	4.2%	1
24	Wilsonville	57	4,797	2.1%	15	0	0	0%	-	1	100	2.1%	13
25	Yamhill County	96	3,063	1.3%	19	0	51	1.7%	13	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	\$1,730	\$1.91	11	0.6%	\$1,716	\$1.89	11	0.1%	0.8%	12
2	Beaverton	\$1,587	\$1.85	14	0.4%	\$1,579	\$1.84	14	0.3%	0.5%	23
3	Central Northeast	\$1,367	\$1.83	15	0.6%	\$1,357	\$1.82	15	1.0%	0.8%	14
4	Clackamas County	\$1,677	\$1.81	16	3.5%	\$1,658	\$1.79	16	5.2%	1.1%	7
5	Clark County	\$1,649	\$1.68	21	-3.7%	\$1,610	\$1.64	22	-5.3%	2.4%	1
6	Columbia County	\$1,358	\$1.67	22	1.6%	\$1,342	\$1.65	21	1.9%	1.2%	6
7	Damascus	\$1,650	\$1.90	12	1.1%	\$1,635	\$1.88	12	0.7%	0.9%	9
8	Downtown Portland	\$1,827	\$2.49	1	-2.8%	\$1,800	\$2.45	1	-1.0%	1.5%	5
9	East Portland	\$1,282	\$1.54	24	1.0%	\$1,274	\$1.53	24	0.8%	0.6%	19
10	Hillsboro	\$1,837	\$1.99	8	1.2%	\$1,825	\$1.98	8	1.6%	0.6%	16
11	Lake Oswego	\$1,860	\$2	7	-4.0%	\$1,850	\$1.99	7	-2.9%	0.5%	21
12	North Portland	\$1,506	\$2.06	6	0.8%	\$1,477	\$2.02	6	1.6%	2.0%	2
13	Northeast Portland	\$1,578	\$2.40	3	-1.5%	\$1,564	\$2.38	3	-1.3%	0.9%	10
14	Northwest Portland	\$1,542	\$2.43	2	-3.4%	\$1,528	\$2.41	2	-2.8%	0.9%	11
15	Oregon City	\$1,650	\$1.74	18	2.8%	\$1,640	\$1.73	18	3.3%	0.6%	17
16	Outlying Washington Cou...	\$1,353	\$1.71	19	0.4%	\$1,346	\$1.70	19	0.2%	0.5%	24
17	Sherwood/Tualatin	\$1,766	\$1.95	9	1.3%	\$1,752	\$1.94	9	0.8%	0.8%	13
18	Skamania County	\$899	\$0.87	25	1.2%	\$895	\$0.86	25	1.0%	0.5%	22
19	Southeast Portland	\$1,429	\$2.19	4	-0.7%	\$1,407	\$2.16	4	-0.8%	1.6%	4
20	Southwest Portland	\$1,689	\$2.17	5	-0.9%	\$1,658	\$2.13	5	-2.2%	1.8%	3
21	Tigard	\$1,610	\$1.89	13	0.4%	\$1,601	\$1.88	13	0.6%	0.6%	20
22	Troutdale/Gresham	\$1,512	\$1.70	20	1.1%	\$1,501	\$1.69	20	2.4%	0.8%	15
23	Vancouver	\$1,645	\$1.80	17	-1.6%	\$1,628	\$1.78	17	-2.1%	1.0%	8
24	Wilsonville	\$1,791	\$1.92	10	-1.2%	\$1,780	\$1.91	10	-0.5%	0.6%	18
25	Yamhill County	\$1,360	\$1.56	23	1.7%	\$1,355	\$1.55	23	1.6%	0.4%	25

SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construc. Ratio
1	Aloha	612	8.2%	19	43	0.6%	14	5.9
2	Beaverton	779	4.9%	3	(26)	-0.2%	24	-
3	Central Northeast	296	6.4%	12	40	0.9%	15	1.2
4	Clackamas County	227	8.3%	20	264	9.7%	6	0.7
5	Clark County	205	11.1%	24	111	6.0%	11	1.6
6	Columbia County	94	7.9%	18	160	13.5%	9	-
7	Damascus	963	7.2%	15	389	2.9%	2	0.6
8	Downtown Portland	1,183	8.9%	22	360	2.7%	3	-
9	East Portland	534	5.1%	5	(20)	-0.2%	23	-
10	Hillsboro	1,099	5.4%	6	289	1.4%	4	0.4
11	Lake Oswego	238	5.8%	10	(11)	-0.3%	21	-
12	North Portland	605	11.6%	25	258	4.9%	7	1.6
13	Northeast Portland	598	7.6%	17	61	0.8%	12	1.9
14	Northwest Portland	1,152	8.9%	21	(165)	-1.3%	25	-
15	Oregon City	121	5.7%	9	(6)	-0.3%	20	-
16	Outlying Washington Cou...	64	3.5%	2	(4)	-0.2%	19	-
17	Sherwood/Tualatin	311	7.5%	16	158	3.8%	10	1.7
18	Skamania County	2	5.4%	7	0	0%	-	-
19	Southeast Portland	1,634	7.2%	14	234	1.0%	8	2.1
20	Southwest Portland	789	10.3%	23	265	3.5%	5	1.7
21	Tigard	425	5.5%	8	(16)	-0.2%	22	-
22	Troutdale/Gresham	1,009	6.3%	11	49	0.3%	13	3.3
23	Vancouver	2,555	7.1%	13	1,291	3.6%	1	0.6
24	Wilsonville	243	5.1%	4	37	0.8%	16	-
25	Yamhill County	53	1.7%	1	25	0.8%	17	1.4

OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	245,217	4,253	1.8%	4,139	1.7%	1.0
2027	240,964	3,661	1.5%	3,790	1.6%	1.0
2026	237,303	2,620	1.1%	3,458	1.5%	0.8
2025	234,683	3,815	1.7%	4,157	1.8%	0.9
2024	230,868	4,559	2.0%	4,710	2.0%	1.0
YTD	227,576	1,267	0.6%	1,374	0.6%	0.9
2023	226,309	7,186	3.3%	3,370	1.5%	2.1
2022	219,123	3,548	1.6%	3,039	1.4%	1.2
2021	215,575	6,758	3.2%	9,600	4.5%	0.7
2020	208,817	7,529	3.7%	6,333	3.0%	1.2
2019	201,288	7,034	3.6%	5,618	2.8%	1.3
2018	194,254	6,777	3.6%	6,954	3.6%	1.0
2017	187,477	5,503	3.0%	4,855	2.6%	1.1
2016	181,974	5,160	2.9%	2,764	1.5%	1.9
2015	176,814	4,312	2.5%	3,802	2.2%	1.1
2014	172,502	4,506	2.7%	4,649	2.7%	1.0
2013	167,996	2,806	1.7%	3,176	1.9%	0.9
2012	165,190	2,265	1.4%	1,912	1.2%	1.2

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	94,327	4,224	4.7%	3,865	4.1%	1.1
2027	90,103	3,642	4.2%	3,246	3.6%	1.1
2026	86,461	2,386	2.8%	2,694	3.1%	0.9
2025	84,075	3,436	4.3%	3,205	3.8%	1.1
2024	80,639	3,221	4.2%	3,105	3.9%	1.0
YTD	78,483	1,065	1.4%	911	1.2%	1.2
2023	77,418	4,208	5.7%	2,310	3.0%	1.8
2022	73,210	2,019	2.8%	3,139	4.3%	0.6
2021	71,191	5,588	8.5%	7,057	9.9%	0.8
2020	65,603	5,941	10.0%	4,317	6.6%	1.4
2019	59,662	5,423	10.0%	4,177	7.0%	1.3
2018	54,239	4,822	9.8%	4,785	8.8%	1.0
2017	49,417	4,907	11.0%	4,626	9.4%	1.1
2016	44,510	4,359	10.9%	3,046	6.8%	1.4
2015	40,151	3,738	10.3%	3,325	8.3%	1.1
2014	36,413	3,915	12.0%	3,850	10.6%	1.0
2013	32,498	2,352	7.8%	2,029	6.2%	1.2
2012	30,146	1,427	5.0%	1,039	3.4%	1.4

3 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	86,365	59	0.1%	199	0.2%	0.3
2027	86,306	51	0.1%	362	0.4%	0.1
2026	86,255	269	0.3%	521	0.6%	0.5
2025	85,986	112	0.1%	694	0.8%	0.2
2024	85,874	1,301	1.5%	1,646	1.9%	0.8
YTD	84,732	159	0.2%	443	0.5%	0.4
2023	84,573	2,892	3.5%	1,547	1.8%	1.9
2022	81,681	1,450	1.8%	382	0.5%	3.8
2021	80,231	1,112	1.4%	2,204	2.7%	0.5
2020	79,119	1,417	1.8%	1,720	2.2%	0.8
2019	77,702	1,556	2.0%	1,274	1.6%	1.2
2018	76,146	1,975	2.7%	1,944	2.6%	1.0
2017	74,171	606	0.8%	397	0.5%	1.5
2016	73,565	749	1.0%	103	0.1%	7.3
2015	72,816	555	0.8%	395	0.5%	1.4
2014	72,261	641	0.9%	676	0.9%	0.9
2013	71,620	410	0.6%	834	1.2%	0.5
2012	71,210	816	1.2%	854	1.2%	1.0

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	64,525	(30)	0%	75	0.1%	-
2027	64,555	(32)	0%	182	0.3%	-
2026	64,587	(35)	-0.1%	243	0.4%	-
2025	64,622	267	0.4%	258	0.4%	1.0
2024	64,355	37	0.1%	(41)	-0.1%	-
YTD	64,361	43	0.1%	20	0%	2.2
2023	64,318	86	0.1%	(487)	-0.8%	-
2022	64,232	79	0.1%	(482)	-0.8%	-
2021	64,153	58	0.1%	339	0.5%	0.2
2020	64,095	171	0.3%	296	0.5%	0.6
2019	63,924	55	0.1%	167	0.3%	0.3
2018	63,869	(20)	0%	225	0.4%	-
2017	63,889	(10)	0%	(168)	-0.3%	0.1
2016	63,899	52	0.1%	(385)	-0.6%	-
2015	63,847	19	0%	82	0.1%	0.2
2014	63,828	(50)	-0.1%	123	0.2%	-
2013	63,878	44	0.1%	313	0.5%	0.1
2012	63,834	22	0%	19	0%	1.2

OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	14,302	5.8%	(0.1)	\$1,849	\$2.22	2.6%	(0.2)	\$1,829	\$2.20
2027	14,189	5.9%	(0.1)	\$1,803	\$2.17	2.7%	(0.4)	\$1,783	\$2.14
2026	14,309	6.0%	(0.4)	\$1,755	\$2.11	3.2%	(0.2)	\$1,736	\$2.08
2025	15,156	6.5%	(0.3)	\$1,701	\$2.04	3.4%	0	\$1,682	\$2.02
2024	15,497	6.7%	(0.3)	\$1,645	\$1.98	3.4%	5.1	\$1,627	\$1.95
YTD	15,787	6.9%	(0.1)	\$1,620	\$1.94	-0.4%	1.4	\$1,605	\$1.92
2023	15,907	7.0%	1.5	\$1,591	\$1.91	-1.8%	(6.0)	\$1,574	\$1.89
2022	12,070	5.5%	0.2	\$1,621	\$1.94	4.2%	(4.6)	\$1,607	\$1.93
2021	11,513	5.3%	(1.5)	\$1,556	\$1.86	8.7%	7.5	\$1,540	\$1.85
2020	14,340	6.9%	0.4	\$1,430	\$1.71	1.2%	(1.2)	\$1,408	\$1.69
2019	13,089	6.5%	0.5	\$1,413	\$1.69	2.4%	(0.1)	\$1,394	\$1.67
2018	11,654	6.0%	(0.3)	\$1,380	\$1.65	2.5%	0.5	\$1,351	\$1.62
2017	11,811	6.3%	0.2	\$1,346	\$1.61	2.1%	(1.3)	\$1,314	\$1.57
2016	11,146	6.1%	1.2	\$1,319	\$1.58	3.4%	(4.7)	\$1,291	\$1.55
2015	8,742	4.9%	0.2	\$1,276	\$1.53	8.0%	3.9	\$1,260	\$1.51
2014	8,225	4.8%	(0.2)	\$1,181	\$1.41	4.1%	0.5	\$1,168	\$1.40
2013	8,358	5.0%	(0.3)	\$1,134	\$1.36	3.6%	0.8	\$1,125	\$1.35
2012	8,711	5.3%	0.1	\$1,094	\$1.31	2.8%	-	\$1,085	\$1.30

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
2028	7,410	7.9%	0	\$2,093	\$2.50	2.4%	(0.2)	\$2,062	\$2.46
2027	7,052	7.8%	0.1	\$2,044	\$2.44	2.6%	(0.5)	\$2,014	\$2.41
2026	6,645	7.7%	(0.6)	\$1,993	\$2.38	3.1%	(0.3)	\$1,964	\$2.35
2025	6,962	8.3%	(0.1)	\$1,934	\$2.31	3.3%	(0.5)	\$1,905	\$2.28
2024	6,730	8.3%	(0.6)	\$1,872	\$2.24	3.8%	7.3	\$1,844	\$2.20
YTD	7,084	9.0%	0.1	\$1,846	\$2.20	-1.2%	2.3	\$1,823	\$2.17
2023	6,929	8.9%	2.1	\$1,803	\$2.15	-3.4%	(7.4)	\$1,773	\$2.11
2022	5,025	6.9%	(1.7)	\$1,867	\$2.23	4.0%	(5.6)	\$1,846	\$2.20
2021	6,103	8.6%	(3.0)	\$1,795	\$2.14	9.6%	9.7	\$1,765	\$2.10
2020	7,567	11.5%	1.6	\$1,638	\$1.95	-0.1%	(1.6)	\$1,596	\$1.90
2019	5,900	9.9%	1.3	\$1,640	\$1.96	1.5%	(0.3)	\$1,607	\$1.92
2018	4,645	8.6%	(0.7)	\$1,616	\$1.93	1.8%	0.7	\$1,575	\$1.88
2017	4,600	9.3%	(0.4)	\$1,588	\$1.89	1.1%	(0.3)	\$1,538	\$1.83
2016	4,308	9.7%	2.2	\$1,571	\$1.87	1.4%	(4.8)	\$1,521	\$1.81
2015	2,987	7.4%	0.4	\$1,548	\$1.85	6.2%	3.2	\$1,523	\$1.82
2014	2,568	7.1%	(0.6)	\$1,458	\$1.74	3.0%	(0.2)	\$1,436	\$1.71
2013	2,495	7.7%	0.5	\$1,415	\$1.69	3.2%	0.6	\$1,400	\$1.67
2012	2,159	7.2%	1.0	\$1,371	\$1.63	2.6%	-	\$1,359	\$1.62

3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	3,903	4.5%	(0.2)	\$1,835	\$2.15	2.7%	(0.2)	\$1,820	\$2.13
2027	4,043	4.7%	(0.4)	\$1,787	\$2.09	2.9%	(0.4)	\$1,772	\$2.07
2026	4,354	5.0%	(0.3)	\$1,737	\$2.03	3.3%	(0.2)	\$1,722	\$2.02
2025	4,605	5.4%	(0.7)	\$1,682	\$1.97	3.5%	0.3	\$1,668	\$1.95
2024	5,187	6.0%	(0.5)	\$1,626	\$1.90	3.2%	4.4	\$1,612	\$1.89
YTD	5,220	6.2%	(0.4)	\$1,602	\$1.87	-0.2%	1.0	\$1,590	\$1.86
2023	5,518	6.5%	1.4	\$1,576	\$1.84	-1.2%	(5.9)	\$1,563	\$1.83
2022	4,166	5.1%	1.2	\$1,595	\$1.87	4.7%	(5.3)	\$1,586	\$1.85
2021	3,097	3.9%	(1.4)	\$1,524	\$1.78	10.0%	7.7	\$1,516	\$1.77
2020	4,180	5.3%	(0.5)	\$1,386	\$1.62	2.2%	(1.3)	\$1,374	\$1.61
2019	4,472	5.8%	0.3	\$1,356	\$1.58	3.5%	0.3	\$1,342	\$1.57
2018	4,180	5.5%	(0.1)	\$1,310	\$1.53	3.1%	0.6	\$1,283	\$1.50
2017	4,137	5.6%	0.2	\$1,270	\$1.48	2.6%	(2.2)	\$1,243	\$1.45
2016	3,922	5.3%	0.8	\$1,239	\$1.45	4.7%	(5.7)	\$1,221	\$1.43
2015	3,273	4.5%	0.2	\$1,183	\$1.38	10.4%	5.1	\$1,170	\$1.37
2014	3,112	4.3%	(0.1)	\$1,072	\$1.25	5.3%	1.1	\$1,062	\$1.24
2013	3,145	4.4%	(0.6)	\$1,018	\$1.19	4.2%	1.1	\$1,011	\$1.18
2012	3,565	5.0%	(0.1)	\$977	\$1.14	3.1%	-	\$969	\$1.13

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
2028	2,989	4.6%	(0.2)	\$1,464	\$1.85	2.7%	(0.2)	\$1,455	\$1.84
2027	3,094	4.8%	(0.3)	\$1,425	\$1.80	2.9%	(0.4)	\$1,416	\$1.79
2026	3,311	5.1%	(0.4)	\$1,385	\$1.75	3.3%	(0.2)	\$1,377	\$1.74
2025	3,589	5.6%	0	\$1,341	\$1.69	3.5%	0.9	\$1,333	\$1.68
2024	3,581	5.6%	0.2	\$1,296	\$1.64	2.6%	1.5	\$1,288	\$1.63
YTD	3,483	5.4%	0	\$1,271	\$1.60	1.1%	0	\$1,263	\$1.59
2023	3,460	5.4%	0.9	\$1,264	\$1.59	1.1%	(2.5)	\$1,256	\$1.58
2022	2,878	4.5%	0.9	\$1,250	\$1.57	3.6%	(0.7)	\$1,244	\$1.57
2021	2,314	3.6%	(0.4)	\$1,207	\$1.52	4.3%	1.8	\$1,201	\$1.51
2020	2,594	4.0%	(0.2)	\$1,157	\$1.45	2.5%	(0.1)	\$1,150	\$1.45
2019	2,717	4.3%	(0.2)	\$1,129	\$1.42	2.6%	(0.4)	\$1,122	\$1.41
2018	2,828	4.4%	(0.4)	\$1,100	\$1.38	3.0%	(0.5)	\$1,091	\$1.37
2017	3,074	4.8%	0.2	\$1,068	\$1.34	3.5%	(2.3)	\$1,058	\$1.33
2016	2,916	4.6%	0.7	\$1,032	\$1.30	5.8%	(2.5)	\$1,024	\$1.29
2015	2,481	3.9%	(0.1)	\$975	\$1.22	8.3%	3.3	\$969	\$1.21
2014	2,545	4.0%	(0.3)	\$901	\$1.13	5.0%	1.3	\$896	\$1.12
2013	2,718	4.3%	(0.4)	\$858	\$1.07	3.7%	0.9	\$854	\$1.07
2012	2,987	4.7%	0	\$828	\$1.04	2.7%	-	\$823	\$1.03

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
2028	-	-	-	-	-	-	\$306,730	315	5.0%
2027	-	-	-	-	-	-	\$284,864	293	5.2%
2026	-	-	-	-	-	-	\$262,349	270	5.5%
2025	-	-	-	-	-	-	\$242,350	249	5.8%
2024	-	-	-	-	-	-	\$235,678	242	5.7%
YTD	18	\$258.3M	0.4%	\$16,146,426	\$282,960	5.8%	\$250,371	258	5.3%
2023	113	\$944.5M	2.0%	\$9,637,254	\$228,349	5.6%	\$245,290	252	5.3%
2022	293	\$3B	5.5%	\$13,324,385	\$276,677	5.0%	\$276,727	285	4.7%
2021	396	\$4.4B	8.3%	\$14,383,440	\$264,705	5.1%	\$288,407	297	4.3%
2020	236	\$1.8B	4.1%	\$9,970,159	\$228,026	5.5%	\$247,257	254	4.7%
2019	303	\$2.2B	5.7%	\$9,526,927	\$222,143	5.5%	\$228,911	235	5.0%
2018	354	\$2.3B	6.4%	\$9,256,566	\$211,678	5.4%	\$212,626	219	5.1%
2017	305	\$1.6B	5.4%	\$8,284,058	\$200,568	5.5%	\$199,440	205	5.2%
2016	309	\$3.1B	9.2%	\$11,936,925	\$189,300	5.5%	\$189,121	195	5.3%
2015	320	\$2.2B	8.6%	\$7,931,208	\$151,899	5.8%	\$179,106	184	5.3%
2014	234	\$1.5B	6.3%	\$7,407,475	\$144,443	6.3%	\$160,652	165	5.6%
2013	196	\$928.1M	5.4%	\$5,185,035	\$106,619	6.5%	\$146,471	151	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
2028	-	-	-	-	-	-	\$402,103	285	4.8%
2027	-	-	-	-	-	-	\$373,550	265	5.0%
2026	-	-	-	-	-	-	\$344,047	244	5.3%
2025	-	-	-	-	-	-	\$317,758	225	5.5%
2024	-	-	-	-	-	-	\$309,284	219	5.5%
YTD	4	\$136.9M	0.5%	\$34,225,000	\$317,633	-	\$329,131	233	5.1%
2023	10	\$287.4M	1.4%	\$28,738,663	\$268,586	5.2%	\$321,326	228	5.1%
2022	27	\$916.1M	4.0%	\$36,644,660	\$346,489	4.7%	\$366,027	259	4.4%
2021	59	\$2.3B	10.3%	\$46,757,852	\$326,187	4.5%	\$385,502	273	4.0%
2020	30	\$861M	4.6%	\$30,749,400	\$316,887	5.0%	\$336,990	239	4.4%
2019	38	\$1.3B	8.7%	\$37,618,579	\$297,104	4.7%	\$314,860	223	4.6%
2018	32	\$932.3M	6.6%	\$34,530,176	\$308,918	4.8%	\$294,023	208	4.7%
2017	29	\$654.4M	6.6%	\$28,453,652	\$269,093	4.9%	\$278,068	197	4.8%
2016	36	\$1.7B	15.8%	\$49,637,544	\$247,516	4.6%	\$264,963	188	4.9%
2015	27	\$903.1M	12.1%	\$34,733,969	\$192,596	5.3%	\$254,394	180	4.9%
2014	24	\$641.5M	8.0%	\$26,728,317	\$220,062	5.5%	\$230,375	163	5.1%
2013	15	\$418.9M	7.9%	\$27,927,827	\$162,813	5.7%	\$212,363	150	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
2028	-	-	-	-	-	-	\$286,854	359	4.9%
2027	-	-	-	-	-	-	\$265,952	333	5.1%
2026	-	-	-	-	-	-	\$244,534	306	5.4%
2025	-	-	-	-	-	-	\$225,631	283	5.7%
2024	-	-	-	-	-	-	\$219,323	275	5.6%
YTD	7	\$111.5M	0.5%	\$18,577,917	\$273,205	5.8%	\$233,087	292	5.2%
2023	33	\$464.8M	2.6%	\$14,524,495	\$234,977	5.4%	\$228,670	287	5.2%
2022	83	\$1.5B	6.7%	\$20,605,733	\$285,227	4.9%	\$255,982	321	4.6%
2021	109	\$1.6B	8.3%	\$16,874,420	\$248,115	4.8%	\$263,897	331	4.2%
2020	67	\$616.3M	3.9%	\$10,271,934	\$203,674	5.3%	\$221,269	277	4.6%
2019	62	\$497.6M	3.5%	\$9,951,402	\$192,782	5.7%	\$202,646	254	5.0%
2018	92	\$960.1M	6.6%	\$12,153,740	\$201,838	5.3%	\$187,448	235	5.1%
2017	77	\$725.8M	5.4%	\$11,520,629	\$192,980	5.3%	\$173,864	218	5.2%
2016	86	\$1.1B	9.1%	\$13,382,771	\$162,511	5.5%	\$164,443	206	5.3%
2015	89	\$943.6M	8.9%	\$12,926,219	\$148,064	5.5%	\$152,539	191	5.4%
2014	66	\$730.8M	7.8%	\$11,417,981	\$129,727	6.0%	\$135,420	170	5.6%
2013	53	\$357.2M	5.5%	\$7,441,669	\$94,547	6.3%	\$121,782	153	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
2028	-	-	-	-	-	-	\$208,933	331	5.5%
2027	-	-	-	-	-	-	\$194,494	308	5.7%
2026	-	-	-	-	-	-	\$179,625	284	6.0%
2025	-	-	-	-	-	-	\$166,361	263	6.2%
2024	-	-	-	-	-	-	\$161,556	256	6.2%
YTD	7	\$10M	0.2%	\$1,662,552	\$134,802	5.8%	\$170,772	270	5.8%
2023	70	\$192.3M	1.9%	\$3,433,578	\$176,728	5.8%	\$168,352	266	5.8%
2022	183	\$583.7M	5.6%	\$4,560,115	\$198,401	5.1%	\$188,002	297	5.1%
2021	228	\$535.9M	6.1%	\$3,267,652	\$164,840	5.3%	\$194,543	308	4.7%
2020	139	\$327.3M	3.9%	\$3,519,349	\$150,760	5.7%	\$164,962	261	5.1%
2019	203	\$405.1M	5.6%	\$2,793,549	\$138,012	5.6%	\$151,917	240	5.4%
2018	230	\$366.1M	6.0%	\$2,653,202	\$126,474	5.6%	\$140,114	222	5.6%
2017	199	\$260M	4.4%	\$2,321,516	\$130,987	5.8%	\$131,070	207	5.7%
2016	187	\$259.9M	4.8%	\$1,829,959	\$99,982	5.7%	\$123,183	195	5.8%
2015	204	\$382M	6.0%	\$2,098,748	\$105,809	6.0%	\$116,408	184	5.8%
2014	144	\$146.3M	3.6%	\$1,250,444	\$74,454	6.8%	\$103,428	164	6.1%
2013	128	\$152M	3.9%	\$1,310,377	\$64,573	6.8%	\$93,515	148	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
2028	-	245,219	5.8%	-	4,272	-	4,253	-	-
2027	-	240,966	5.9%	-	3,768	-	3,660	-	-
2026	-	237,306	6.0%	-	2,628	-	2,621	-	-
2025	-	234,685	6.5%	-	3,776	-	3,815	-	-
2024	-	230,870	6.7%	-	4,566	-	4,561	-	-
YTD	5,391	227,576	6.9%	15	1,267	15	1,267	43	7,597
2023	5,376	226,309	7.0%	98	7,203	97	7,186	56	8,345
2022	5,279	219,123	5.5%	69	3,610	68	3,548	121	12,046
2021	5,211	215,575	5.3%	78	6,771	76	6,758	102	7,597
2020	5,135	208,817	6.9%	85	7,529	85	7,529	113	9,352
2019	5,050	201,288	6.5%	109	7,043	108	7,034	132	12,299
2018	4,942	194,254	6.0%	95	6,805	94	6,776	154	12,441
2017	4,848	187,477	6.3%	67	5,536	64	5,501	136	12,448
2016	4,784	181,974	6.1%	66	5,171	65	5,160	105	9,550
2015	4,719	176,814	4.9%	59	4,312	59	4,312	89	8,725
2014	4,660	172,502	4.8%	55	4,590	52	4,506	75	7,089
2013	4,608	167,996	5.0%	36	2,806	36	2,806	66	6,628
2012	4,572	165,190	5.3%	25	2,271	24	2,265	49	4,440