

PORTLAND, OR

2023 MARKET AT A GLANCE

Occupancy Rate

95.3%



DOWN 50 BPS YOY

Effective Rent

\$1,856



UP 3.7% YOY

Rent Share of Wallet

24.0%



UP 10 BPS YOY

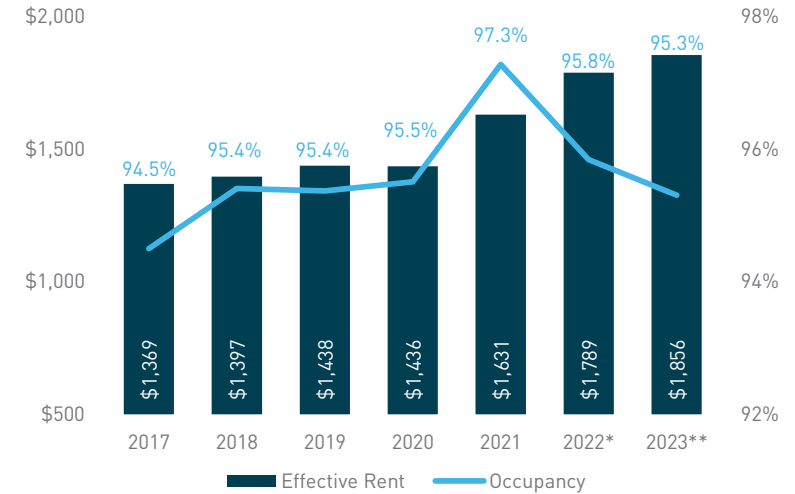
Portland's Relative Affordability to Drive Tech Employment and Apartment Demand

Portland's solid economic comeback since the onset of the pandemic is anticipated to continue this year. Local projected growth among employment, population, and household incomes are expected to exceed their respective national rates and will help drive the health of the Greater Portland apartment market in 2023. Referred to as the Silicon Forest, Portland's technology industry plays a significant role in the local economy. The Portland metro area has been a popular destination for remote workers who left pricier coastal cities for less dense, more affordable options. The tech-heavy, work-from-home culture is expected to continue, allowing workers to stay in areas they prefer at a more affordable rate. Portland's employment growth will continue with 1.4% expansion in 2023, supporting apartment demand reaching its pre-pandemic average. With the completion of 5,121 new units, monthly effective rent is expected to increase 3.7% annually to \$1,856 in the fourth quarter. At the same time, household income is set to rise 3.2%, which will help offset the cost of renting. Even with the major increase in net absorption for 2023, the average occupancy rate in the market will fall to a still healthy 95.3% by year-end. In the investment arena, Portland's improving economic conditions, expected job growth, rising wages, and favorable apartment fundamentals will still attract apartment capital. Current estimates based on recent transaction trends show an above-average value for multifamily product, rising 3.1% per unit in 2023.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2022 are projected values. 2023 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

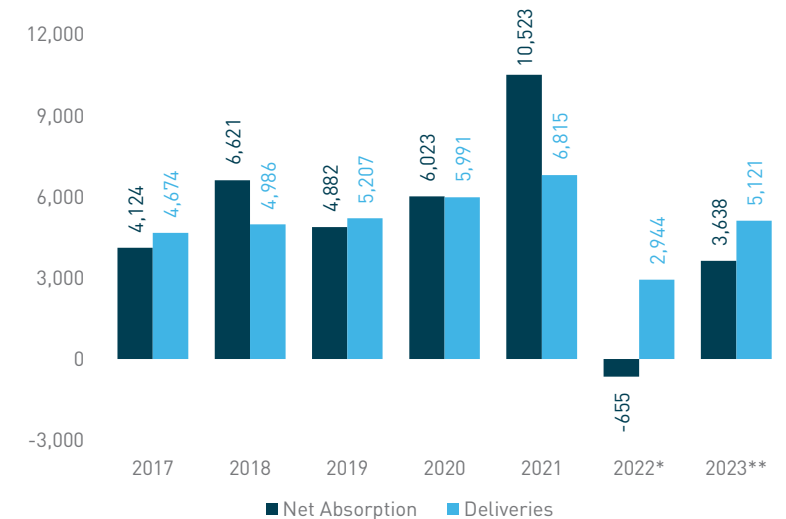
Apartment Trends

Effective Rent & Occupancy



*Projected **Forecast

Absorption & Deliveries

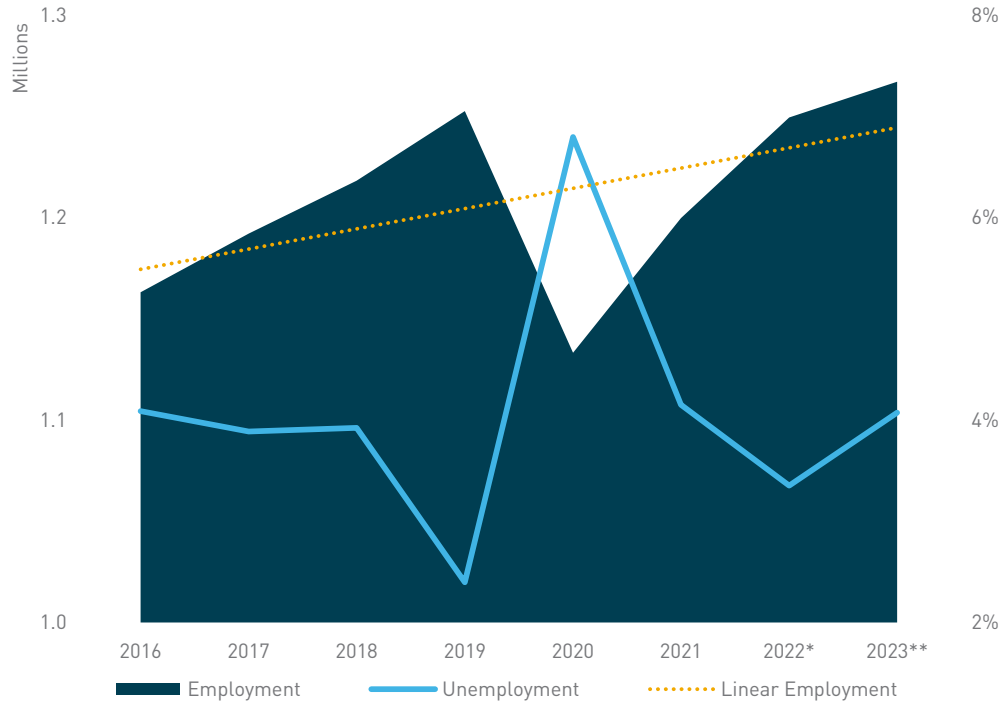


*Projected **Forecast

PORTLAND, OR

Employment Trends

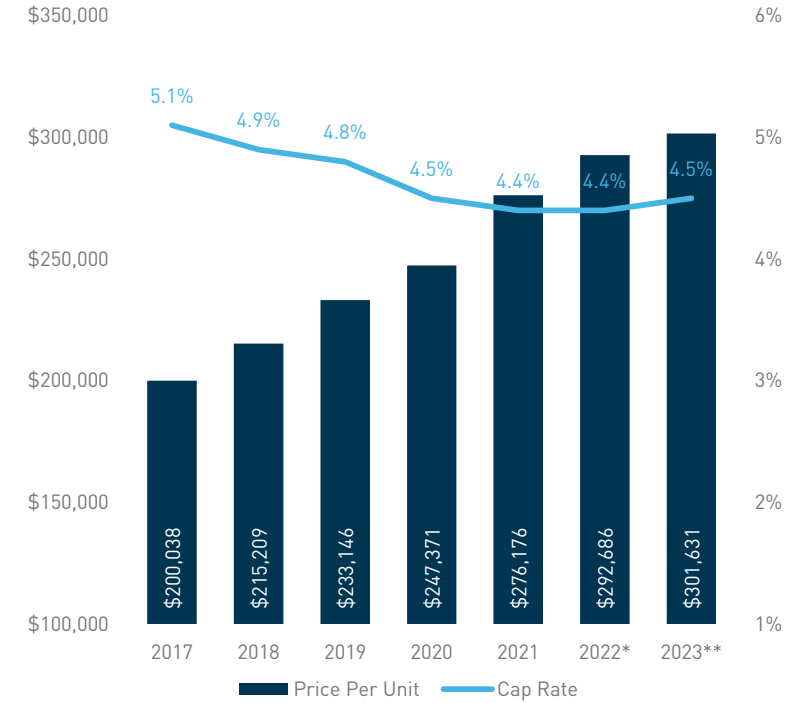
Market Employment Trends



*Projected **Forecast

Sales Trends

Price Per Unit & Cap Rate



*Projected **Forecast

<p>Employment</p> <p>1,267,200</p> <p>↑</p> <p>UP 1.4% YOY</p>	<p>Unemployment</p> <p>4.1%</p> <p>↑</p> <p>UP 70 BPS YOY</p>	<p>Median Household Income</p> <p>\$92,854</p> <p>↑</p> <p>UP 3.2% YOY</p>
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<p>Price Per Unit</p> <p>\$301,631</p> <p>↑</p> <p>UP 3.1% YOY</p>	<p>Cap Rate</p> <p>4.5%</p> <p>↑</p> <p>UP 10 BPS YOY</p>
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