



Multi-Family Market Report

Portland - OR

PREPARED BY

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MULTI-FAMILY MARKET REPORT

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12 Mo. Delivered Units

4,038

12 Mo. Absorption Units

2,380

Vacancy Rate

5.9%

12 Mo. Asking Rent Growth

2.4%

Leasing activity in the Portland metro area has cooled as the historically slower winter months come to an end. Resulting net absorption in the region has drastically recalibrated from the record performance that spanned from mid-2021 to mid-2022. In addition, deliveries of new product will heat up in the coming quarters, following a resurgence in construction starts in the urban submarkets. As such, vacancies—which had previously experienced a drop of more than 200 basis points—have crept back up to 5.9%.

Vacancy pressures aside, the metro's occupancy reading of 94.1% tracks well with the long-term average. A recovery in the urban core areas that saw an exodus during the pandemic has acted as somewhat of a stabilizing force. In downtown, for example, occupancy has risen to above 90%, a more than 600-basis-point upswing from the low point reached in late 2020.

Taken collectively, these factors will combine to keep a relatively low ceiling on rent growth in the near term. The market asking rate now sits near \$1,600/unit, reflecting year-over-year growth of 2.4%, a slight retreat from the three-year average of 4.7%. However, certain supply-starved suburban submarkets will continue to outperform the metro average. In popular and affluent communities such as Hillsboro and Lake Oswego, asking rates currently range from \$1,800 to \$1,900/unit and will continue to climb, given light competition from new product.

Not all residents, however, can afford idyllic suburban settings, and most are tightening budgets to battle

stubborn inflation. This has eroded household formations at the same time that construction starts in the region have picked up. Units underway total over 10,000, which is a substantial boost from the seven-year low reached at the end of 2021. Permitting activity has also gained steam in certain areas of the region, particularly across the Columbia River in Vancouver. CoStar's base case forecast projects annual deliveries in 2023 and 2024 will outpace 2022 figures. Prospective tenants could soon have more competing options coming online to choose from when selecting a unit, meaning pricing and negotiation power could swing back in their favor over the mid-term.

Prior rent growth and a lack of competing supply over the past 18 months had boosted Portland multifamily asset attractiveness, prompting buyers to converge on the area to place capital. Suburban assets with good linkages to employment nodes are pushing pricing to the largest degree, but value-add plays have also been popular for investors targeting an upside in rents. In addition, when examining deals over \$25 million in value occurring since the start of 2021, the distribution across the metro area has been fairly uniform. This points to the desirability of the larger region, as buyers appear willing to secure assets wherever they can find them.

Investment activity in 2023 may be primed for a slowdown, however, as lending conditions remain less than favorable. Large players can be creative with financing structures and bringing on partners, but overall credit conditions will need to improve for volume to reach new heights.

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	76,744	7.2%	\$1,856	\$1,835	133	0	6,614
3 Star	79,901	6.1%	\$1,606	\$1,594	5	0	3,647
1 & 2 Star	63,976	4.1%	\$1,227	\$1,222	0	0	100
Market	220,621	5.9%	\$1,614	\$1,600	138	0	10,361

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.6%	5.5%	6.7%	7.4%	2004 Q1	3.5%	2000 Q3
Absorption Units	2,380	3,033	4,107	10,949	2021 Q2	(2,807)	2002 Q1
Delivered Units	4,038	3,349	5,132	8,158	2021 Q2	440	2011 Q2
Demolished Units	62	27	23	152	2009 Q3	0	2020 Q4
Asking Rent Growth (YOY)	2.4%	2.6%	2.3%	9.1%	2021 Q4	-4.2%	2009 Q4
Effective Rent Growth (YOY)	2.8%	2.6%	2.3%	9.7%	2021 Q4	-4.4%	2009 Q4
Sales Volume	\$2.6B	\$1.3B	N/A	\$4.6B	2022 Q2	\$209.4M	2009 Q3

Steady apartment demand over the past 18 months came by way of relocations amidst strong regional in-migration figures. Nonetheless, leasing has cooled from its record-setting mid-2021 performance. Trailing four-quarter net absorption now equates to 2,400 units, versus the average annual figure of 6,300 units over the past five years.

Vacancies remain near the widely-accepted 5% equilibrium mark, at 5.9%. This reflects a 0.6% change over the previous 12 months, but is trending below the national index of 6.6%. This is primarily because construction to date has not kept pace with demand. Developers have recently picked up the slack, however, and a wave of units is expected 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 a formidable headwind, with concentrated downward pressure expected on rent growth, especially in high-end communities.

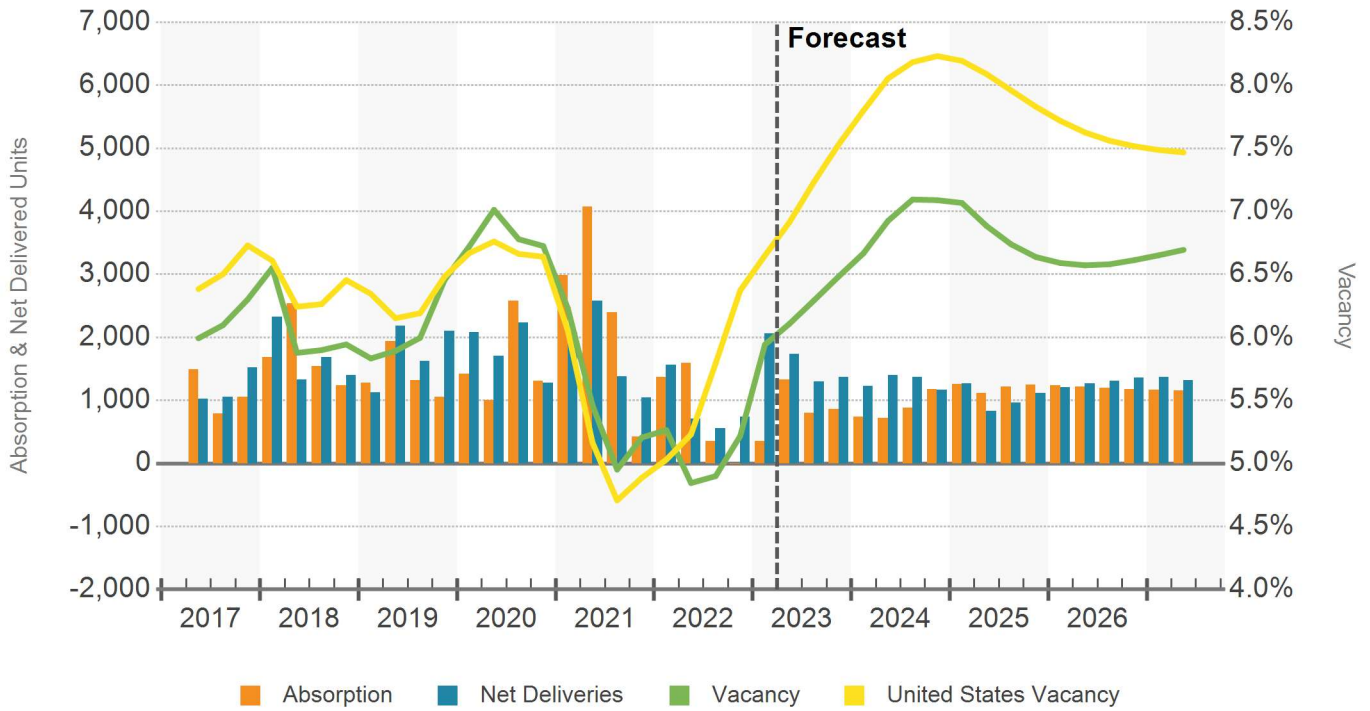
While concerning given external factors, an onslaught of supply on the horizon may not be a complete death sentence for Portland's multifamily market. Financing homes is still out of reach for many residents and will likely continue to be in the near term, given elevated interest rates as a result of 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 99% 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.

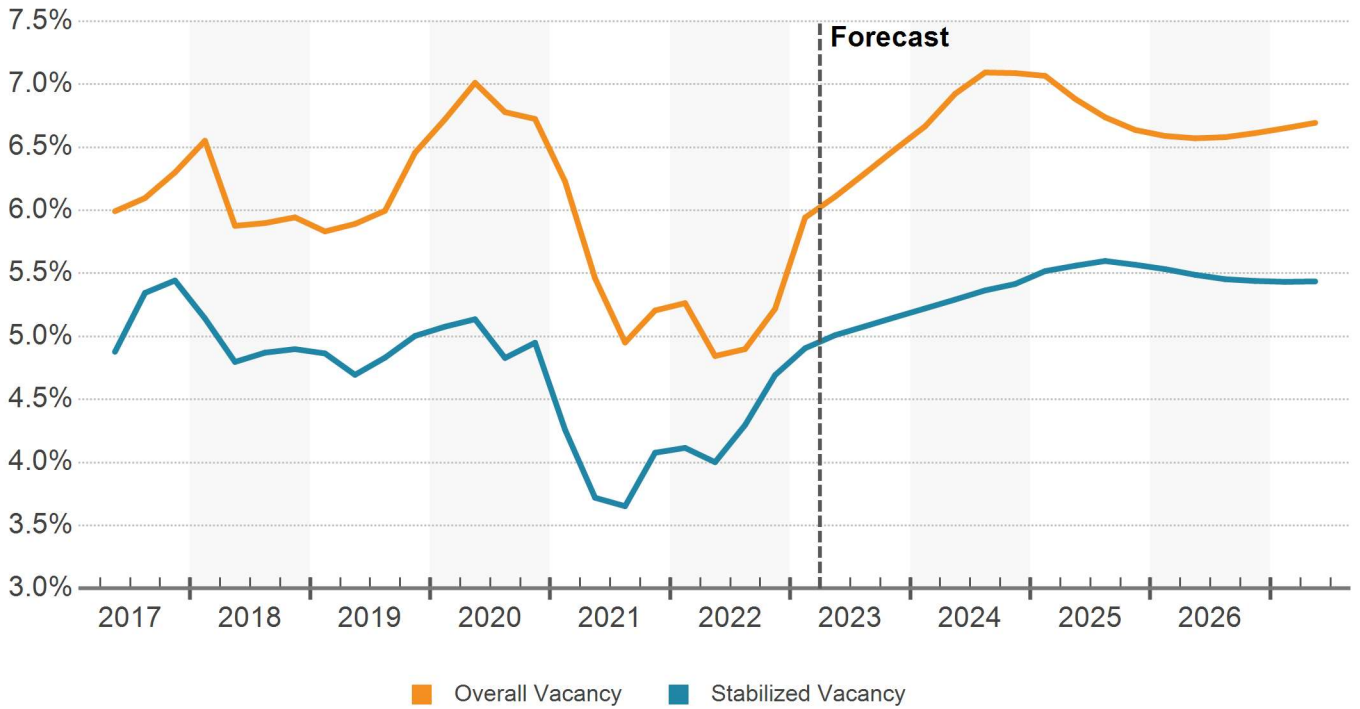
Shifts in locational preferences have formed over the past year, as some pandemic-era leasing hotspots are no longer drawing renters en masse. One area where this has been notable is Portland's Downtown core. Here, vacancies remain elevated relative to the rest of the metro, but are approximately half 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.

Further outside of the urban cores, western suburbs like Hillsboro and Beaverton are well amenitized communities. Both benefit from the presence of Intel and Nike, among the metro's largest employers who have recently completed major expansions. For tenants less willing to adopt an urban lifestyle, a desire to live close to these major employers has driven steady leasing. Resulting rent growth is forecast to continue to post above-trend figures on a year-over-year basis, as construction pipelines here remain relatively light.

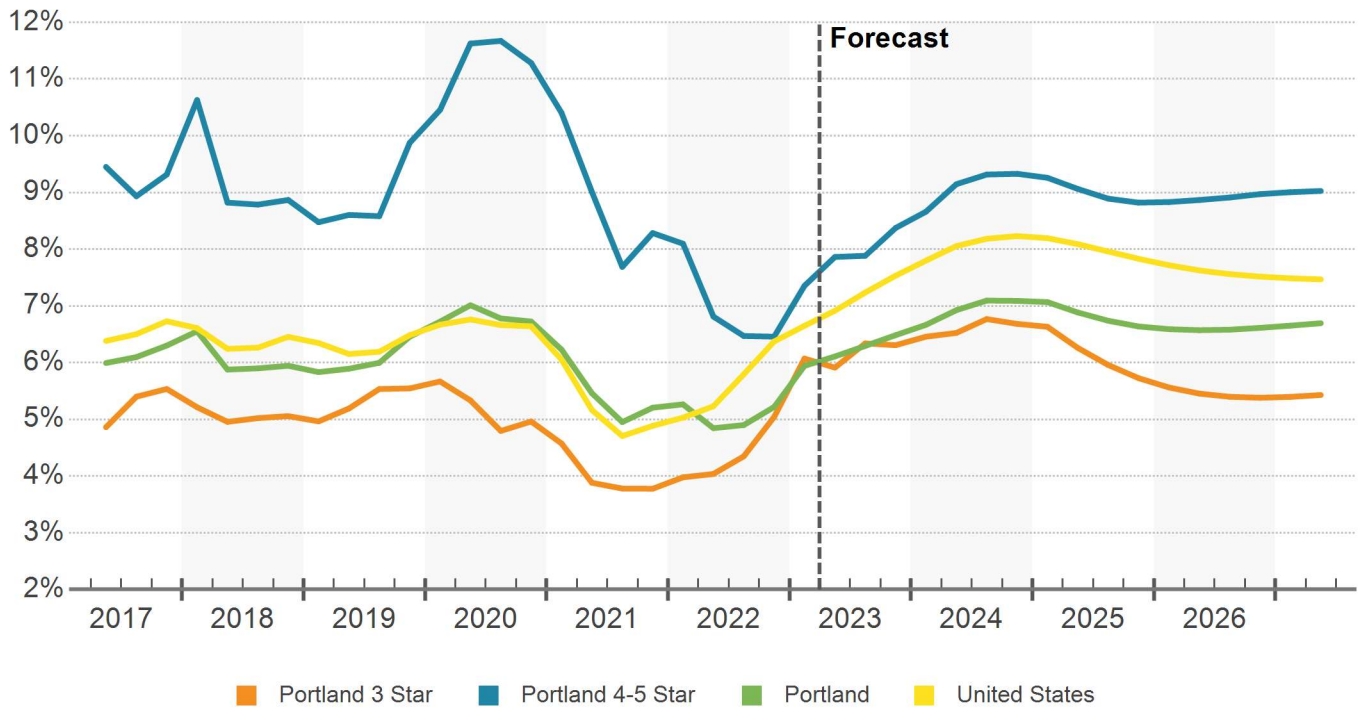
ABSORPTION, NET DELIVERIES & VACANCY



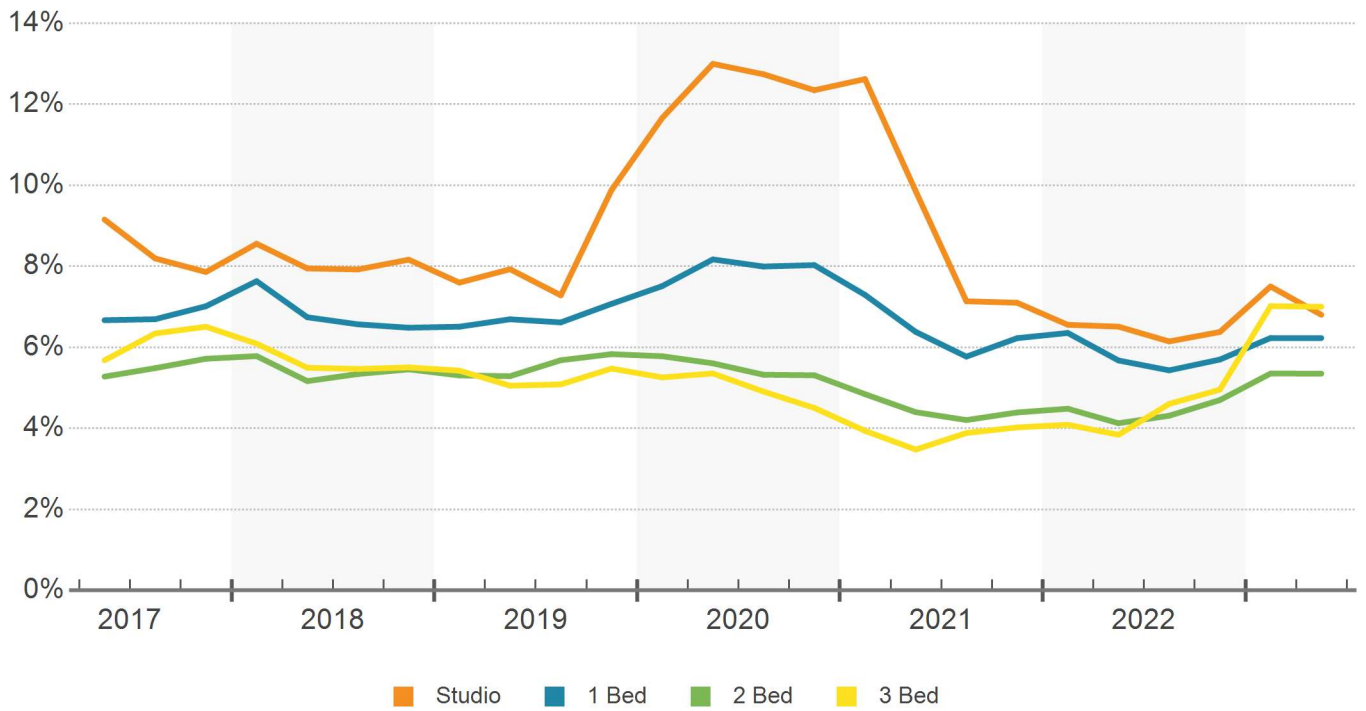
OVERALL & STABILIZED VACANCY



VACANCY RATE



VACANCY BY BEDROOM



As of the second quarter of 2023, market rent in Portland has reached \$1,610/unit, reflecting year-over-year growth of 2.4%. By comparison, the national index posted average growth of 2.5% over the same period. Over the past ten years, Portland has averaged rent growth of 4.1% 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 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. While annual rent growth in 4 & 5 Star communities equates to 2.1%, vacancies of 7.2% sit above the metro average, as well as the 3 Star average figure of 6.1%.

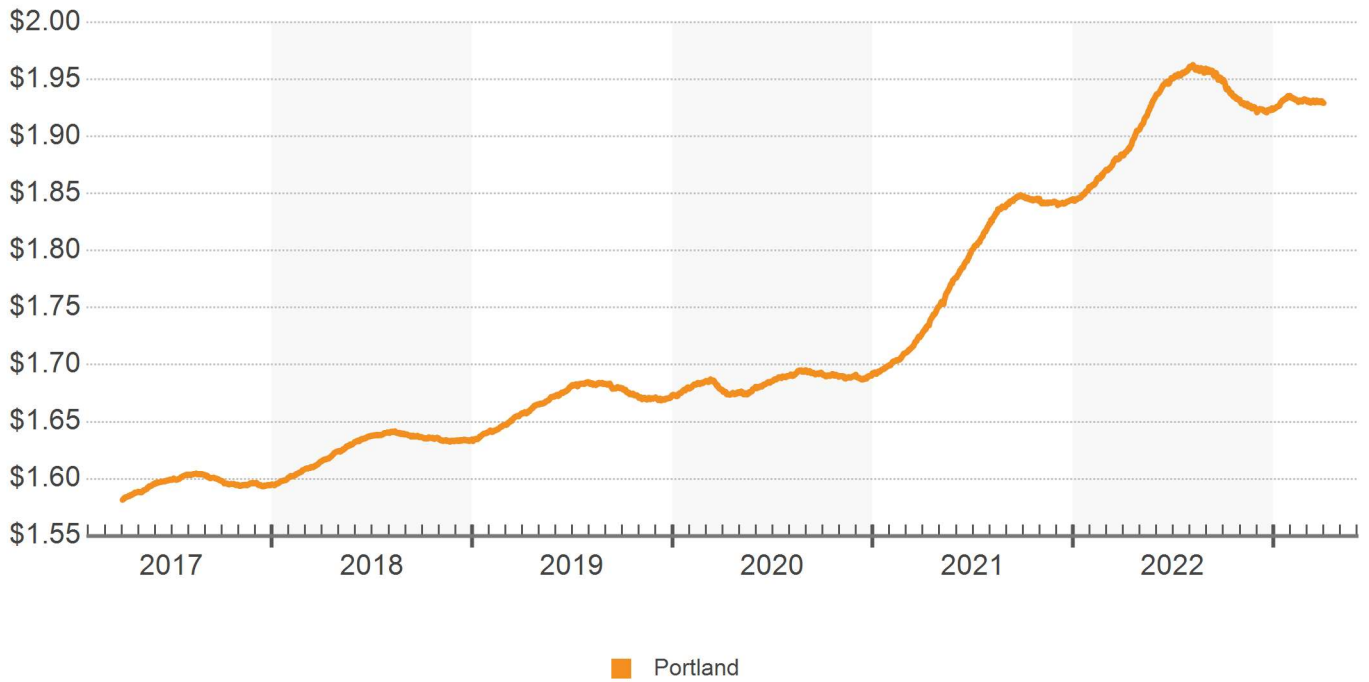
Those looking for higher end units will have more options to choose from, as well as more leverage in pricing negotiations. This will be especially true inside the urban cores where construction is heavily clustered and concessions have started to return in earnest. Some communities are offering over 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.

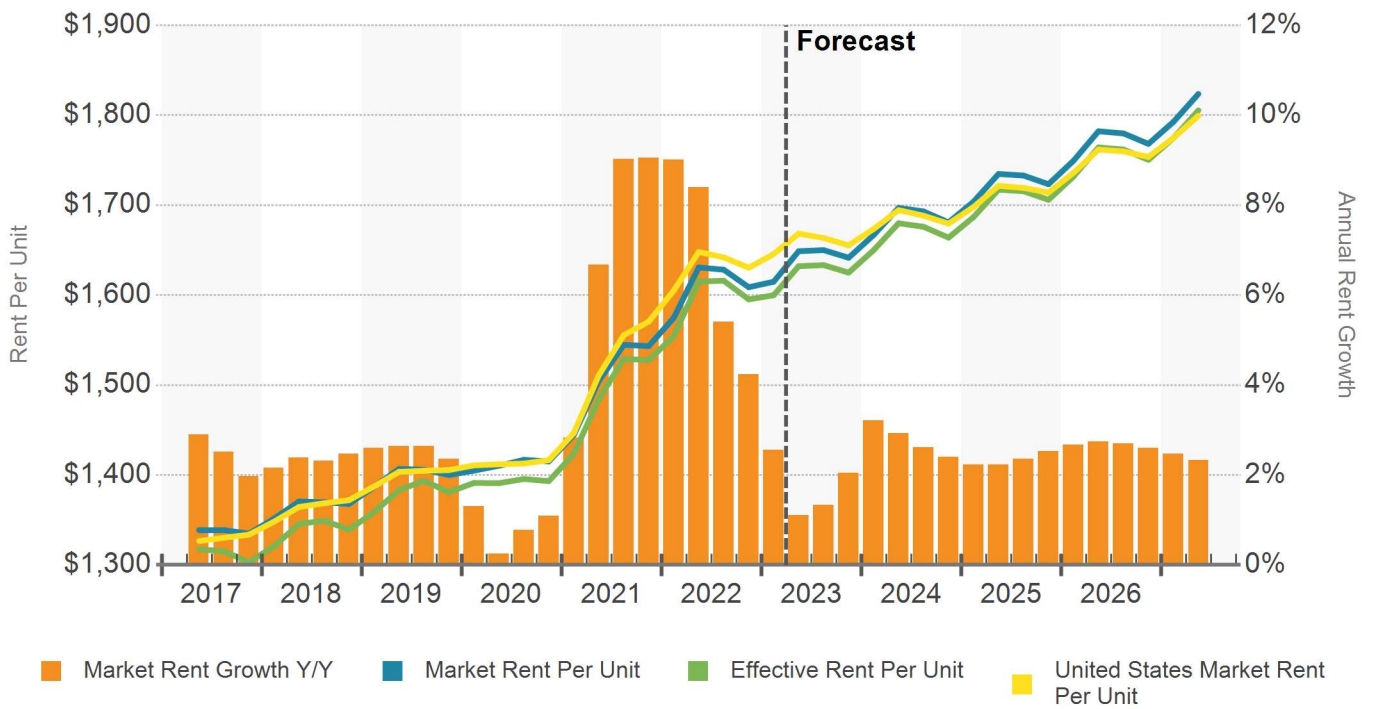
Meanwhile, Portland's outlying suburban communities should continue to post the strongest rent growth. As renter preferences shifted and the importance of a central location diminished during the worst of the pandemic, tenants found suburban apartments more appealing. Some who relocated will likely stay there permanently, allowing landlords to keep some slight pressure on rental rates in the absence of competing options. The Hillsboro, Beaverton, Sherwood and Aloha 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 47.7%. By comparison, national rent growth was 42.2% over this period. Therefore, it appears the organically growing pipeline will serve as a more outsized deterrent to rent growth than legislative initiatives.

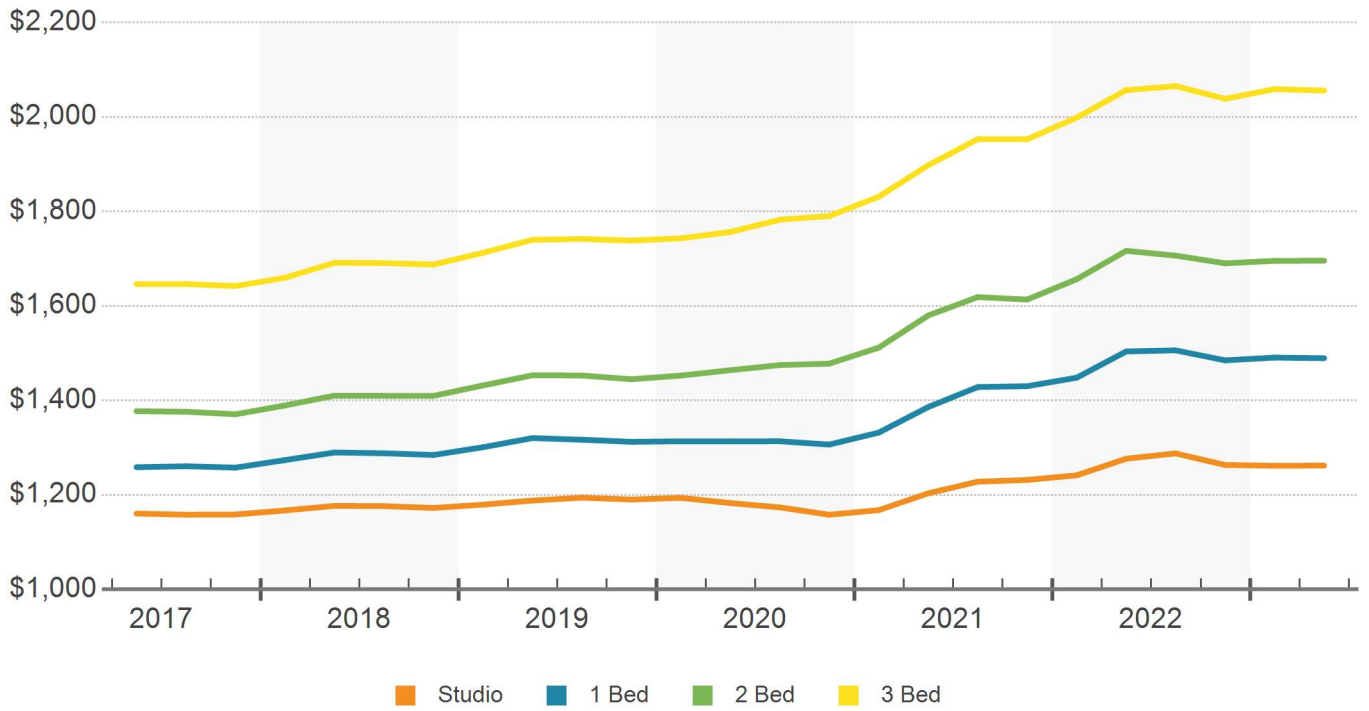
DAILY ASKING RENT PER SF



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	\$1.84	\$3.09	\$10.48
Lake Oswego	\$0.51	\$0.70	\$0.45	\$0.56	\$0.70	\$0.91	\$0.22	\$1.25	\$0.23	\$1.19	\$2.15	\$8.87
North Portland	\$0.56	\$0.77	\$1.31	\$0.95	\$1.04	\$1.68	\$0.28	\$1.60	\$0.30	\$1.94	\$3.25	\$13.68
Northeast Portland	\$0.58	\$0.77	\$1.40	\$0.85	\$0.98	\$1.15	\$0.30	\$1.53	\$0.30	\$1.94	\$3.25	\$13.05
Northwest Portland	\$0.53	\$0.77	\$0.53	\$0.55	\$0.93	\$0.55	\$0.25	\$1.44	\$0.30	\$1.89	\$3.18	\$10.92
Outlying Washingto...	\$0.52	\$0.77	\$1.13	\$1.14	\$1.17	\$2.74	\$0.25	\$1.74	\$0.30	\$1.94	\$3.25	\$14.95
Sherwood/Tualatin	\$0.53	\$0.73	\$1.12	\$0.70	\$0.91	\$1.14	\$0.24	\$1.51	\$0.28	\$1.69	\$2.89	\$11.74
Southeast Portland	\$0.59	\$0.75	\$1.37	\$0.81	\$0.94	\$1.14	\$0.29	\$1.52	\$0.29	\$1.82	\$3.07	\$12.59
Southwest Portland	\$0.60	\$0.77	\$0.53	\$0.50	\$1	\$0.59	\$0.25	\$1.53	\$0.30	\$1.94	\$3.25	\$11.26
Tigard	\$0.53	\$0.72	\$1.12	\$0.70	\$0.92	\$1.14	\$0.24	\$1.50	\$0.27	\$1.64	\$2.81	\$11.59
Troutdale/Gresham	\$0.53	\$0.73	\$1.17	\$0.71	\$0.81	\$1.14	\$0.24	\$1.51	\$0.28	\$1.73	\$2.94	\$11.79
Vancouver	\$0.52	\$0.64	\$0.36	\$0.44	\$0.69	\$0.57	\$0.24	\$1.09	\$0.29	\$1.82	\$3.10	\$9.76
Wilsonville	\$0.49	\$0.64	\$0.46	\$0.55	\$0.70	\$0.90	\$0.22	\$1.28	\$0.21	\$1.31	\$2.27	\$9.03

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

3 STAR EXPENSES PER SF (ANNUAL)

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

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

1 & 2 STAR EXPENSES PER SF (ANNUAL)

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

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

The metro area apartment pipeline peaked at nearly 13,000 units under development in mid-2018, part of a decade-long expansion that boosted Portland's apartment inventory by 33.9%. This was the largest construction cycle in metro history that brought a wave of mostly high-end supply, substantially altering the dynamics of Portland's housing market.

The pipeline began to thin heavily in early 2020 due to elevated materials costs as a result of the global supply chain crunch, labor shortages, restrictive zoning practices and some reputational spillover from the civil unrest downtown. Regardless, there are now 10,000 units under construction, which will expand existing inventory by 4.7%. 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 4,000 units. This indicates a small surplus is forming, based on trailing-year net absorption of 2,400 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

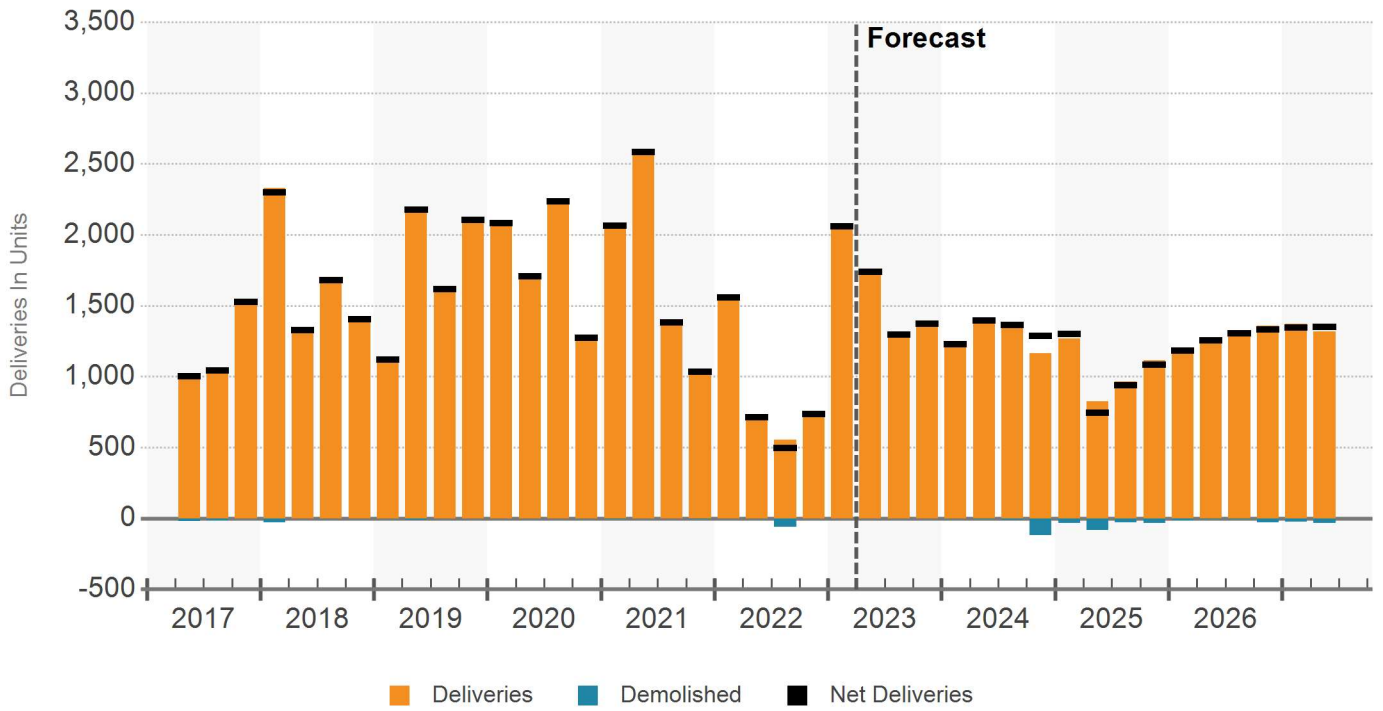
here. It is a 232-unit, 4 Star mid-rise complex developed by Texas-based Alamo Manhattan, who also has another 1,200 units in the works that will span five-buildings and include 22,000 SF of ground level retail. The first phases of the project are the Willamette Tower and the Olivia, which will bring more than 500 units online, expected to deliver in late 2023.

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.

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

Vancouver, Washington, is a popular destination for builders too. Around 2,500 units have delivered here since the beginning of 2021, ranking near the top of all Portland submarkets. Projects located here offer manageable commutes to Portland but are not subject to Oregon's rent control laws and Portland's zoning requirements. As a result, permitting in Vancouver continues to trend upward. Since 2017, permits issued in greater Clark County on a yearly basis have risen by over 30%. Demand for these units may 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.

DELIVERIES & DEMOLITIONS



Under Construction Properties

Portland Multi-Family

Properties

Units

Percent of Inventory

Avg. No. Units

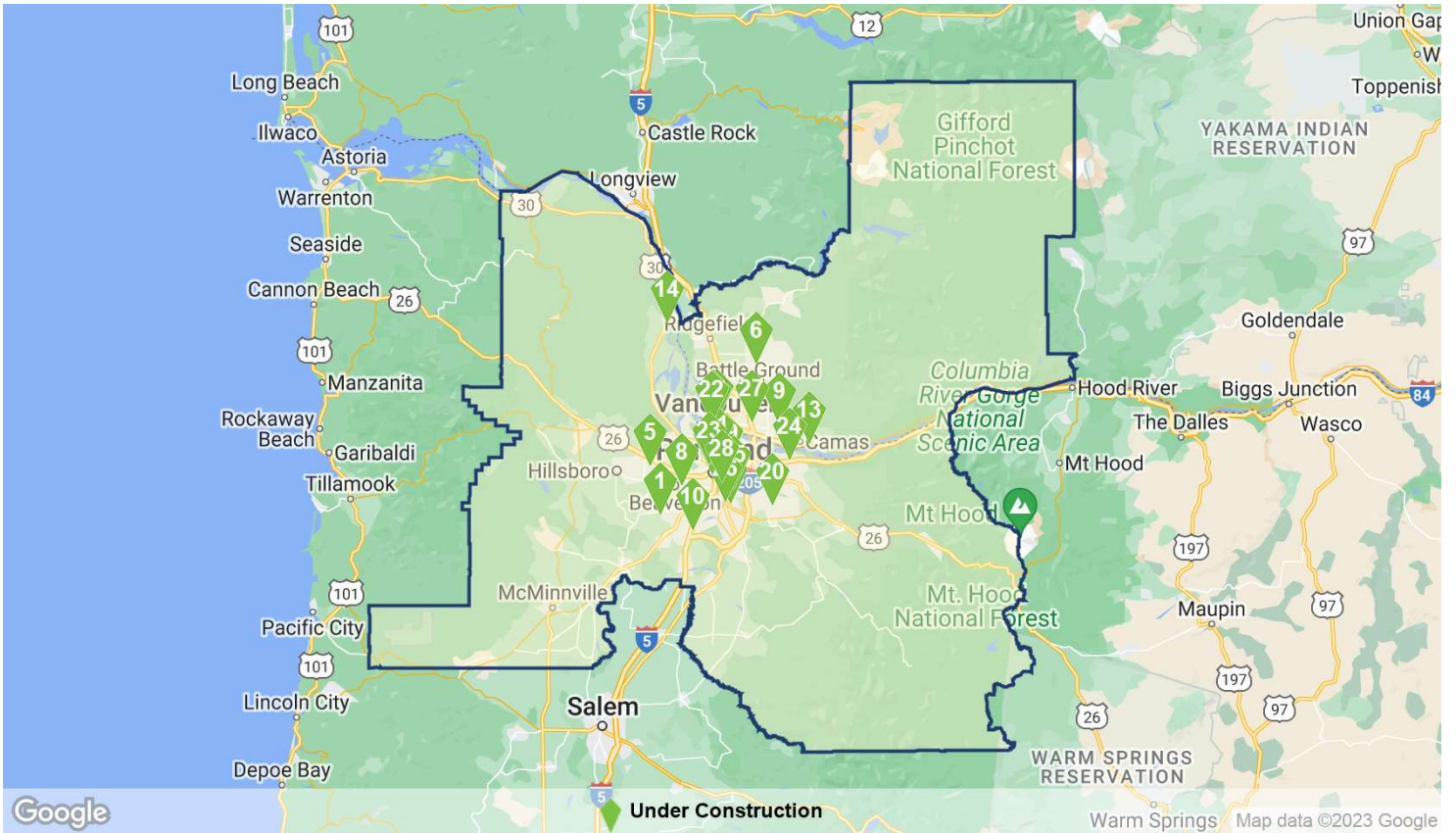
70

10,361

4.7%

148

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 River Terrace Town Center 13794 SW Roy Roger Way	★★★★☆	348	3	Nov 2022	Nov 2023	Taylor Morrison BTR, Inc. a Dela... The New Home Company
2 1119 C St	★★★★☆	342	6	Nov 2022	Nov 2023	Marathon Real Estate Services, L... Marathon Real Estate Services, L...
3 The Press Blocks – Resi... 1621 SW Taylor St	★★★★☆	341	24	Oct 2022	Dec 2023	Urban Renaissance Group Security Properties, Inc.
4 The Willamette Tower - B... 4100 SE River Pky	★★★★☆	340	23	Nov 2021	Nov 2023	Alamo Manhattan LLC Alamo Manhattan LLC
5 Alta Amberglen 19602-19698 Northwest V...	★★★★☆	326	5	Sep 2022	Jan 2024	Wood Partners -
6 Woodin Creek Station 18717 NE 122nd Ave	★★★★☆	308	3	Jan 2022	Aug 2023	Hurley Development -
7 Prose Apartments 110 N Tomahawk Island Dr	★★★★☆	284	5	Jun 2022	Sep 2023	- -

Under Construction Properties

Portland Multi-Family

UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
8 Modera Raleigh Hills 4822 SW Western Ave	★★★★☆	270	5	Oct 2022	Sep 2024	Mill Creek Residential Trust LLC Mill Creek Residential Trust LLC
9 The Oliveen 19814 SE 1st St	★★★★☆	264	4	Mar 2021	May 2023	Cascadia Development Partners Romano Capital
10 Commons on the Tualatin 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 -
12 Modera Morrison 1120 SE Morrison St	★★★★☆	247	7	Sep 2021	Jul 2023	Mill Creek Residential Trust LLC Mill Creek Residential Trust LLC
13 Ninebark 198 S 6th St	★★★☆☆	242	3	Apr 2022	May 2023	Killian Pacific Killian Pacific
14 Broadleaf Arbor 2298 Gable Rd	★★★★☆	239	4	Jan 2021	Aug 2023	LMC Construction Atlas Investments
15 Seven Acres 10999 SE 37th Ave	★★★★★	234	3	Jan 2021	May 2023	- Guardian Real Estate Services
16 The Olivia 3850 S Bond Ave	★★★★☆	232	5	Jan 2020	May 2023	Alamo Manhattan LLC Alamo Manhattan LLC
17 The Miller House 500 W Columbia Way	★★★★☆	226	8	Jan 2022	May 2023	CEDARst Companies CEDARst Companies
18 Residences at 11W 1140 SW Washington St	★★★★☆	222	24	Oct 2021	May 2023	Downtown Development Group Downtown Development Group
19 Splash Apartments 2505 NE Pacific St	★★★★☆	219	7	Nov 2022	Aug 2024	Security Properties, Inc. -
20 Scouter's Mountain 11386 SE Pleasant Valley	★★★☆☆	216	4	Nov 2021	Aug 2023	- Fore Property Company
21 Zeal Lofts 3185 N Williams Ave	★★★☆☆	215	6	Mar 2022	Sep 2023	Vibrant Cities Segrin Living Trust
22 Block 19 1110 W Columbia Way	★★★★☆	200	7	Jan 2022	Mar 2024	- Alliance Residential Company
23 Slabtown Square/Block... 1417 NW 20th Ave	★★★★★	200	6	Apr 2022	Mar 2024	Guardian Real Estate Services Guardian Real Estate Services
24 Fairview Meadows 22199 NE Sandy Blvd	★★★☆☆	200	4	Jun 2022	Jun 2023	West Coast Home Solutions, LLC West Coast Home Solutions, LLC
25 Modera Woodstock 4804 SE Woodstock Blvd	★★★★☆	194	5	Feb 2023	Mar 2024	- Mill Creek Residential Trust LLC
26 Henley Place 10300 SE Main St	★★★☆☆	178	6	May 2022	Jan 2024	Pahlisch Homes -
27 The Farmstead 711 NE 112th Ave	★★★☆☆	176	3	May 2022	Oct 2023	- -
28 brookLAND 4245 SE Milwaukie Ave	★★★★☆	166	4	Aug 2021	May 2023	Ethos Development Ethos Development

Portland has become a major market for institutional investors chasing both population growth and a diverse economic base. Multifamily cap rates have tightened over the past five years as a result. And this compression did little to deter more capital from entering the market between late 2020 and mid-2022. Given added institutional interest, many Portland communities are transacting as part of much larger portfolio deals, as investors increasingly seek to add the region's assets to their balance sheets.

A massive portfolio deal in 22Q2 saw the national holdings of Resource REIT acquired by Blackstone Real Estate Investment Trust (BREIT) for \$3.7 billion, or \$292,000/unit. Blackstone completed the deal by purchasing all shares of common stock. The assets in the portfolio span 13 states, including Oregon, Arizona, Colorado, Florida, Georgia and Texas. The two Oregon communities include the 81 Fifty at West Hills Apartment Homes and Montclair Terrace. 81 Fifty is located in the Hillsboro submarket and is made up of 357 units. It was built in 1986 and renovated in 2013. The allocated price of \$154.8 million equates to \$434,000/unit. Montclair Terrace is located in Beaverton and the 188-unit community was built in 1968 and remodeled in 2015. The allocated price was \$71 million (378,000/unit).

Another portfolio deal in 22Q1 saw three properties change hands in Vancouver. ColRich, based in San Diego, CA, acquired the Silver Oak Apartments, Sedona at Bridgecreek, and Larkspur Place for a combined sale price of \$137 million (\$271,000/unit). The seller was Starwood Capital Group, who had previously acquired the assets in 2017. The three facilities totaled over 500 units.

Outside of portfolio deals, the largest standalone trades have been taking place in the suburbs. In 22Q3, Oak Street Lofts, located in Tigard, sold for \$81.5 million (\$436,000/unit) to JLL Income Property Trust. New York-based Abacus Capital Group offloaded the stabilized

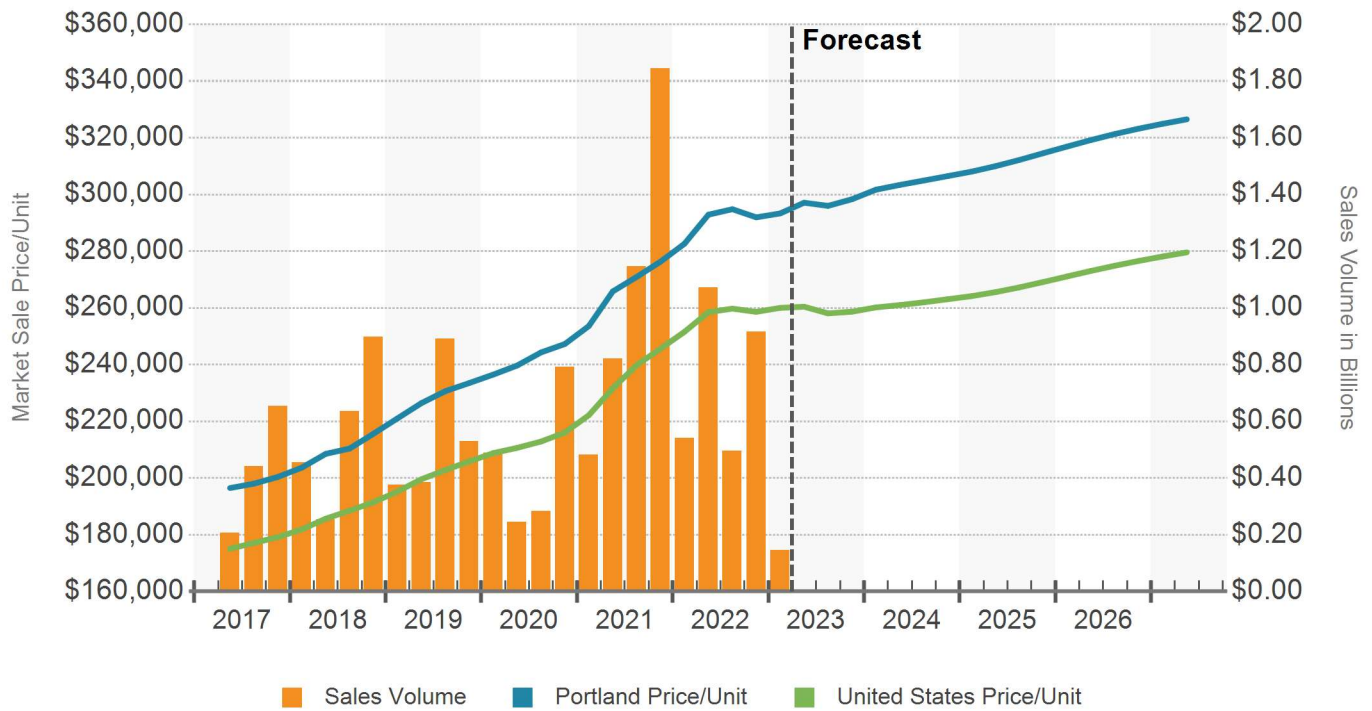
asset. The 4 Star community features 187 studio, one-, and two-bedroom units. It was built in 2019. Suburban Portland communities like Tigard with strong population growth and access to employment nodes have enticed investors to push pricing on deals like these. Home ownership has also become increasingly out of reach for most buyers, lending support to continued strong leasing, at least mid-term.

In 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.

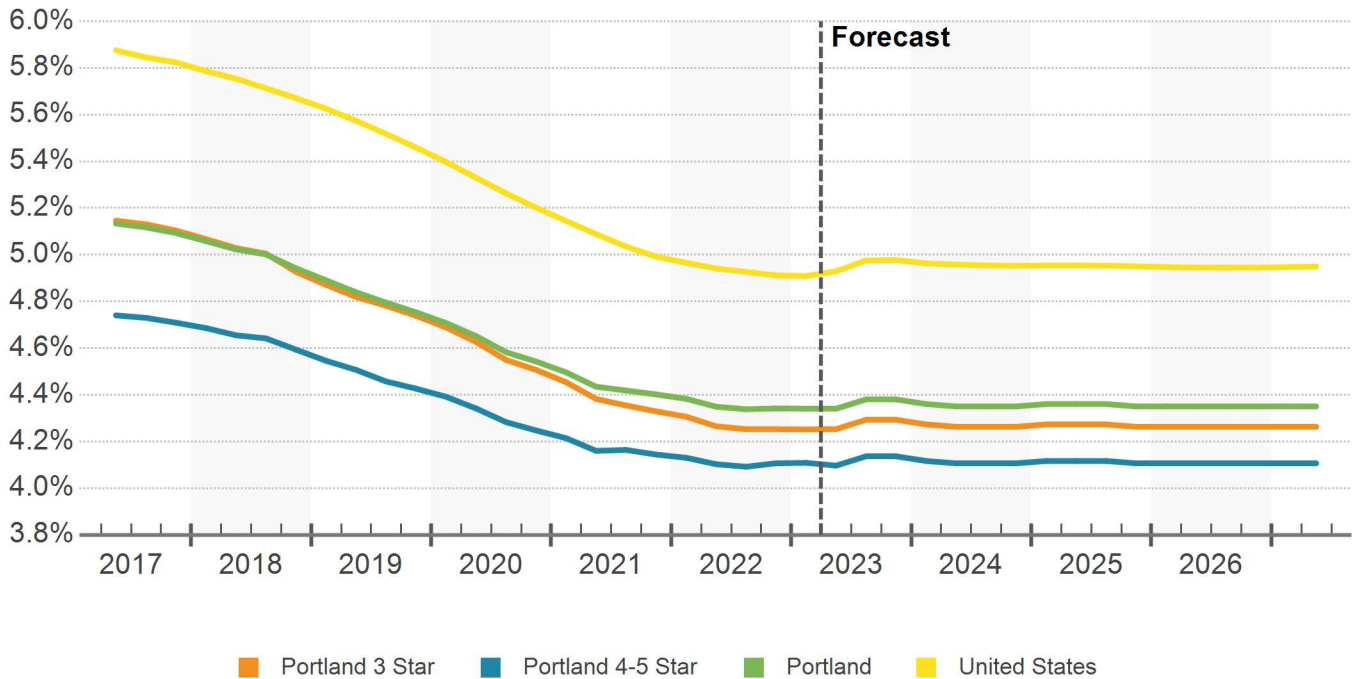
Value-add plays in the region have been popular as well, as investors aim for attractive pricing in a growing market. Given Portland's recent run in rent growth, buyers appear confident that underserved properties with an added facelift offer attractive upside potential. For example, in 22Q3, RedHill 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.

Trailing four quarter volume as a result of these deals equates to \$2.6 billion, compared with the ten-year average of \$2.3 billion per year. The market sale price has swelled to \$300,000 per unit, in comparison to the national index of \$260,000 per unit. However, despite posting the third-highest annual total in metro history, volume in 2022 fell short of 2021's performance by a significant margin. 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.

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

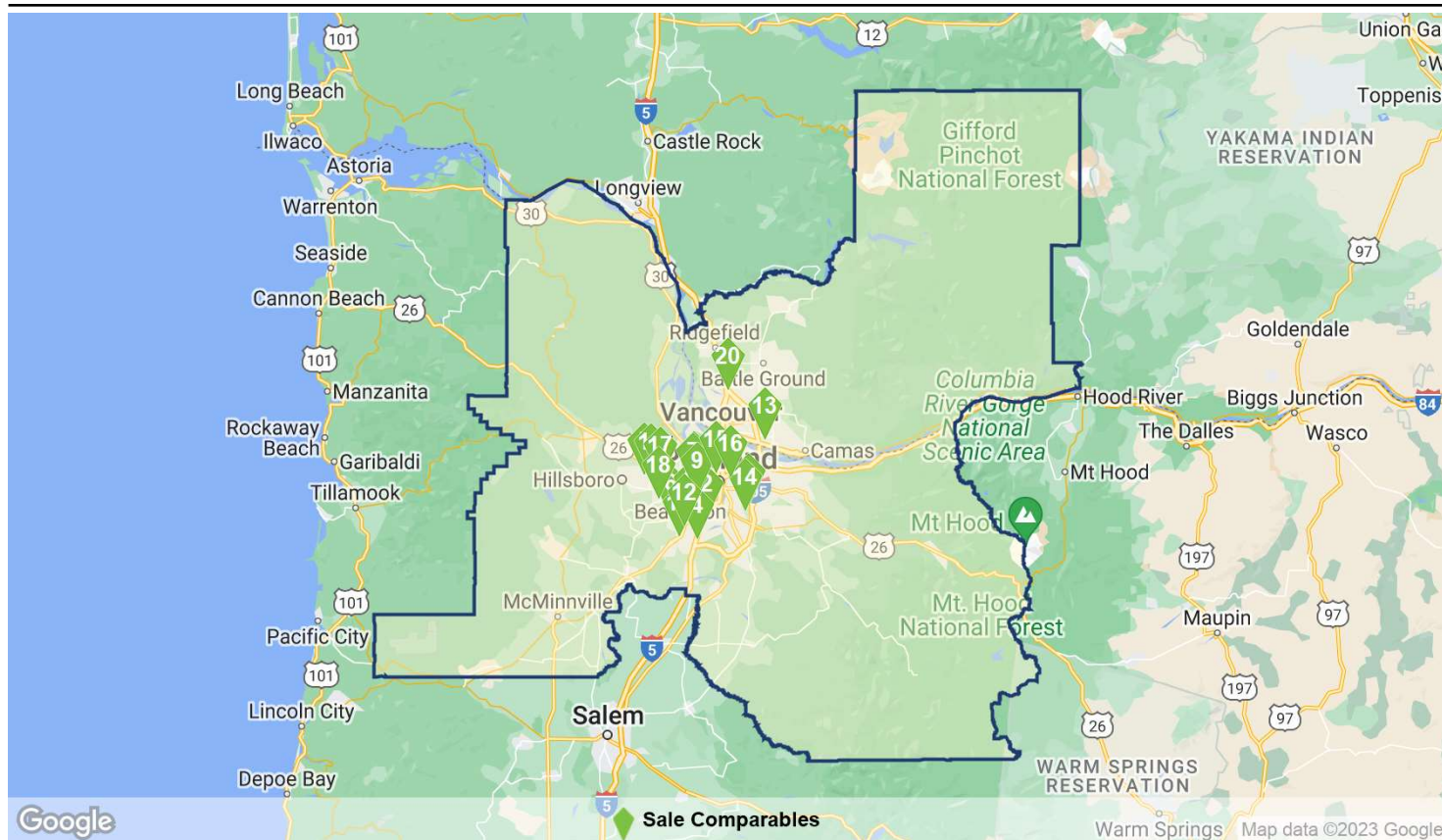
231

\$279

\$14.0

5.6%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$587,086	\$13,971,873	\$4,007,500	\$156,456,591
Price/Unit	\$58,333	\$278,785	\$213,021	\$458,333
Cap Rate	3.7%	5.0%	5.1%	7.6%
Vacancy Rate At Sale	0%	5.6%	1.1%	100%
Time Since Sale in Months	0.8	7.6	7.5	12.0
Property Attributes	Low	Average	Median	High
Property Size in Units	5	45	16	357
Number of Floors	1	2	2	6
Average Unit SF	100	858	824	5,443
Year Built	1888	1976	1975	2022
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.5	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Sales Past 12 Months

Portland Multi-Family

RECENT SIGNIFICANT SALES

Property Name/Address	Property Information				Sale Information			
	Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF
1 81 Fifty at West Hills Apartme... 8150 SW Barnes Rd	★★★★★	1986	357	6.7%	5/19/2022	\$156,456,591	\$438,253	\$579
2 One Jefferson 1 Jefferson Pky	★★★★★	1987	347	10.7%	10/6/2022	\$124,000,000	\$357,348	\$341
3 The Heirloom 7900 SE Luther Rd	★★★★★	2021	286	10.1%	6/27/2022	\$108,900,000	\$380,769	\$363
4 Timbers at Tualatin 6765 SW Nyberg St	★★★★★	1994	300	3.0%	10/4/2022	\$96,500,000	\$321,666	\$268
5 Avery at Orenco Station 6199 NE Alder St	★★★★★	2004	264	2.7%	10/4/2022	\$96,200,000	\$364,393	\$348
6 Skyline at Murrayhill 11601 SW Teal Blvd	★★★★★	1990	312	7.4%	10/4/2022	\$90,000,000	\$288,461	\$187
7 Haven at Golf Creek 1807 SW Golf Creek Dr	★★★★★	1990	282	6.4%	10/4/2022	\$82,300,000	\$291,843	\$328
8 Oak Street Lofts 8920 SW Oak St	★★★★★	2019	187	7.5%	7/15/2022	\$81,500,000	\$435,828	\$408
9 Montclair Terrace 4835 SW Oleson Rd	★★★★★	1968	188	6.4%	5/19/2022	\$74,015,780	\$393,700	\$429
10 River Ridge Apartments 17865 SW Pacific Hwy	★★★★★	2017	180	2.8%	6/9/2022	\$70,000,000	\$388,888	\$389
11 The Jones 1099 NW Ordenez Pl	★★★★★	2012	193	1.0%	10/4/2022	\$69,500,000	\$360,103	\$290
12 Hudson South Apartments 10635-10695 SW Murdock Ln	★★★★★	1974	227	2.6%	7/29/2022	\$59,200,000	\$260,792	\$317
13 Aspenridge Apartments 13719 SE 18th St	★★★★★	1985	240	2.5%	5/24/2022	\$57,150,000	\$238,125	\$196
14 Heatherbrae Commons 10303 SE Bell Ave	★★★★★	1995	174	1.7%	2/16/2023	\$49,000,000	\$281,609	\$272
15 Reveal 1411 NW Quimby St	★★★★★	2019	147	16.3%	11/7/2022	\$48,000,000	\$326,530	\$201
16 Burnside 26 2625 E Burnside St	★★★★★	2014	135	3.7%	5/18/2022	\$44,250,000	\$327,777	\$466
17 Lineage at Willow Creek 18380 NW Heritage Pky	★★★★★	1978	121	2.5%	4/7/2022	\$42,000,000	\$347,107	\$397
18 Aster Parc Apartments and T... 6300 SW 188th Ct	★★★★★	1974	146	0.7%	6/22/2022	\$40,000,000	\$273,972	\$585
19 Terra at Hazel Dell 2600 NE Minnehaha St	★★★★★	1991	206	1.0%	10/4/2022	\$39,500,000	\$191,747	\$232
20 134th Street Lofts 13414 NE 23rd Ave	★★★★★	2021	124	21.8%	7/15/2022	\$38,750,000	\$312,500	\$357

Over the past year, 49,000 jobs have been added to nonfarm payrolls in Portland, for a change of 4.0%. Total job growth in the U.S. over the past year was 2.4%. 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,

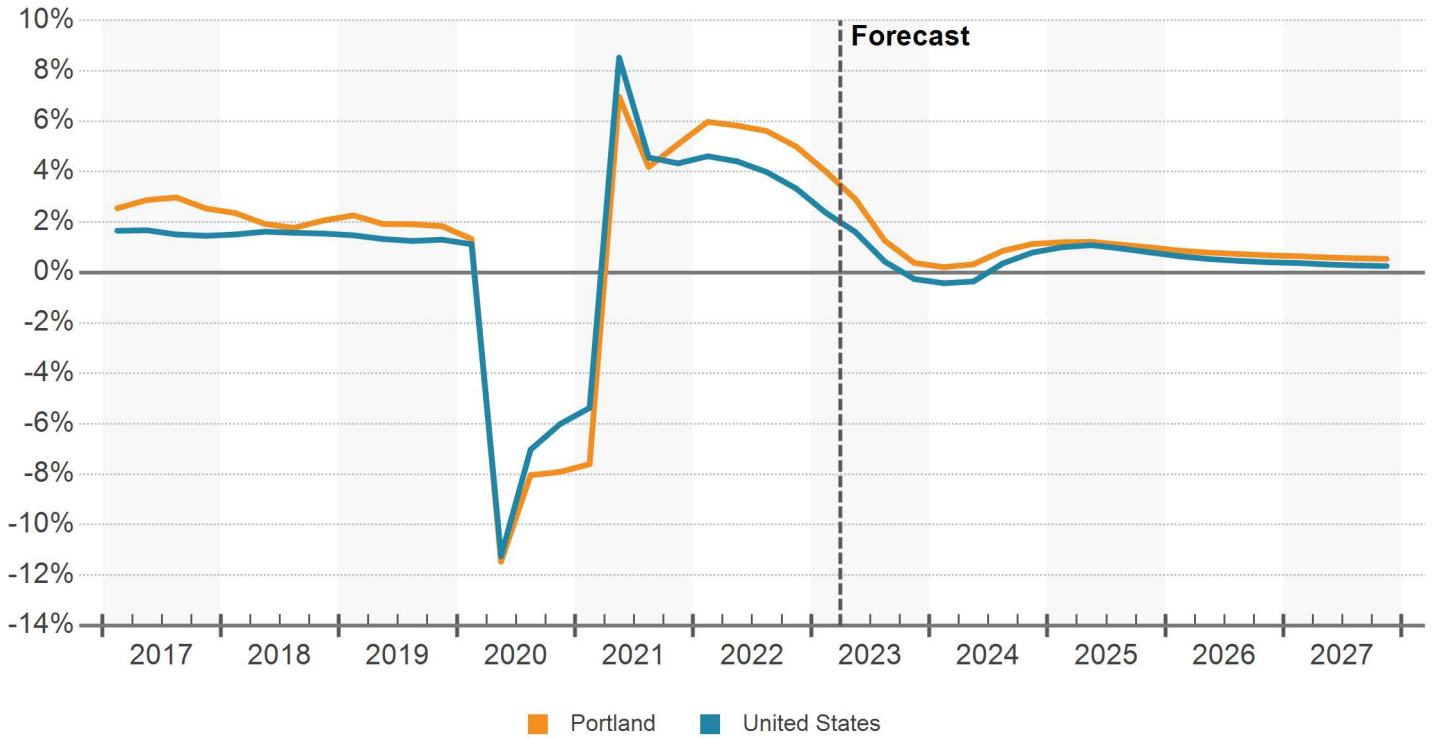
Portland can reach nearly 8.5 million people within just a four-hour truck drive, including the Seattle metropolitan area further north.

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	133	1.3	4.58%	2.52%	1.47%	0.78%	0.68%	-0.03%
Trade, Transportation and Utilities	226	1.0	0.16%	0.89%	1.54%	1.17%	0.09%	0.07%
Retail Trade	117	0.9	-0.51%	-0.03%	0.89%	0.54%	0.39%	0.08%
Financial Activities	78	1.1	1.30%	1.39%	2.09%	1.39%	0.22%	0.08%
Government	156	0.9	5.15%	1.18%	0.99%	0.25%	0.93%	0.55%
Natural Resources, Mining and Construction	84	1.2	5.32%	2.66%	5.16%	2.40%	0.93%	0.21%
Education and Health Services	193	0.9	5.50%	3.38%	2.48%	1.72%	0.97%	0.53%
Professional and Business Services	197	1.1	2.66%	2.41%	2.62%	2.07%	0.49%	0.33%
Information	28	1.1	3.88%	4.67%	1.57%	1.32%	1.05%	0.21%
Leisure and Hospitality	123	0.9	9.25%	4.75%	1.81%	1.35%	1.40%	1.03%
Other Services	43	0.9	6.12%	2.56%	1.38%	0.59%	0.80%	0.30%
Total Employment	1,261	1.0	3.97%	2.35%	2.02%	1.28%	0.69%	0.37%

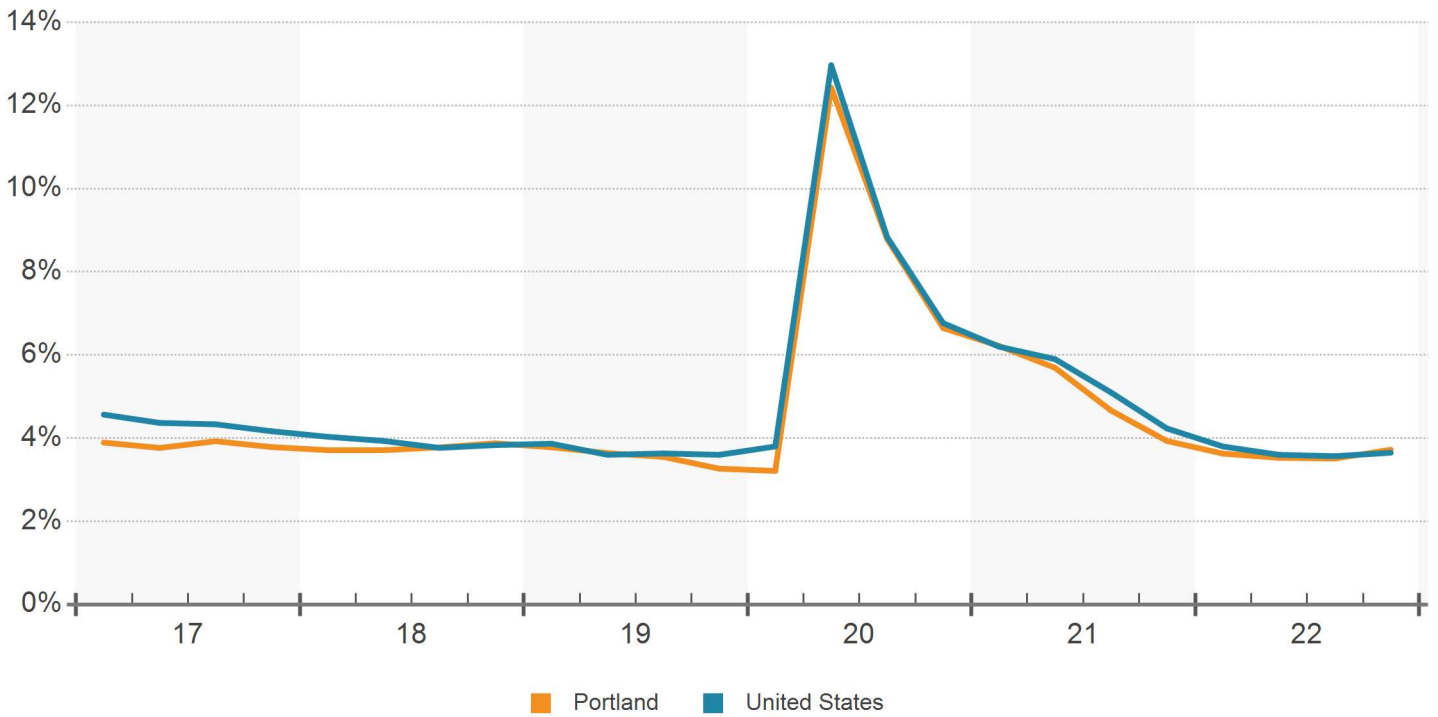
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

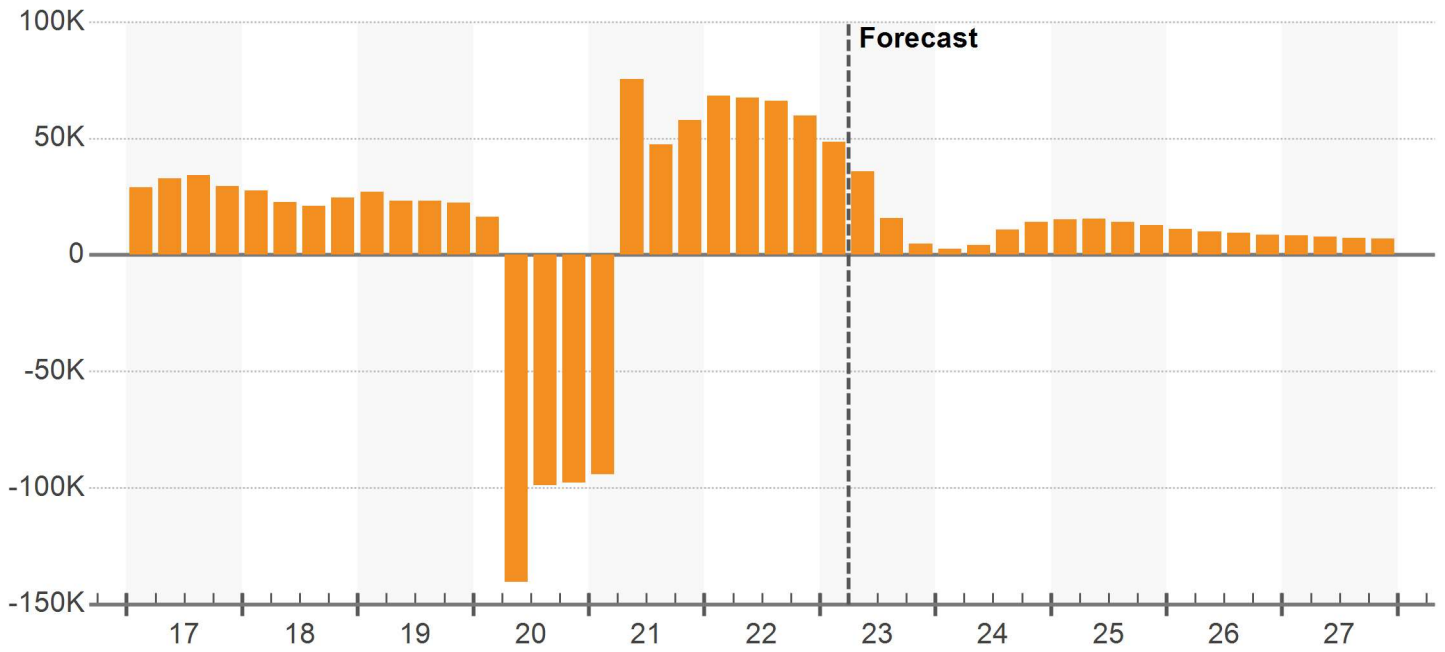


Source: Oxford Economics

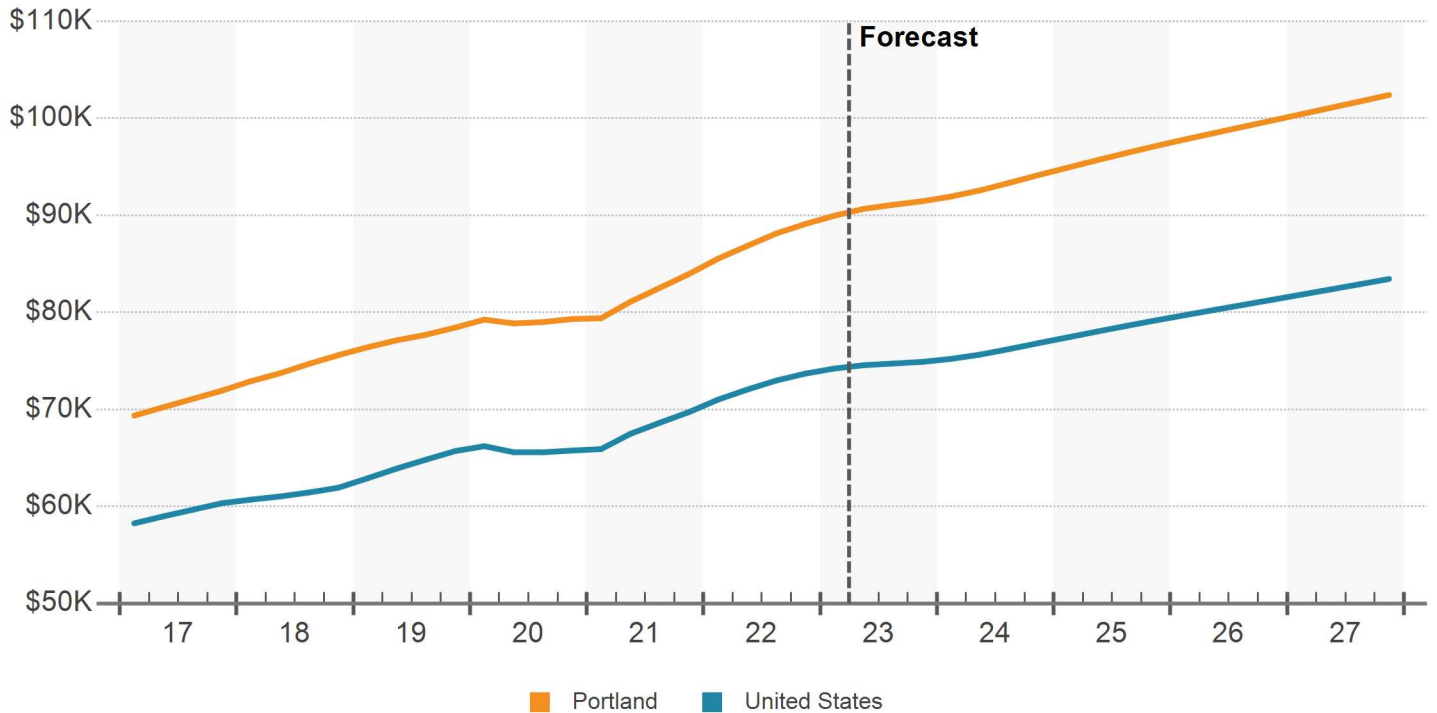
UNEMPLOYMENT RATE (%)



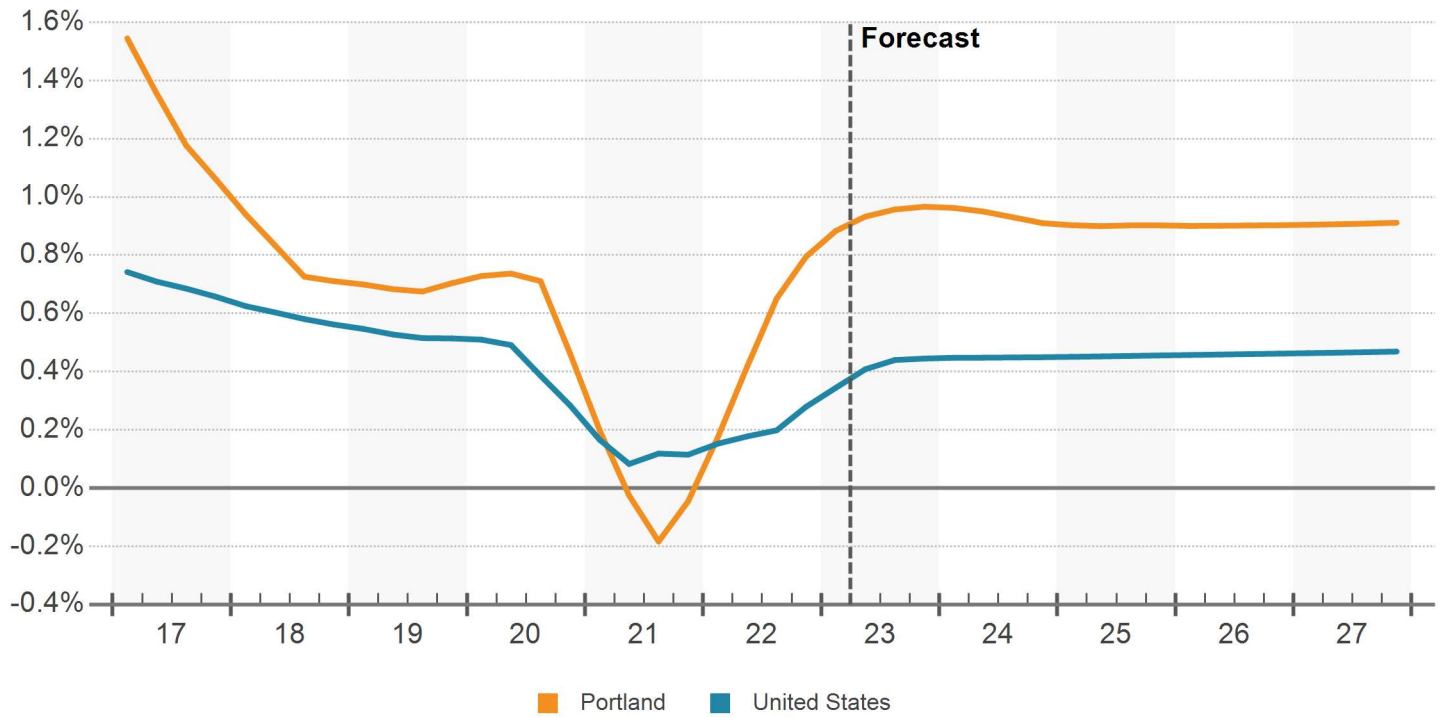
NET EMPLOYMENT CHANGE (YOY)



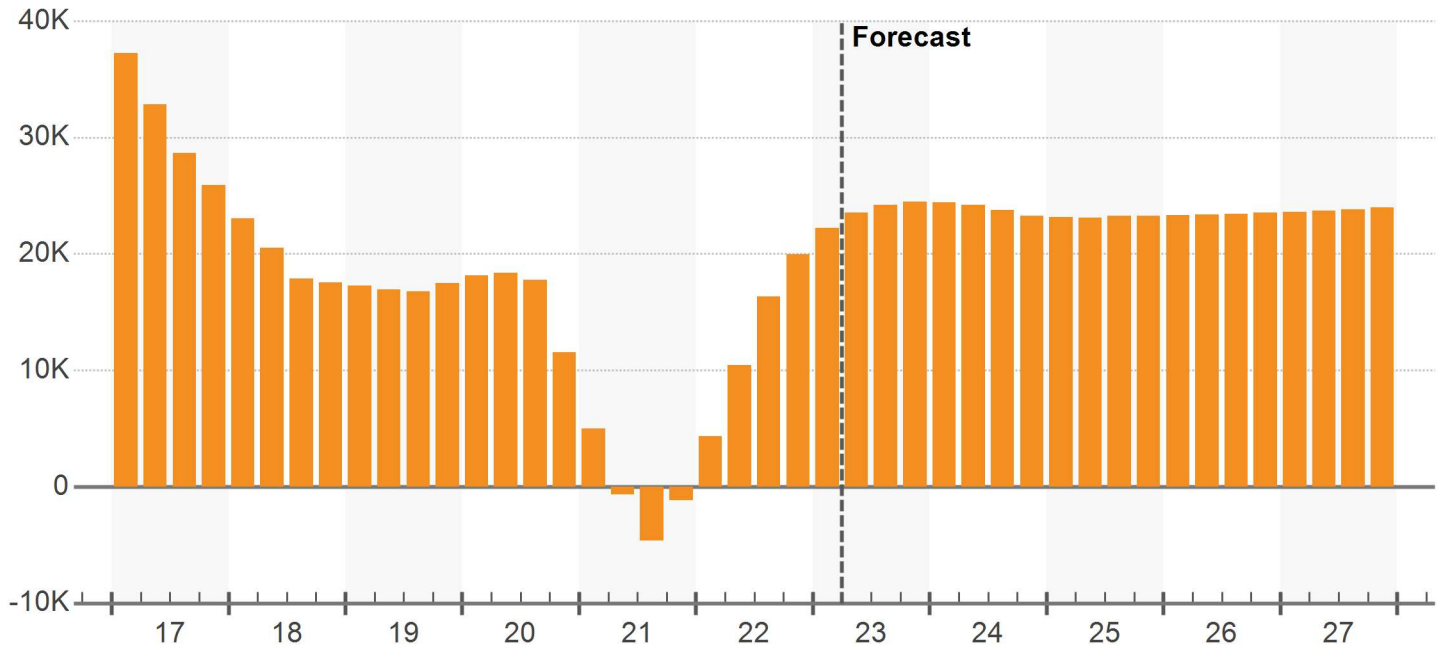
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

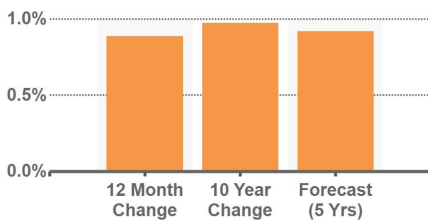


DEMOGRAPHIC TRENDS

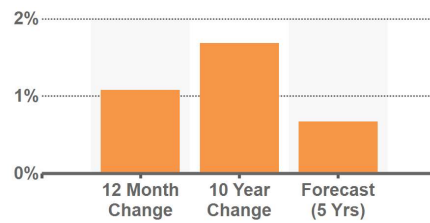
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	2,540,343	333,309,000	0.9%	0.3%	1.0%	0.5%	0.9%	0.5%
Households	1,023,517	129,340,727	1.4%	0.9%	1.5%	0.8%	1.0%	0.6%
Median Household Income	\$89,992	\$74,229	5.2%	4.5%	4.6%	3.7%	2.8%	2.5%
Labor Force	1,395,182	165,148,906	1.1%	0.7%	1.7%	0.6%	0.7%	0.4%
Unemployment	3.7%	3.7%	0.1%	-0.1%	-0.4%	-0.4%	-	-

Source: Oxford Economics

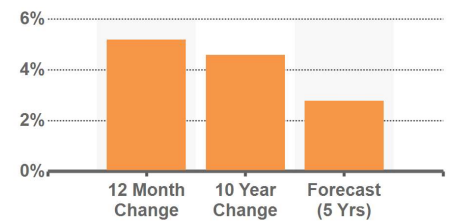
POPULATION GROWTH



LABOR FORCE GROWTH

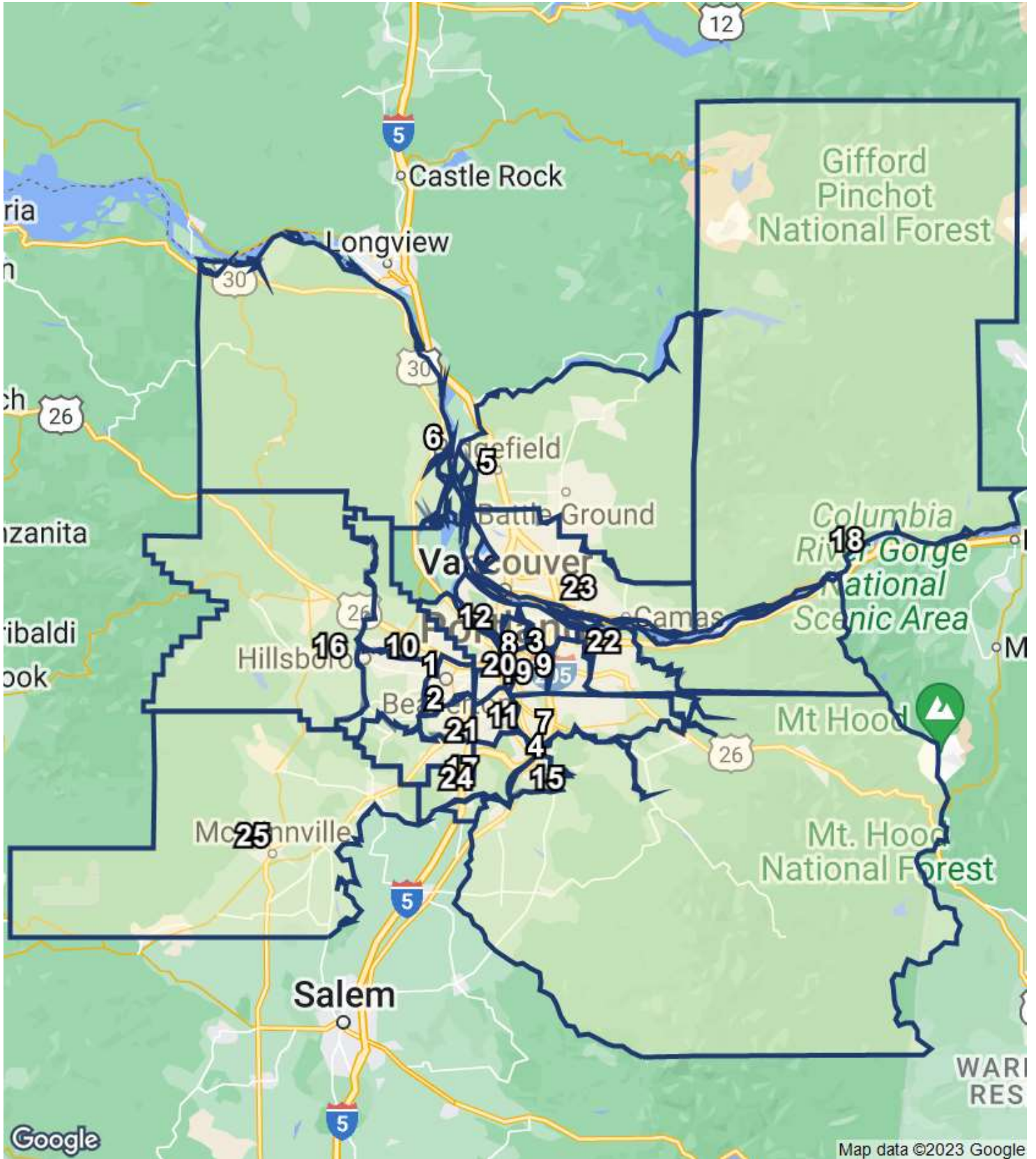


INCOME GROWTH



Source: Oxford Economics

PORTLAND SUBMARKETS



SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	Units	% Market	Rank	Bldgs	Units	Percent	Rank	Bldgs	Units	Percent	Rank
1	Aloha	153	7,234	3.3%	12	0	0	0%	-	0	0	0%	-
2	Beaverton	303	15,895	7.2%	4	0	0	0%	-	1	270	1.7%	12
3	Central Northeast	187	4,340	2.0%	16	0	0	0%	-	1	10	0.2%	21
4	Clackamas County	68	2,521	1.1%	20	4	307	12.2%	3	2	163	6.5%	17
5	Clark County	32	1,666	0.8%	23	1	144	8.6%	11	1	308	18.5%	11
6	Columbia County	30	908	0.4%	24	1	80	8.8%	12	1	239	26.3%	15
7	Damascus	220	12,860	5.8%	7	1	180	1.4%	9	6	1,002	7.8%	3
8	Downtown Portland	112	13,003	5.9%	6	1	294	2.3%	4	1	222	1.7%	16
9	East Portland	419	10,309	4.7%	9	1	30	0.3%	14	2	250	2.4%	14
10	Hillsboro	118	20,011	9.1%	3	0	0	0%	-	3	592	3.0%	6
11	Lake Oswego	66	4,120	1.9%	17	0	0	0%	-	1	158	3.8%	18
12	North Portland	212	4,690	2.1%	15	10	200	4.3%	6	4	326	7.0%	10
13	Northeast Portland	339	7,701	3.5%	11	7	182	2.4%	8	3	332	4.3%	9
14	Northwest Portland	380	12,813	5.8%	8	1	28	0.2%	15	5	794	6.2%	4
15	Oregon City	44	2,075	0.9%	21	0	0	0%	-	0	0	0%	-
16	Outlying Washington Cou...	69	1,783	0.8%	22	1	196	11.0%	7	0	0	0%	-
17	Sherwood/Tualatin	43	3,888	1.8%	18	0	0	0%	-	1	264	6.8%	13
18	Skamania County	4	38	0%	25	0	0	0%	-	0	0	0%	-
19	Southeast Portland	1,044	22,127	10.0%	2	11	446	2.0%	2	8	1,260	5.7%	2
20	Southwest Portland	215	6,971	3.2%	13	1	14	0.2%	16	4	741	10.6%	5
21	Tigard	122	7,703	3.5%	10	1	212	2.8%	5	2	388	5.0%	8
22	Troutdale/Gresham	322	15,675	7.1%	5	2	153	1.0%	10	5	543	3.5%	7
23	Vancouver	588	34,521	15.6%	1	11	1,525	4.4%	1	17	2,324	6.7%	1
24	Wilsonville	57	4,809	2.2%	14	0	0	0%	-	1	100	2.1%	19
25	Yamhill County	92	2,960	1.3%	19	1	49	1.7%	13	1	75	2.5%	20

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	\$1,695	\$1.87	11	2.0%	\$1,687	\$1.86	11	2.2%	0.5%	17
2	Beaverton	\$1,567	\$1.83	14	3.2%	\$1,560	\$1.82	14	3.1%	0.4%	21
3	Central Northeast	\$1,331	\$1.80	15	1.4%	\$1,325	\$1.79	15	1.8%	0.5%	20
4	Clackamas County	\$1,578	\$1.70	18	2.9%	\$1,535	\$1.65	22	0.3%	2.7%	1
5	Clark County	\$1,648	\$1.68	20	4.1%	\$1,632	\$1.66	20	3.7%	1.0%	7
6	Columbia County	\$1,379	\$1.74	17	8.2%	\$1,365	\$1.73	17	7.4%	1.0%	6
7	Damascus	\$1,629	\$1.86	12	4.1%	\$1,619	\$1.85	12	3.9%	0.6%	14
8	Downtown Portland	\$1,904	\$2.59	1	1.8%	\$1,867	\$2.53	1	5.1%	2.0%	3
9	East Portland	\$1,239	\$1.49	23	3.1%	\$1,233	\$1.48	23	3.0%	0.5%	18
10	Hillsboro	\$1,810	\$1.97	8	0.7%	\$1,795	\$1.95	7	0.4%	0.8%	11
11	Lake Oswego	\$1,900	\$2.04	6	0.6%	\$1,891	\$2.03	6	0.9%	0.5%	19
12	North Portland	\$1,461	\$2	7	1.2%	\$1,425	\$1.95	8	-0.5%	2.5%	2
13	Northeast Portland	\$1,609	\$2.41	3	3.0%	\$1,594	\$2.39	3	4.4%	0.9%	8
14	Northwest Portland	\$1,591	\$2.50	2	1.9%	\$1,577	\$2.48	2	5.4%	0.9%	10
15	Oregon City	\$1,569	\$1.68	21	3.9%	\$1,557	\$1.66	19	4.9%	0.7%	12
16	Outlying Washington Cou...	\$1,353	\$1.70	19	4.6%	\$1,349	\$1.69	18	4.5%	0.3%	24
17	Sherwood/Tualatin	\$1,729	\$1.88	10	1.7%	\$1,722	\$1.87	10	1.7%	0.4%	22
18	Skamania County	\$1,205	-	-	-	\$1,202	-	-	-	0.2%	25
19	Southeast Portland	\$1,436	\$2.20	4	1.1%	\$1,418	\$2.17	4	1.4%	1.2%	5
20	Southwest Portland	\$1,604	\$2.07	5	1.0%	\$1,595	\$2.06	5	3.8%	0.5%	15
21	Tigard	\$1,587	\$1.85	13	3.0%	\$1,578	\$1.84	13	2.8%	0.5%	16
22	Troutdale/Gresham	\$1,486	\$1.67	22	1.5%	\$1,472	\$1.65	21	1.4%	0.9%	9
23	Vancouver	\$1,664	\$1.80	16	4.3%	\$1,653	\$1.78	16	4.2%	0.7%	13
24	Wilsonville	\$1,783	\$1.90	9	1.0%	\$1,761	\$1.88	9	1.0%	1.2%	4
25	Yamhill County	\$1,254	\$1.45	24	3.5%	\$1,249	\$1.44	24	3.5%	0.4%	23

SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construc. Ratio
1	Aloha	394	5.5%	12	(24)	-0.3%	19	-
2	Beaverton	701	4.4%	6	(166)	-1.0%	25	-
3	Central Northeast	212	4.9%	9	(5)	-0.1%	16	-
4	Clackamas County	251	9.9%	24	111	4.4%	9	2.8
5	Clark County	143	8.6%	23	52	3.1%	12	2.8
6	Columbia County	50	5.5%	14	39	4.3%	13	2.0
7	Damascus	782	6.1%	17	(34)	-0.3%	22	-
8	Downtown Portland	1,300	10.0%	25	119	0.9%	8	2.0
9	East Portland	387	3.8%	4	(12)	-0.1%	17	-
10	Hillsboro	1,064	5.3%	10	(82)	-0.4%	24	-
11	Lake Oswego	222	5.4%	11	(20)	-0.5%	18	-
12	North Portland	400	8.5%	22	187	4.0%	5	0.9
13	Northeast Portland	532	6.9%	21	248	3.2%	3	0.7
14	Northwest Portland	789	6.2%	18	530	4.1%	2	0.1
15	Oregon City	113	5.5%	13	(28)	-1.4%	21	-
16	Outlying Washington Cou...	44	2.5%	3	171	9.6%	6	1.1
17	Sherwood/Tualatin	168	4.3%	5	(28)	-0.7%	20	-
18	Skamania County	1	2.3%	2	0	0%	-	-
19	Southeast Portland	1,379	6.2%	19	218	1.0%	4	1.0
20	Southwest Portland	339	4.9%	8	125	1.8%	7	0.1
21	Tigard	355	4.6%	7	111	1.4%	10	-
22	Troutdale/Gresham	871	5.6%	15	90	0.6%	11	0.8
23	Vancouver	2,156	6.2%	20	794	2.3%	1	1.8
24	Wilsonville	273	5.7%	16	(63)	-1.3%	23	-
25	Yamhill County	45	1.5%	1	37	1.3%	14	1.3

OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	244,801	5,379	2.2%	4,625	1.9%	1.2
2026	239,422	5,074	2.2%	4,821	2.0%	1.1
2025	234,348	4,060	1.8%	4,832	2.1%	0.8
2024	230,288	5,265	2.3%	3,507	1.5%	1.5
2023	225,023	6,462	3.0%	3,327	1.5%	1.9
YTD	220,621	2,060	0.9%	485	0.2%	4.2
2022	218,561	3,496	1.6%	3,314	1.5%	1.1
2021	215,065	7,063	3.4%	9,873	4.6%	0.7
2020	208,002	7,294	3.6%	6,315	3.0%	1.2
2019	200,708	7,017	3.6%	5,586	2.8%	1.3
2018	193,691	6,710	3.6%	7,002	3.6%	1.0
2017	186,981	5,614	3.1%	4,922	2.6%	1.1
2016	181,367	5,104	2.9%	2,730	1.5%	1.9
2015	176,263	4,286	2.5%	3,770	2.1%	1.1
2014	171,977	4,676	2.8%	4,754	2.8%	1.0
2013	167,301	2,656	1.6%	3,052	1.8%	0.9
2012	164,645	2,282	1.4%	1,911	1.2%	1.2
2011	162,363	417	0.3%	170	0.1%	2.5

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	97,169	5,357	5.8%	4,815	5.0%	1.1
2026	91,812	5,057	5.8%	4,495	4.9%	1.1
2025	86,755	3,647	4.4%	3,749	4.3%	1.0
2024	83,108	3,560	4.5%	2,442	2.9%	1.5
2023	79,548	3,780	5.0%	2,017	2.5%	1.9
YTD	76,744	976	1.3%	350	0.5%	2.8
2022	75,768	1,694	2.3%	2,968	3.9%	0.6
2021	74,074	5,998	8.8%	7,552	10.2%	0.8
2020	68,076	6,049	9.8%	4,532	6.7%	1.3
2019	62,027	5,682	10.1%	4,560	7.4%	1.2
2018	56,345	5,395	10.6%	5,153	9.1%	1.0
2017	50,950	4,981	10.8%	4,735	9.3%	1.1
2016	45,969	4,536	10.9%	3,085	6.7%	1.5
2015	41,433	3,769	10.0%	3,336	8.1%	1.1
2014	37,664	4,117	12.3%	4,047	10.7%	1.0
2013	33,547	2,202	7.0%	2,019	6.0%	1.1
2012	31,345	1,599	5.4%	1,086	3.5%	1.5
2011	29,746	31	0.1%	(53)	-0.2%	-

3 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	83,663	45	0.1%	(69)	-0.1%	-
2026	83,618	42	0.1%	329	0.4%	0.1
2025	83,576	445	0.5%	1,215	1.5%	0.4
2024	83,131	1,632	2.0%	1,217	1.5%	1.3
2023	81,499	2,682	3.4%	1,522	1.9%	1.8
YTD	79,901	1,084	1.4%	211	0.3%	5.1
2022	78,817	1,756	2.3%	692	0.9%	2.5
2021	77,061	1,066	1.4%	1,933	2.5%	0.6
2020	75,995	1,081	1.4%	1,474	1.9%	0.7
2019	74,914	1,280	1.7%	858	1.1%	1.5
2018	73,634	1,265	1.7%	1,564	2.1%	0.8
2017	72,369	643	0.9%	343	0.5%	1.9
2016	71,726	516	0.7%	13	0%	39.7
2015	71,210	483	0.7%	352	0.5%	1.4
2014	70,727	609	0.9%	589	0.8%	1.0
2013	70,118	410	0.6%	727	1.0%	0.6
2012	69,708	661	1.0%	812	1.2%	0.8
2011	69,047	396	0.6%	272	0.4%	1.5

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	63,969	(23)	0%	(121)	-0.2%	0.2
2026	63,992	(25)	0%	(3)	0%	8.3
2025	64,017	(32)	0%	(132)	-0.2%	0.2
2024	64,049	73	0.1%	(152)	-0.2%	-
2023	63,976	0	0%	(212)	-0.3%	0
YTD	63,976	0	0%	(76)	-0.1%	0
2022	63,976	46	0.1%	(346)	-0.5%	-
2021	63,930	(1)	0%	388	0.6%	0
2020	63,931	164	0.3%	309	0.5%	0.5
2019	63,767	55	0.1%	168	0.3%	0.3
2018	63,712	50	0.1%	285	0.4%	0.2
2017	63,662	(10)	0%	(156)	-0.2%	0.1
2016	63,672	52	0.1%	(368)	-0.6%	-
2015	63,620	34	0.1%	82	0.1%	0.4
2014	63,586	(50)	-0.1%	118	0.2%	-
2013	63,636	44	0.1%	306	0.5%	0.1
2012	63,592	22	0%	13	0%	1.7
2011	63,570	(10)	0%	(49)	-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	16,592	6.8%	0.2	\$1,806	\$2.17	2.1%	(0.5)	\$1,788	\$2.15
2026	15,833	6.6%	0	\$1,768	\$2.12	2.6%	0.1	\$1,750	\$2.10
2025	15,554	6.6%	(0.5)	\$1,723	\$2.07	2.5%	0.1	\$1,706	\$2.05
2024	16,323	7.1%	0.6	\$1,681	\$2.02	2.4%	0.4	\$1,664	\$2
2023	14,591	6.5%	1.3	\$1,642	\$1.97	2.0%	(2.2)	\$1,625	\$1.95
YTD	12,973	5.9%	0.7	\$1,614	\$1.93	2.4%	(1.8)	\$1,600	\$1.91
2022	11,406	5.2%	0	\$1,609	\$1.92	4.2%	(4.8)	\$1,595	\$1.91
2021	11,196	5.2%	(1.5)	\$1,543	\$1.84	9.1%	8.0	\$1,528	\$1.83
2020	13,988	6.7%	0.3	\$1,415	\$1.69	1.1%	(1.3)	\$1,393	\$1.66
2019	12,960	6.5%	0.5	\$1,400	\$1.67	2.4%	(0.1)	\$1,381	\$1.65
2018	11,514	5.9%	(0.4)	\$1,368	\$1.63	2.5%	0.5	\$1,339	\$1.60
2017	11,782	6.3%	0.2	\$1,335	\$1.59	2.0%	(1.5)	\$1,303	\$1.56
2016	11,076	6.1%	1.2	\$1,309	\$1.56	3.5%	(4.7)	\$1,281	\$1.53
2015	8,698	4.9%	0.2	\$1,265	\$1.51	8.2%	4.0	\$1,249	\$1.49
2014	8,178	4.8%	(0.2)	\$1,169	\$1.39	4.2%	0.5	\$1,156	\$1.38
2013	8,246	4.9%	(0.3)	\$1,122	\$1.34	3.7%	0.9	\$1,113	\$1.33
2012	8,640	5.2%	0.2	\$1,081	\$1.29	2.8%	1.1	\$1,073	\$1.28
2011	8,261	5.1%	0.1	\$1,052	\$1.25	1.7%	-	\$1,045	\$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	8,783	9.0%	0.1	\$2,054	\$2.46	1.9%	(0.5)	\$2,027	\$2.43
2026	8,236	9.0%	0.2	\$2,016	\$2.42	2.4%	0	\$1,989	\$2.38
2025	7,649	8.8%	(0.5)	\$1,970	\$2.36	2.3%	0.1	\$1,943	\$2.33
2024	7,750	9.3%	1.0	\$1,924	\$2.31	2.3%	0.8	\$1,898	\$2.27
2023	6,661	8.4%	1.9	\$1,882	\$2.25	1.5%	(2.6)	\$1,856	\$2.22
YTD	5,512	7.2%	0.7	\$1,856	\$2.22	2.1%	(2.0)	\$1,835	\$2.19
2022	4,893	6.5%	(1.8)	\$1,853	\$2.21	4.2%	(6.1)	\$1,831	\$2.19
2021	6,136	8.3%	(3.0)	\$1,780	\$2.12	10.2%	10.6	\$1,751	\$2.09
2020	7,681	11.3%	1.4	\$1,614	\$1.93	-0.4%	(1.9)	\$1,572	\$1.88
2019	6,125	9.9%	1.0	\$1,620	\$1.93	1.5%	(0.3)	\$1,586	\$1.89
2018	4,996	8.9%	(0.4)	\$1,596	\$1.91	1.8%	0.8	\$1,554	\$1.85
2017	4,746	9.3%	(0.5)	\$1,568	\$1.87	1.0%	(0.4)	\$1,519	\$1.81
2016	4,491	9.8%	2.5	\$1,553	\$1.85	1.4%	(5.0)	\$1,503	\$1.79
2015	3,032	7.3%	0.4	\$1,531	\$1.83	6.5%	3.3	\$1,506	\$1.80
2014	2,596	6.9%	(0.6)	\$1,438	\$1.72	3.1%	(0.2)	\$1,417	\$1.69
2013	2,519	7.5%	0.1	\$1,394	\$1.66	3.3%	0.7	\$1,380	\$1.65
2012	2,335	7.4%	1.3	\$1,350	\$1.61	2.6%	1.2	\$1,338	\$1.60
2011	1,817	6.1%	0.3	\$1,315	\$1.57	1.5%	-	\$1,307	\$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	4,612	5.5%	0.1	\$1,805	\$2.10	2.3%	(0.5)	\$1,790	\$2.08
2026	4,499	5.4%	(0.3)	\$1,765	\$2.06	2.8%	0.1	\$1,750	\$2.04
2025	4,786	5.7%	(1.0)	\$1,717	\$2	2.6%	0.2	\$1,703	\$1.98
2024	5,556	6.7%	0.4	\$1,673	\$1.95	2.4%	0.2	\$1,659	\$1.93
2023	5,141	6.3%	1.3	\$1,633	\$1.90	2.3%	(2.6)	\$1,620	\$1.89
YTD	4,846	6.1%	1.0	\$1,606	\$1.86	2.8%	(2.0)	\$1,594	\$1.85
2022	3,974	5.0%	1.3	\$1,597	\$1.85	4.8%	(5.3)	\$1,588	\$1.84
2021	2,910	3.8%	(1.2)	\$1,524	\$1.76	10.1%	7.9	\$1,515	\$1.75
2020	3,771	5.0%	(0.6)	\$1,384	\$1.60	2.2%	(1.1)	\$1,372	\$1.59
2019	4,155	5.5%	0.5	\$1,354	\$1.56	3.3%	0.2	\$1,341	\$1.55
2018	3,724	5.1%	(0.5)	\$1,310	\$1.51	3.1%	0.7	\$1,284	\$1.48
2017	4,006	5.5%	0.4	\$1,270	\$1.47	2.5%	(2.5)	\$1,244	\$1.44
2016	3,701	5.2%	0.7	\$1,240	\$1.43	5.0%	(5.5)	\$1,223	\$1.41
2015	3,199	4.5%	0.2	\$1,181	\$1.36	10.5%	5.1	\$1,168	\$1.35
2014	3,066	4.3%	0	\$1,068	\$1.23	5.4%	1.2	\$1,059	\$1.22
2013	3,043	4.3%	(0.5)	\$1,013	\$1.17	4.2%	1.0	\$1,007	\$1.16
2012	3,358	4.8%	(0.3)	\$972	\$1.12	3.2%	0.9	\$965	\$1.11
2011	3,505	5.1%	0.2	\$942	\$1.09	2.3%	-	\$936	\$1.08

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	3,196	5.0%	0.2	\$1,395	\$1.76	2.4%	(0.5)	\$1,388	\$1.75
2026	3,098	4.8%	0	\$1,362	\$1.72	2.8%	0.1	\$1,356	\$1.71
2025	3,118	4.9%	0.2	\$1,325	\$1.67	2.8%	0.2	\$1,318	\$1.66
2024	3,017	4.7%	0.4	\$1,289	\$1.63	2.6%	(0.3)	\$1,283	\$1.62
2023	2,789	4.4%	0.4	\$1,257	\$1.59	2.9%	(0.4)	\$1,250	\$1.58
YTD	2,615	4.1%	0.1	\$1,227	\$1.55	2.3%	(0.9)	\$1,222	\$1.54
2022	2,539	4.0%	0.6	\$1,222	\$1.54	3.2%	(0.9)	\$1,216	\$1.53
2021	2,149	3.4%	(0.6)	\$1,183	\$1.49	4.1%	1.8	\$1,178	\$1.48
2020	2,537	4.0%	(0.2)	\$1,136	\$1.43	2.4%	(0.2)	\$1,130	\$1.42
2019	2,681	4.2%	(0.2)	\$1,110	\$1.40	2.5%	(0.4)	\$1,104	\$1.39
2018	2,793	4.4%	(0.4)	\$1,082	\$1.36	2.9%	(0.5)	\$1,073	\$1.35
2017	3,030	4.8%	0.2	\$1,052	\$1.32	3.5%	(2.3)	\$1,042	\$1.31
2016	2,884	4.5%	0.7	\$1,017	\$1.28	5.8%	(2.6)	\$1,009	\$1.27
2015	2,468	3.9%	(0.1)	\$961	\$1.21	8.4%	3.4	\$954	\$1.20
2014	2,516	4.0%	(0.3)	\$886	\$1.11	5.0%	1.3	\$881	\$1.11
2013	2,684	4.2%	(0.4)	\$844	\$1.06	3.7%	1.0	\$839	\$1.05
2012	2,947	4.6%	0	\$814	\$1.02	2.7%	1.4	\$809	\$1.01
2011	2,939	4.6%	0.1	\$792	\$0.99	1.4%	-	\$787	\$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	-	-	-	-	-	-	\$329,427	343	4.4%
2026	-	-	-	-	-	-	\$323,221	336	4.4%
2025	-	-	-	-	-	-	\$314,552	327	4.4%
2024	-	-	-	-	-	-	\$306,468	319	4.4%
2023	-	-	-	-	-	-	\$298,307	310	4.4%
YTD	14	\$144.8M	0.4%	\$14,482,000	\$238,583	5.2%	\$297,110	309	4.3%
2022	291	\$3B	5.5%	\$13,378,529	\$277,237	5.0%	\$291,938	304	4.3%
2021	396	\$4.3B	8.1%	\$13,935,564	\$262,501	5.1%	\$276,322	288	4.4%
2020	236	\$1.8B	4.1%	\$9,987,780	\$228,516	5.5%	\$247,284	257	4.5%
2019	306	\$2.2B	5.8%	\$9,485,550	\$221,738	5.5%	\$233,515	243	4.8%
2018	353	\$2.2B	6.4%	\$9,221,014	\$211,547	5.4%	\$215,661	224	4.9%
2017	301	\$1.6B	5.3%	\$8,340,533	\$201,854	5.5%	\$200,403	209	5.1%
2016	309	\$3B	9.0%	\$11,570,117	\$188,305	5.5%	\$189,202	197	5.2%
2015	318	\$2.2B	8.6%	\$7,981,992	\$151,022	5.8%	\$176,942	184	5.3%
2014	233	\$1.5B	6.3%	\$7,438,555	\$144,410	6.3%	\$158,954	165	5.6%
2013	196	\$928.1M	5.4%	\$5,185,035	\$106,619	6.5%	\$144,559	150	5.9%
2012	190	\$868.4M	5.1%	\$5,231,559	\$107,733	6.6%	\$138,048	144	5.9%

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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.

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	-	-	-	-	-	-	\$429,865	312	4.1%
2026	-	-	-	-	-	-	\$422,539	306	4.1%
2025	-	-	-	-	-	-	\$411,989	299	4.1%
2024	-	-	-	-	-	-	\$402,000	292	4.1%
2023	-	-	-	-	-	-	\$391,608	284	4.1%
YTD	1	\$0	0.2%	-	-	-	\$390,294	283	4.1%
2022	30	\$941.3M	4.0%	\$33,617,375	\$344,667	4.8%	\$381,936	277	4.1%
2021	61	\$2.3B	9.9%	\$44,417,118	\$322,046	4.5%	\$365,270	265	4.1%
2020	33	\$889.4M	4.6%	\$28,691,217	\$314,508	5.1%	\$332,514	241	4.2%
2019	38	\$1.3B	8.4%	\$37,618,579	\$296,828	4.7%	\$317,355	230	4.4%
2018	33	\$949M	6.4%	\$33,894,122	\$311,363	4.8%	\$293,991	213	4.6%
2017	28	\$655.5M	6.5%	\$29,793,591	\$265,691	4.9%	\$276,627	201	4.7%
2016	37	\$1.8B	15.7%	\$49,306,783	\$247,255	4.6%	\$262,253	190	4.8%
2015	29	\$971.6M	12.6%	\$33,502,868	\$185,913	5.3%	\$249,107	181	4.9%
2014	24	\$641.5M	7.7%	\$26,728,317	\$220,062	5.5%	\$226,173	164	5.1%
2013	15	\$418.9M	7.7%	\$27,927,827	\$162,813	5.7%	\$207,590	151	5.4%
2012	15	\$296.4M	7.4%	\$19,759,848	\$128,533	5.8%	\$197,836	143	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	-	-	-	-	-	-	\$310,140	386	4.3%
2026	-	-	-	-	-	-	\$303,863	378	4.3%
2025	-	-	-	-	-	-	\$295,268	367	4.3%
2024	-	-	-	-	-	-	\$287,388	358	4.3%
2023	-	-	-	-	-	-	\$279,575	348	4.3%
YTD	5	\$126.1M	0.6%	\$25,220,000	\$246,771	4.8%	\$278,418	346	4.2%
2022	80	\$1.5B	6.9%	\$21,149,427	\$285,314	4.9%	\$274,121	341	4.3%
2021	106	\$1.5B	8.2%	\$16,417,727	\$246,843	4.9%	\$256,611	319	4.3%
2020	64	\$591.1M	3.9%	\$10,369,492	\$202,835	5.3%	\$224,702	280	4.5%
2019	64	\$497.9M	3.7%	\$9,762,354	\$192,009	5.7%	\$209,551	261	4.7%
2018	90	\$925.5M	6.6%	\$12,019,857	\$199,081	5.3%	\$193,117	240	4.9%
2017	75	\$717.6M	5.4%	\$11,764,256	\$195,218	5.3%	\$176,733	220	5.1%
2016	84	\$936.9M	8.5%	\$12,010,906	\$156,350	5.5%	\$166,571	207	5.2%
2015	86	\$891.2M	8.6%	\$12,730,914	\$148,478	5.4%	\$152,454	190	5.4%
2014	66	\$729.9M	8.0%	\$11,405,447	\$129,584	6.0%	\$135,698	169	5.6%
2013	53	\$357.2M	5.6%	\$7,441,669	\$94,547	6.3%	\$121,969	152	6.0%
2012	47	\$430.1M	5.6%	\$10,001,459	\$114,929	6.4%	\$116,305	145	6.0%

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1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$223,903	360	4.8%
2026	-	-	-	-	-	-	\$219,249	352	4.8%
2025	-	-	-	-	-	-	\$212,929	342	4.8%
2024	-	-	-	-	-	-	\$207,057	333	4.8%
2023	-	-	-	-	-	-	\$201,344	323	4.8%
YTD	8	\$18.7M	0.2%	\$3,744,000	\$195,000	5.6%	\$200,248	322	4.8%
2022	181	\$580.7M	5.5%	\$4,572,062	\$199,400	5.0%	\$198,079	318	4.8%
2021	229	\$516.4M	6.1%	\$3,130,000	\$161,492	5.3%	\$186,298	299	4.8%
2020	139	\$327.3M	3.9%	\$3,519,349	\$150,899	5.7%	\$165,841	266	5.0%
2019	204	\$404.8M	5.8%	\$2,791,480	\$137,816	5.6%	\$155,686	250	5.2%
2018	230	\$366.1M	6.0%	\$2,653,202	\$126,474	5.6%	\$143,147	230	5.4%
2017	198	\$245M	4.2%	\$2,207,070	\$130,798	5.8%	\$132,096	212	5.6%
2016	188	\$261.6M	4.8%	\$1,829,546	\$99,857	5.7%	\$123,670	199	5.7%
2015	203	\$364.2M	5.9%	\$2,023,492	\$103,533	6.0%	\$114,983	185	5.9%
2014	143	\$146M	3.6%	\$1,258,939	\$74,509	6.8%	\$101,826	164	6.2%
2013	128	\$152M	3.9%	\$1,310,377	\$64,573	6.8%	\$92,010	148	6.5%
2012	128	\$142M	3.4%	\$1,314,614	\$70,531	6.9%	\$88,614	142	6.5%

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DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2027	-	244,803	6.8%	-	5,448	-	5,378	-	-
2026	-	239,425	6.6%	-	5,130	-	5,075	-	-
2025	-	234,350	6.6%	-	4,173	-	4,060	-	-
2024	-	230,290	7.1%	-	5,163	-	5,267	-	-
2023	-	225,023	6.5%	-	6,462	-	6,462	-	-
YTD	5,239	220,621	5.9%	16	2,060	16	2,060	70	10,361
2022	5,223	218,561	5.2%	65	3,558	64	3,496	79	11,690
2021	5,159	215,065	5.2%	77	7,076	75	7,063	85	6,579
2020	5,084	208,002	6.7%	81	7,294	81	7,294	108	9,567
2019	5,003	200,708	6.5%	109	7,026	108	7,017	130	12,395
2018	4,895	193,691	5.9%	94	6,738	93	6,709	151	12,476
2017	4,802	186,981	6.3%	68	5,647	65	5,612	136	12,425
2016	4,737	181,367	6.1%	63	5,115	62	5,104	107	9,638
2015	4,675	176,263	4.9%	59	4,286	59	4,286	87	8,781
2014	4,616	171,977	4.8%	57	4,760	54	4,676	75	7,039
2013	4,562	167,301	4.9%	35	2,656	35	2,656	69	6,811
2012	4,527	164,645	5.2%	25	2,288	24	2,282	49	4,440
2011	4,503	162,363	5.1%	6	445	3	417	34	3,278