



Multifamily MARKET PULSE

A Snapshot of the Pacific Northwest Multifamily Housing Market

Property management has always had some complexity to it, but add a pandemic and eviction moratoriums and 2020 has officially introduced more challenges than ever. As we come up on one year since the Coronavirus outbreak struck the Pacific Northwest, the good news is both Oregon and Washington are weathering the economic storm caused by COVID-19 fairly well. Rents are actually increasing as units turnover in areas like Southwest Washington, Gresham, and Hillsboro. Read below for specific submarket snapshots. Information on state-specific eviction moratorium and rental assistance programs are included at the end of this report.

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[Jump to Portland Market Report](#)

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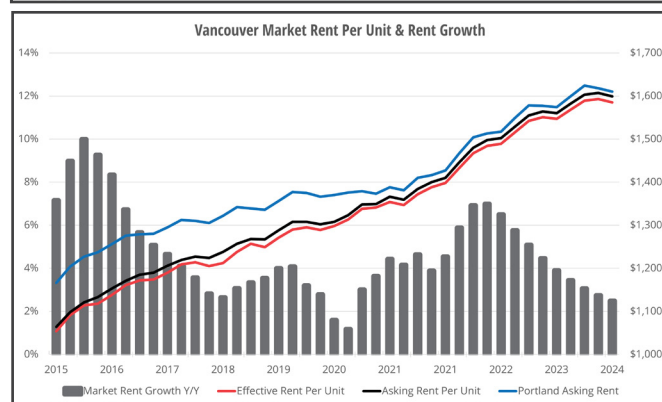
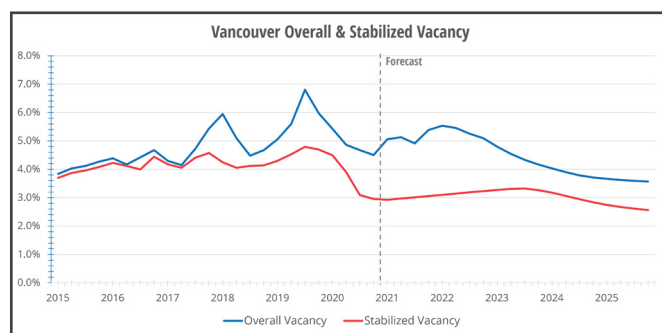
[Jump to Tri-Cities Market Report](#)

VANCOUVER Multifamily

12 Mo. Delivered Units	12 Mo. Absorption Units	Vacancy Rate	12 Mo. Asking Rent Growth
891	1,336	4.2%	3.9%

- ▶ Demand is high and vacancies are low.
- ▶ More apartments are under construction in Vancouver than anywhere else in the Portland-metro area.
- ▶ Despite the pandemic, investment in 2020 was more than double the long-term average.
- ▶ In 2019, Vancouver saw four of its five biggest apartment sales of the past decade.
- ▶ In light of increasing regulations in Portland and in Oregon, Vancouver's profile may rise further among multifamily stakeholders.

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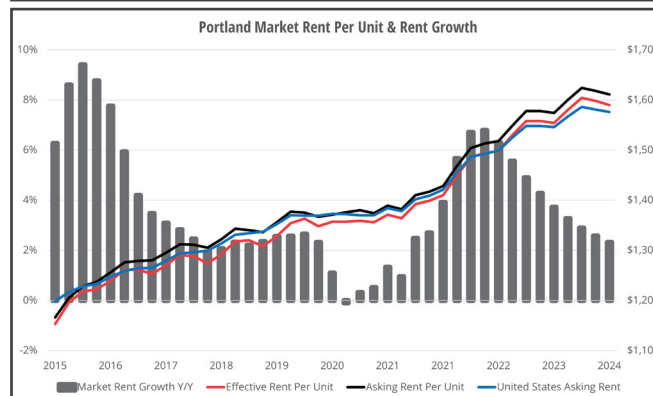
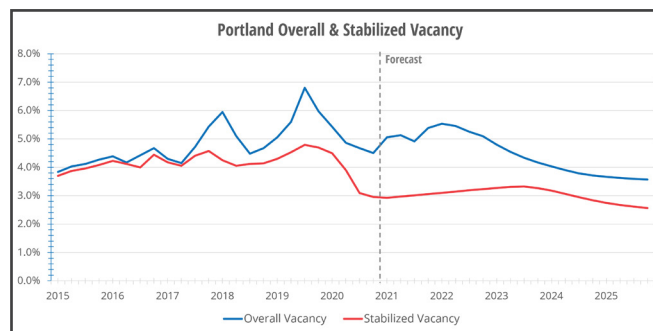
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PORTLAND *Multifamily*

12 Mo. Delivered Units	12 Mo. Absorption Units	Vacancy Rate	12 Mo. Asking Rent Growth
6,319	6,122	6.6%	0.8%

- ▶ Apartment demand remains strong, though Downtown Portland has seen sharp demand losses due to civil unrest throughout 2020.
- ▶ Average apartment rents only rose about 0.5% in 2020. Given the scale of economic disruption, that can be considered a strong performance.
- ▶ In areas like Lake Oswego and Beaverton, rents grew by more than 2% in 2020, despite the economic disruption.
- ▶ Rents fell by more than 6% in Downtown Portland, and more than 5% in Northwest Portland.

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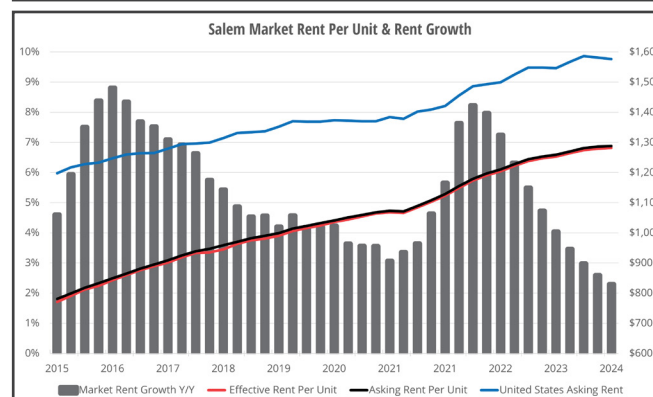
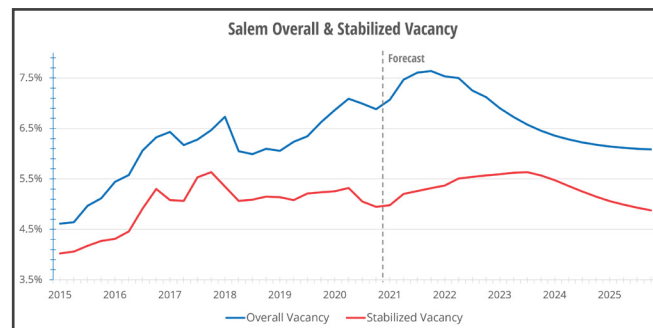


SALEM *Multifamily*

12 Mo. Delivered Units	12 Mo. Absorption Units	Vacancy Rate	12 Mo. Asking Rent Growth
784	872	3.5%	3.3%

- ▶ Salem currently boasts exceptionally low vacancies, thanks to the strength of its apartment sector prior to the pandemic.
- ▶ It is likely that Salem apartments will see rising vacancies, falling rents, delayed developments, and slowing investments following significant challenges from the coronavirus pandemic. Just how steep that drop will be remains in question.
- ▶ Despite the pandemic, 2020 apartment investment has already exceeded Salem's historical average, and price-per-unit continues to rise.

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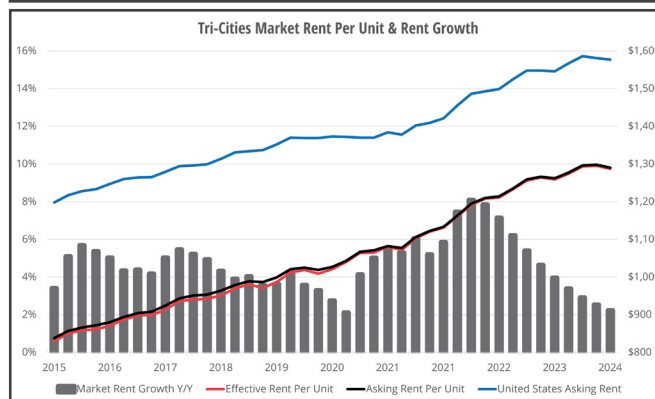
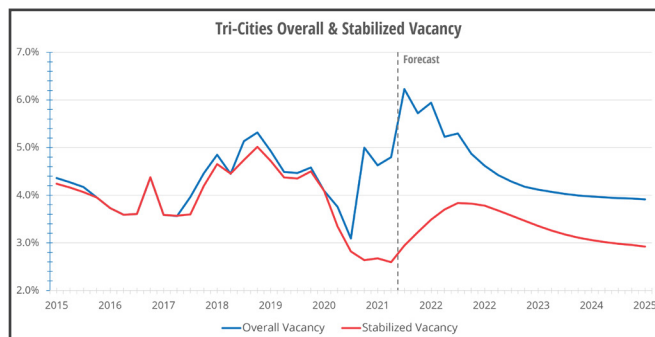
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TRI-CITIES *Multifamily*

12 Mo. Delivered Units	12 Mo. Absorption Units	Vacancy Rate	12 Mo. Asking Rent Growth
414	347	4.8%	5.2%

- ▶ Apartment rents in the Tri-Cities market rose 5.2% in the past quarter, and had an average annual gain of 3.8% over the past three years.
- ▶ In addition to the 520 units delivered over the past three years (a cumulative inventory expansion of 4.8%), there are 500 units currently underway.
- ▶ Vacancies have changed very little over the past four quarters.

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Eviction Moratoriums: Eviction moratoriums have been extended until March 31, 2021 in Washington and June 30, 2021 in Oregon.

Rental Assistance Programs: Both Washington and Oregon continue to offer rental assistance programs, set up so that landlords receive funds directly when tenant applications are approved.

Oregon Landlord Compensation Fund: The Oregon State Legislature special session passed a \$150 million landlord compensation fund that compensates up to 80% of past-due rent not collected from qualified tenants after April 1, 2020, but requires landlords to forgive the remaining 20%.

Washington State Eviction Resolution Program (ERP): In September 2020, the Washington Supreme Court issued an Order authorizing the creation of the Eviction Resolution Program “ERP” in King County, Pierce County, Snohomish County, Spokane County, Thurston County, and Clark County Superior Courts. Landlords in these affected counties will be required to participate in the ERP prior to filing any unlawful detainer action for non-payment. ERP is currently a voluntary program, but will become compulsory when the Eviction Moratorium expires on March 31, 2021.

This Multifamily Market Pulse brought to you by **TMG Property Management NW**, providing property management services across Washington and Oregon since 1985. The TMG Family of Companies specializes in both multifamily and single family property management, homeowners association management, maintenance, and home repair.



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