



Multifamily MARKET PULSE

A Snapshot of the Pacific Northwest Multifamily Housing Market

It has been roughly one year since the global pandemic put the housing market on hold and the US economy suffered its biggest blow since the Great Depression. Back in March of last year, the real estate market looked to be headed into a steep decline due to widespread stay-home orders. Fortunately, multifamily weathered the 2020 recession better than most property sectors. Still, it was a tough year, as many owners lost rental income plus ancillary income from waived fees, deferred rents, and delinquencies. As we enter the second quarter of 2021, the outlook for multifamily in the Pacific Northwest trends positively for vacancy rates and rent growth. Read below for specific submarket snapshots.

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[Jump to Salem
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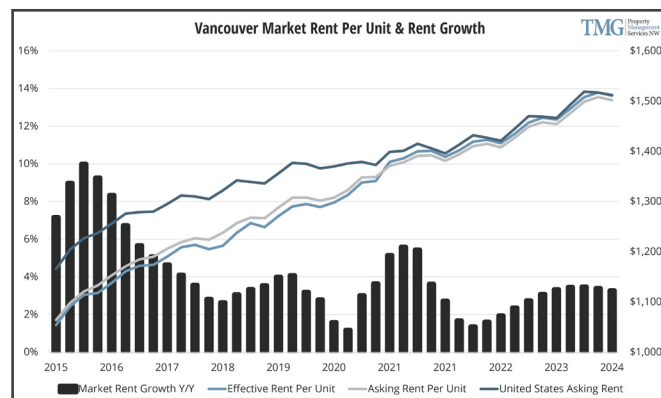
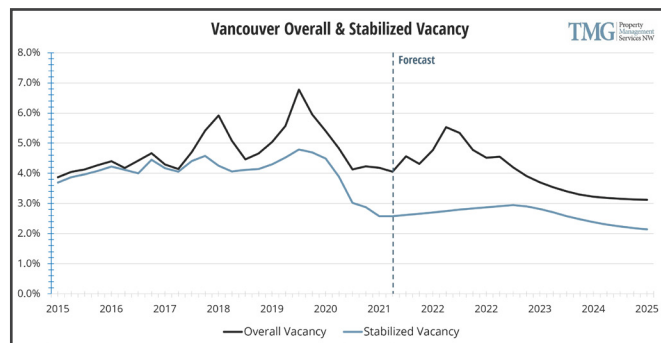
[Jump to Tri-Cities
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VANCOUVER Multifamily

| | | | |
|---------------------------|----------------------------|-----------------|------------------------------|
| 12 Mo. Delivered Units | 12 Mo. Absorption Units | Vacancy Rate | 12 Mo. Asking Rent Growth |
| 980 | 1,331 | 4.1% | 5.6% |

- ▶ More apartments are under construction in Vancouver than anywhere else in the Portland-metro area.
- ▶ Despite the construction surge, demand is high and vacancies are low.
- ▶ Vancouver's rent growth has outperformed the overall Portland metro for the past six years, and year-over-year submarket gains are significantly stronger than Portland's performance amid the pandemic.
- ▶ The fourth quarter of 2020 set a record with more than \$250 million in deals closed.

[Click Here to Read the Vancouver CoStar Report](#)



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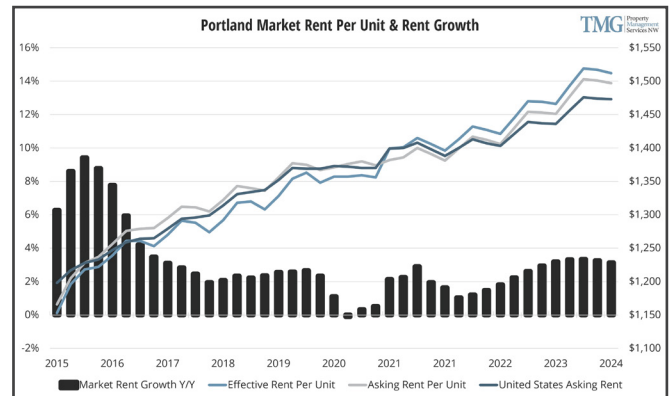
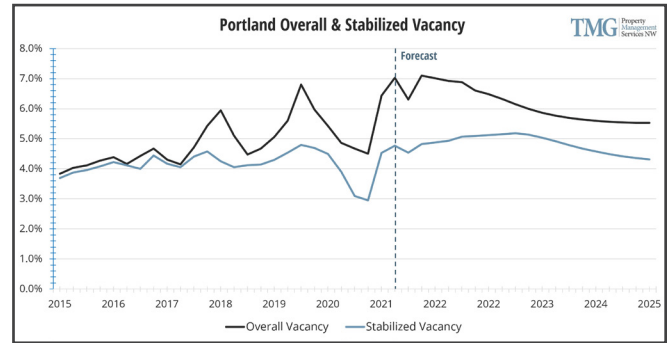
Tri-Cities
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PORTLAND *Multifamily*

| | | | |
|------------------------|-------------------------|--------------|---------------------------|
| 12 Mo. Delivered Units | 12 Mo. Absorption Units | Vacancy Rate | 12 Mo. Asking Rent Growth |
| 6,186 | 6,853 | 6.3% | 2.2% |

- ▶ In contrast to many Western U.S. metros, vacancies declined slightly in Portland in 2020.
- ▶ Rent levels in Portland have fully recovered to pre-pandemic levels. (Nationally, rents were essentially stagnant last year. In Seattle, they fell by more than 3% and in San Francisco, by more than 12%).
- ▶ Some newly remote workers are leaving pricey coastal cities for less dense, less expensive options, and Portland seems to be reaping the benefits of that trend.

[Click Here to Read the Portland CoStar Report](#)

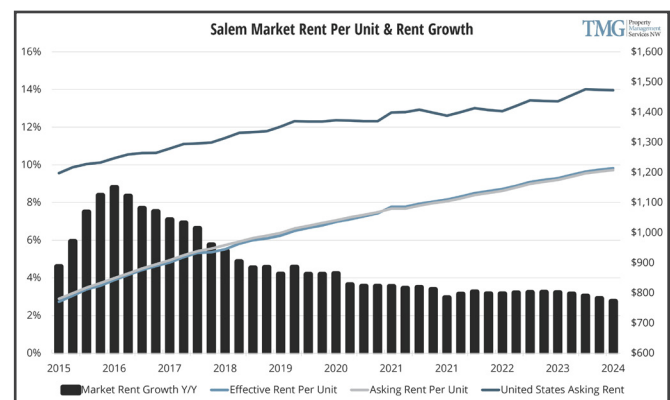
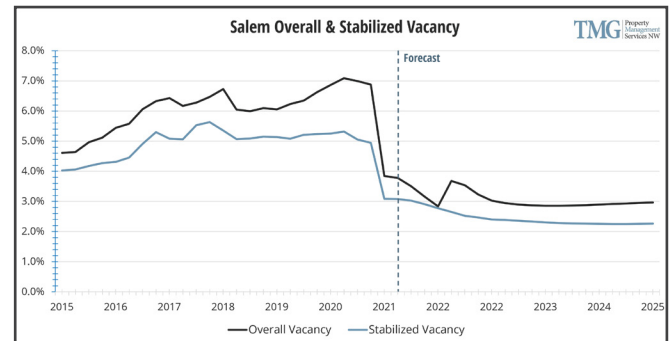


SALEM *Multifamily*

| | | | |
|------------------------|-------------------------|--------------|---------------------------|
| 12 Mo. Delivered Units | 12 Mo. Absorption Units | Vacancy Rate | 12 Mo. Asking Rent Growth |
| 862 | 820 | 3.8% | 3.4% |

- ▶ Salem's vacancy rate is substantially below both Portland's performance and the national figure.
- ▶ Continued demand for apartments has fueled rent growth in Salem, which is now performing near the top of all Oregon metros.
- ▶ Cumulative rent gains in Salem outpace Portland's performance.
- ▶ It is likely that Salem apartments will see rising vacancies, falling rents, delayed developments, and slowing investments following significant challenges from the coronavirus pandemic.

[Click Here to Read the Salem CoStar Report](#)



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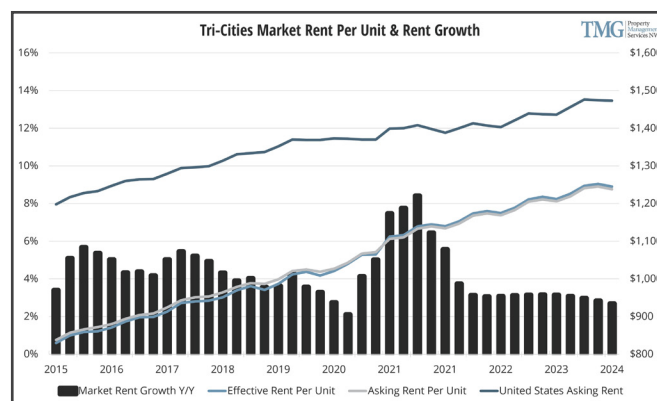
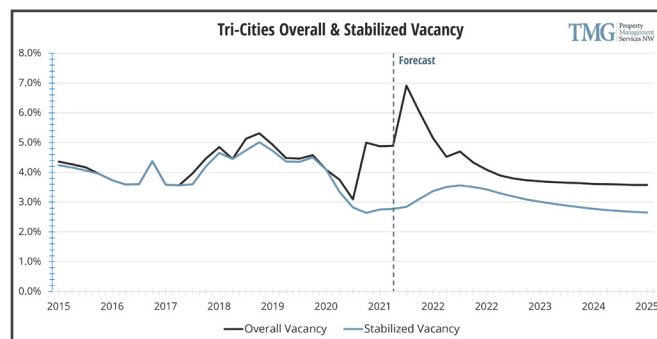
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TRI-CITIES *Multifamily*

| | | | |
|------------------------|-------------------------|--------------|---------------------------|
| 12 Mo. Delivered Units | 12 Mo. Absorption Units | Vacancy Rate | 12 Mo. Asking Rent Growth |
| 407 | 294 | 4.9% | 7.7% |

- ▶ Apartment rents in the Tri-Cities market rose 7.7% in the past quarter, and had an average annual gain of 4.2% over the past three years.
- ▶ In addition to the 520 units delivered over the past three years (a cumulative inventory expansion of 4.7%), there are 500 units currently underway.
- ▶ Vacancies moved up slightly over the past four quarters, but were basically in line with the 10-year average.

[Click Here to Read the Kennewick/Richland CoStar Report](#)



Eviction Moratoriums: Eviction moratoriums have been extended until **June 30, 2021** in Washington. Extensions to eviction moratoriums in Oregon make it possible for tenants to remain eligible until June 30, 2021 as well.

LOCAL RESOURCES:

[Oregon Landlord Compensation Fund](#)

[Oregon Supporting Tenants Accessing Rental Relief Program \(STARR\)](#)

[Washington Eviction Rent Assistance Program \(ERAP\)](#)

[Washington Treasury Rent Assistance Program \(T-RAP\)](#)

[Washington ERAP/T-RAP Crosswalk](#)

[Washington Eviction Resolution Program \(ERP\)](#)

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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