

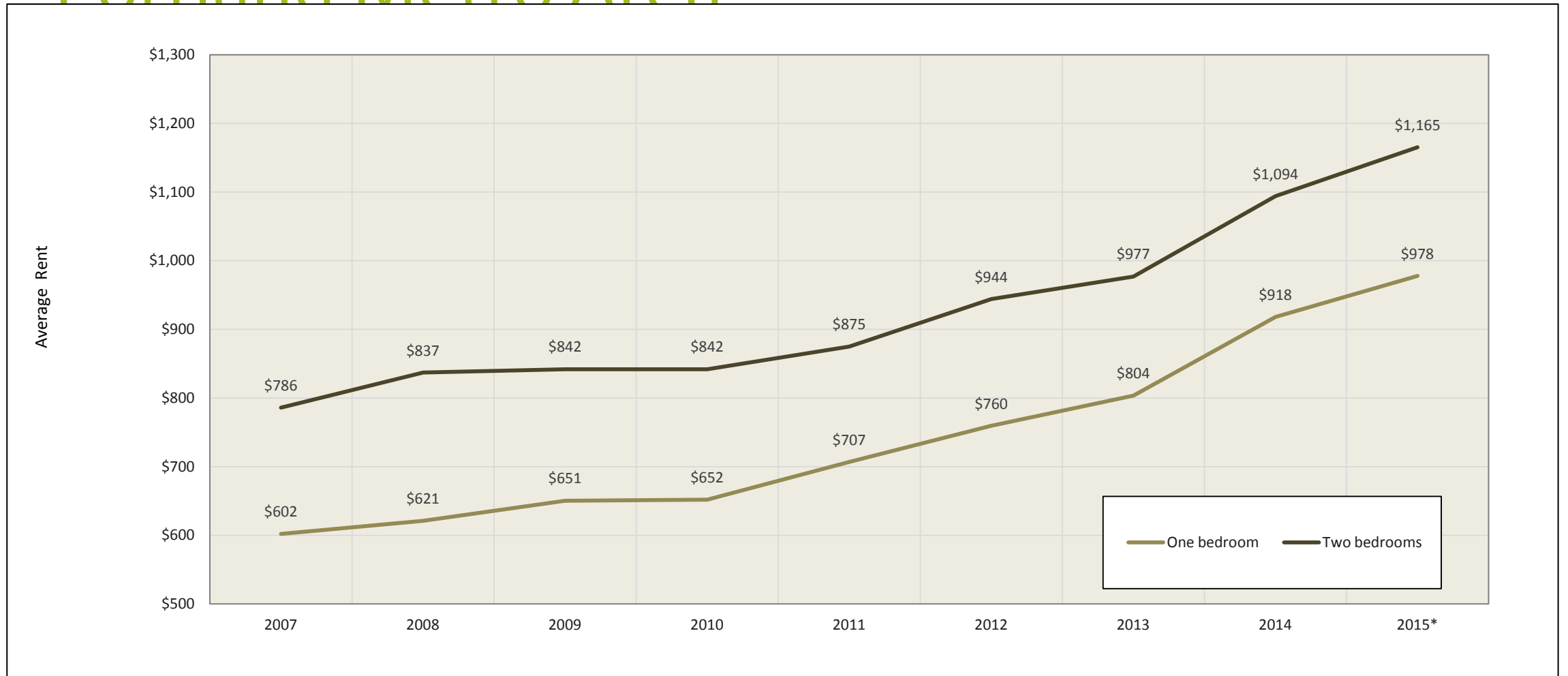
# RESIDENTIAL MARKET TRENDS AND CONDITIONS

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Johnson Economics

# AVERAGE MONTHLY APARTMENT RENT

## Portland Metro Area

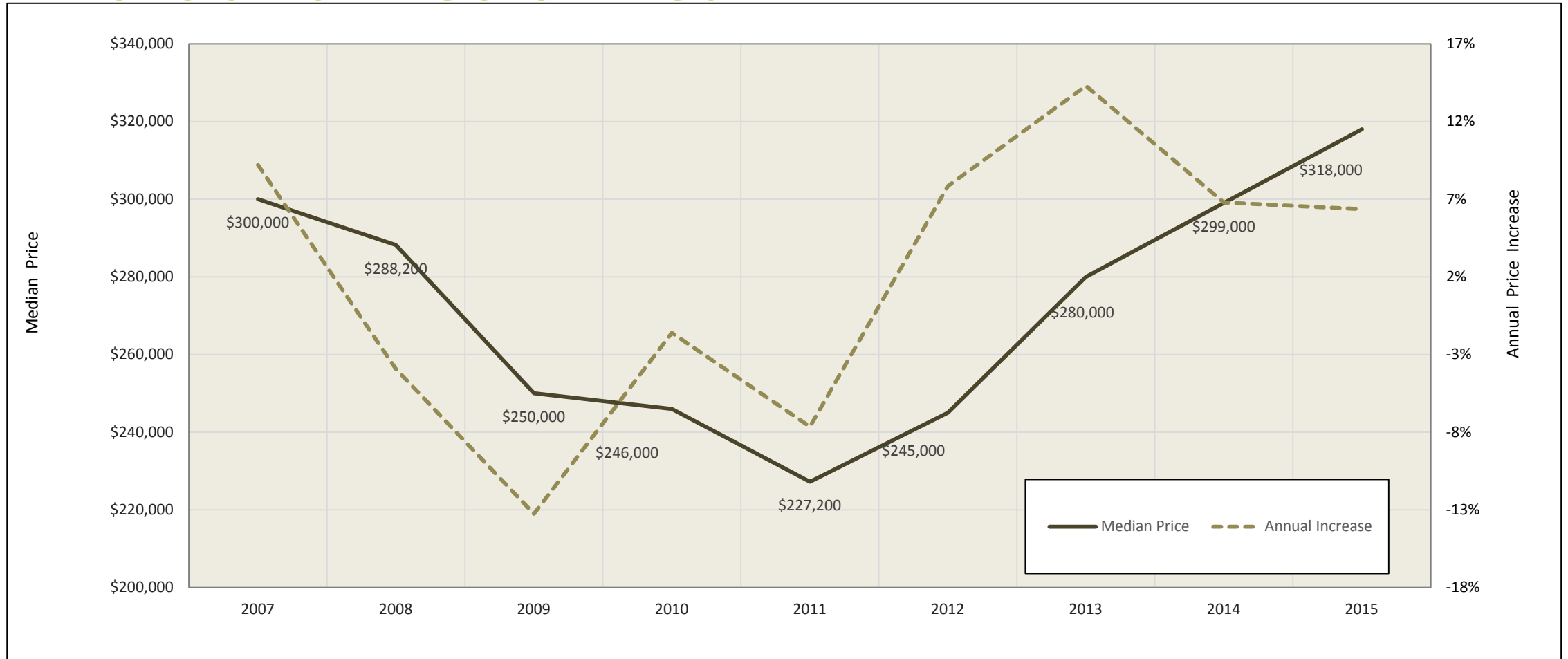


\* 2015 data reflects Q2 increase (6.5%) reported by Axiometrics, added to spring data from Multifamily NW. For other years, the rents represent averages of Multifamily NW spring and fall data.

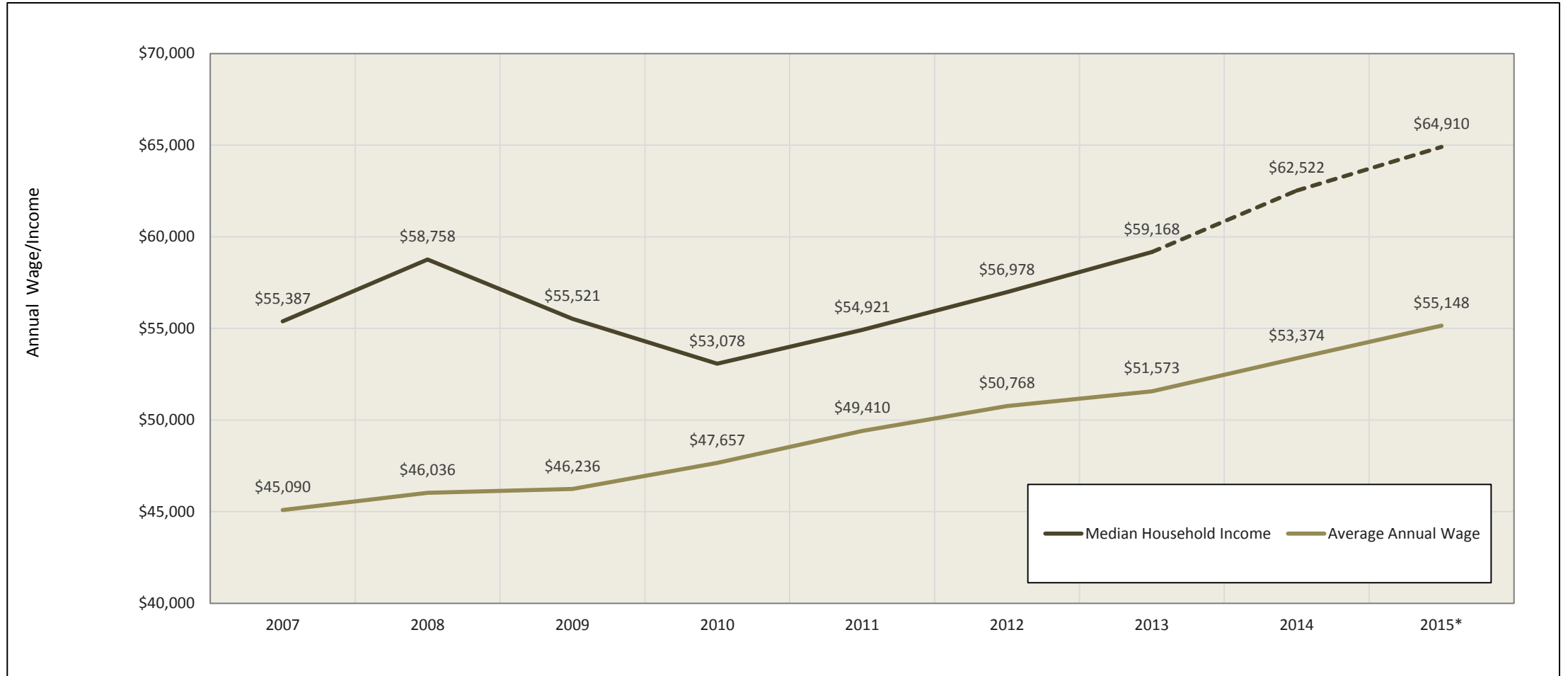
SOURCE: Multifamily NW, Axiometrics, JOHNSON ECONOMICS

# MEDIAN HOME SALES PRICES

## Portland Metro Area



# AVERAGE ANNUAL WAGE AND MEDIAN HOUSEHOLD INCOME Portland Metro Area

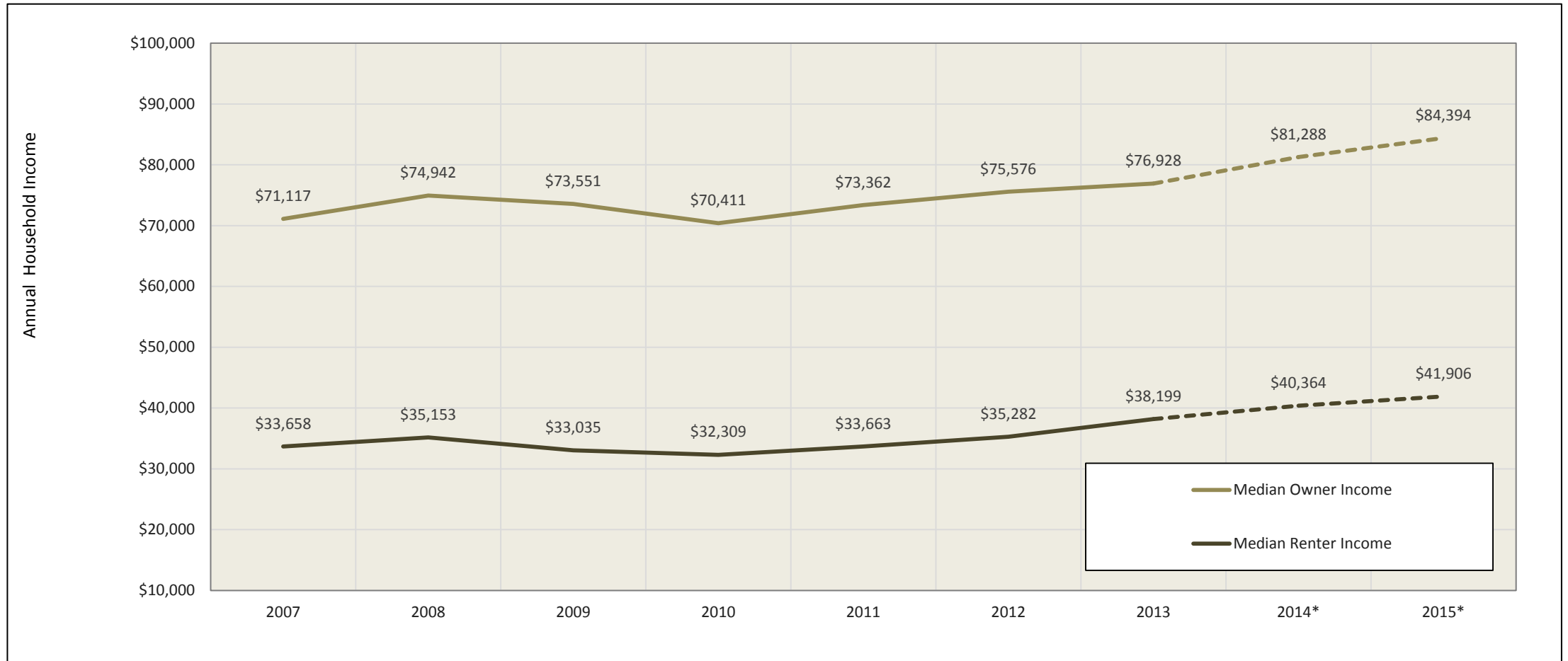


\* 2015 wage estimate reflects 1Q15 increase over 1Q14, applied to 2014 annual figure.

SOURCE: Oregon Employment Department (QCEW), U.S. Census Bureau, JOHNSON ECONOMICS

# MEDIAN HOUSEHOLD INCOME BY TENURE

## Portland Metro Area

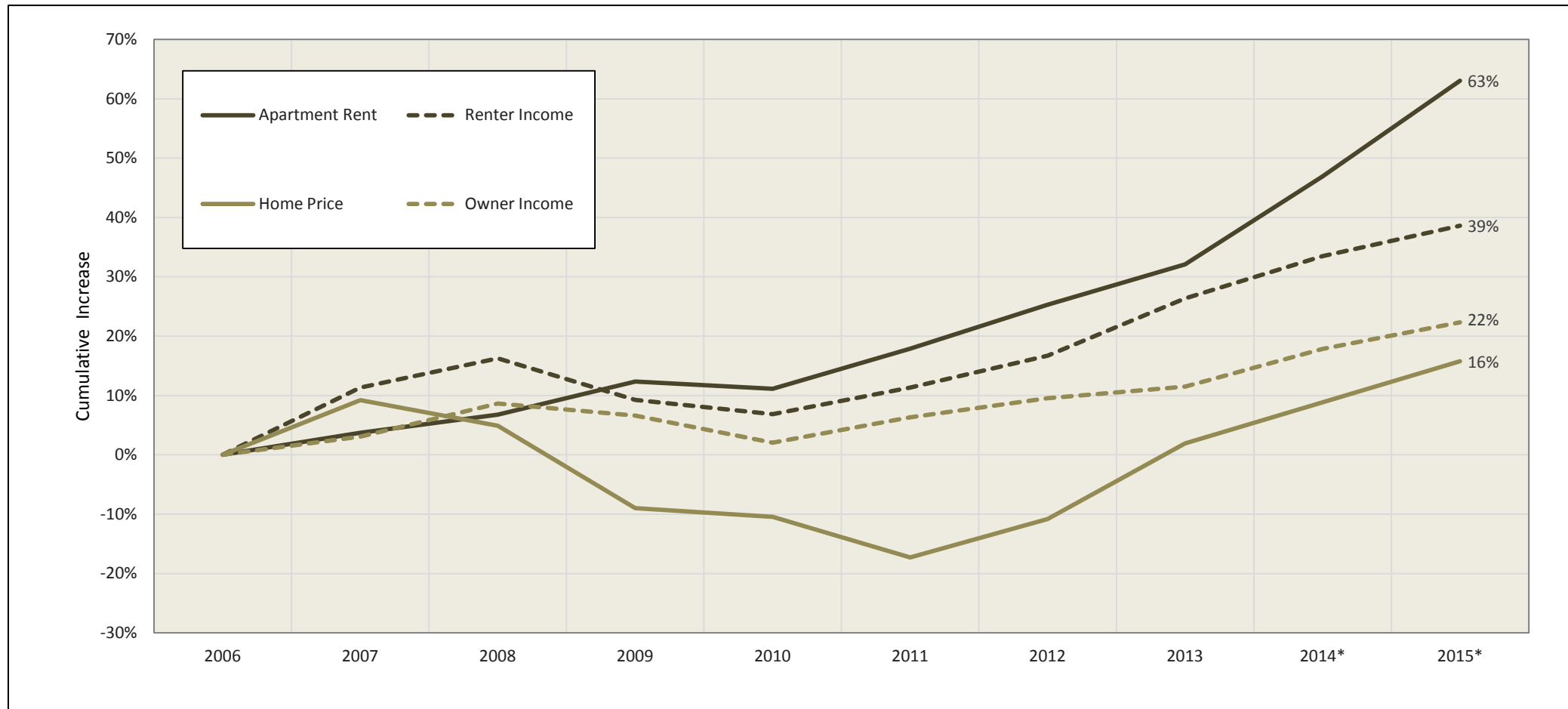


\* 2014 and 2015 estimates are based on estimated total household income growth.

SOURCE: U.S. Census Bureau, JOHNSON ECONOMICS

# CUMULATIVE INCREASE IN RENTS AND HOME PRICES

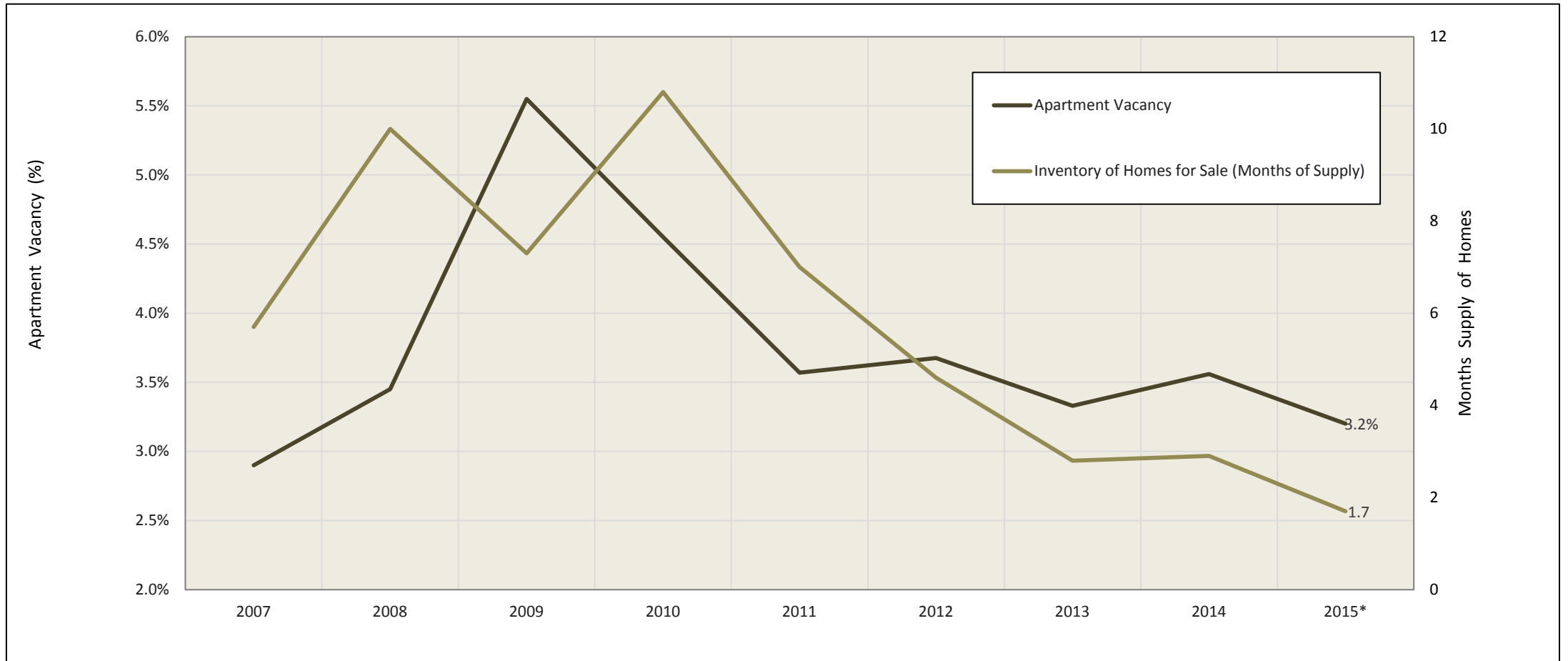
## Portland Metro Area, 2006-2015



\* 2014 and 2015 estimates are based on estimated total household income growth

SOURCE: U.S. Census Bureau, JOHNSON ECONOMICS

# APARTMENT VACANCY AND MONTHS SUPPLY OF HOMES FOR SALE Portland Metro Area

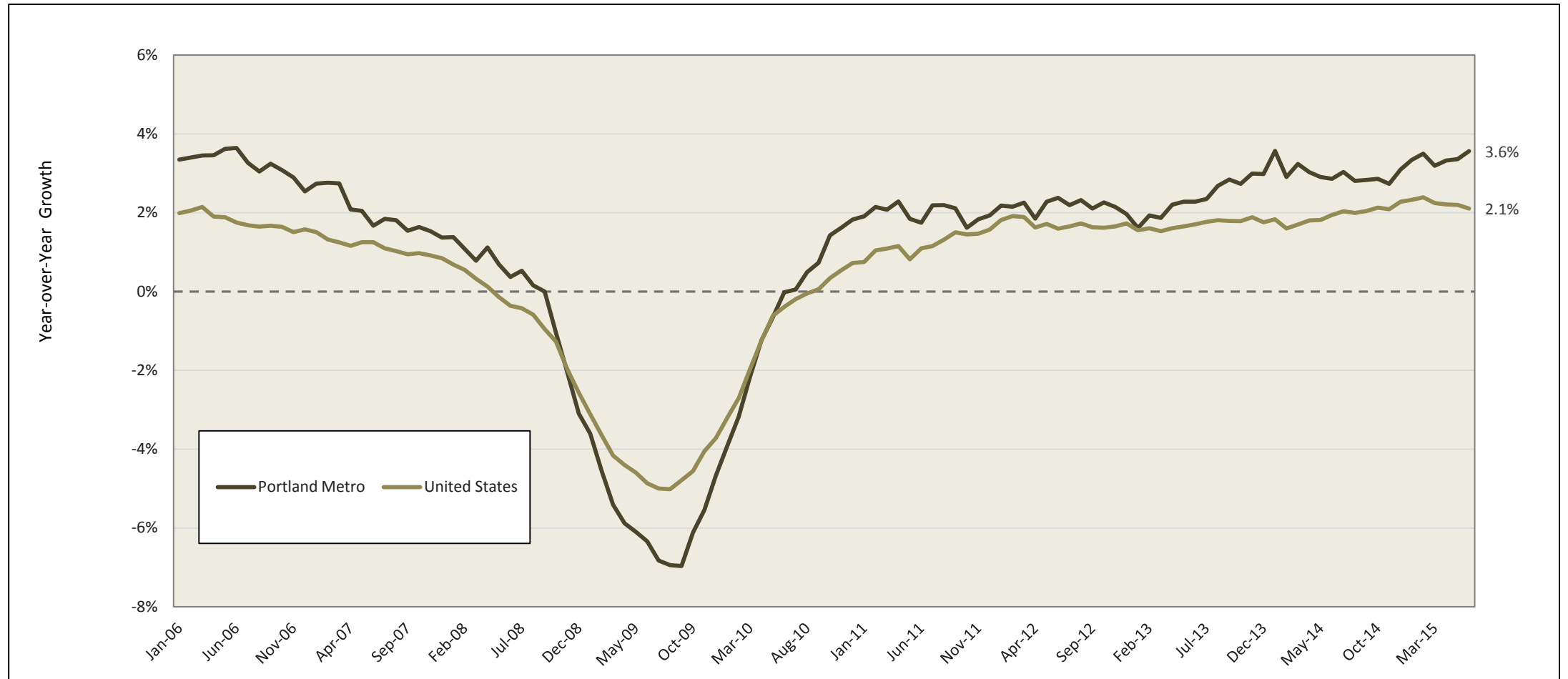


\* 2015 vacancy is based on Axiometrics' Q2 report; all other vacancy rates are averages of Multifamily NW spring/fall surveys.

SOURCE: Multifamily NW, Axiometrics, RMLS, JOHNSON ECONOMICS

# YEAR OVER YEAR EMPLOYMENT GROWTH RATE

## Portland Metro Area and National



SOURCE: Oregon Employment Department, JOHNSON ECONOMICS



# ANNUAL POPULATION GROWTH

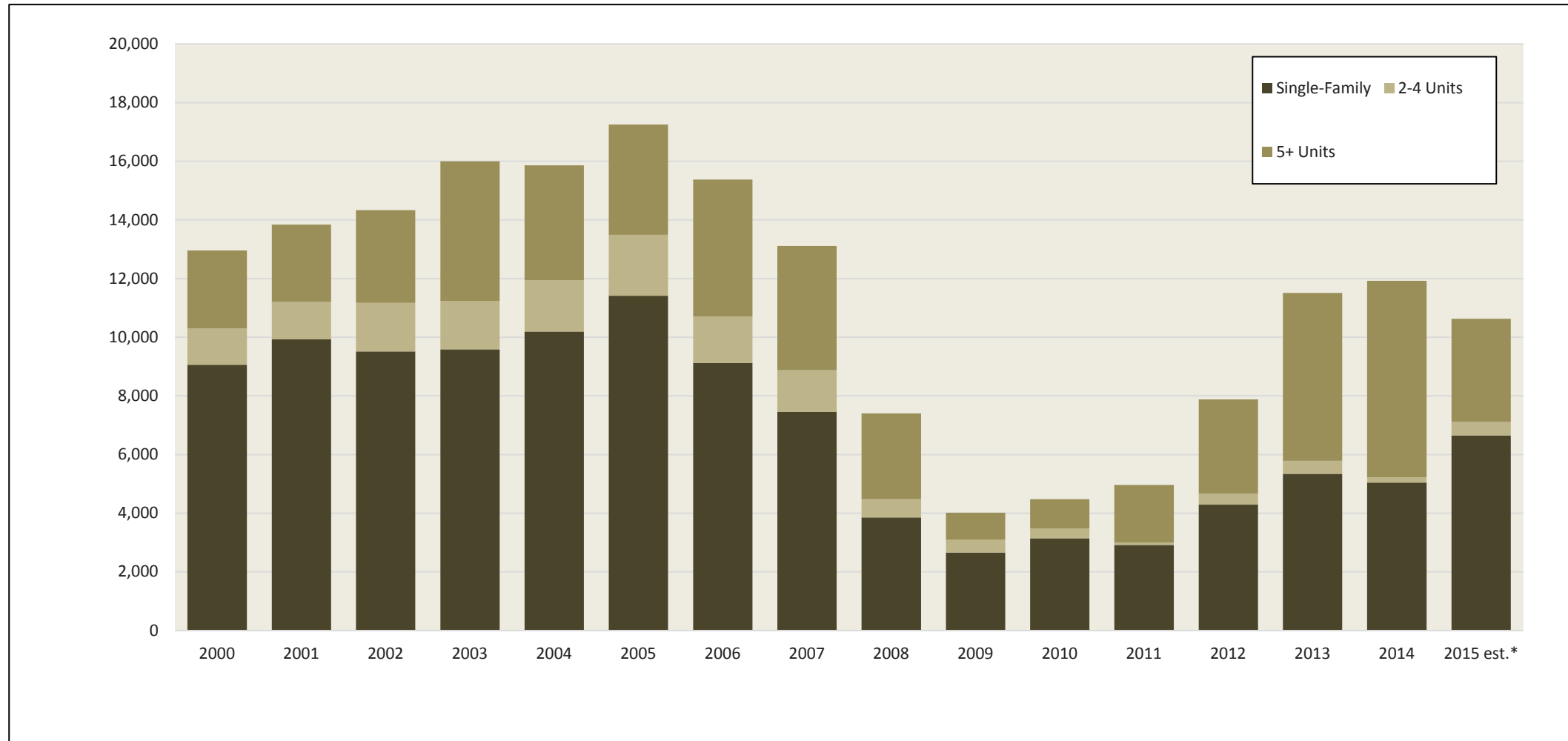
## Portland Metro Area



SOURCE: U.S. Census Bureau, JOHNSON ECONOMICS

# RESIDENTIAL BUILDING PERMITS

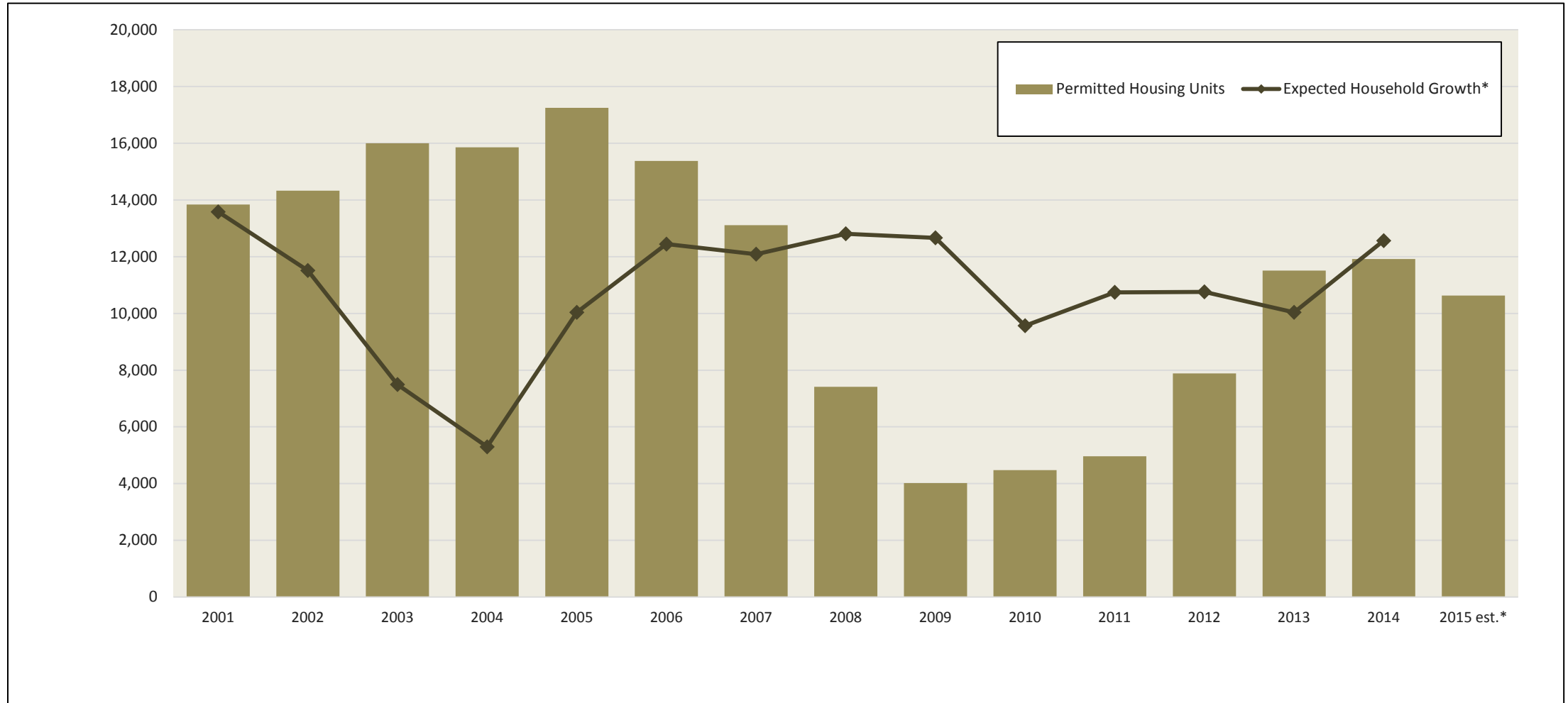
## Portland Metro Area



\* 2015 estimates based on 1H14 to 1H15 increase, applied to 2014 full-year estimates.

SOURCE: U.S. Census Bureau, JOHNSON ECONOMICS

# RESIDENTIAL BUILDING PERMITS AND HOUSEHOLD GROWTH Portland Metro Area

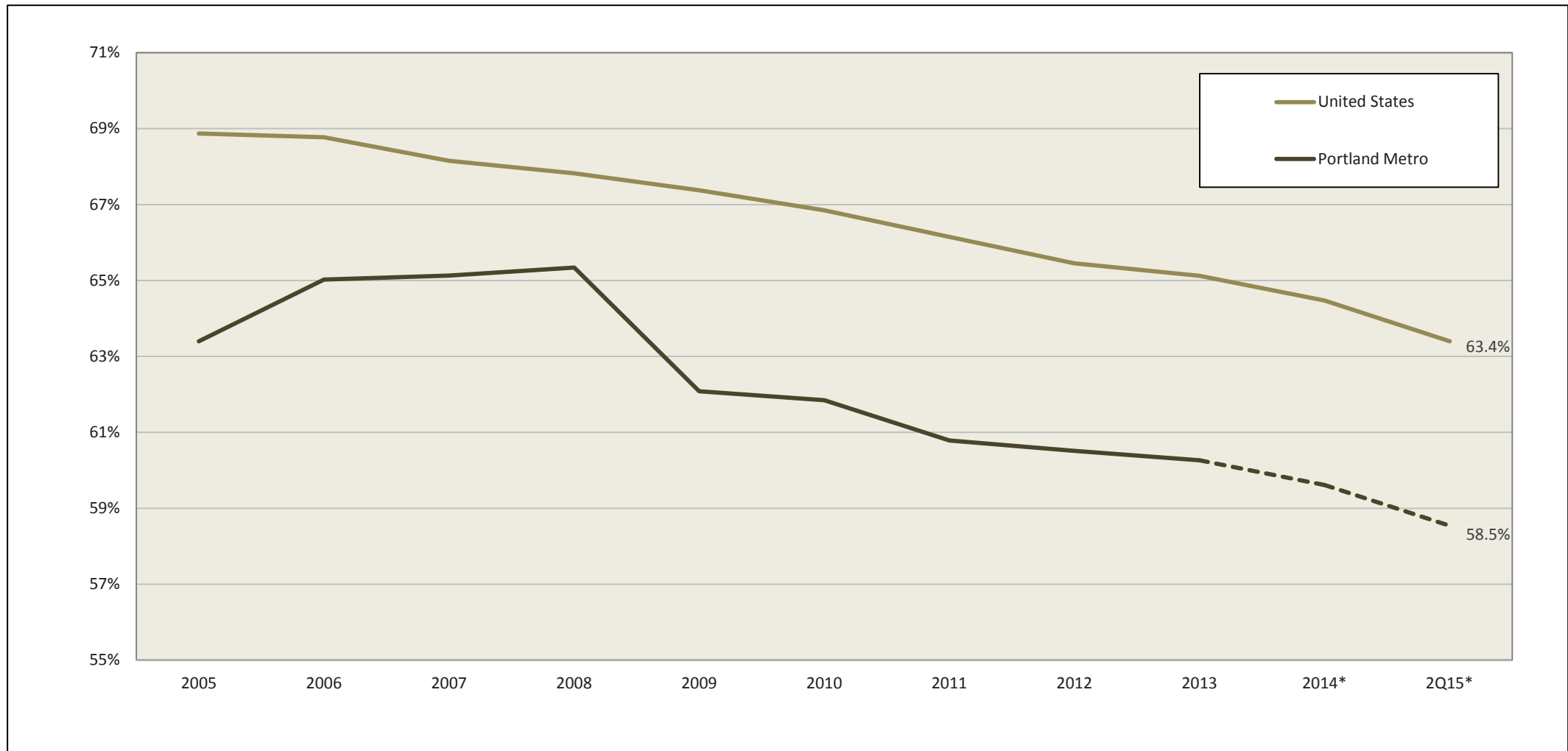


\* Population growth divided by 2.57, which is the long-term average household size in the Portland Metro Area.

SOURCE: U.S. Census Bureau, JOHNSON ECONOMICS

# HOMEOWNERSHIP RATE

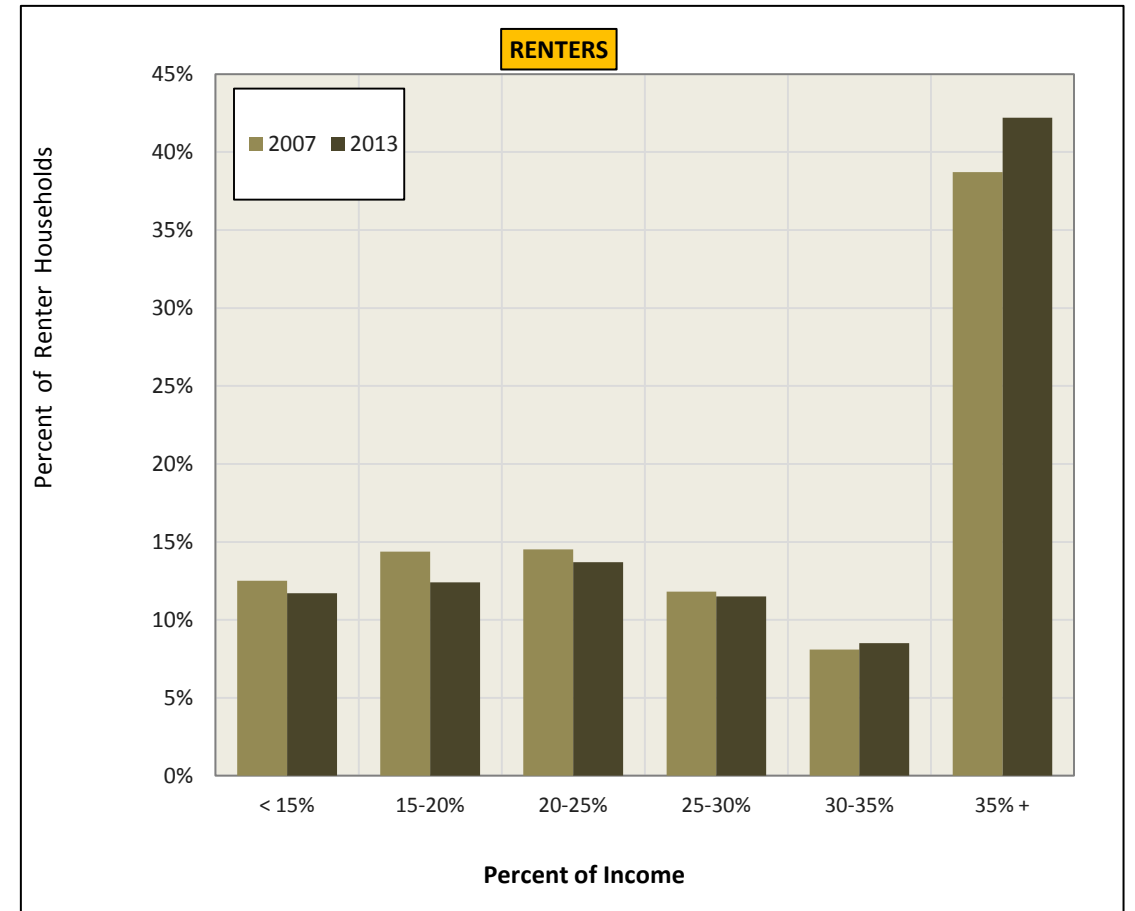
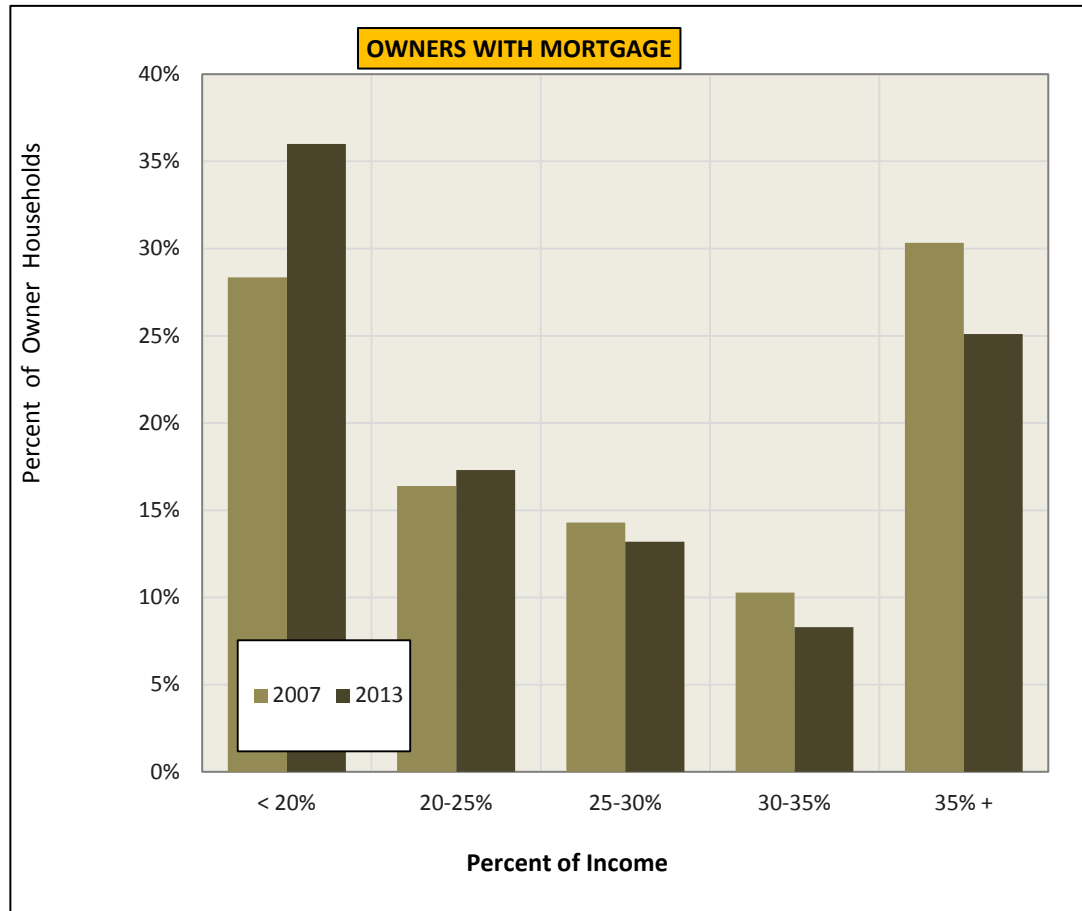
## Portland Metro Area and National



\* 2014 and 2015 estimates for Portland Metro based on nationwide decline over the period.

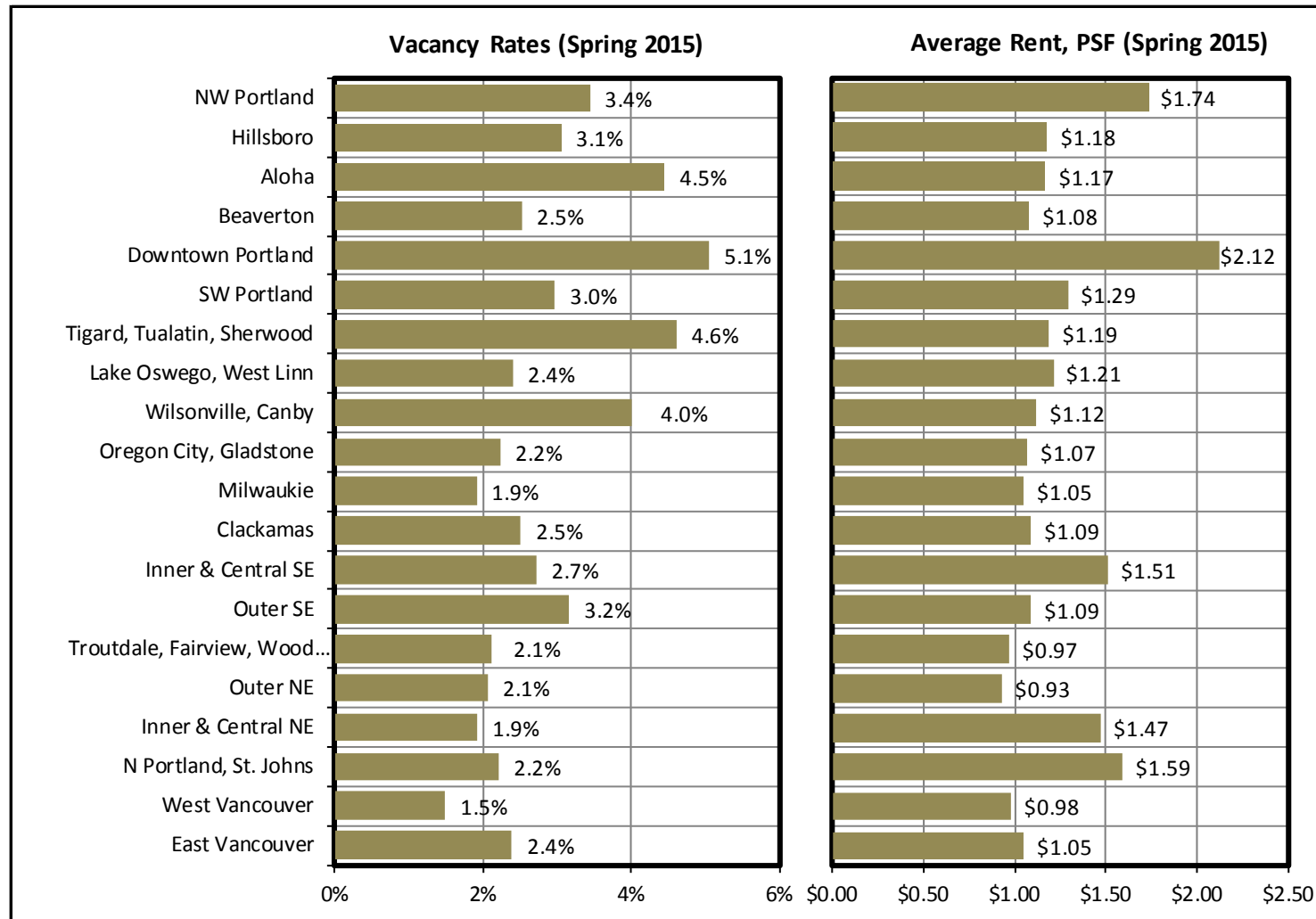
SOURCE: U.S. Census Bureau, JOHNSON ECONOMICS

# SHARE OF INCOME SPENT ON HOUSING BY TENURE Portland Metro Area



# AVERAGE RENT LEVELS AND VACANCY RATES

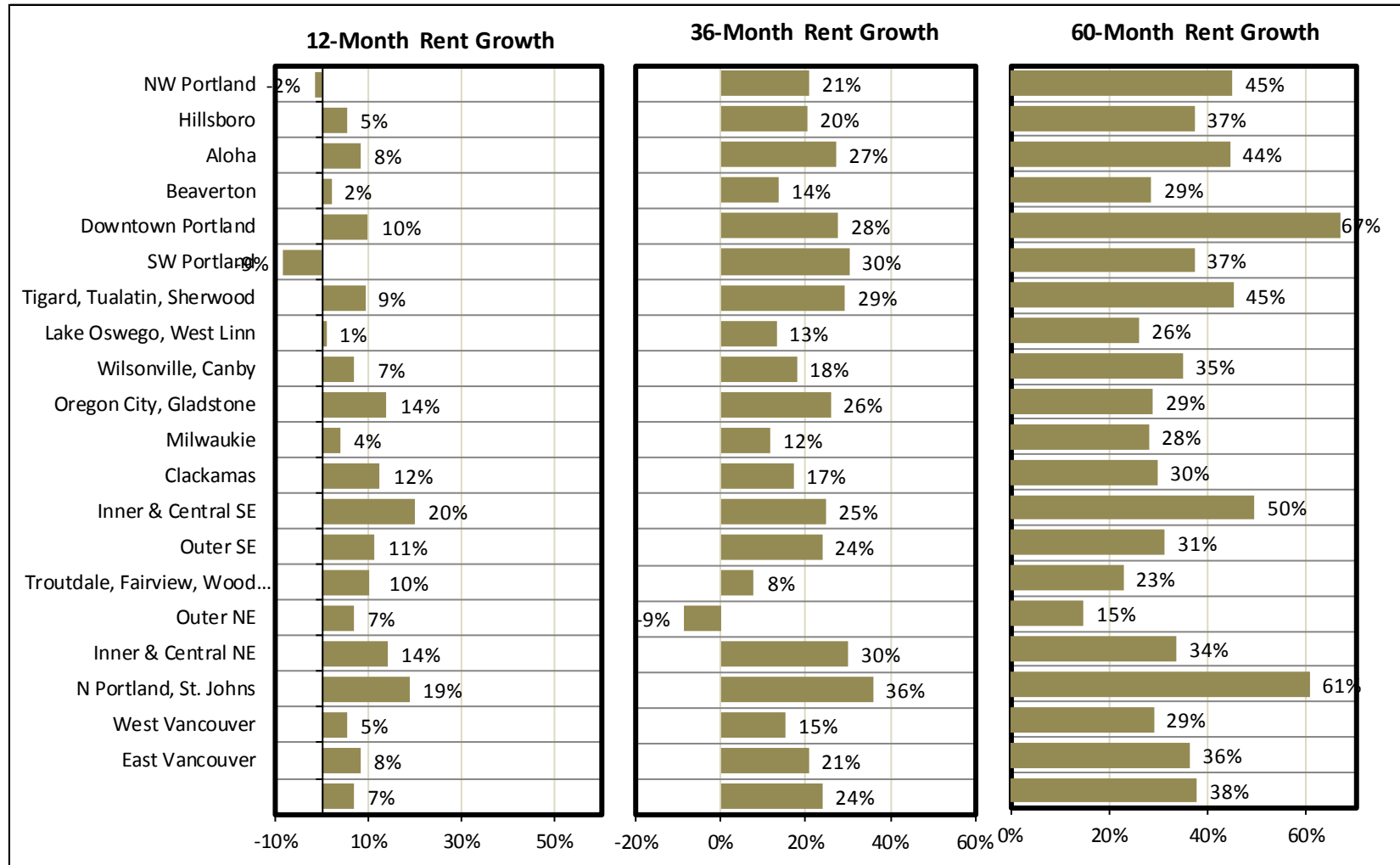
## Portland Metro Area Submarkets



SOURCE: Multifamily NW, JOHNSON ECONOMICS

# AVERAGE RENT ESCALATION BY SUBMARKET

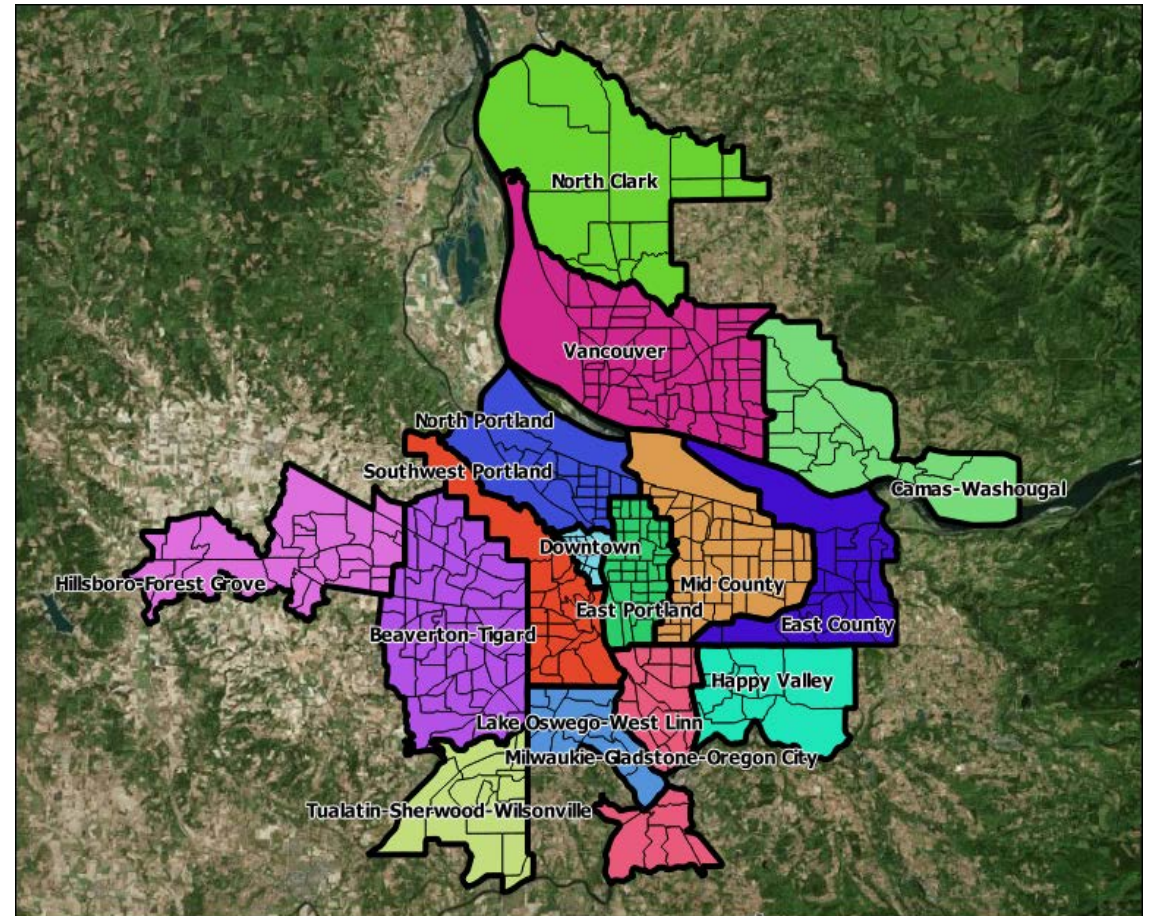
## Portland Metro Area Submarkets



SOURCE: Multifamily NW, JOHNSON ECONOMICS

# DELINEATION OF SUBMARKETS

- 15 Metro Area Submarkets
  - Similar Achievable Pricing
- Cross Jurisdictional Lines
  - Markets don't function at a jurisdictional level





# ESTIMATED NEW RENTAL SUPPLY, 2011-2015

## Portland Metro Area Submarkets

	Market rate	Affordable
Beaverton-Tigard	1,655	14
Camas-Washougal	598	0
Downtown	3,898	322
East County	24	0
East Portland	2,464	19
Happy Valley	68	0
Hillsboro-Forest Grove	2,227	124
Lake Oswego-West Linn	33	0
Mid County	700	314
Milwaukie-Gladstone-Oregon City	393	41
North Clark	631	210
North Portland	1,727	111
Southwest Portland	1,199	346
Tualatin-Sherwood-Wilsonville	1,403	112
Vancouver	1,010	228
<b>Total</b>	<b>18,030</b>	<b>1,841</b>

\* Income/rent restricted units.

SOURCE: METRO, Clark County, JOHNSON ECONOMICS

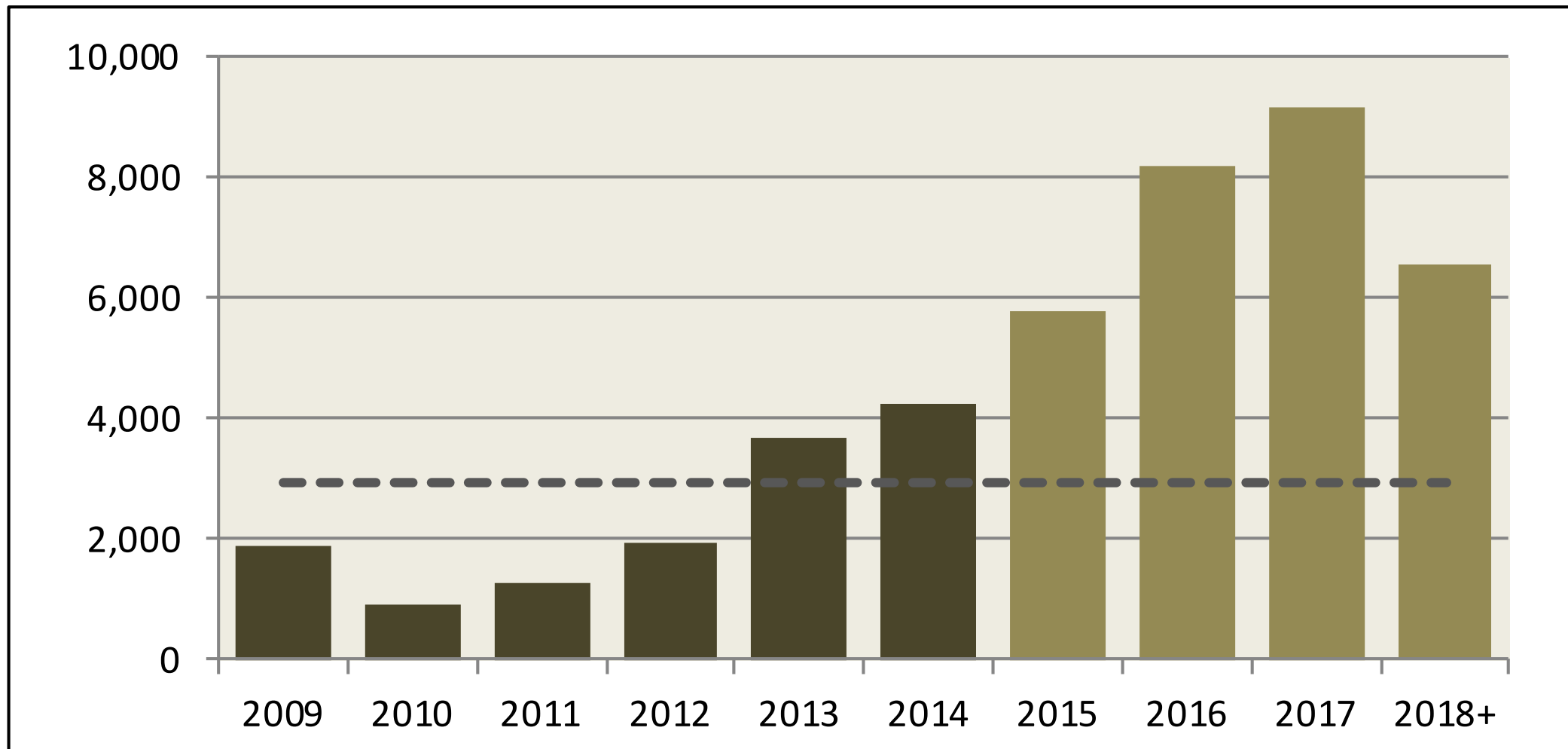
# MEDIAN RENT INCREASES, 2011-2015

## Portland Metro Area Submarkets

	2011-13 CPI-U Increase	2011-15 Rent Increase	Net Rent Adjustment
Beaverton-Tigard	3.45%	27.9%	27.0%
Camas-Washougal	3.45%	25.0%	24.2%
Downtown	3.45%	40.4%	39.1%
East County	3.45%	19.8%	19.1%
East Portland	3.45%	39.9%	38.6%
Happy Valley	3.45%	18.5%	17.9%
Hillsboro-Forest Grove	3.45%	34.1%	33.0%
Lake Oswego-West Linn	3.45%	22.2%	21.5%
Mid County	3.45%	18.7%	18.1%
Milwaukie-Gladstone-Oregon City	3.45%	19.8%	19.2%
North Clark	3.45%	21.5%	20.8%
North Portland	3.45%	71.0%	68.6%
Southwest Portland	3.45%	34.4%	33.2%
Tualatin-Sherwood-Wilsonville	3.45%	29.3%	28.4%
Vancouver	3.45%	21.5%	20.8%

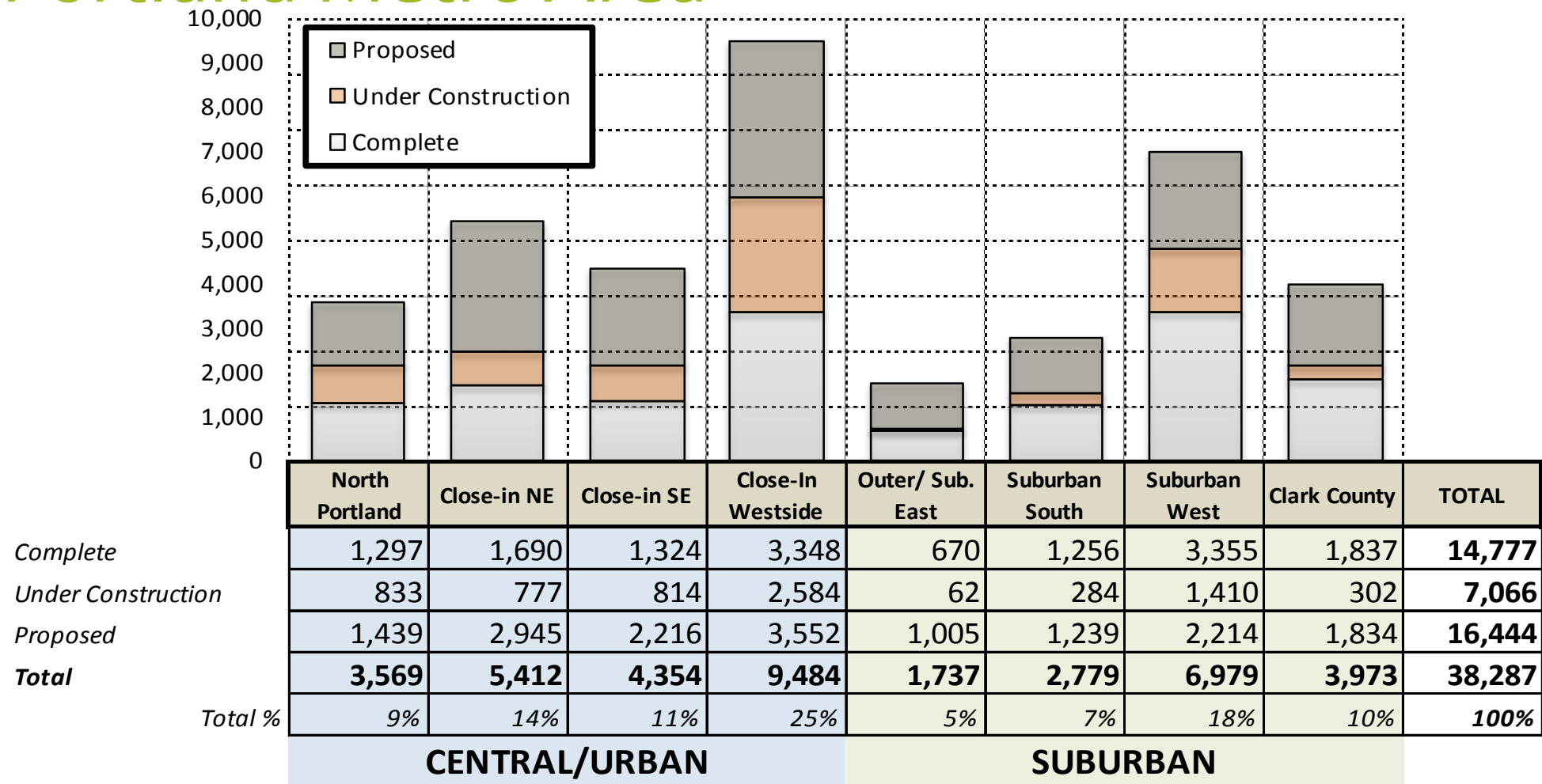
# RENTAL APARTMENT DELIVERIES PER YEAR

## Portland Metro Area



# CHARACTERISTICS OF RENTAL APARTMENT PIPELINE

## Portland Metro Area



# CHARACTERISTICS OF RENTAL APARTMENT PIPELINE

## Portland Metro Area

Submarket	Units	%	Qtly Δ	Distribution
Clark County	2,136	9%	-861	
Close-In Northeast	3,722	16%	182	
Close-In Southeast	3,030	13%	533	
Close-In Westside	6,136	26%	-1,085	
Close-In North	2,272	10%	-383	
Suburban East	1,067	5%	-130	
Suburban South	1,523	6%	-167	
Suburban West	3,624	15%	-3,211	
<b>Total</b>	<b>23,510</b>	<b>100%</b>	<b>-5,122</b>	