



THE Apartment Report

IN SEARCH OF NORMALCY

Craig McConachie, C&R Real Estate Services, Company, Apartment Report Committee

When our Spring report was published, we were seeing “light at the end of the tunnel” and things were looking up for multifamily investments and the country in general. Unfortunately, that light was elusive, and the tunnel longer than we expected. After 18 months of Covid, our industry has managed to survive and, in some limited respects, doing better than expected. Oregon’s Landlord Compensation Fund (LCF) has provided significant help to landlords who chose to participate, and the expiration of rent moratoriums have helped provide a more stable climate for multifamily investors.

There remains a considerable amount of unpaid rent due from the “Emergency Period” of April 1, 2020, through June 30, 2021, and tenants have until February 2022 to get caught up. Estimates reflect that approximately 10% of occupied units are still unable to pay this back due rent. There was no moratorium on the requirement to pay operating expenses and many housing providers have struggled with cash flow issues in an effort to keep current on their bills. Efforts to provide relief to housing providers and tenants have been extremely slow to materialize as bureaucratic entanglements have persisted.

Average overall vacancy has dropped below 3.5% in the Portland Metro area, with suburban markets performing better than urban. Downtown and close-in urban areas are slowly regaining their appeal, as more businesses re-open and efforts are being made to remove plywood from storefronts and clean up the streets.

With reduced revenues and increasing expenses, the multifamily industry has been hit hard. But hope springs eternal and we are seeing the faint light at the end of the tunnel once again!

SALES:

Both sales volume and transaction are up significantly since last year. Demand is expected to remain strong, and values are increasing. CAP rates ended the third quarter averaging 5.3%, with a YTD median price per unit over \$205,646.

The pandemic has caused investment capital to retreat from many real estate sectors, while multifamily and industrial remained in favor.

Portland/Vancouver

VACANCY:

The Portland/Vancouver vacancy factor decreased significantly from our Spring report (4.98%), and currently stands at 3.36%. Tigard, Lake Oswego and Vancouver are all enjoying vacancy factors under 2% and six other areas are under 3%. The highest vacancies are found in St. Johns/North Portland (5.4%), Downtown Portland (4.6%) and NW Portland (6.1%). Vacancy rates declined in all areas, except for Wilsonville and Outer SE Portland. St. Johns high vacancy continues to be impacted by two large lease-ups that are experiencing slow absorption after more than 18 months on the market. (This survey excludes new projects in the lease-up phase that haven’t reached stability, unless they are over one year old or over 85% occupied). Downtown vacancies have been reduced by 50%, to 4.6%, as newer product is absorbed, but the core continues to suffer from homeless issues and closed businesses.

Three-bedroom one bath units continue to have the best occupancy of all unit types, with average vacancy of 1.6%. Studio units have the highest vacancy rate of 5.2%. Tenants continue moving towards roommate arrangements and are looking for additional space to home office or home school, as the Delta variant upends return to work or school plans.

The increasing values in apartments can be attributed to low interest rates as investors at all levels search for yield, unprecedented stimulus across every level of government, and owners with large equity positions gained in a short period of time.

—Patrick Barry, Barry & Associates

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SURVEY SAYS!

- Vacancy Rate Below 3.5%
- Rent Growth Across All Areas
- Suburban Market Stronger Than Urban
- Collection Challenges Continue



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PORTLAND METRO AREA

MULTNOMAH COUNTY

- 5 DOWNTOWN PORTLAND
- 1 NW PORTLAND
- 13 INNER & CENTRAL SE (PTLD)
- 17 INNER & CENTRAL NE (PTLD)
- 18 NORTH PORTLAND | ST. JOHNS
- 6 SW PORTLAND
- 14 OUTER SE (PORTLAND)
- 16 OUTER NE (PORTLAND)
- 15 TROUTDALE | FAIRVIEW
WOOD VILLAGE | GRESHAM

CLARK COUNTY

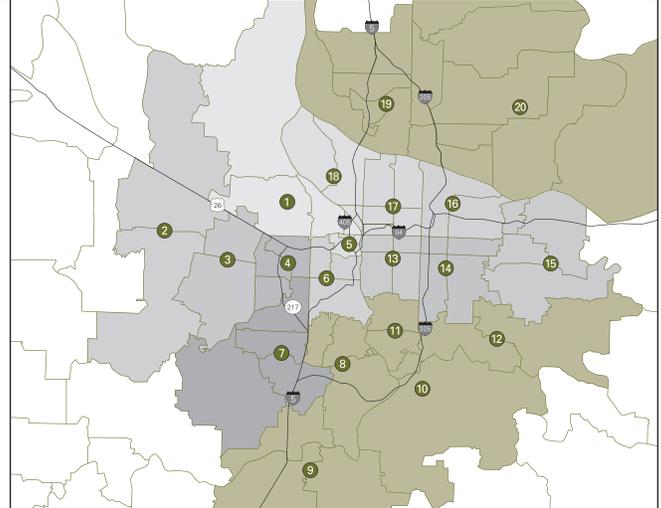
- 19 WEST VANCOUVER
- 20 EAST VANCOUVER

CLACKAMAS COUNTY

- 12 CLACKAMAS
- 8 LAKE OSWEGO | WEST LINN
- 11 MILWAUKIE
- 10 OREGON CITY | GLADSTONE
- 9 WILSONVILLE | CANBY

WASHINGTON COUNTY

- 3 ALOHA
- 4 BEAVERTON
- 2 HILLSBORO | N OF HWY 26
- 7 TIGARD | TUALATIN
SHERWOOD



(continued from page 1)

RENT RATES:

Overall rent rates have increased since our Spring report to \$1.86 psf. **And while a 6% increase may seem high, these numbers reflect the asking rates and not the effective rent rates. Effective income continues to be negatively impacted due to the inability to collect or increase rents.**

Looking back two years to the 2019 Fall Report, overall rent rates were \$1.74 psf. The current rate of \$1.86 psf reflects a modest 7% gain, or 3.5% per year. Not nearly enough to keep up with rising taxes, insurance, and other operating costs.

Rent increases were realized in all surveyed areas except Hillsboro, which stayed flat. Aloha, Northwest Portland, and Milwaukie all saw 8% increases and East Vancouver experienced one of its strongest increases in years, up by 7%. Downtown went up 7% after staying flat over the past year.

The Downtown core area and Northwest continue to lead all areas in rates. Downtown is up to \$2.43 psf and Northwest up to \$2.31 psf. Outer NE Portland continues to have some of the lowest rates, with an average of \$1.43 psf.

Overall average rents per unit type—Portland:

UNIT TYPE	FALL 21	SPR 21
Studio	\$1207	\$1151
1 bdrm/1 bth	\$1381	\$1296
2 bdrm/1 bth	\$1335	\$1284
2 bdrm/2 bth	\$1728	\$1572
2 bdrm townhome	\$1564	\$1435
3 bdrm/1 bth	\$1535	\$1440
3 bdrm/2 bth	\$1823	\$1713

Other Areas

The Salem and Eugene markets have seen vacancy rates drop to just over 2%, and Bend/Redmond is incredibly tight at 1.3% vacant. Vacancies in 2 bdrm/2 bth units are particularly low at 1.7%. The Bend/Redmond area shows rents increasing over 8%. The vacancy rate in Eugene/Springfield has increased slightly, but still strong at 2.2%, with rents jumping by close to 10% in just six months.

Our Contributors

Leah Sykes, with the law firm Andor Law, has provided an updated outline of recent legal and legislative developments. Leah is hopeful that we are “trending toward a return to pre-pandemic regulations” and a return to a less volatile legislative agenda. Senate Bill 278 governs how to handle non-payments by renters from July 1, 2021, going forward, and she points out the inclusion of the additional 20% payments from the LCF fund. This was a positive, and unexpected development. SB 282 is now effective and extends the repayment grace period for tenants until February 28, 2022, with specific prohibitions on landlord collection and reporting activities.

Jerry Johnson, with Johnson Economics, contributed an excellent article about regional economic and demographic trends. Jerry discusses how the Delta variant has slowed our recovery but sees multifamily, as an asset class, remaining strong. He explains how increased construction costs, while challenging for developers, will provide “pricing power” for existing properties due to higher replacement

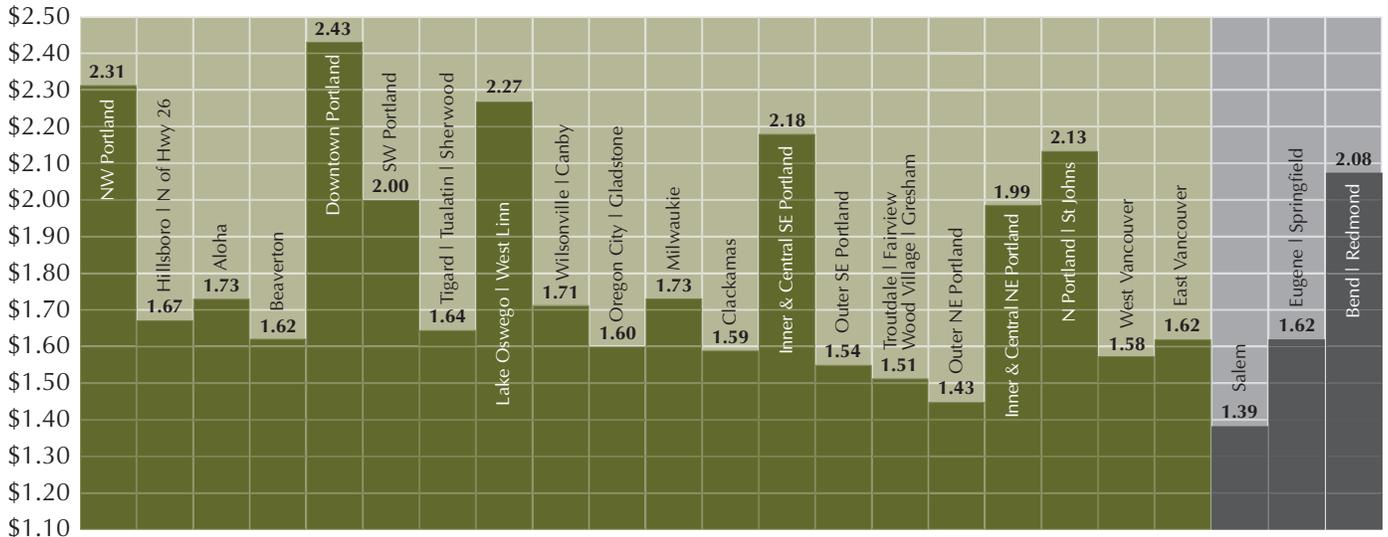
costs. Public policy actions have reduced investor interest in multifamily, leading to a rise in the required rate of return, consequently putting inflationary pressure on rent levels.

Greg Frick, from HFO Real Estate Investment, explains why the multifamily market is “shining bright again”. Greg explains that investors search for positive yields has driven investors to look at smaller tertiary markets outside of the Portland MSA. He notes that although some investors have left our market due to political uncertainty, regulations and bad national press, there are still more buyers than sellers and institutional investors continue to look for deals.

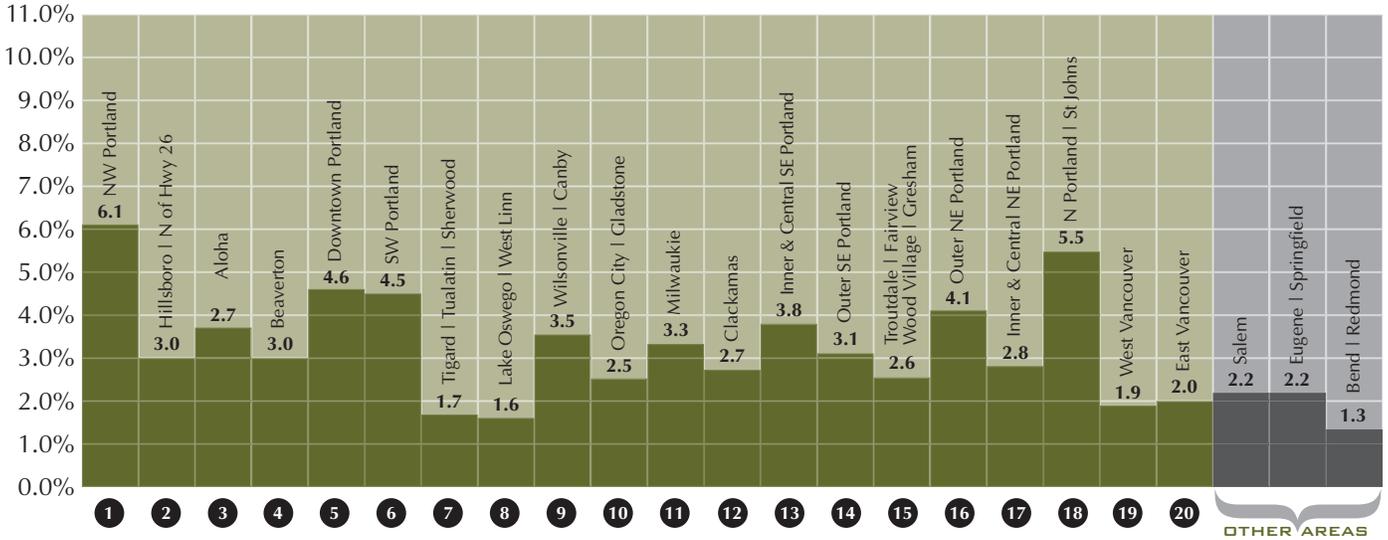
And finally, Patrick Barry, with Barry & Associates has submitted an article discussing apartment fundamentals and trends. He notes that apartment sales volume this year will represent one of the most active years on record for the Portland metro area, as “multifamily investments found themselves to be the darling of the investment world”. Patrick expects apartment demand to outpace supply due to an “alarming downward turn” in the pace of construction and predicts that vacancy rates will remain low, particularly in the suburban markets.

This survey represents a total of 78,705 units from 1,154 properties. All the articles have been reprinted without editing the content, in order to present unbiased opinions. We’d like to thank all of the management companies and property owners who have submitted information. Their participation is critical in ensuring the accuracy of our data and the continued success of this report. ■

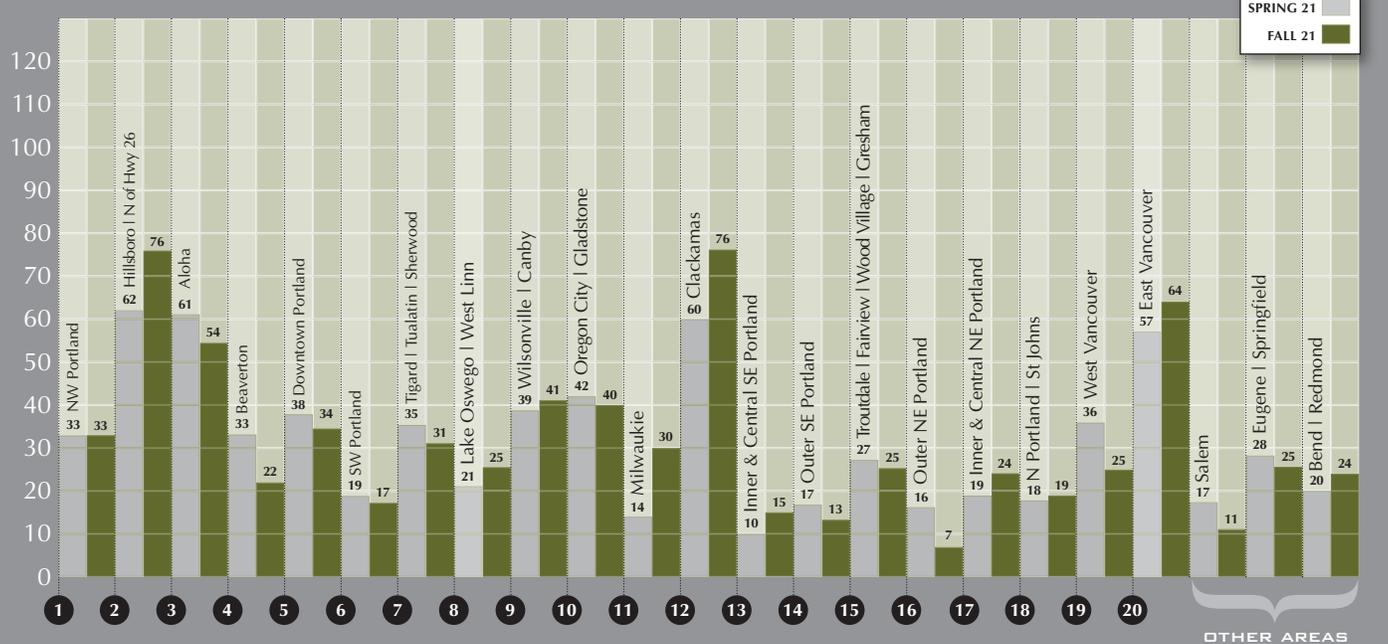
AVERAGE RENT PER SQUARE FOOT \$



AVERAGE MARKET VACANCY RATE %



AVERAGE NUMBER OF DAYS VACANT — PORTLAND/VANCOUVER



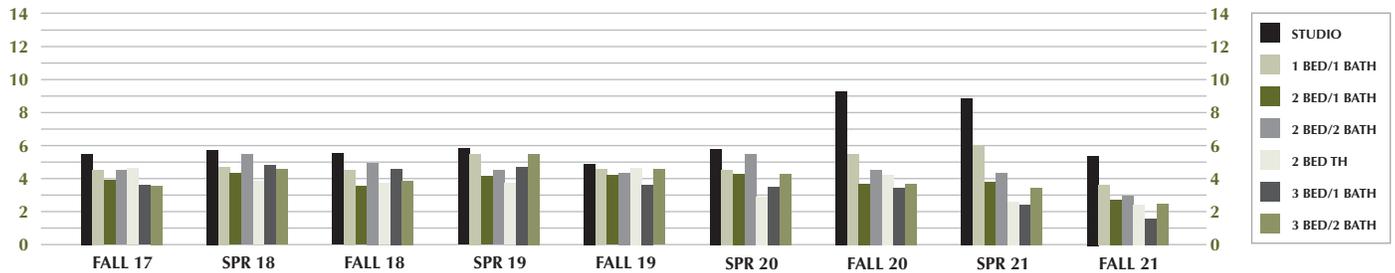
SURVEY RESULTS—FALL 2021

PORTLAND/VANCOUVER METRO AREA												
AREA NAME	# OF PROP	DATA	ALL	SPR 21 REPORT	CHANGE	STUDIO	1 BED 1 BATH	2 BED 1 BATH	2 BED 2 BATH	2 BED TWNHS	3 BED 1 BATH	3 BED 2 BATH
DOWNTOWN PORTLAND (5)	44	AVG MARKET VACANCY RATE %	4.63	9.27	-0.5	4.74	4.7	5.51	4.28	1.98	-	8
		AVG RENT PER SQ FOOT \$	2.43	2.28	0.07	2.8	2.31	1.55	2.31	2.29	-	1.86
		AVG RENT PER UNIT TYPE \$				1214	1570	1288	2562	2254	-	2591
		SUM OF UNITS SURVEYED	3436	4068		1034	1682	127	467	101	0	25
NW PORTLAND (1)	130	AVG MARKET VACANCY RATE %	6.11	7.51	-0.19	6.83	6.92	2.94	4.84	4.17	3.03	3.01
		AVG RENT PER SQ FOOT \$	2.31	2.21	0.05	2.64	2.36	1.88	2.11	2.38	1.65	1.64
		AVG RENT PER UNIT TYPE \$				1268	1651	1637	2214	3128	1838	2222
		SUM OF UNITS SURVEYED	8190	7199		1669	4061	544	1693	24	33	166
INNER & CENTRAL SE PORTLAND (13)	171	AVG MARKET VACANCY RATE %	3.77	8.52	-0.56	5.07	3.03	4.47	3.28	4.49	4	4.35
		AVG RENT PER SQ FOOT \$	2.18	2.06	0.06	2.93	2.21	1.61	2.2	1.46	1.49	1.61
		AVG RENT PER UNIT TYPE \$				1193	1399	1317	2277	1336	1726	1879
		SUM OF UNITS SURVEYED	4534	4057		828	2309	894	274	156	50	23
INNER & CENTRAL NE PORTLAND (17)	125	AVG MARKET VACANCY RATE %	2.79	6.29	-0.56	4.69	3.57	3.16	0.94	2.16	0	0
		AVG RENT PER SQ FOOT \$	1.99	1.97	0.01	2.79	1.97	1.63	1.86	1.76	1.62	1.74
		AVG RENT PER UNIT TYPE \$				1122	1289	1411	1912	1754	1899	1890
		SUM OF UNITS SURVEYED	4343	2671		554	1791	475	1279	185	34	25
N PORTLAND ST JOHNS (18)	30	AVG MARKET VACANCY RATE %	5.45	10.84	-0.5	5.47	5.09	2.39	16.3	-	0	0
		AVG RENT PER SQ FOOT \$	2.13	2.12	0	2.74	2.08	1.58	2.16	-	1.35	1.76
		AVG RENT PER UNIT TYPE \$				1187	1310	1259	2097	-	1294	1575
		SUM OF UNITS SURVEYED	1120	1273		274	491	251	92	0	11	1
SW PORTLAND (6)	46	AVG MARKET VACANCY RATE %	4.46	5.25	-0.15	2.74	4.12	6.31	5.46	0	4.76	3.65
		AVG RENT PER SQ FOOT \$	2	1.94	0.03	2.57	2.14	1.55	1.93	1.29	1.27	1.48
		AVG RENT PER UNIT TYPE \$				1215	1326	1236	1898	1162	1403	1706
		SUM OF UNITS SURVEYED	2419	2933		328	1116	491	293	33	21	137
OUTER SE PORTLAND (14)	30	AVG MARKET VACANCY RATE %	3.12	2.62	0.19	12.5	3.55	2.86	3.03	1.55	0	4.05
		AVG RENT PER SQ FOOT \$	1.54	1.51	0.02	2.18	1.76	1.45	1.46	1.36	1.32	1.5
		AVG RENT PER UNIT TYPE \$				1303	1163	1229	1425	1405	1372	1800
		SUM OF UNITS SURVEYED	2274	2140		8	647	455	791	193	7	173
OUTER NE PORTLAND (16)	21	AVG MARKET VACANCY RATE %	4.1	4.83	-0.15	0	5.75	4.96	1.64	2.94	0	0
		AVG RENT PER SQ FOOT \$	1.43	1.39	0.03	1.62	1.65	1.39	1.29	1.12	1.37	1.41
		AVG RENT PER UNIT TYPE \$				875	1089	1230	1279	1301	1501	1575
		SUM OF UNITS SURVEYED	1025	1533		16	261	464	183	34	35	32
TROUTDALE FAIRVIEW WOOD VILLAGE GRESHAM (15)	37	AVG MARKET VACANCY RATE %	2.58	3.24	-0.2	6.45	3.04	1.72	1.85	5.6	0	3.48
		AVG RENT PER SQ FOOT \$	1.51	1.48	0.02	2.31	1.71	1.46	1.43	1.44	1.27	1.44
		AVG RENT PER UNIT TYPE \$				990	1195	1309	1398	1466	1491	1758
		SUM OF UNITS SURVEYED	3184	3057		62	657	697	1240	232	9	287
CLACKAMAS (12)	8	AVG MARKET VACANCY RATE %	2.68	3.48	-0.23	5.56	2.42	3.13	2.48	-	-	2.45
		AVG RENT PER SQ FOOT \$	1.59	1.54	0.03	2.28	1.76	1.55	1.49	-	-	1.54
		AVG RENT PER UNIT TYPE \$				1037	1278	1402	1488	-	-	1727
		SUM OF UNITS SURVEYED	1532	1810		18	372	415	564	0	0	163
LAKE OSWEGO WEST LINN (8)	17	AVG MARKET VACANCY RATE %	1.63	4.95	-0.67	2.38	1.22	0	3.23	1.27	-	0
		AVG RENT PER SQ FOOT \$	2.27	2.14	0.06	2.68	2.8	1.54	2.06	1.66	-	2.29
		AVG RENT PER UNIT TYPE \$				1306	1768	1394	2084	1708	-	2897
		SUM OF UNITS SURVEYED	1045	1152		42	410	172	310	79	0	32
MILWAUKIE (11)	26	AVG MARKET VACANCY RATE %	3.32	5.41	-0.39	4.42	3.06	2.74	4.41	5.7	-	1.14
		AVG RENT PER SQ FOOT \$	1.73	1.6	0.08	2.49	1.86	1.53	1.62	1.27	-	1.52
		AVG RENT PER UNIT TYPE \$				1157	1259	1319	1535	1227	-	1710
		SUM OF UNITS SURVEYED	2321	2143		226	818	804	227	158	0	88
OREGON CITY GLADSTONE (10)	10	AVG MARKET VACANCY RATE %	2.45	2.61	-0.06	3.33	0.73	0.58	4.47	0	0	4.05
		AVG RENT PER SQ FOOT \$	1.6	1.56	0.03	2.4	1.85	1.38	1.51	1.46	1.43	1.56
		AVG RENT PER UNIT TYPE \$				1208	1260	1162	1553	1222	1354	2080
		SUM OF UNITS SURVEYED	1101	1187		30	274	172	380	70	27	148
WILSONVILLE CANBY (9)	14	AVG MARKET VACANCY RATE %	3.45	3.09	0.12	0	3.63	2.92	4.09	1.3	-	3.66
		AVG RENT PER SQ FOOT \$	1.71	1.59	0.08	2.22	1.94	1.62	1.65	1.34	-	1.69
		AVG RENT PER UNIT TYPE \$				1230	1384	1433	1691	1481	-	1956
		SUM OF UNITS SURVEYED	2435	1878		7	633	788	684	77	0	246
ALOHA (3)	38	AVG MARKET VACANCY RATE %	2.66	4.09	-0.35	2.63	2.55	2.72	2.96	1.72	2.13	2.17
		AVG RENT PER SQ FOOT \$	1.73	1.6	0.08	2.42	1.96	1.6	1.61	1.51	1.65	1.55
		AVG RENT PER UNIT TYPE \$				1170	1333	1410	1622	1794	1619	1825
		SUM OF UNITS SURVEYED	6537	6327		38	2231	1289	2193	233	47	506

PORTLAND/VANCOUVER METRO AREA

AREA NAME	# OF PROP	DATA	ALL	SPR 21 REPORT	CHANGE	STUDIO	1 BED 1 BATH	2 BED 1 BATH	2 BED 2 BATH	2 BED TWNHS	3 BED 1 BATH	3 BED 2 BATH
BEAVERTON (4)	56	AVG MARKET VACANCY RATE %	3.02	3.69	-0.18	9.3	2.89	2.18	3.95	1.89	2.22	4.57
		AVG RENT PER SQ FOOT \$	1.62	1.56	0.04	2.41	1.79	1.45	1.66	1.52	1.34	1.38
		AVG RENT PER UNIT TYPE \$				1165	1218	1310	1614	1542	1429	1713
		SUM OF UNITS SURVEYED	4079	3853		86	1419	1379	735	106	135	219
HILLSBORO N OF HWY 26 (2)	15	AVG MARKET VACANCY RATE %	2.98	4.6	-0.35	5.71	2.96	2.62	2.68	4.35	-	2.3
		AVG RENT PER SQ FOOT \$	1.67	1.67	0	2.2	1.91	1.52	1.48	1.42	-	1.44
		AVG RENT PER UNIT TYPE \$				1373	1386	1452	1667	1838	-	1857
		SUM OF UNITS SURVEYED	3361	3023		175	1251	344	1082	161	0	348
TIGARD TUALATIN SHERWOOD (7)	48	AVG MARKET VACANCY RATE %	1.72	2.98	-0.42	4.26	1.54	2.44	1.58	0.85	1.14	0.62
		AVG RENT PER SQ FOOT \$	1.64	1.6	0.02	2.58	1.77	1.56	1.6	1.42	1.49	1.55
		AVG RENT PER UNIT TYPE \$				986	1183	1297	1612	1512	1500	1883
		SUM OF UNITS SURVEYED	4659	5512		47	1490	1309	1077	236	175	325
WEST VANCOUVER (19)	47	AVG MARKET VACANCY RATE %	1.87	2.93	-0.36	1.57	2.22	2.13	1.66	0.33	0	2.3
		AVG RENT PER SQ FOOT \$	1.58	1.52	0.04	2.44	1.88	1.46	1.43	1.4	1.55	1.22
		AVG RENT PER UNIT TYPE \$				1120	1235	1222	1516	1544	1487	1550
		SUM OF UNITS SURVEYED	4018	4470		127	1126	1082	1025	304	49	305
EAST VANCOUVER (20)	19	AVG MARKET VACANCY RATE %	1.98	2.81	-0.3	0	2.7	1.88	2.06	1.58	-	0.37
		AVG RENT PER SQ FOOT \$	1.62	1.52	0.07	2.04	1.82	1.53	1.59	1.31	-	1.41
		AVG RENT PER UNIT TYPE \$				968	1322	1340	1632	1371	-	1648
		SUM OF UNITS SURVEYED	3229	4943		86	1000	957	727	190	0	269
TOTAL AVG MARKET VACANCY RATE %			3.36	4.98	-0.33	5.23	3.73	2.81	2.97	2.37	1.58	2.53
TOTAL AVG RENT PER SQ FOOT \$			1.86	1.76	0.06	2.68	2.04	1.54	1.68	1.48	1.47	1.5
TOTAL AVG RENT PER UNIT TYPE \$						1207	1381	1335	1728	1564	1535	1823
TOTAL SUM OF PROPERTIES SURVEYED			932	947		301	753	573	297	113	80	180
TOTAL SUM OF UNITS SURVEYED			64842	65229		5655	24039	13109	15316	2572	633	3518

VACANCY RATE SINCE FALL 2017—PORTLAND/VANCOUVER METRO AREA



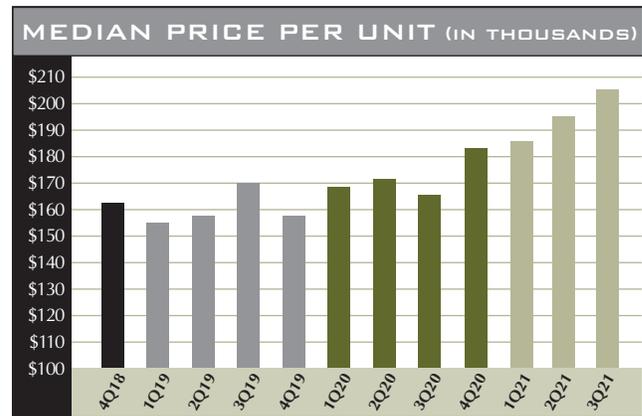
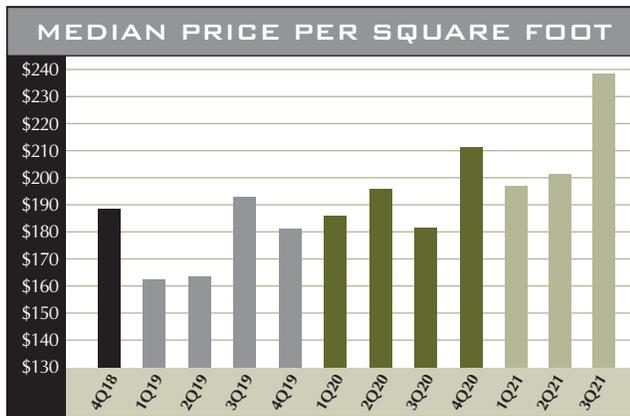
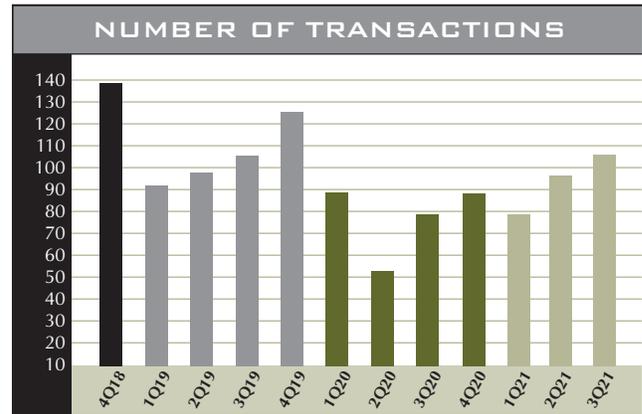
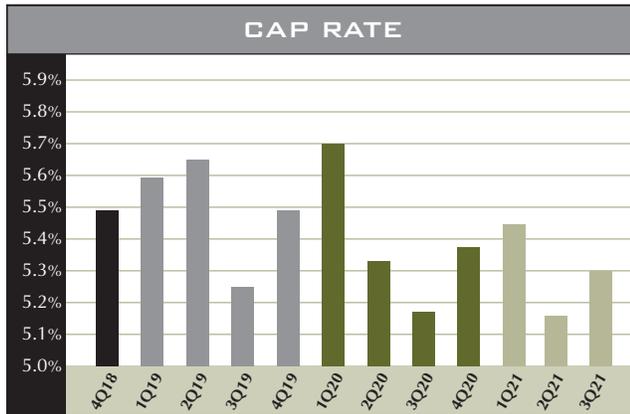
OTHER AREAS

SALEM & VICINITY	119	AVG MARKET VACANCY RATE %	2.19	4.03	-0.46	1.69	2.31	2.11	1.79	2.6	4.42	2.44
		AVG RENT PER SQ FOOT \$	1.39	1.51	-0.08	1.94	1.55	1.32	1.37	1.18	1.48	1.37
		AVG RENT PER UNIT TYPE \$				984	975	1105	1340	1163	1361	1577
		SUM OF UNITS SURVEYED	7078	6402		178	1689	3268	1005	538	113	287
EUGENE SPRINGFIELD	92	AVG MARKET VACANCY RATE %	2.16	1.75	0.23	3.31	2.57	2.4	1.63	0.58	4.69	1.62
		AVG RENT PER SQ FOOT \$	1.62	1.47	0.1	2.42	1.71	1.47	1.53	1.43	1.32	1.49
		AVG RENT PER UNIT TYPE \$				939	1156	1174	1581	1547	1488	1747
		SUM OF UNITS SURVEYED	5837	5539		483	1673	1583	980	684	64	370
BEND REDMOND	11	AVG MARKET VACANCY RATE %	1.27	7.23	-0.82	0.83	1.04	1.55	1.25	0	-	2.44
		AVG RENT PER SQ FOOT \$	2.08	1.93	0.08	2.78	2.32	1.53	2.01	1.13	-	1.42
		AVG RENT PER UNIT TYPE \$				1346	1615	1314	2089	1125	-	1723
		SUM OF UNITS SURVEYED	948	1009		120	385	193	160	8	0	82
TOTAL AVG MARKET VACANCY RATE %			2.11	3.31	-0.36	2.56	2.3	2.18	1.68	1.46	4.52	2.03
TOTAL AVG RENT PER SQ FOOT \$			1.54	1.53	0.01	2.37	1.7	1.37	1.49	1.32	1.42	1.44
TOTAL AVG RENT PER UNIT TYPE \$						1012	1122	1135	1506	1377	1407	1678
TOTAL SUM OF PROPERTIES SURVEYED			222	210		43	132	130	68	31	35	40
TOTAL SUM OF UNITS SURVEYED			13863	12950		781	3747	5044	2145	1230	177	739

Surveys received from Sec 42, Sec 8 and other subsidized affordable housing programs are not included in the current survey data.

TREND REPORT : PORTLAND METRO AREA

CoStar: Search criteria—Research Status: Published; Market: Portland; PropType: Multi Family; Sale Date: 10/1/2018—9/21/21; unit: 5 units and greater.



YEAR	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
# OFTRANS	139	91	98	106	125	89	52	79	88	79	96	106
TTL \$ VOLUME	\$917,122,471	\$396,940,622	\$414,549,073	\$912,045,260	\$586,467,967	\$529,283,582	\$249,371,225	\$332,299,890	\$802,297,018	\$495,238,740	\$832,241,380	\$765,964,755
TTL BLDG SF	4,568,672	2,631,548	2,434,582	3,635,428	3,566,024	2,778,585	1,167,420	1,839,506	3,576,617	2,550,265	3,105,069	3,772,957
TTL UNITS	5,061	2,922	2,565	3,570	3,319	2,901	1,226	1,962	3,461	2,614	3,524	4,106
AVG PRICE	\$9,263,863	\$5,924,487	\$5,678,754	\$11,122,503	\$7,616,467	\$7,899,755	\$6,234,281	\$5,538,332	\$12,343,031	\$7,860,932	\$11,246,505	\$11,264,188
AVG # OF SF	32,868	28,918	24,843	34,296	28,528	31,220	22,450	23,285	40,643	32,282	32,344	35,594
AVG \$ BLDG SF	\$227.10	\$201.21	\$195.94	\$261.61	\$199.62	\$203.61	\$231.01	\$188.80	\$255.21	\$223.35	\$291.33	\$262.63
MED \$ P/SF	\$189.37	\$161.99	\$163.22	\$192.03	\$180.33	\$185.66	\$196.76	\$181.13	\$210.95	\$197.34	\$200.91	\$238.89
AVG \$ P/UNIT	\$202,988	\$194,889	\$188,832	\$260,827	\$212,515	\$194,852	\$219,324	\$177,953	\$267,958	\$211,478	\$258,540	\$247,286
MED \$ P/UNIT	\$161,500	\$154,500	\$158,172	\$170,000	\$157,448	\$168,882	\$170,783	\$165,298	\$182,411	\$186,750	\$194,354	\$205,646
AVG # OF UNITS	37	33	27	34	28	33	24	25	40	35	37	41
ACTUAL CAP RATE	5.48%	5.59%	5.64%	5.24%	5.49%	5.70%	5.32%	5.17%	5.37%	5.44%	5.16%	5.30%
AVG GRM	13.09	12.81	12.64	11.94	12.91	12.25	10.91	14.32	14.73	10.33	12.18	13.43
AVG GIM	-	-	-	-	-	10.35	-	-	-	-	11.47	-

MAP AREA	SPRING 2021	FALL 2021
NW Portland	32.5%	25.2%
Hillsboro North of Hwy 26	17.4%	6.7%
Aloha	21.4%	11.9%
Beaverton	15.3%	9.8%
Downtown Portland	32.8%	35.7%
SW Portland	25%	17%
Tigard Tualatin Sherwood	19.7%	10%
Lake Oswego West Linn	21.1%	5.6%
Wilsonville Canby	26.1%	9.1%
Oregon City Gladstone	7.7%	0%
Milwaukie	9.1%	6.1%
Clackamas	10%	0%
Inner & Central SE Portland	14.6%	8.9
Outer SE Portland	5.8%	0%
Troutdale Fairview Wood Village Gresham	17.8%	4.4%
Outer NE Portland	5.7%	3.9%
Inner & Central NE Portland	7%	6.7%
North Portland St. Johns	21.7%	13.6%
West Vancouver	16%	3.8%
East Vancouver	15.6%	4.2%
Salem Vicinity	8.5%	4.9%
Eugene Springfield	16.4%	13.2%
Bend Redmond	0%	0%

DO YOU OFFER INCENTIVES? ▼ ▼



SECTION 42 SURVEY RESULTS • FALL 2021		
TTL # OF PROPERTIES = 104 • TTL # OF UNITS = 9,326		
UNIT TYPES	VACANCY RATE (%)	AVG. RENT PER SQ FT (\$)
STUDIO	5.68	2.73
1 BED / 1 BATH	2.71	1.57
2 BED / 1 BATH	2.88	1.23
2 BED / 2 BATH	3.85	1.23
2 BED / TH	0.96	1.19
3 BED / 1 BATH	0.92	1.05
3 BED / 2 BATH	2.97	1.04
TOTALS	3.27	1.57

MAP AREA	WATER/SEWER	HEAT	GARBAGE
NW PORTLAND	62.2%	90.2%	61.5%
HILLSBORO N OF HWY 26	93.3%	100%	93.3%
ALOHA	90.5%	100%	90.5%
BEAVERTON	65.6%	90.2%	57.4%
DOWNTOWN PORTLAND	69.6%	87.5%	64.3%
SW PORTLAND	85.1%	97.9%	76.6%
TIGARD TUALATIN SHERWOOD	76.7%	100%	73.3%
LAKE OSWEGO WEST LINN	88.9%	100%	83.3%
WILSONVILLE CANBY	77.3%	100%	72.7%
OREGON CITY GLADSTONE	72.7%	100%	54.6%
MILWAUKIE	69.7%	100%	48.5%
CLACKAMAS	100%	100%	100%
INNER & CENTRAL SE PTLD	46.9%	78.7%	45.3%
OUTER SE PORTLAND	43.1%	98%	39.2%
TROUTDALE FAIRVIEW WOOD VILLAGE GRESHAM	66.7%	100%	55.6%
OUTER NE PORTLAND	57.7%	100%	46.2%
INNER & CENTRAL NE PTLD	37.3%	62.7%	35.1%
NORTH PTLD ST. JOHNS	56.8%	86.4%	52.3%
WEST VANCOUVER	75.5%	96.2%	52.8%
EAST VANCOUVER	75%	100%	58.3%
SALEM VICINITY	49.3%	96.5%	47.2%
EUGENE SPRINGFIELD	50.9%	93%	44.7%
BEND REDMOND	85.7%	100%	85.7%

TENANT PAID UTILITIES ▼ ▼



FALL 2021 APARTMENT FUNDAMENTALS & TRENDS

Patrick O. Barry, Barry & Associates

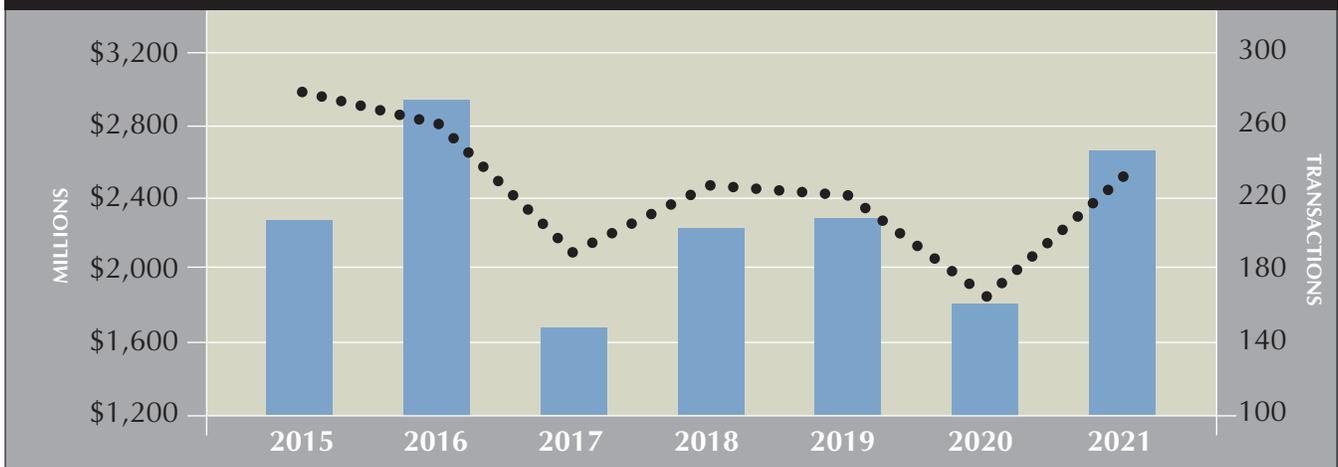
After a rollercoaster 2020, the Portland apartment market started 2021 with some sense of normalcy and even optimism. After making it through the trials of 2020, many market participants were under the impression that the worst case scenario, 2021 was a year for economic recovery with stable market. Through September 2021, the strength of the apartment market has far exceeded expectations. This article will address Portland Metro apartment fundamentals, value, sales, and rental trends for YTD 2021.



APARTMENT SALES VOLUME & TRANSACTIONS

Through September 2021, there had been around 170 transactions totaling around \$2.0 billion. When annualized, the sales through September suggest Portland Metro will see around 230 sales and around \$2.7 billion in volume in 2021, which would represent one of the most active years on record. This is a robust recovery from 2020 where Portland Metro saw only 167 sales totaling \$1.85 billion. As of fall 2021, the sales market is showing little sign of slowing.

APARTMENT SALES VOLUME & TRANSACTIONS PORTLAND METRO AREA • 2015-2021 ANNUALIZED



NO OF SALES ●●●●● SALES VOLUME ■■■■■

ASSUME 10 UNIT APARTMENT AT \$150,000 UNIT
INTEREST ONLY LOAN FOR THE SAKE
OF ANALYSIS, 65% LTV

PURCHASED 2018		AS OF 2021	
VALUE:	\$1,500,000	VALUE:	\$1,900,000
DEBT:	\$975,000	DEBT:	\$975,000
EQUITY:	\$525,000	EQUITY:	\$925,000

EQUITY POSITION INCREASED 76%
OR \$400,000 IN 4 YEARS

APARTMENT VALUES

Through September 2021, with 170 sales, the median per unit price was up 7.8 percent year over year to \$190,000 and the median price per Sq. Ft. was up 9.3 percent year over year to \$223 per Sq. Ft. The increasing values in apartments can be attributed to low interest rates as investors at all levels search for yield, unprecedented stimulus across every level of government, and owners with large equity positions gained in a short period of time. See below for an example using the median price per unit in Portland Metro between 2018 and YTD 2021.

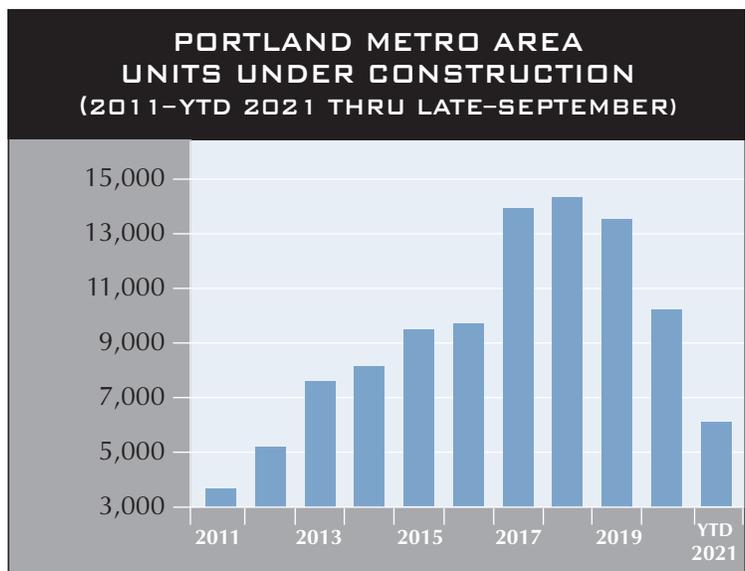
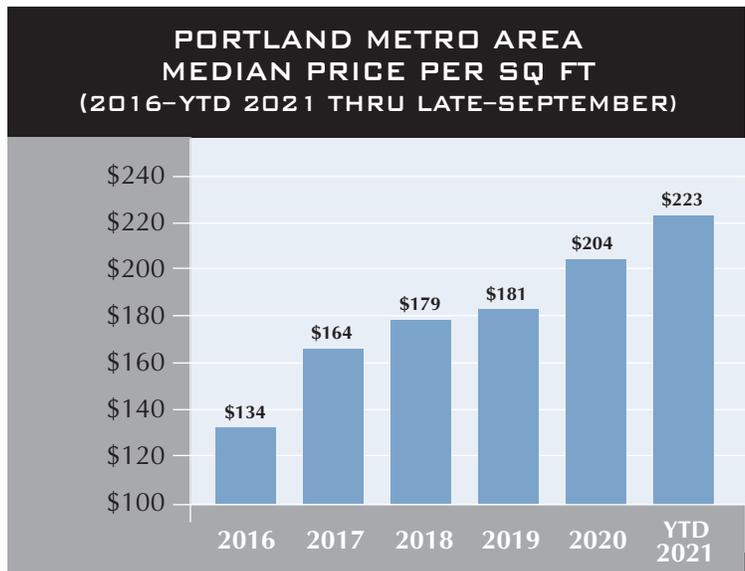
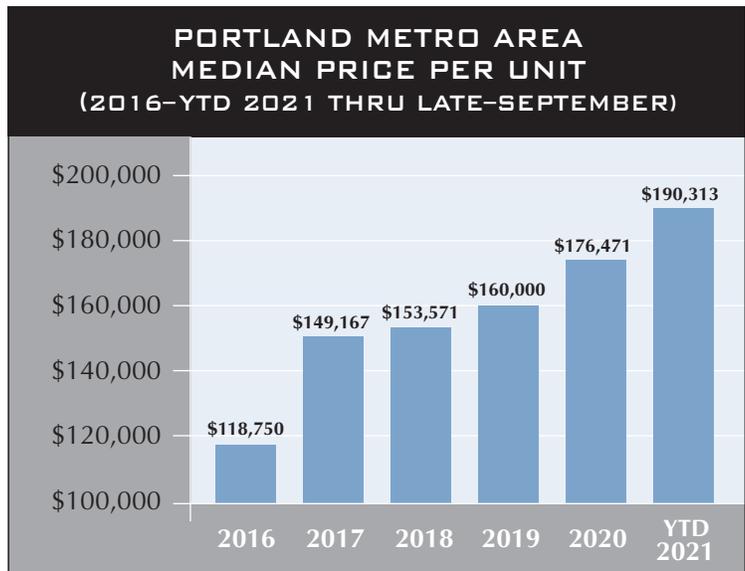


APARTMENT CONSTRUCTION

From 2013 through 2020, Portland was riding a wave of apartment construction. In 2020, apartment construction in Portland Metro experienced a strong downward turn. The data from CoStar suggests that the current number of units under construction in fall 2021 is reminiscent of 2012/2013. CoStar forecasts that apartment supply will not outpace demand until 2024. This will likely result in consistently low vacancy rates across most submarkets and increasing rents in the coming years.

One can point to a number of reasons for slowing construction. Some of these are national trends such as fewer construction lenders during 2020, rising material prices, and labor shortages. Though some reasons are Portland and Oregon specific. These include rent control, inclusionary housing requirements, recent reputational damage at a regional/national level, the considerable uncertainty with local regulatory changes, and a short term oversupply of units during 2019 and 2020.

Portland Metro would benefit from increased apartment construction which would moderate rents, increase vacancies to a more balanced rate, and keep Portland competitive in terms of cost of living relative to other markets which benefits job growth. The permit application figures from the Census Bureau have shown a strong rebound in YTD 2021. Through August of 2021, there were permit applications for 4,725 units, which would suggest around 7,100 units for the year. Around 7,100 permit applications would be competitive with the average permit applications over the past eight years. The location of the units is somewhat counterintuitive, with 52 percent of permit applications in Multnomah County, 39 percent in Clark County, seven percent in Washington County, and two percent in Clackamas County. Units typically hit the market 1 to 2 years after the application is submitted and reported.



VACANCY AND RENT TRENDS

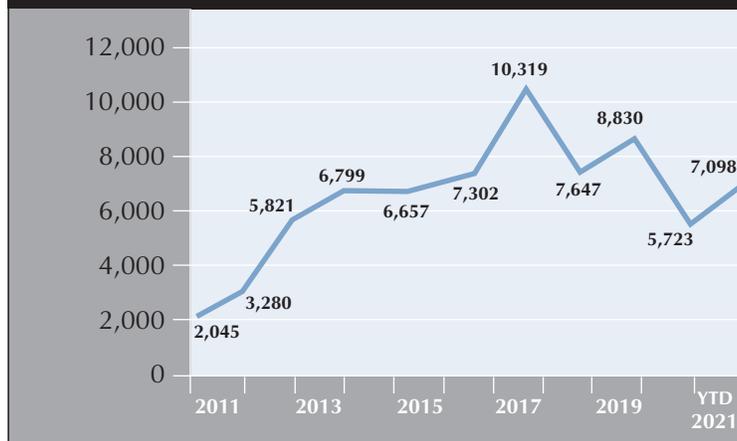
Given the turmoil of the past 18 months, coupled with a ban on evictions, many owners were content if their 2020 income was in the neighborhood of 2019. Our firm audited all of our appraisals from June 2020 through June 2021. We found that just under 50 percent of properties showed income/annualized income that was down in 2020 and the balance reported increasing income in 2020. The vast majority of operating statements we have seen in YTD 2021 suggesting increasing income above 2020 levels.

The rental survey herein reports Metro vacancy rates at around 3.4 percent and a rent increase of 5.7 percent since Spring 2021. Of the 20 submarkets surveyed, 18 reported decreasing vacancy rates and all 20 reported increasing rents. During COVID, some tenants exited the urban area for the suburbs and are some are slow to return to the city. There are five submarkets with vacancy rates below 2.5 percent, which includes Tigard, Lake Oswego/West Linn, Oregon City, East Vancouver, and West Vancouver. The submarkets with the highest vacancies include NW Portland, downtown Portland, SW Portland, and N Portland/St. Johns. The submarkets with the highest vacancies are almost all urban and areas that have experience the highest rates of construction in recent years.

Every major forecast is predicting continued rent increases in Portland Metro. This will be driven by steady population growth, decreasing number of units under construction, and declining vacancies. CoStar is forecasting that Portland Metro vacancies will remain below 3.5 percent at stabilized properties for at least the next three years and that year over year rent growth will range from 4.0 to 10.0 percent over the next three years.



APARTMENT PERMITS ANNUALIZED FOUR COUNTY METRO AREA (2011-YTD 2021 THRU LATE-SEPTEMBER)



SUMMARY:

The Portland apartment market fundamentals have improved during YTD 2021 as the market proved to be more resilient than many thought upon the onset of COVID. These improvements should continue in the near future barring any unforeseen events. However, apartment fundamentals are shifting towards an owner's market with decreased new supply, low vacancy rates, and higher rent growth. Increasing apartment permit figures from YTD 2021 may help bring the market closer to balanced state in the years to come. ■

Patrick O. Barry (pb@barryapartmentreport.com) is a certified general appraiser with Barry & Associates, which specializes in apartment appraisal work in the Portland metropolitan area. Patrick is an engineering graduate of the University of Colorado.

RISKS

While many of the apartment and economic fundamentals are encouraging, there are some risks that remain in the market.

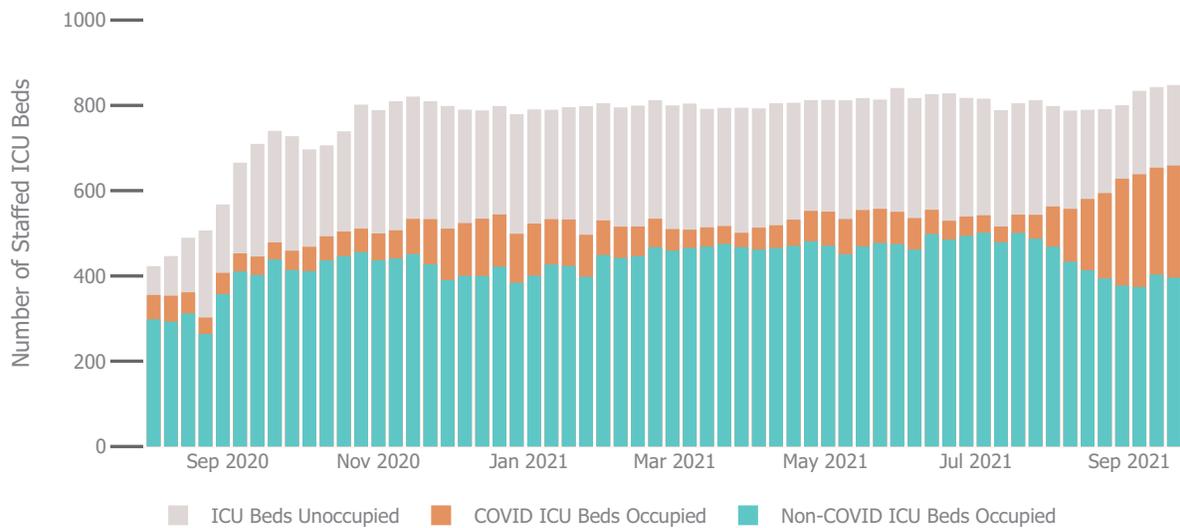
- Existing regulation (along with threat of more), reputational damage to Portland in the 18 months, and a lack of urgency to clean up the urban area has made investors think twice about their involvement in City of Portland and Oregon
- Some COVID related health concerns continue in the coming fall and winter, extending economic uncertainty
- Sharply increasing rents results in Portland Metro being a less desirable destination for employees and employers. Portland Metro is almost entirely reliant on migration for population growth and affordability relative to other competing markets is invaluable.
- The inability for rental assistance to be distributed and the ongoing extension of the eviction moratorium.
- Increasing expenses (property taxes/labor costs/utilities), any increases in cap rates, and the eventual increase in interest rates could adversely impact values if rent growth lags. In late September, the Fed hinted at rate increases beginning in 2022.

ECONOMIC AND DEMOGRAPHIC TRENDS

Jerry Johnson, Principle, Johnson Economics

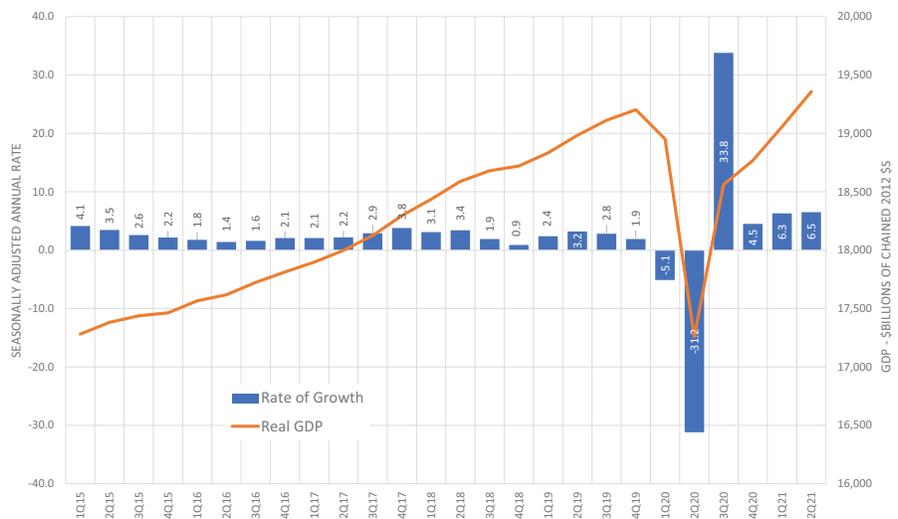
The regional economy has been negatively impacted over the last fifteen months by the COVID-19 pandemic, which has impacted both economic and demographic patterns. Following an optimistic spring and early summer and rising vaccination rates, the emergence of the Delta variant has pushed back plans for reopening many sectors of the economy. Economic growth was robust through the summer as COVID-related restrictions were lifted, assisted by record levels of federal stimulus. The level of vaccine resistance appears to be persistent, and we may have to rely upon immunity associated with covid infections to increase community immunity to necessary levels. The current surge in covid-related admissions has stressed hospital systems nationwide, with many areas already close to or beyond capacity. In the State of Oregon, we are currently seeing COVID patients overwhelm hospital systems in areas such as Southern Oregon. The surge appears to have peaked in the last week or so.

ICU CAPACITY AND COVID-19 IMPACTS, STATE OF OREGON

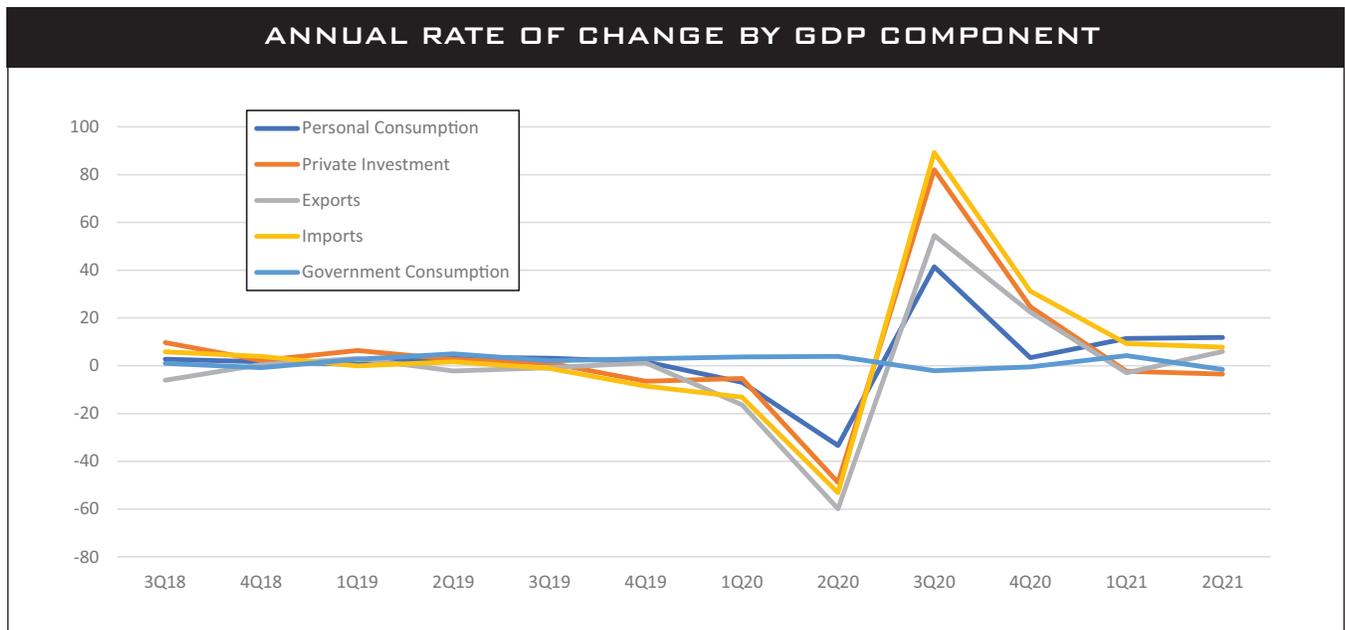


While we remain hopeful that there is an eventual end to the pandemic, recent usage patterns and preferences associated with the pandemic may be persistent. The associated uncertainty will have a substantive short-term impact on investor interest in certain asset classes and locations. Demand for multifamily housing is not expected to be negatively impacted though, and household income levels increased during the pandemic due to the surge in stimulus money. As these funds dry up it will be important to see recovery in service economy employment.

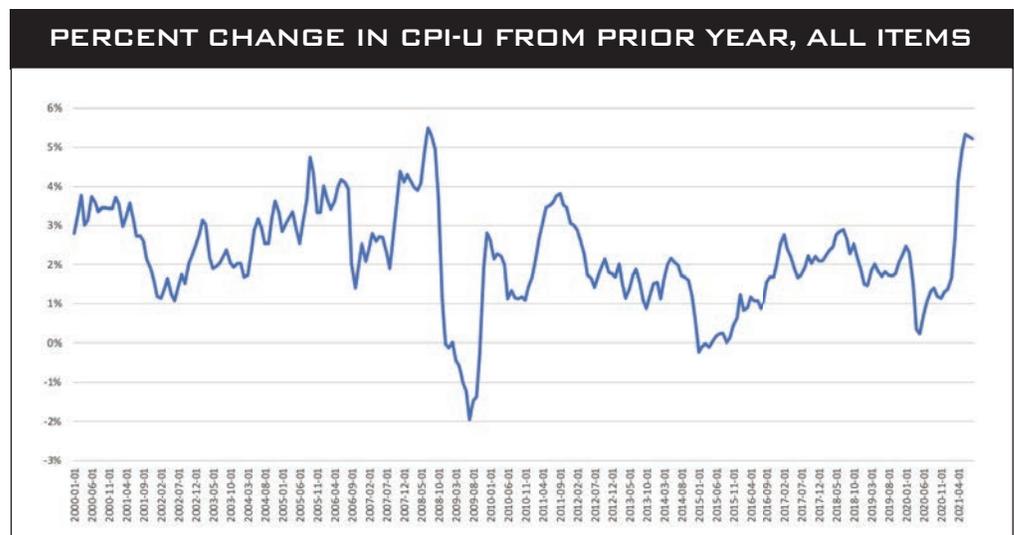
REAL GDP PERCENT CHANGE FROM PRECEDING PERIOD



At a national level, the economy continued to expand at a robust rate through the second quarter, with overall GDP estimates now above pre-pandemic levels. The economy remains below the long-term growth trend though. Personal Consumption continues to remain strong, and exports have risen rapidly in the last few quarters, but Private Investments and Government Consumption have been trending downwards. The exceptional level of fiscal stimulus to consumers during the pandemic will likely drive personal consumption for a few more quarters.

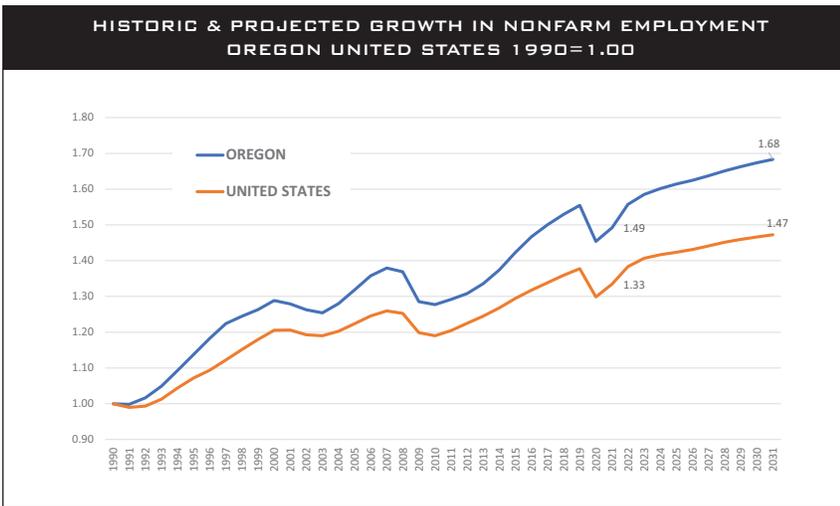


An area of recent concern are the increasing signs of inflation, which has not been a significant factor in the market for over twenty years. Low interest rates have been capitalized into land and property values, and any significant shift in interest and/or capitalization rates would substantively impact the real estate markets. Annualized inflation has been at its highest level since prior to the great recession in 2008. In addition, as demonstrated by the sharp run up in construction materials cost in the last year, inflationary impacts can very directly impact the ability of the market to deliver new product profitably. While challenging for the development market, increases in replacement cost will provide pricing power for existing multifamily properties.

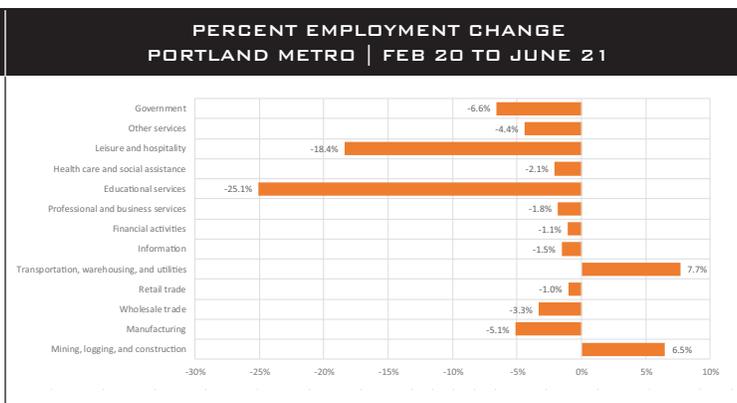
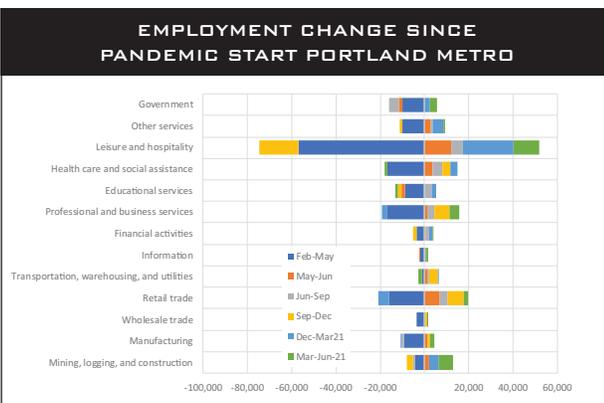
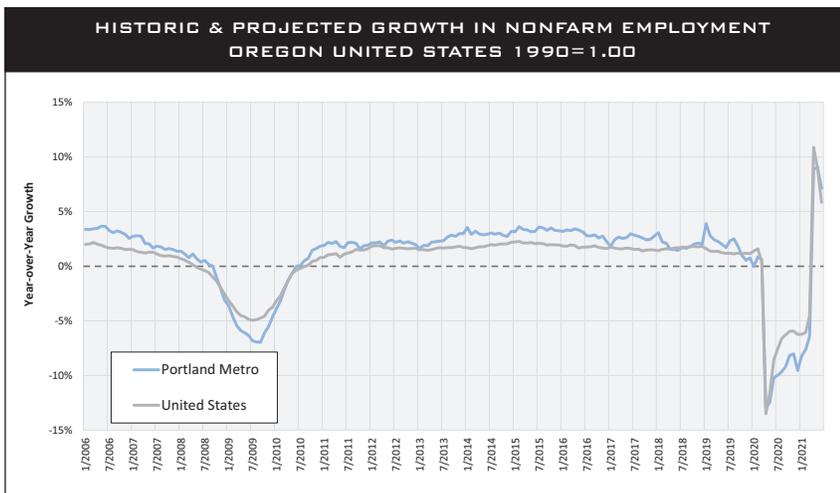


Recent public policy actions such as the eviction moratorium, inclusionary zoning requirements, and rent control measures all contribute to a reduction in investor interest in multifamily residential as an investment. This can lead to a rise in the required rate of return, which in turn places inflationary pressure on rent levels necessary to generate these returns.

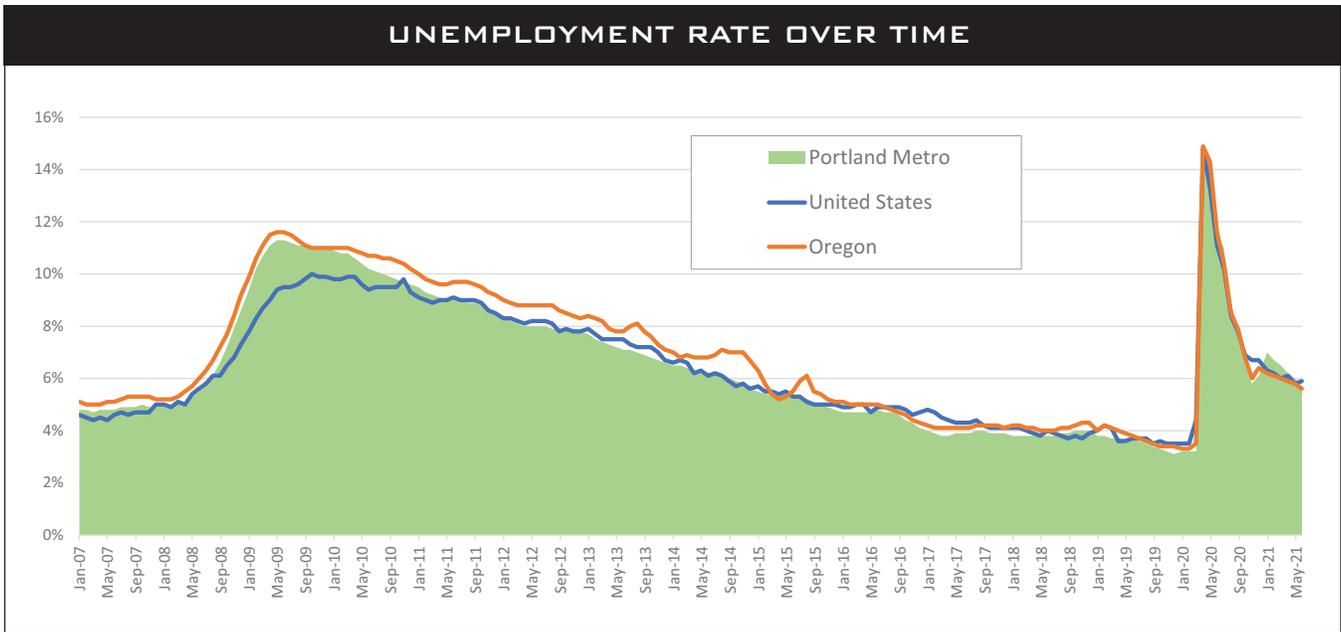
The State of Oregon has outperformed the national average in terms of employment growth for decades and is expected to continue that pattern through 2031 in the State's most recent forecasts. Income levels in the State of Oregon have risen sharply during the pandemic, with reductions in wages and earnings more than offset by sharp increases in transfer payments. While the transfer payments reflect a one-time influx, the impact is likely to be extended as personal balance sheets are improved which will fuel elevated personal consumption.



The rate of employment growth in the Portland metropolitan area has largely followed the national average in the last year. Despite recent growth, only the transportation, warehousing, and utilities sector and construction sectors have employment levels above the pre-recession levels. The leisure and hospitality sector remains 25.1% below February 2020 levels, while government and manufacturing also remain well below pre-recession levels.

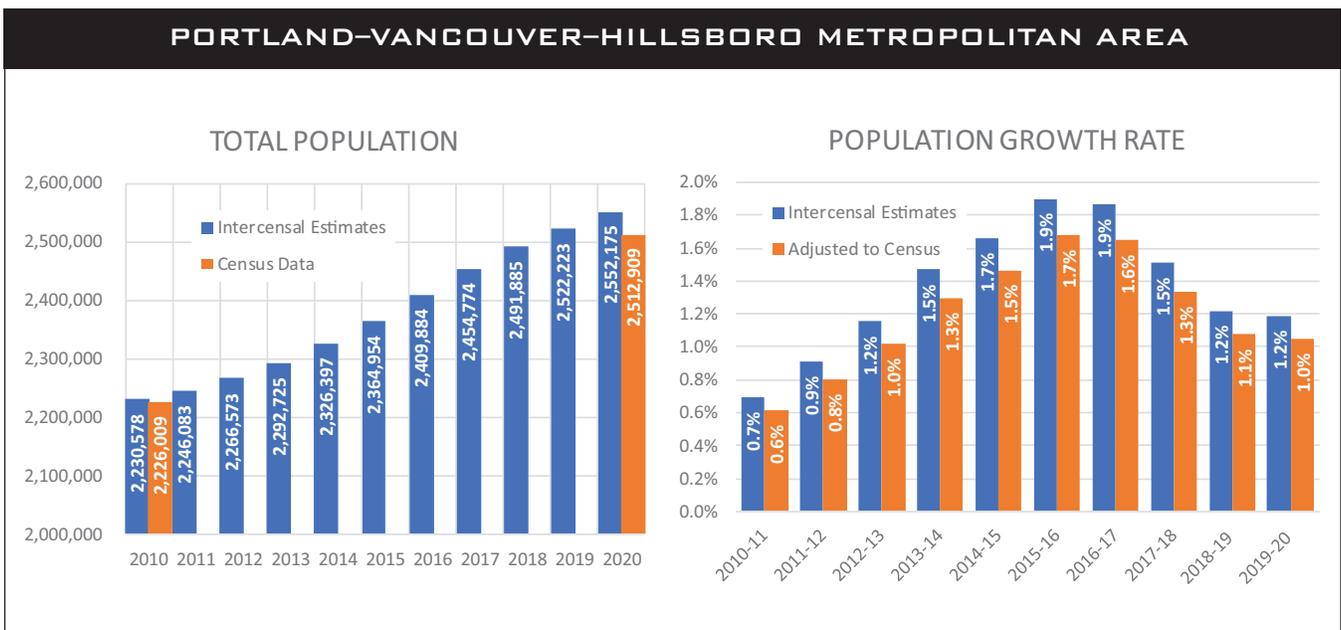


The unemployment rate in the Portland metro area has tracked with the national and statewide rate and was estimated at 5.7% in June 2021. While steadily improving, the rate remains well above the pre-pandemic level. The rate is likely a bit understated due to short-term reductions in the labor force participation rate. With most schools now open, the ability to work outside of the home for significant portions of the labor force will increase. In addition, the expiration of supplemental unemployment benefits will likely increase the incentives.



2020 CENSUS

The US Census Bureau recently released preliminary numbers from the 2020 Census. Every decade this release requires a recalibration of intercensal estimates, which tend to become increasingly unreliable as we get further from the census. The 2020 census indicated a population level of just over 2.51 million in the Portland metropolitan area (April 2020), roughly 40,000 below the intercensal estimate (July 2020). This would indicate that population growth in the metro area was only 88% of what was estimated in the intercensal numbers. If we assume that the shape of growth is correct in the intercensal estimates, we can adjust interim estimates to fit the curve to fit the new endpoint.



2020 CENSUS

	Intercensal	Census	Differential	Avg. Rates 2010-20	
	1-Jul-20	1-Apr-20		Intercensal	Census
OREGON	4,268,055	4,237,256	-30,799	1.1%	1.0%
Bend	92,840	99,178	6,338	1.9%	2.6%
Portland	664,675	652,503	-12,172	1.3%	1.1%
Salem	168,970	175,535	6,565	0.9%	1.3%
Hillsboro	104,670	106,447	1,777	1.3%	1.5%

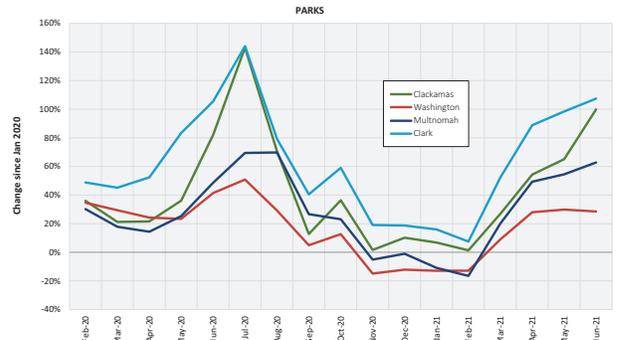
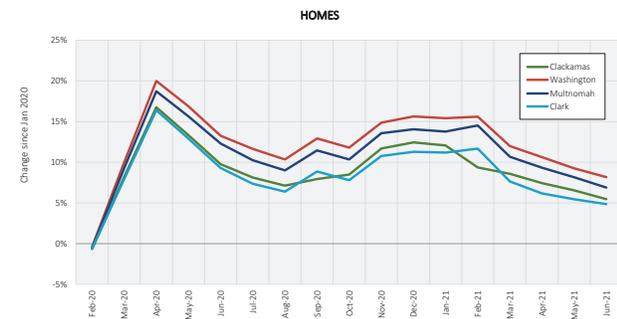
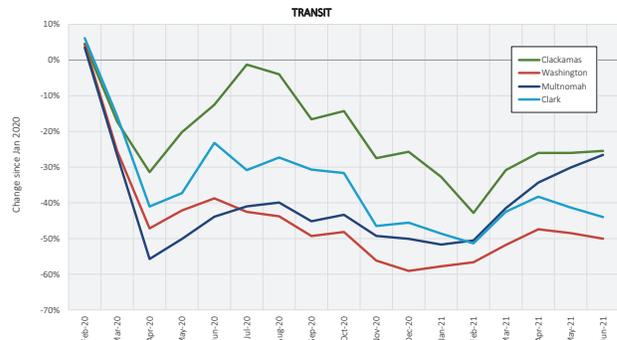
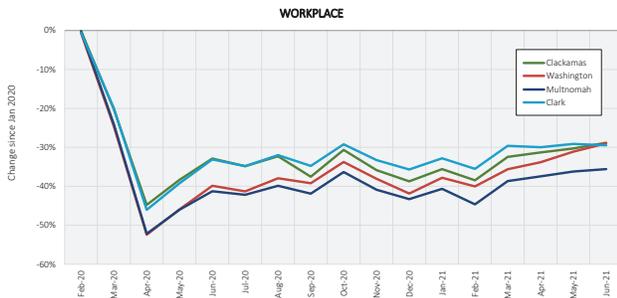
The Portland metropolitan area continues to attract net in-migration, but the pace of this migration has slowed in recent years. The migration rate into the region has been a critical factor supporting our economic growth as well as demand for multifamily residential units, and the ability of the region to remain attractive to prospective new residents is critical to our ongoing success.

MOBILITY

Smart phone data provides revealing insights into changing mobility patterns during COVID and gives some indications of where we are in the recovery. The data indicates areas and services that people avoid, while also indicating the activity level and vitality of urban areas. Google provides this data on the county level. The following data compares the aggregate amount of time spent in different locations to the January 2020 median (pre-pandemic condition). The data does not show year-over-year changes, and thus does not distinguish between seasonal changes.

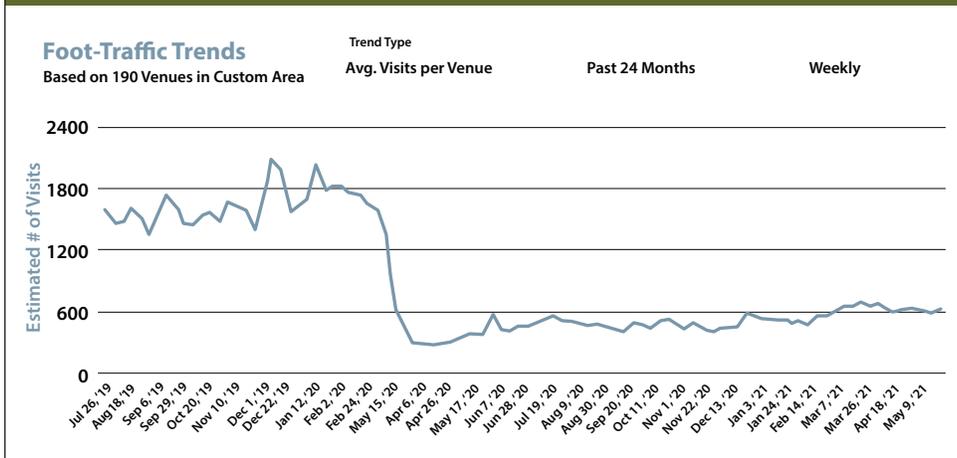
Google's data show a steep decline in time spent at workplaces and an increase in the time spent at home in March and April last year. Multnomah County saw the biggest impact, while the suburban counties saw a lower level of impact. Most counties have seen only modest improvement over the past year. For Oregon as a whole, workplace activity remains 27% below pre-COVID. Part of this is due to a loss of jobs. Applying these rates to current employment indicates that 24% of those who pre-COVID worked at a workplace now work remotely.

CHANGE IN ACTIVITY SINCE JANUARY 2020 WORKPLACES, HOMES, TRANSIT, PARKS



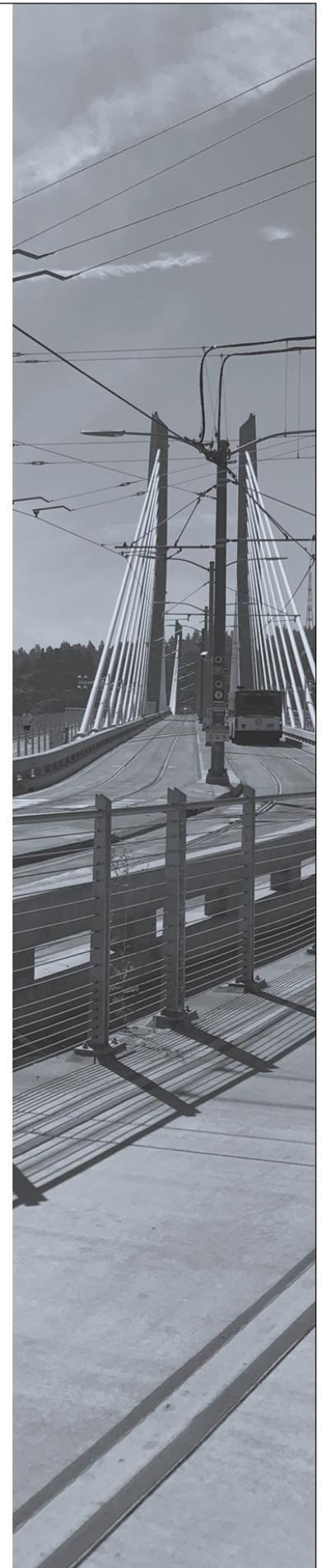
The use of transit reached a bottom in Multnomah County in April last year, while Washington County did not reach the bottom until December. The counties are currently 27% and 50% below the January 2020 level, while Jackson and Deschutes counties are only 2% below. Visits to parks are highly seasonal, and very limited in January. However, most counties had less visits to parks in March 2021 than in February 2020. Park visits in June this year are only slightly higher than in June last year.

CHANGE IN FOOT TRAFFIC OVER TIME PORTLAND CBD WEST OF RIVER & EAST OF I-405 LOOP



If we look at downtown Portland (inside the I-405 loop), the shift in observed foot traffic has been significant, with little improvement since the pandemic started. Foot traffic information collected from cell phones indicate a drop in traffic of two thirds during the pandemic, with very limited growth. A combination of ongoing protest damage, increased levels of homeless, and most importantly the sharp reduction in daytime population as firms keep employees at home have all contributed to an environment that is highly challenging to downtown retailers. While it was expected that major firms would start returning to their office in September, the Delta variant has put those plans on hold for now. ■

As a Principal with Johnson Economics, Jerry Johnson is involved in research design, economic and financial modeling, and market analysis. He is an expert at the identification and quantification of redevelopment opportunities, including pro forma-based predictive development and redevelopment models. Jerry holds a Masters of Urban Planning with a specialization in economic development from Portland State University, as well as undergraduate degrees in architectural design and economics.



THE LIGHT IS SHINING BRIGHT AGAIN

Greg Frick, Co-Founder, HFO Real Estate Investment



Nine months ago, at the beginning of 2021, the investment real estate investors were looking for a light at the end of a dark tunnel. The markets were grappling with the uncertainties of the pandemic and how and what an economic recovery would happen. As we sit here in October dealing with the delta variant of the COVID pandemic, the Portland Area Multifamily Investment market has found that light shining bright again.

The pandemic severely damaged retail, hospitality, and office assets throughout the county and the Pacific Northwest. Multi-family and Industrial properties continued to be the preferred property type for real estate investors.

As Patrick Barry discusses in his article **on page 8**, Multi-family sales volume in the Portland market is on pace to be highest in the number of transactions and dollar volume since 2016. This robust sales market also had values increase across the various apartment classes.

Yes, some investors passed on Portland as a destination for their investment dollars. Some existing investors looked to exit the market because of multiple factors. Portland being in the national spotlight for various protests, political uncertainty, and the current regulations on housing providers are a handful of the reasons. Yet, the amount of capital looking for multi-family investments in the Portland market far exceeded estimates and

more than made up for the capital passing or leaving Portland. Because of this imbalance, existing owners can command favorable pricing and terms in the disposition of their multi-family assets. The favorable demographic and economic trends, Jerry Johnson lays out in his article **on-page 11** are some of the factors driving investor demand in the Portland market. Low interest rates continue to drive interest in commercial real investing. With the retail and office markets in flux, institution investors' allocation for multi-family investments continues to grow.

There is also a spill-over of investor demand to the tertiary markets outside of the Portland PMSA. The hunt for yield continues to drive acquisitions to smaller markets. This increased investor demand in the outing areas has pushed pricing to levels not seen before and Cap Rates to historic lows.

The past 18 months have been challenging for many, and the lights sometimes dimmed on the multi-family investment market. However, in 2021 the lights shined bright even as we all try to work through the pandemic. ■

Greg Frick is co-founder of HFO Real Estate Investment based in Portland, Oregon, and brings more than 30 years of multifamily investment sales and advisory experience. His granular knowledge of the market has helped HFO become the market leader for multifamily transactions in Oregon and SW Washington for both private and institutional clients. Greg currently serves on the board of MFNW.



OREGON LEGISLATIVE UPDATE: WELCOME TO THE OFF RAMP!

Leah Sykes, Andor Law



After a legislatively tumultuous 2020, the current legal landscape appears to be showing more stability. The last legislative session resulted in temporary pandemic-related protections for renters with a focus on rental assistance along with other changes of the variety normally anticipated in a legislative session. With the expiration of both the federal eviction moratorium and state restrictions on terminations of tenancy for issues unrelated to money, the progression appears to be trending toward a return to pre-pandemic regulations.

SENATE BILL 282 (EFFECTIVE NOW)

Senate Bill 282 (SB 282) was passed as a means of establishing protections for renters related to pandemic debts and temporary occupants. New timelines are as follows:

1. **Extension of the “grace period.”** Renters owing money (“non-payment balance”) to their housing providers from April 1, 2020 through June 30, 2021 (“Emergency Period”) are protected through February 28, 2022.
2. **Housing providers** are prohibited from engaging in the following until after February 28, 2022:
 - a. Issuing (or threatening to issue) termination notices for the non-payment balance;
 - b. Starting, continuing or threatening an eviction case or other court action or otherwise interfering with renters’ possession of the property related to the non-payment balance;
 - c. Assessing late fees for money owed by renters from the Emergency Period; and
 - d. Reporting money owed by renters from the Emergency Period to consumer credit bureaus.

SENATE BILL 278 (EFFECTIVE NOW)

Senate Bill 278 (SB 278) governs how to handle non-payment of money owed by renters from July 1, 2021 onward and rent assistance as follows:

1. **Non-payment Notices.** Any termination notices related to non-payment from July 1, 2021 onward are required to have specific disclosures about the Emergency Period and rent assistance.
2. **Housing providers** in receipt of proof of application for rental assistance from renters after July 1, 2021 may not issue any new notices of termination related to non-payment or proceed with court actions for 60 days (90 days in Multnomah County).
3. **If a renter’s application** for rental assistance is denied or the 60/90 day period described above expires without payment, Landlords may apply to [http://www.homeforward.org/LGP \[r20.rs6.net\]](http://www.homeforward.org/LGP[r20.rs6.net]) for compensation for the 60/90 day period.
4. **Landlord Compensation Fund (LCF).** The LCS will now reimburse applicants for 100% of any unpaid amounts awarded instead of the prior 80% reimbursements. This increase is retroactive for housing providers approved in the first two rounds without any additional request requirements.
5. **Credit reporting limits.** Housing providers may not report any non-payment that occurred during the Emergency Period to consumer credit agencies until after February 28, 2022.
6. **Screening limits.** Housing providers may not consider eviction judgments (for any reason, not just non-payment) or unpaid amounts owed to prior housing providers from April 1, 2020 through February 28, 2022.
7. **Occupancy Rules.** Housing providers may not assess fees or terminate the tenancy related to occupancy limits lower than the amount required by law or the maximum duration of the guest’s stay in the tenancy. Renters with guests residing in a dwelling unit more than 15 days in any 12 month period may be required by their housing providers to have their guest be screened under the provider’s screening criteria (except for criteria related to credit reports and references and/or income). If the guest passes screening the guest may enter into a temporary occupancy



HOUSE BILL 3113 (EFFECTIVE NOW)

House Bill 3113 (HB 3113) removes an exemption from rent control for affordable housing providers and stipulates that rent may only be raised in excess of the rent control amount (7% plus CPI) if the increase of rent does not impact the renter's portion of the rent or the increase is mandated by program eligibility requirements or due to a change in the renter's income.

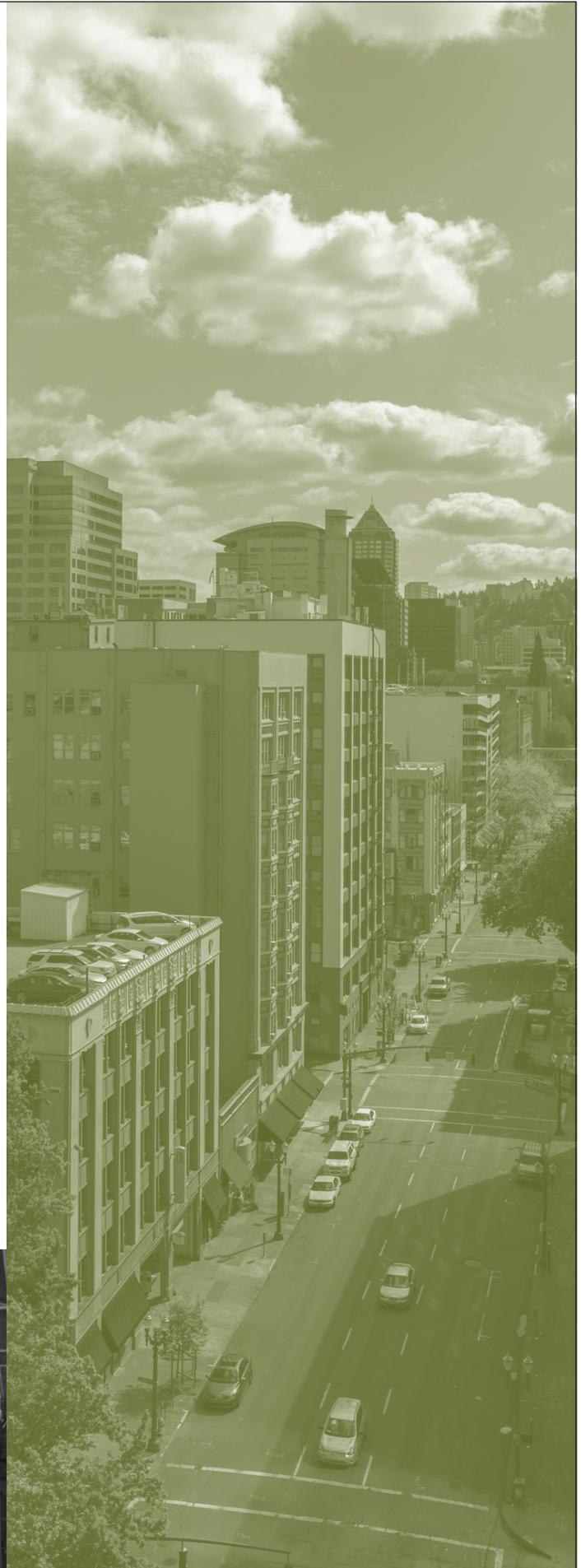
SENATE BILL 291 (EFFECTIVE JANUARY 1, 2022)

Senate Bill 291 (SB 291) expanded restrictions on screening of applicants and adds a new individualized assessment requirement for housing providers that is very similar to what is currently required in the City of Portland Fair Access in Renting Ordinance. The new requirements are:

1. **Costs.** Housing providers may only charge applicants what is customarily charged by screening companies and the reasonable value of any time spent by the housing provider in otherwise obtaining information about applicants.
2. **Disclosures.** Applications must now include language regarding an applicant's right to appeal negative determinations (if one exists) and non-discrimination policy language.
3. **Timing.** Housing providers must provide applicants with written statements of denial including one or more reasons for denial within 14 days and if supplemental evidence was provided, why that evidence did not result in the denial being overturned by the housing provider.
4. **Individualized Assessment.** Prior to sending out a notice of denial based on criminal history, housing providers must conduct an individualized assessment of the applicant and consider: the nature and severity of the incidents that would lead to a denial, the number and type of incidents, the time elapsed since the date of the incidents and the age of the individual at the time of the incidents.

This slowing in legislative changes provides some stability to the industry and hopefully signals a return to less volatile legislative pacing for 2022. ■

Ms. Sykes takes a hands-on approach, advising clients in both the non-profit and for-profit housing markets, with a great depth of knowledge of the interplay between federal, state and local agencies and regulations. Ms. Sykes has been a member of the Multifamily NW Board of Directors since 2019.



Thank you to all who contributed to the making of this report.

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