

COMMERCIAL REAL ESTATE REPORT Q4 2023

Eugene-Springfield, OR Metro Area

Select a Metro Area
Eugene-Springfield, OR Metro Area

Demographics and Economy

Demographics

-0.2%	39.9%	2.1%	Net Migration in Oregon
population growth (2022)	share of renters (2022)	renter household formation (2022)	-1,747 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-10,341 (2022)

Economy

6.8%	-1,200	-0.7%	8.4%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$52,970	3.8%	14.9%	International Migration in Oregon
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	4,304 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	7,234 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. Despite weak conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-38,021	-273,494	1.0%	\$23	4.9%
2022 Q4	-24,393	-5,050	0.8%	\$23	2.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	12,144,878	0	-5,700	\$4.56M	9.0%
2022 Q4	12,150,578	0	-3,080	\$2.55M	8.6%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	81	507	1.1%	\$1,438	\$1,425	5.5%
2022 Q4	75	52	7.2%	\$1,423	\$1,414	5.4%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	22,853	0	549		5.4%	
2022 Q4	22,304	177	870		5.1%	

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-69,608	-210,310	4.3%	\$18	2.4%
2022 Q4	129,095	56,714	3.6%	\$17	1.7%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	25,091,141	6.9%	\$7.70M	\$213	
2022 Q4	25,132,869	6.9%	\$15.12M	\$241	

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-90,260	-285,772	2.5%	\$9	1.5%
2022 Q4	-74,340	-24,965	6.9%	\$9	0.4%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	31,480,900	24,960	68,108	7.7%	\$0.99M
2022 Q4	31,412,792	0	-8,499	7.0%	\$4.97M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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COMMERCIAL REAL ESTATE REPORT Q4 2023

Portland-Vancouver-Hillsboro, OR-WA Metro Area

Select a Metro Area
Portland-Vancouver-Hillsboro, OR-WA

Demographics and Economy

Demographics

-0.1%	38.4%	2.0%	Net Migration in Oregon
population growth (2022)	share of renters (2022)	renter household formation (2022)	-1,747 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-10,341 (2022)

Economy

7.6%	17,300	1.4%	5.0%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$67,260	3.5%	23.3%	International Migration in Oregon
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	4,304 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	7,234 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. Despite weak conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-336,133	-1,226,903	1.3%	\$29	12.6%
2022 Q4	169,487	-314,421	2.5%	\$29	11.3%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	118,463,206	-7,848	283,921	\$127.46M	7.6%
2022 Q4	118,179,285	106,829	517,218	\$79.87M	7.1%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	957	3,207	-1.9%	\$1,590	\$1,575	7.0%
2022 Q4	-81	3,068	4.2%	\$1,620	\$1,607	5.5%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
2023 Q4	226,128	502	7,011	5.2%		
2022 Q4	219,117	809	3,568	4.7%		

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	524,322	200,935	1.2%	\$24	3.4%
2022 Q4	164,556	826,573	3.5%	\$24	3.4%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	125,738,728	6.4%	\$101.37M	\$278	
2022 Q4	125,470,685	6.4%	\$157.68M	\$233	

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-523,327	-648,591	3.2%	\$12	4.5%
2022 Q4	1,958,514	5,508,866	7.8%	\$11	3.4%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	254,430,896	797,816	2,120,433	6.6%	\$212.97M
2022 Q4	252,310,463	1,491,609	3,843,356	6.1%	\$202.91M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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COMMERCIAL REAL ESTATE REPORT Q4 2023

Salem, OR Metro Area

Select a Metro Area
Salem, OR Metro Area

Demographics and Economy

Demographics

0.0%	37.2%	3.1%	Net Migration in Oregon
population growth (2022)	share of renters (2022)	renter household formation (2022)	-1,747 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-10,341 (2022)

Economy

8.7%	4,500	2.5%	5.4%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$56,500	3.6%	13.0%	International Migration in Oregon
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	4,304 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	7,234 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	47,788	-43,685	0.8%	\$23	4.8%
2022 Q4	-51,738	38,562	4.4%	\$23	4.3%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	11,112,198	0	16,074	\$6.95M	9.3%
2022 Q4	11,096,124	0	38,355	\$6.43M	8.8%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	188	372	1.3%	\$1,336	\$1,325	6.6%
2022 Q4	85	270	5.7%	\$1,318	\$1,310	5.5%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	29,090	342	708		5.7%	
2022 Q4	28,382	584	1,108		5.3%	

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	13,762	-48,894	4.5%	\$18	2.3%
2022 Q4	188,442	257,002	4.0%	\$18	1.9%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	21,833,779	6.5%	\$12.27M	\$307	
2022 Q4	21,813,364	6.5%	\$6.31M	\$146	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-2,763	379,058	2.7%	\$10	6.5%
2022 Q4	194,328	354,399	7.7%	\$9	5.3%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	32,212,062	0	836,637	6.9%	\$0.00M
2022 Q4	31,375,425	77,304	182,359	6.3%	\$55.36M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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