

HOT TOPICS

CLARK COUNTY MULTIFAMILY MARKET ROUNDUP

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Welcome to the April 2025 apartment market update. This report includes data from economic forecasts, rent rates, area population growth, units needed, completed rental units, sales, and financing.



VACANCY

- The latest estimated vacancy rate for 5+ units in Vancouver is pegged at 7.3%.<sup>1</sup>
- The Q4 Clark County market average vacancy was 4.9%, according to the University of Washington Center for Real Estate Research’s survey of 35,192 units<sup>2</sup>, and 5.5% as of April 1, 2025, according to CoStar.<sup>1</sup>
- Estimated vacancies for 5+ units in the Portland metro area stood at 7.6% at the start of April, with average U.S. vacancies at 8.1% and nationwide average vacancies in 4- and 5-star properties at 11.5%.<sup>1</sup>

ECONOMIC FORECAST

- On November 20, the State of Washington Office of Financial Management projected revenue collections through 2029 decreased by \$400 million. Its forecast for 2023–25 decreased by \$89M (0.13%) from the prior forecast. The budget for 2025–27 was adjusted to \$66.39B, down \$181M (0.25%); and the forecast for 2025–27 was adjusted down \$131M to \$71.43B (0.183%).<sup>3</sup> In addition, the Washington State Employment Department reported nonfarm payroll in Washington increased by approximately 39,000 jobs YOY from February 2024 to February 2025.<sup>4</sup>
- The U.S. Unemployment Rate for February was 4.1%<sup>5</sup>, while the latest Washington State data indicated February’s Washington State unemployment rate was 4.4% (sourced April 1) and Clark County was 4.5% (Jan. 2025).<sup>6</sup>

- According to CoStar, nationwide 12-month asking rent growth was 1.1% as of March 27.<sup>1</sup> CoStar’s data conflicts with Apartmentlist.com reports that national year-over-year rent growth was (-0.4%) through March.<sup>8</sup>
- CoStar forecasts that U.S. rent growth will reach 2.8% by the end of 2025.

RENT RATES

- A Q4 2024 University of Washington survey of 10,214 one-bedroom units in Clark County reported Q4 average rents of \$1,440 (\$2.05 PSF), an increase of 1.6% from a year earlier. Additionally, 19,274 two-bedroom units were surveyed, with rents averaging \$1.69 PSF, a 1.8% increase from a year earlier.<sup>2</sup>
- Costar reports rents grew 1.7% on average in unincorporated Clark County from March 2024 to March 2025.<sup>1</sup>
- In Vancouver, CoStar reports rents increased 0.9% from March 2024 to March 2025. Monthly submarket effective rents currently stand at \$1,701.<sup>1</sup>
- Vancouver is now the Portland metro area’s largest submarket by unit count due to the recent construction boom there, which added 47.4% of expanded inventory over 10 years.

Increased Costs

*A survey by Affinity Property Management indicated that overall operational expenses in Vancouver rose 51% between 2021–2024 with insurance increasing 64% during that time.*

*Affinity Property Management Survey<sup>15</sup>*

*The average multifamily tax increase in Vancouver from 2022-2025 is north of 25%.*

*HFO research*

# HOT TOPICS

## Rent Forecast for the Portland MSA

- CoStar reports that rents year-over-year in March 2025 were up 0.4% despite a 4- and 5-star vacancy rate of 10.2%. CoStar now forecasts positive rent growth through 2028, with rents increasing about 2% in 2025 and between 3–4% annually from 2026 through 2028.<sup>1</sup>
- Concessions in Vancouver are generally on the increase, with 47% of East Vancouver and 37% of West Vancouver owners offering them, according to Multifamily NW’s fall survey of 3,609 units.

## AREA POPULATION GROWTH

- Population forecasts indicate Clark County is projected to reach 718,154 by 2045 compared to the current population of 430,000, reflecting a 1.4% growth rate model adopted by the county council on May 2, 2023.<sup>9</sup> Similarly, the Metro Planning organization forecasts Multnomah County will reach 970,485 by 2045, up from 831,459 in 2020, an overall growth rate of 16.7%.<sup>10</sup>

## Units Needed

Clark County must update its 2025 Comprehensive Plan by December 31, 2025.<sup>11</sup> This work will include climate change planning and a plan for housing growth.<sup>12</sup> Washington is forcing cities and counties to work together to meet the needs of all income brackets using an online “Housing for All Planning Tool.”<sup>10</sup> The state has determined that at a medium population growth level, Clark County faces a housing need of 103,475 additional units by 2044.<sup>13</sup>

## New Construction

Here are recently completed and forecast multifamily units (5+ units, excluding condos) according to CoStar<sup>1</sup>:

- **Clark County past 8 qtrs:** 216 units
- **Clark County forecast next 8 qtrs:** 0 units
- **City of Vancouver 3/24–3/25:** 4,047
- **City of Vancouver forecast next 8 qtrs:** 1,224

The City of Vancouver reports the following application statuses for multifamily developments (defined by the City of Vancouver as 3+ units). Note: Not all permits are built<sup>14</sup>.

Stage	Feb. 2023–24	Mar. 2024–25
<b>1: Pre-application</b>	20 applications 1,667 units	25 applications 1,458 units
<b>2: Land use review</b>	18 applications 4,551 units	22 applications 5,352 units
<b>3: Building plan review</b>	61 applications 1,769 units	13 applications 955 units
<b>4: Building permits</b>	138 applications 2,483 units	81 applications 1,341 units

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## Sources:

<sup>1</sup> CoStar, accessible to subscribers. Vacancies vary based on product type and location.

<sup>2</sup> University of Washington Center for Real Estate: [Washington State Apartment Market Report](#).

<sup>3</sup> Washington State Office of Financial Management: [State revenue projection through 2027 up \\$337 million](#).

<sup>4</sup> Washington State Employment Security Department: [News Release \(4/1/25\)](#)

<sup>5</sup> U.S. Bureau of Labor Statistics: [The Employment Situation - February 2025](#).

<sup>6</sup> Washington Employment Security Department: [Monthly Employment Report](#).

<sup>7</sup> U.S. Bureau of Labor Statistics: [Consumer Price Index Summary](#).

<sup>8</sup> Apartmentlist.com: [National Rent Report 2025](#).

<sup>9</sup> The Columbian: [Clark County Council rejects state’s population estimates, use figures from Building Industry Association of Clark County](#).

<sup>10</sup> Metro: [Portland Area Population and Housing Forecast](#).

<sup>11</sup> Municipal Research and Services Center: [Comprehensive Planning](#).

<sup>12</sup> Municipal Research and Services Center: [Climate Report](#).

<sup>13</sup> State of Washington Commerce Department: [Updating GMA Housing Elements](#).

<sup>14</sup> City of Vancouver: [Housing Permits \(4/1/25\)](#)

<sup>15</sup> Affinity Property Management Survey, released [MultifamilyNW Fall 2024 Apartment Report](#) ♦