

HUD PD&R Regional Reports

Region 10: Northwest

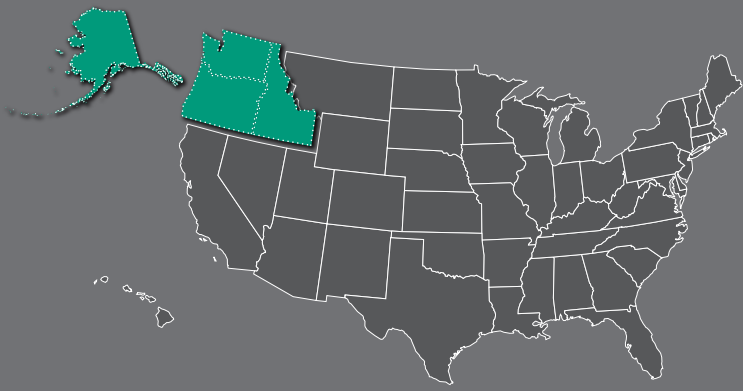


Bend, Oregon

By [Adam Tubridy](#) | 1st Quarter 2025

Quick Facts About Region 10

- **Sales market conditions—**
First quarter 2025: mixed (balanced to slightly tight)
Fourth quarter 2024: mixed (balanced to slightly tight)
First quarter 2024: balanced
- **Apartment market conditions—**
First quarter 2025: mixed (balanced to slightly soft)
Fourth quarter 2024: mixed (balanced to slightly soft)
First quarter 2024: mixed (balanced to slightly soft)



Overview

The economy in the Northwest region grew at an accelerated rate as of the first quarter of 2025. Nonfarm payrolls in the region increased 1.5 percent year over year to 6.82 million jobs as of the first quarter of 2025, following growth of 0.9 percent as of the first quarter of 2024. By comparison, payrolls increased 1.3 percent nationally as of the first quarter of 2025. Home sale market conditions ranged from balanced to slightly tight throughout most of the region compared with balanced conditions a year ago. Home sales in the region increased 1 percent during the 12 months ending February 2025 compared with a 5-percent decline nationally, and the average home sales price rose 7 percent to \$572,900, identical to the national rate of home price growth (Cotality, with adjustments by the analyst). Apartment market conditions in the region were mixed as of the first quarter of 2025, ranging from balanced to slightly soft. In every market area highlighted in this report, year-over-year rent growth was 3 percent or less or relatively unchanged (CoStar Group).

- The unemployment rate in the region increased 0.1 percentage point year over year to 4.8 percent as of the first quarter of 2025, higher than the national rate of 4.4 percent.

continued on page 2



continued from page 1

- The population of the region increased 1.0 percent from 2023 to 2024, accelerating from annual growth of 0.7 percent a year earlier.
- Single-family and multifamily home construction decreased 6 and 15 percent, respectively, as of the first quarter of 2025 compared with the first quarter of 2024.

Economic Conditions

Economic conditions are strong in the Northwest region, and payroll growth has accelerated from a year ago. As of the first quarter of 2025, nonfarm payrolls increased by 102,200 jobs, or 1.5 percent, from a year earlier to 6.82 million jobs, faster than the gain of 61,000 jobs, or 0.9 percent, as of the first quarter of 2024. Job growth in the region was also faster than job growth in the nation, where payrolls increased 1.3 percent year over year as of the first quarter of 2025 compared with 1.5 percent a year ago. Regionwide, jobs increased in 8 of the 11 payroll sectors during the past year. The education and health services sector led job growth, adding 47,300 jobs, or 4.5 percent, year over year, accounting for 46 percent of the regionwide net job growth and similar to year-over-year growth of 4.4 percent as of the first quarter of 2024. The government sector was the second largest source of growth, adding 18,600 jobs, or 1.6 percent, following growth of 3.7 percent a year earlier. The state government subsector grew more than the local and federal government subsectors, expanding 2.8 percent year over year. The third largest job gains occurred in the professional and business services sector, up by 14,000 jobs, or 1.5 percent, compared with the first quarter of 2024, when the sector declined 0.9 percent. Nationally, the sector contracted 0.3 percent year over year as of the first quarter of 2025.

The manufacturing sector was the largest source of job losses in the region as of the first quarter of 2025, falling by 6,500 jobs, or 1.2 percent, year over year compared with a 0.6-percent decline a year earlier. Job losses in the sector were concentrated in Oregon, where the number of jobs declined by 7,500, or 4.0 percent, year over year. Layoffs of approximately 1,300 workers at Intel Corporation, one of the largest manufacturers in the state, contributed to job losses in the sector. The mining, logging, and construction sector had the second fastest decline in payrolls, falling by 0.5 percent, or by 2,000 jobs, year over year, following a 0.4-percent decrease a year earlier. A loss of 10,600 jobs in the mining, logging, and construction sector, or 4.7 percent, in Washington more than offset an increase of 8,200 jobs, or 11.6 percent, in Idaho.

As of the first quarter of 2025, the 4.8-percent unemployment rate in the region was the second highest among the 10 HUD-defined regions in the nation, up from 4.7 percent a year ago. Three states in the region—Alaska, Oregon, and Washington—had unemployment rates above the national average of 4.4 percent. Idaho, with a 4.2-percent unemployment rate, was the only state with a lower unemployment rate than the nation.

continued on page 3

As of the first quarter of 2025, nonfarm jobs increased in 8 of the 11 sectors in the Northwest region.

| | First Quarter | | Year-Over-Year Change | |
|----------------------------------|---------------------|---------------------|-------------------------|---------|
| | 2024 (Thousands) | 2025 (Thousands) | Absolute (Thousands) | Percent |
| Total Nonfarm Payrolls | 6,714.7 | 6,816.9 | 102.2 | 1.5 |
| Goods-Producing Sectors | 987.1 | 978.6 | -8.5 | -0.9 |
| Mining, Logging, & Construction | 441.8 | 439.8 | -2.0 | -0.5 |
| Manufacturing | 545.3 | 538.8 | -6.5 | -1.2 |
| Service-Providing Sectors | 5,727.6 | 5,838.3 | 110.7 | 1.9 |
| Wholesale & Retail Trade | 916.5 | 913.3 | -3.2 | -0.3 |
| Transportation & Utilities | 280.2 | 286.7 | 6.5 | 2.3 |
| Information | 212.6 | 217.2 | 4.6 | 2.2 |
| Financial Activities | 314.0 | 317.1 | 3.1 | 1.0 |
| Professional & Business Services | 931.4 | 945.4 | 14.0 | 1.5 |
| Education & Health Services | 1,060.8 | 1,108.1 | 47.3 | 4.5 |
| Leisure & Hospitality | 651.2 | 664.6 | 13.4 | 2.1 |
| Other Services | 226.5 | 232.8 | 6.3 | 2.8 |
| Government | 1,134.4 | 1,153.0 | 18.6 | 1.6 |

Note: Numbers may not add to totals due to rounding.

Source: U.S. Bureau of Labor Statistics

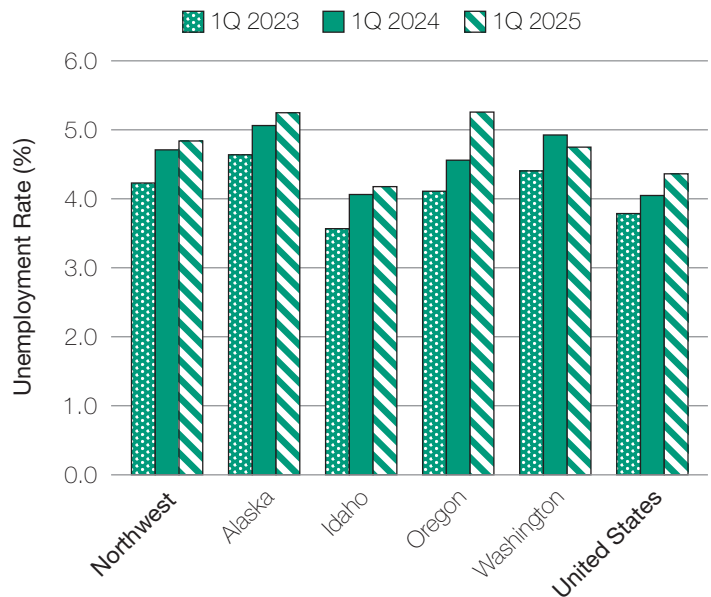


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As of the first quarter of 2025—

- Washington had the largest payroll gain in the region, adding 49,900 jobs, or 1.4 percent, year over year to 3.63 million jobs compared with the first quarter of 2024, when the number of jobs grew 1.0 percent. Washington was the only state in the region in which the information sector added jobs, growing by 4,900 jobs, or 3.0 percent, year over year; nationally, payrolls in the information sector fell 0.6 percent.
- Idaho had the fastest rate of year-over-year job growth among the states in the region, with payrolls increasing 2.9 percent, or by 24,100 jobs, to 867,000 jobs compared with a 2.0-percent gain a year ago. Idaho had the fastest rate of job growth among all 50 states as of the first quarter of 2025.
- In Alaska, nonfarm payrolls increased by 8,800 jobs, or 2.8 percent, from a year ago to 327,800 jobs, up from growth of 2.2 percent as of the first quarter of 2024. The leisure and hospitality sector was the largest source of job growth, expanding by 2,200 jobs, or 7.2 percent.
- Nonfarm payrolls in Oregon increased by 19,400 jobs, or 1.0 percent, to 1.99 million jobs compared with 0.1-percent growth a year earlier. As of the first quarter of 2025, 5 of the 11 sectors added jobs year over year, up from 4 sectors as of the first quarter of 2024.

As of the first quarter of 2025, the unemployment rate was 0.4 percentage point higher in the Northwest region than in the nation.



1Q = first quarter.
Source: U.S. Bureau of Labor Statistics

Population

As of July 1, 2024, the population of the Northwest region was 14.97 million, an increase of 1.0 percent from a year earlier, accelerating from annual population growth of 0.7 percent from July 2022 to July 2023 (U.S. Census Bureau population estimates as of July 1). Population growth in the region was identical to growth in the nation, where the population also increased 1.0 percent from 2023 to 2024. Regional population growth primarily accelerated because

net in-migration increased from 80,700 people from 2022 to 2023 to 131,200 people from 2023 to 2024. Domestic net out-migration measured 15,400 people from 2022 to 2023, then increased to a net inflow of 14,100 people from 2023 to 2024. International net in-migration increased from 96,100 to 117,100 people during the same period. Net natural change increased to a lesser extent, rising from 18,750 people from 2022 to 2023 to 22,250 people from 2023 to 2024.

continued on page 4

Population growth from 2023 to 2024 increased in every state in the Northwest region compared with a year earlier.

| | Population Estimate (as of July 1) | | | Percentage Change | |
|------------------|------------------------------------|-------------|-------------|-------------------|--------------|
| | 2022 | 2023 | 2024 | 2022 to 2023 | 2023 to 2024 |
| United States | 334,017,321 | 336,806,231 | 340,110,988 | 0.8 | 1.0 |
| Northwest Region | 14,720,236 | 14,818,605 | 14,972,303 | 0.7 | 1.0 |
| Alaska | 734,442 | 736,510 | 740,133 | 0.3 | 0.5 |
| Idaho | 1,944,299 | 1,971,122 | 2,001,619 | 1.4 | 1.5 |
| Oregon | 4,247,372 | 4,253,653 | 4,272,371 | 0.1 | 0.4 |
| Washington | 7,794,123 | 7,857,320 | 7,958,180 | 0.8 | 1.3 |

Source: U.S. Census Bureau



continued from page 3

From July 1, 2023, to July 1, 2024—

- Idaho had the sixth fastest rate of population growth among all states in the country at 1.5 percent. Domestic net in-migration accounted for 54 percent of population growth in Idaho, greater than any other state in the region.
- Population growth in Washington accelerated to 1.3 percent from 0.8 percent a year earlier. International net in-migration measured 81,600 people, accounting for 81 percent of population growth in the state.
- The population of Alaska increased 0.5 percent from a year earlier. Net natural change measured 3,375 people; no significant net in-migration occurred.
- In Oregon, the population increased 0.4 percent, up from 0.1 percent a year earlier. Oregon was the only state in the region with negative net natural change, with deaths exceeding births by 3,725.

Sales Market Conditions

Sales housing market conditions in the Northwest region were mixed, ranging from balanced to slightly tight as of the first quarter of 2025 compared with balanced conditions a year ago. Home sales in the region increased 1 percent to 197,500 homes sold during the 12 months ending February 2025 compared with the 12 months ending February 2024, when home sales decreased 20 percent year over year (Cotality, with adjustments by the analyst). Nationally, home sales decreased 5 percent year over year during the 12 months ending February 2025 compared with a 16-percent decline a year earlier. The number of home sales is 42 percent less than the level during the 12 months ending February 2022, which had the highest number of home sales since the Great Recession, primarily because increases in mortgage interest rates since mid-2022 increased the cost of homeownership. The inventory of homes for sale was relatively unchanged during the past year, with approximately 32,800 homes for sale as of March 2025, reflecting a 2.3-month supply, up slightly from a 2.2-month supply as of March 2024

(Redfin, a national real estate brokerage, with adjustments by the analyst). The average home sales price in the region increased 7 percent to \$572,900 during the 12 months ending February 2025, following a 2-percent decrease during the 12 months ending February 2024 (Cotality, with adjustments by the analyst). By comparison, the average home price also increased 7 percent nationally during the 12 months ending February 2025.

Washington led the region in home price growth, with the average home price up 9 percent year over year as of the 12 months ending February 2025, following a 1-percent decline during the previous 12-month period. The state also had the lowest inventory of homes for sale relative to sales in the region, with a 1.9-month supply as of March 2025, up from a 1.7-month supply a year ago, and a limited supply of homes for sale supported strong home price increases (Redfin, a national real estate brokerage, with adjustments by the analyst).

continued on page 5

During the 12 months ending February 2025, home sales in the Northwest region increased modestly because of gains in Oregon and Washington.

| | 12 Months Ending | Number of Homes Sold | | | | Price | | |
|------------------------------|------------------|----------------------|--------|----------------|---------|-----------|-----------|----------------|
| | | 2024 | 2025 | Percent Change | Average | 2024 (\$) | 2025 (\$) | Percent Change |
| Alaska | February | 5,275 | 4,950 | -6 | AVG | 368,600 | 383,800 | 4 |
| Anchorage | February | 3,150 | 2,850 | -10 | AVG | 370,600 | 384,700 | 4 |
| Idaho | February | 44,550 | 44,650 | 0 | AVG | 453,600 | 468,500 | 3 |
| Boise City | February | 19,700 | 20,500 | 4 | AVG | 486,600 | 497,900 | 2 |
| Oregon | February | 57,150 | 58,250 | 2 | AVG | 500,600 | 518,400 | 4 |
| Eugene | February | 4,625 | 4,550 | -2 | AVG | 458,100 | 468,500 | 2 |
| Portland-Vancouver-Hillsboro | February | 30,050 | 31,200 | 4 | AVG | 577,300 | 593,300 | 3 |
| Washington | February | 88,200 | 89,700 | 2 | AVG | 624,300 | 682,600 | 9 |
| Bellingham | February | 3,200 | 3,075 | -4 | AVG | 521,200 | 566,000 | 9 |
| Seattle-Bellevue-Kent | February | 42,700 | 45,400 | 6 | AVG | 815,100 | 887,000 | 9 |
| Spokane-Spokane Valley | February | 7,200 | 6,975 | -3 | AVG | 397,000 | 418,100 | 5 |

AVG = average.

Notes: All figures are rounded. Includes new and existing single-family homes, townhomes, and condominiums.

Source: Cotality, with adjustments by the analyst



continued from page 4

Home prices in the Bellingham and the Seattle-Tacoma-Bellevue (hereafter, Seattle) metropolitan areas increased more than any other highlighted area during the 12 months ending February 2025, each rising 9 percent year over year (Cotality, with adjustments by the analyst). The number of home sales in Washington increased 2 percent during the past 12 months, following a 22-percent decline during the 12 months ending February 2024.

Both Oregon and Idaho had a 2.8-month supply of homes for sale in March 2025 (Redfin, a national real estate brokerage, with adjustments by the analyst). In Oregon, home prices increased 4 percent year over year during the 12 months ending February 2025, and the number of home sales increased 2 percent (Cotality, with adjustments by the analyst). Home price growth was slower in Idaho, up 3 percent, and home sales were little changed compared with a year earlier. Home prices increased at a slower rate in major metropolitan areas in these states. In the Portland-Vancouver-Hillsboro (hereafter, Portland) and the Boise City (hereafter, Boise) metropolitan areas, home prices increased 3 and 2 percent year over year, respectively.

Alaska was the only state in the region in which home sales decreased, falling 6 percent year over year during the 12 months ending February 2025, decelerating from a 16-percent decline during the previous 12-month period. Home price growth was moderate in the state, rising 4 percent year over year, following 3-percent growth during the 12 months ending February 2024. Alaska was the only state in the region in which home prices increased during both the 12 months ending February 2024 and the 12 months ending February 2025. Home sales fell 10 percent year over year in the Anchorage metropolitan area, the largest decline in home sales among all seven highlighted metropolitan areas.

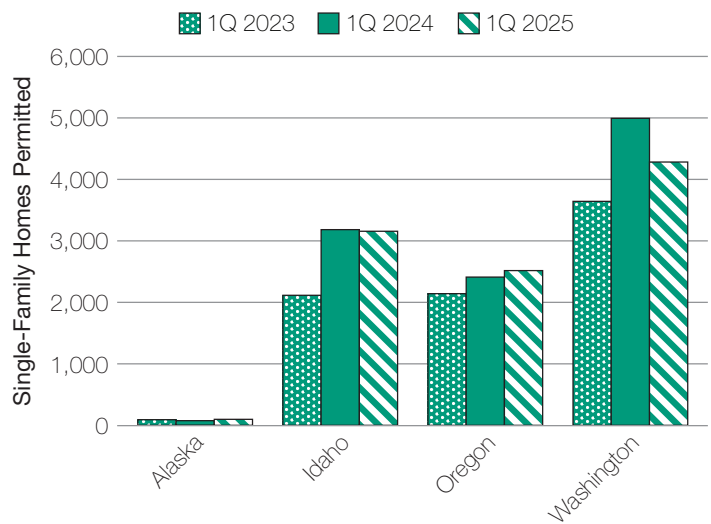
As of the first quarter of 2025 (preliminary data)—

- Homebuilding in the region, as measured by the number of single-family homes permitted, decreased 6 percent from a year earlier to approximately 10,050 homes, following a 34-percent year-over-year increase as of the first quarter of 2024. By comparison, single-family homebuilding in the nation decreased 5 percent year over year, following a 26-percent increase a year earlier.
- Washington had the largest decline in new construction, down by 700 homes, or 14 percent, from the first quarter

of 2024 to 4,300 homes permitted. Homebuilding in the Seattle metropolitan area decreased less than in the state, falling 12 percent year over year to 1,625 homes permitted.

- In Idaho, 3,150 homes were permitted, down 1 percent from a year ago, when permitting increased 51 percent year over year. Approximately 60 percent of all homes permitted in the state were in the Boise metropolitan area, where single-family construction increased 3 percent compared with the first quarter of 2024.
- Oregon was the only state in the region with a significant increase in homebuilding, with permitting rising by 100 homes, or 4 percent, year over year to 2,525 homes permitted. Homebuilding in the portion of the Portland metropolitan area in the state increased by 50 homes, or 5 percent, year over year.
- In Alaska, 100 homes were permitted, up from 85 homes permitted as of the first quarter of 2024. New home construction in the Anchorage metropolitan area increased 27 percent from a year earlier to 60 homes.

As of the first quarter of 2025, single-family home permitting decreased in the Northwest region, primarily because of a decline in Washington.



1Q = first quarter.
 Note: Based on preliminary data.
 Source: U.S. Census Bureau, Building Permits Survey



Apartment Market Conditions

Apartment market conditions in the Northwest region ranged from balanced to slightly soft, similar to conditions a year ago. The regionwide apartment vacancy rate was 7.5 percent as of the first quarter of 2025, up from 7.2 percent a year ago and 6.7 percent as of the first quarter of 2023 (CoStar Group). The average apartment rent in the region increased 1 percent to \$1,789 as of the first quarter of 2025, equal to the rate of growth a year ago. Nationally, annual rent growth averaged 1 percent as of the first quarter of 2025, and the apartment vacancy rate increased from 7.8 to 8.1 percent. The vacancy rate in the region increased as of the first quarter of 2025 because 36,850 apartment units were delivered during the 12 months ending March 2025, outpacing the absorption of 31,700 units. Both completions and absorption increased from the 12 months ending March 2024, when 29,800 and 22,550 units were delivered and absorbed, respectively. A historically high number of apartment completions occurred during the past 24 months. Deliveries and absorption averaged 26,550 and 24,300 units, respectively, annually from 2018 through 2022.

Apartment market conditions are slightly soft in the Seattle and Portland metropolitan areas, the largest apartment markets in the region. In Seattle, the vacancy rate increased 0.6 percentage point to 7.5 percent as of the first quarter of 2025, whereas the vacancy rate increased 0.4 percentage point to 7.6 percent in Portland. In both markets, apartment deliveries and absorption increased year over year. During the 12 months ending March 2025, the expansion of the apartment inventory was 3.9 percent in the Seattle metropolitan area, up from an expansion of 2.6 percent during the previous 12 months. Absorption, as measured as a percentage of the apartment inventory, was 3.2 percent, trailing completions, but was up from 2.0 percent during the 12 months ending March 2024. In the Portland metropolitan area, the apartment inventory expanded 3.2 percent during the 12 months ending March 2025,

and absorption measured 2.6 percent. Rent growth was 1 percent in both the Seattle and Portland metropolitan areas as of the first quarter of 2025, equal to the national growth rate.

High rates of rental construction contributed to slightly soft apartment market conditions in the Boise and Spokane metropolitan areas. In the former, the apartment inventory expanded 8.1 percent during the 12 months ending March 2025, nearly twice as much as any other highlighted market area. However, absorption was 7.5 percent during the same period, more than any other highlighted area, causing the apartment vacancy rate to fall 0.2 percentage point. Conditions in the Spokane metropolitan area were similar, with the apartment inventory expanding 3.9 percent year over year and absorption measuring 3.6 percent of the apartment inventory during the 12 months ending March 2025. Strong absorption, relative to apartment construction, caused the vacancy rate to be stable at 8.2 percent as of the first quarter of 2025. In the Bellingham metropolitan area, a strong rate of apartment absorption caused apartment market conditions to transition from slightly soft as of the first quarter of 2024 to balanced as of the first quarter of 2025. Absorption measured 5.2 percent during the 12 months ending March 2025, when the apartment inventory expanded 4.1 percent year over year.

Slightly soft apartment market conditions prevailed in the Anchorage metropolitan area. Despite very low levels of apartment completions in the metropolitan area, negative absorption led to the apartment vacancy rate increasing 0.9 percentage point year over year to 8.7 percent. Although absorption has been weak, rent growth in the Anchorage metropolitan area has been stronger than in other areas of the region. The average apartment rent increased 3 percent as of the first quarter of 2025 compared with the first quarter of 2024, when average rents rose 6 percent year over year.

continued on page 7

Apartment vacancy rates declined in three of seven highlighted metropolitan areas in the Northwest region as of the first quarter of 2025 compared with a year ago.

| | Market Condition | Vacancy Rate | | | Average Monthly Rent | | |
|------------------------------|------------------|--------------|-------------|-------------------------|----------------------|--------------|----------------|
| | | 1Q 2024 (%) | 1Q 2025 (%) | Percentage Point Change | 1Q 2024 (\$) | 1Q 2025 (\$) | Percent Change |
| Anchorage | Slightly Soft | 7.8 | 8.7 | 0.9 | 1,389 | 1,431 | 3 |
| Bellingham | Balanced | 7.8 | 6.5 | -1.3 | 1,688 | 1,717 | 2 |
| Boise City | Slightly Soft | 10.2 | 10.0 | -0.2 | 1,603 | 1,602 | 0 |
| Eugene-Springfield | Balanced | 6.2 | 4.9 | -1.3 | 1,501 | 1,527 | 2 |
| Portland-Vancouver-Hillsboro | Slightly Soft | 7.2 | 7.6 | 0.4 | 1,660 | 1,669 | 1 |
| Seattle-Tacoma-Bellevue | Slightly Soft | 6.9 | 7.5 | 0.6 | 2,048 | 2,078 | 1 |
| Spokane-Spokane Valley | Slightly Soft | 8.2 | 8.2 | 0.0 | 1,362 | 1,365 | 0 |

1Q = first quarter.

Sources: Market condition—Economic and Market Analysis Division; vacancy rate and average monthly rent—CoStar Group



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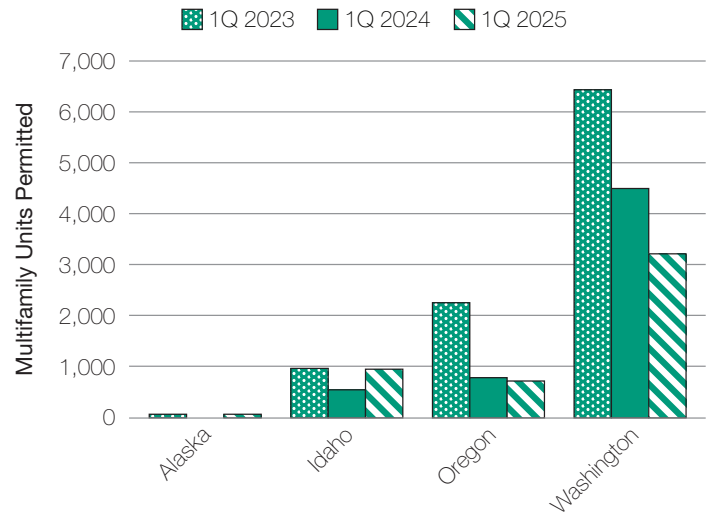
As of the first quarter of 2025 (preliminary data)—

- Multifamily home construction in the region, as measured by the number of multifamily units permitted, decreased 15 percent from a year ago to 4,975 units, following a 40-percent year-over-year decrease as of the first quarter of 2024. The number of multifamily units permitted in the region was less than in any other first quarter since 2014 because soft apartment market conditions and high interest rates increased the risk associated with apartment construction.
- Approximately 3,225 units, representing nearly 65 percent of the regional total, were permitted in Washington, down 28 percent from a year ago, when permitting decreased 30 percent compared with the first quarter of 2023. Permitting in the Seattle metropolitan area decreased at a faster rate, falling 46 percent to 1,625 units permitted.
- Multifamily permitting in Oregon decreased 9 percent to 720 units compared with the first quarter of 2024, when permitting fell 65 percent year over year. In the Oregon portion of the Portland metropolitan area, multifamily construction increased 66 percent year over year to 290 units but is much lower than the average of 1,075 multifamily units permitted annually as of the first quarters from 2020 through 2023.
- Idaho was the only state in the region where multifamily construction increased significantly, rising 73 percent year over year to 970 units. The largest increase occurred in the Boise metropolitan area, where multifamily permitting

increased from 190 permits during the first quarter of 2024 to 550 permits during the first quarter of 2025.

- Approximately 75 multifamily units were permitted in Alaska, up from 10 units during the first quarter of 2024. Most multifamily construction occurred in the Juneau micropolitan area, where 60 units were permitted.

Multifamily permitting decreased in the Northwest region as of the first quarter of 2025 because of falling construction levels in Oregon and Washington.



1Q = first quarter.
 Note: Based on preliminary data.
 Source: U.S. Census Bureau, Building Permits Survey



Terminology Definitions and Notes

A. Definitions

| | |
|--|---|
| Absorption | The net change, positive or negative, in the number of occupied units in a given geographic range. |
| Apartment Vacancy Rate/Average Monthly Rent | Data are for market-rate and mixed market-rate and affordable general occupancy apartment properties with five or more units, including those that are stabilized and in lease up. |
| Building Permits | Building permits do not necessarily reflect all residential building activity. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits. |
| Expansion of the Apartment Inventory | Completions of apartment units during the 4 quarters ending in the first quarter of 2025 divided by the CoStar Group-recorded apartment inventory as of the first quarter of 2024. |
| Home Sales/Home Sales Prices | Includes single-family home, townhome, and condominium sales. |
| Net Natural Change | Resident births minus resident deaths. |

B. Notes on Geography

1. The metropolitan statistical area definitions noted in this report are based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated July 21, 2023.

