



2026 Portfolio Financial Reporting Analysis

Reporting Period: Fiscal Year 2021-2024

Oregon Housing and Community Services: Affordable
Rental Housing Division

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Executive Summary

Oregon Housing and Community Services (OHCS) analyzed the financial performance of affordable housing properties in the state's portfolio from fiscal year (FY) 21 to FY24 to identify trends in operating expenses and understand the current reality of affordable housing property performance. **Per-unit operating costs rose from \$6,278 in FY21 to \$8,198 in FY24, an overall rise of 31%, significantly outpacing revenue growth of 19% and inflation of 13% over the same period.** This increase is driven most sharply by increases in property insurance, security, bad debt and payroll. Property insurance increased 24% since FY23, and 87% since FY21.

Portfolio performance indicators show mixed results. Vacancy loss reached 6%, influenced by conditions in the Portland Metro area. However, debt coverage ratio (DCR) improved modestly, aligning with patterns observed in national affordable housing performance studies.

Key Insights

1. **Rising operating expenses (OPEX):** OPEX rises 8% from FY23, to \$8,198 per unit
2. **Property insurance increases:** Property insurance increases 24% from FY23
3. **Vacancy pressure intensifies:** Higher vacancies in the Portland Metro area
4. **DCR improves statewide:** DCR increases from 1.34 in FY23 to 1.47 in FY24

Operating expense growth eased slightly, rising 8% in FY24 compared with increases of 9% and 11% in the prior two years. Property insurance, however, continues its steep upward trend and has nearly doubled since FY21, reaching \$654 per unit in FY24 versus \$349 per unit in FY21.

The rise in vacancy loss alongside an improvement in DCR reflects mixed performance. Although some markets saw weaker occupancy in FY24, overall rent growth outpaced both vacancy impacts and operating cost increases, raising net operating income (NOI), and with senior debt service remaining stable, this higher NOI translated into a stronger DCR.

Introduction

Why are we doing this analysis

OHCS is committed to the long-term sustainability and affordability of housing across the state. This analysis highlights trends in operating expenses and key financial metrics to give property owners, developers, investors, and policymakers actionable information for budgeting, planning, and decision-making.

Affordable housing properties operate with tighter financial constraints than market-rate developments. They are underwritten with the expectation of “normal” operating conditions and have fewer levers to pull when costs rise faster than revenues. Tracking how operating costs change over time is critical to maintaining property stability and protecting long-term affordability for tenants. This analysis enables OHCS and its partners to better anticipate challenges, strengthen asset management strategies, and uphold Oregon’s commitment to preserving affordable housing across the state. Sustainable growth in new housing depends on the ability to maintain and preserve existing properties.

In 2025, the OHCS Affordable Rental Housing (ARH) Division completed a comprehensive portfolio analysis of operating expenses and key financial metrics, focusing on annual financial reports from FY21 to FY23. This analysis builds off that work by adding FY24 data, streamlining internal processes, and incorporating additional metrics. Prior to these analyses, the last major portfolio-wide financial analysis, conducted by the Housing Development Center (HDC) in partnership with Meyer Memorial Trust, examined reports from FY13 to FY15 and found an average per-unit-per-year (PUPY) operating expense of \$5,200.

Data Collection

OHCS ARH adopted ProLink as its system of record in FY20. By FY24, ARH portfolio staff entered the first full set of annual financial reports for the entire portfolio into ProLink, using data from the FY23 reporting year. In FY21 and FY22, staffing limitations left some gaps in data entry, requiring a few updates to be deferred.

The following types of properties are required to submit financial reports to OHCS on an annual basis:

- Properties with 10 or more units funded with: Low-Income Housing Tax Credit (LIHTC), Local Innovation and Fast Track Program (LIFT), conduit bonds
- Properties regardless of number of units: Risk Share, Tax Credit Assistance Program (TCAP), 1602 exchange, Elderly and Disabled (E&D), Home Investment Partnership Program (HOME), properties with operating agreements

If a property is financed solely by OHCS funding resources not on this list, they are not required to submit a financial report. Financial submissions are due within 90 days of a property’s fiscal year end; properties are required to submit annual financial reports starting a year after their placed-in-service date. This analysis is a **portfolio-wide analysis** of all OHCS properties required to submit financial reports. It does not follow a set cohort of projects from year to year, as each year sees properties coming in and out of service.

Properties file reports based on their fiscal year, which often aligns with the calendar year, particularly for LIHTC-funded properties.

ARH staff review and verify each submission before uploading it to ProLink. Each submission includes the ProLink standard template, structured to align with U.S. Department of Housing and Urban Development's (HUD) chart of accounts, along with supporting documents such as the independent auditor's packet, internal profit and loss statement, balance sheet, trial balance, and records of any casualty loss expenses.

Methodology

This analysis only includes reports that OHCS has reconciled and approved to ensure high-quality data. A few other notes on how OHCS cleaned and analyzed the reports:

- Analysts removed a small number of outliers¹ – those exceeding three standard deviations from the mean – as these often indicate data entry errors or unique circumstances that could skew the report's findings.
- Since assisted living facilities (ALFs) operate under financial models that differ significantly from other property types, analysts exclude them from most analyses.
- Unless otherwise specified, all reported averages reflect means.
- Financials are all in nominal dollars, reflecting the face value of money as recorded in the financial system and without any adjustments for inflation. Any comparison to inflation is from the annual consumer price index (CPI) for the US Western Region².
- All years represent fiscal years.
- Totals may differ from the sum of individual line items by up to \$1 due to rounding.

Some FY21–FY23 figures differ slightly from last year's analysis because a small number of reports were corrected after initial submission. For example, FY23 operating expenses were \$7,621/unit in the analysis last year, and \$7,610/unit in our analysis this year. These adjustments are not material – there are 23 reports from FY21-3 that have updated expense numbers since last year.

¹ For FY24, analysts removed approximately 3% of reports from the dataset.

² [Consumer Price Index, West Region — December 2022 : Western Information Office : U.S. Bureau of Labor Statistics](#) and [Consumer Price Index, West Region — December 2023 : Western Information Office : U.S. Bureau of Labor Statistics](#) and [Consumer Price Index, West Region — December 2024 : Western Information Office : U.S. Bureau of Labor Statistics](#)

OHCS is committed to keeping this analysis current by adding an additional year of data on an annual basis. For precise definitions and calculation methods used in this report, refer to the appendix at the end.

Key takeaways: Not all properties with OHCS funding are required to submit financial reports, and OHCS removed blanks, outliers, and assisted living facilities when calculating average (mean) values.

Summary Statistics and Financial Metrics

Summary Statistics

Table 1 shows the total number of reports included in this analysis. The number of reports corresponds to the number of property financial reports used for analysis. As of April 2026, there were approximately 1,287 properties in the OHCS portfolio, or receiving some form of OHCS funding. As previously stated, not all funding streams require financial reporting.

Table 1: Number of Reports Included Analysis

Fiscal Year	# of Reports	# of Units
2021	439	30,141
2022	681	42,709
2023	700	44,379
2024	737	48,059

For FY21-3, the number of reports matches the analysis from last year. However, the number of units has slightly changed, due to a fix in ProLink when single sites were consolidated into scattered sites. These unit count numbers above are updated and correct.

Overall, there are 796 unique properties (50,444 units) in this dataset over four years.

Financial Metrics

Tables 2 and 3 below show the main portfolio-wide analysis, along with the corresponding year-over-year (YoY) percentage changes. While the year-over-year data offers valuable insights, compounded annual growth rates (CAGR) provide a clearer view of long-term trends by minimizing short-term fluctuations. However, since this analysis spans only four years, researchers have begun calculating CAGR and plan to do so more in the future.

Table 2: Main Portfolio-wide Analysis

Metric	2021	2022	2023	2024
Revenue per Unit	\$9,782	\$9,959	\$10,848	\$11,639
Total Expenses per Unit	\$12,002	\$12,890	\$14,338	\$14,937
Operating Expenses per Unit	\$6,278	\$6,870	\$7,610	\$8,198
Net Operating Income per Unit	\$3,504	\$3,089	\$3,238	\$3,441
Income to Expense Ratio	1.53	1.43	1.39	1.41
Vacancy Loss ³	3.7%	4.8%	5.4%	6.0%
Cash Flow Per Unit	\$998	\$597	\$502	\$760
% Properties with DCR <1.1	24%	35%	39%	33%
Debt Coverage Ratio ⁴	1.72	1.41	1.34	1.47

Table 3: Year-over-Year Changes

Year-over-Year Changes	2021-22	2022-23	2023-24	Total Change 2021-24	CAGR 2021-24
Revenue per Unit	+2%	+9%	+7%	+19%	+6%
Total Expenses per Unit	+7%	+11%	+4%	+24%	+8%
Operating Expenses per Unit	+9%	+11%	+8%	+31%	+9%
Net Operating Income per Unit	-12%	+5%	+6%	-2%	-1%
Income to Expense Ratio	-7%	-3%	+2%	-8%	-3%
Vacancy Loss	+29%	+12%	+11%	+61%	+17%
Cash Flow Per Unit	-40%	-16%	+52%	-24%	-9%
% Properties with DCR <1.1	+44%	+13%	-14%	+40%	+12%
Debt Coverage Ratio	-18%	-5%	+9%	-15%	-5%

Some of the year-over-year percentage changes are mathematically correct but not especially meaningful. Vacancy loss is a good example: Because the underlying rates start from a low baseline, even a modest shift produces a disproportionately large percentage change.

Net operating income (NOI) per unit remained relatively stable over the four-year period, decreasing slightly from \$3,504 in FY21 to \$3,089 in FY22, before rising to \$3,238 in FY23 and \$3,441 in FY24.

³ OHCS does not have this data for the full 2021 and 2022 dataset and only calculated based on the information available.

⁴ Only calculated for properties that have annual senior debt service

Cohort Analysis from FY23 to FY24

As noted earlier, this analysis reflects the entire OHCS portfolio of properties required to submit financial reports. It does not track a fixed cohort of projects over time; instead, it evaluates year-to-year changes across all reporting properties. To understand whether shifts in operating or financial metrics were driven by properties coming into or leaving the reporting universe, OHCS also reviewed a cohort consisting of properties that reported in both FY23 and FY24.

Of the 700 properties reporting in FY23, 28 did not submit FY24 financials, either because they left service or no longer required reporting, resulting in a cohort of 672 properties with reports in both years. The FY24 portfolio includes 737 properties in total. Across nearly all metrics, the cohort performs only slightly worse than the full portfolio, indicating that portfolio-level changes are not being fully driven by newly added properties.

The main exception is cash flow per unit. Unlike DCR, which incorporates just senior hard debt, the cash flow metric incorporates both senior and junior hard debt. The larger gap in cash flow between the portfolio and the cohort therefore suggests that junior debt service obligations are higher among the existing properties, while newly added FY24 properties generally carry less junior debt.

Table 4: Cohort Analysis from FY23 to FY24

Metric	2024 Portfolio	2024 Cohort	% Difference
Number of reports	737	672	N/A
Revenue per Unit	\$11,639	\$11,440	-1.70%
Total Expenses per Unit	\$14,937	\$14,529	-2.73%
Operating Expenses per Unit	\$8,198	\$8,156	-0.51%
Net Operating Income per Unit	\$3,441	\$3,284	-4.55%
Income to Expense Ratio	1.41	1.38	-2.48%
Vacancy Loss	6.0%	5.8%	-3.38%
Cash Flow Per Unit	\$760	\$623	-18.03%
% Properties with DCR <1.1	33%	34%	+0.76%
Debt Coverage Ratio	1.47	1.46	-0.20%

The remainder of this report continues with analysis of **portfolio-wide metrics**.

Debt Coverage Ratio

It is important to note that NOI does not measure the true financial picture of the OHCS portfolio and does not include payments such as principal debt payments and deposits to the replacement reserves. Debt Coverage Ratio (DCR) accounts for these payments:

$DCR = (NOI - \text{annual deposit to replacement reserve}) / \text{annual senior hard debt service}$

DCR increased for the first time in this analysis period from FY23 to FY24, going from 1.34 to 1.47. The percentage of properties with a DCR below 1.1 decreased from FY23 to FY24, going from 39% to 33%. The increase in DCR follows trends seen in other national-level studies, including the CohnReznick 2025 Affordable Housing Credit report, which found that DCR rose from 1.37 in 2023 to 1.46 in 2024⁵. Both the OHCS analysis and the CohnReznick report found that FY24 numbers are not quite back to FY21 levels. In Oregon, FY21 DCR averaged 1.72, and 24% of properties had a DCR below 1.1. DCR increased because annual senior hard debt service stabilized in FY24, at \$2,517/unit⁶, a 2% increase from FY23, and NOI increased. This aligns with market conditions in FY24, including stabilization of interest rates and some refinances correcting FY22-23 spikes.

For further clarification, a DCR threshold of 1.1 was chosen as an industry standard because it represents the minimum requirement for modeling a property's financial feasibility. The percentage is more useful than the number of properties, since the number of properties in our dataset increased overall from FY21 to FY24. While 33% of properties reported a DCR below 1.1, enough well-performing properties helped raise the overall average to 1.47. As a comparison, the FY24 *median* DCR is 1.34.

Income to Expense Ratio

Not all properties in the OHCS portfolio carry debt – DCR is calculated just for properties with annual debt service. In FY23, 10% of the portfolio (68 total) reported no senior debt service, and in FY24 this increased to 12% (92 properties). Income to expense ratio is an alternative metric to DCR that works for properties that do not have debt service. An income to expense ratio over 1 means a project is generating more revenue than it spends. Income to Expense Ratio improved slightly in FY24, rising to 1.41.

Cash Flow Per Unit

This DCR calculation presents similar information to a cash flow analysis but in a different format. DCR is a ratio that measures how well income covers debt, and cash flow is a dollar amount showing how much money remains after paying expenses and debt. Cash flow per unit is calculated as:

$Cash\ Flow = (NOI - \text{annual deposit to the replacement reserve} - \text{annual senior and junior hard debt service}) / \# \text{ of units}$

⁵ [Tax Credit Properties Continue to Demonstrate Resilience to Challenging Economic Conditions - CohnReznick](#)

⁶ Only calculated for properties that have annual senior debt service.

Unlike DCR, this calculation includes junior hard debt. Similar to DCR, cash flow per unit increased from FY23 to FY24, indicating improving financial performance across the portfolio.

Vacancy Loss

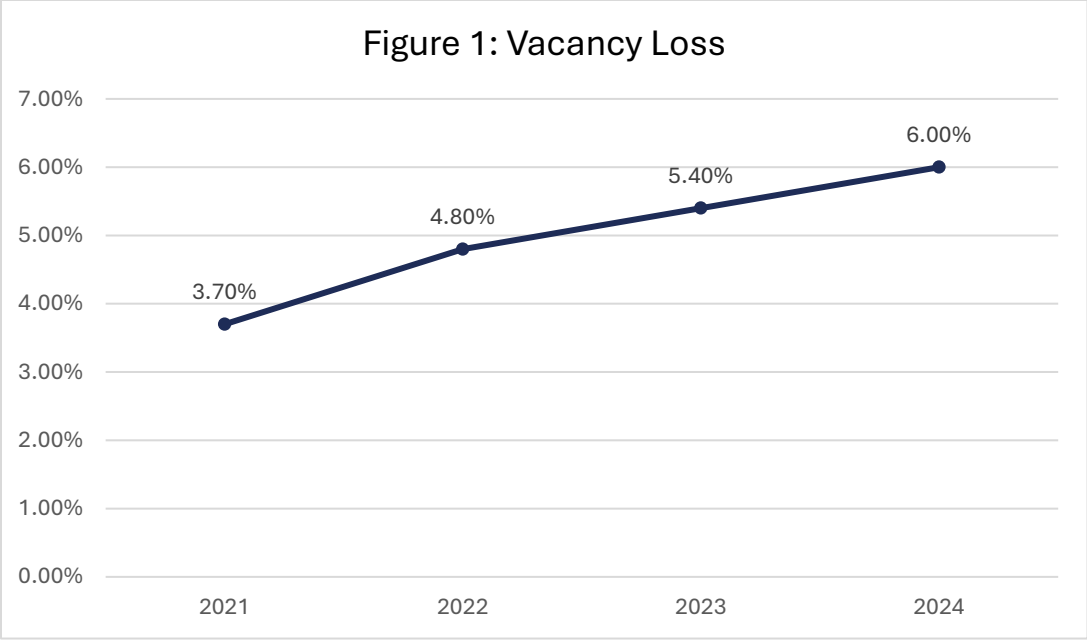
Vacancy loss measures how much income a property is not collecting from unoccupied units, relative to the total potential rent. Gross potential revenue includes residential, commercial and parking rent, but excludes laundry, vending and other tenant fees. This metric captures only the cost of vacant units; rent not collected from occupied households is recorded as bad debt under administrative operating expenses.

$$\text{Vacancy Loss} = \text{Vacancy} / \text{gross potential revenue}$$

Historically, OHCS has underwritten projects using a 5–7% vacancy assumption to account for expected unit turnover and occasional periods of non-occupancy, ensuring debt is sized to withstand normal operating conditions.

Vacancy loss increased from 3.7% in FY21 to 6% in FY24. Across the 48,059 units in this FY24 analysis, this represents roughly 2,892 units. Contributing factors include competition from similarly priced market-rate units, shortage of lower-Area Median Income (AMI) units⁷ and slower turnover of vacant units due to administrative requirements for both tenants and property owners.

⁷ According to 2024 American Community Survey data, 43% of Oregon renter households are high-income (above 120% AMI), and 42% of non-vacant units are priced at these AMI levels. Middle-income renters (80–120% AMI) make up 16% of renter households, while 33% of non-vacant units are priced at middle-income levels. In contrast, low-income renters (below 80% AMI) represent 41% of renter households, but only 25% of non-vacant units are priced at a level they could afford.



Key takeaways: This report analyzes FY21-4 financial data for 796 unique properties, representing 50,444 units. DCR, a metric that includes payments such as debt payments and replacement reserve deposits, rose to 1.47; however, 33% of properties in FY24 remain below the critical threshold of 1.1. Vacancy loss rose to 6%.

Operating and Non-Operating Expense Trends

This section breaks down operating and non-operating expenses across OHCS funded affordable housing properties. Major operating expense categories include administrative costs, utilities, operations and maintenance, and taxes and insurance.

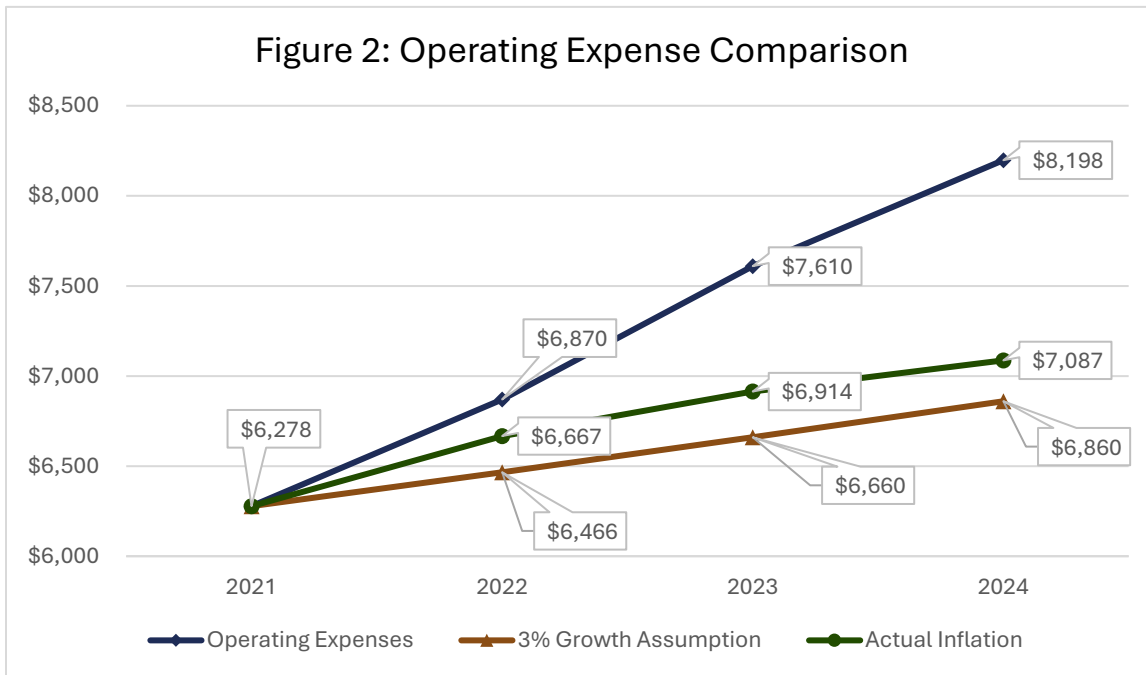
Tracking expense trends provides valuable insight for affordable housing owners and policymakers. Because these properties typically operate with narrower margins than market-rate housing, understanding which costs are rising, which remain stable, and how each category contributes to total operating expenses is essential. Identifying shifts in spending patterns supports more informed budgeting, planning, and policy decisions that help maintain long-term property and portfolio stability.

From FY21 to FY22, average operating expenses increased by \$592, or 9.4%, compared to 6.2% for inflation. This upward trend continued into FY23, with an additional increase of \$740, or 10.8%, compared to 3.7% for inflation. Operating expense growth slowed in FY24 with an increase of \$588, or 7.7%, yet still outpacing 2.5% in inflation.

Table 5: Operating and Non-operating Expenses

Year	Operating Expenses	Non-Operating Expenses
2021	\$ 6,278	\$ 5,717
2022	\$ 6,870	\$ 6,020
2023	\$ 7,610	\$ 6,726
2024	\$ 8,198	\$ 6,739
Change 2021-22	9.4%	5.3%
Change 2022-23	10.8%	11.7%
Change 2023-24	7.7%	0.2%

The chart below compares the actual operating expense growth from FY21 to the standard 3% annual expense escalation in 30-year projections for development projects, alongside inflation trends based on the Western Region CPI.



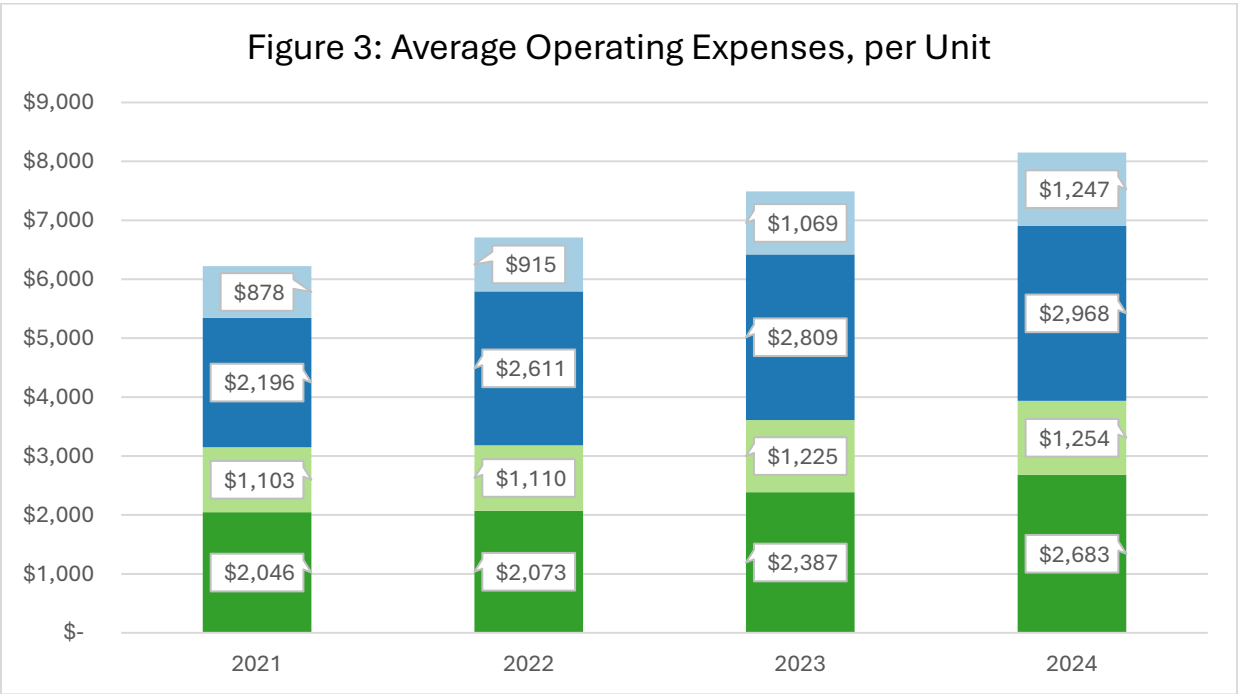
Operating Expenses: Growth Continues but Slows

Table 6: Operating Expense Details

Year	Administrative	Utility	Operating & Maintenance	Tax and Insurance
2021	\$ 2,089	\$ 1,083	\$ 2,171	\$ 863
2022	\$ 2,193	\$ 1,112	\$ 2,562	\$ 916
2023	\$ 2,457	\$ 1,232	\$ 2,770	\$ 1,075
2024	\$ 2,693	\$ 1,251	\$ 2,959	\$ 1,246

Year	Administrative	Utility	Operating & Maintenance	Tax and Insurance
Change 2021-22	5.0%	2.7%	18.0%	6.2%
Change 2022-23	12.0%	10.8%	8.1%	17.3%
Change 2023-24	9.6%	1.5%	6.8%	16.0%

Examining the components of operating expenses highlights important trends in cost distributions across key categories. From FY21 to FY24, all major categories experienced increases, with several experiencing significant year-over-year growth. From FY23 to FY24, growth slowed for each category, with a significant slowdown in utility expenses. Operating & Maintenance remains the largest expense category. OHCS tracks one more operating expense category, Elderly Expense, that is only for properties financed with Elderly & Disabled (E&D) bonds. This category is small, affects only a limited number of properties, and is therefore excluded from this analysis.



By examining these shifts in detail, OHCS can better anticipate key cost drivers and plan more effectively for future budget needs. As additional data is incorporated each year, deeper trend analysis will further refine forecasting and strengthen strategic decision-making.

Partners expressed particular interest in management fees, bad debt, property taxes, property insurance, security, and payroll. The table below presents portfolio-wide averages, reflecting the typical financial impact across all properties, including properties

with no reported expenses. The exception is property taxes: because many affordable housing properties receive exemptions, this analysis includes only those reports with a recorded property tax expense.

Table 7: Individual Expense Line Items

Line Item(s)	2021	2022	2023	2024
Management Fee	\$578	\$603	\$660	\$678
Bad Debt	\$108	\$89	\$165	\$224
Property Taxes ⁸	\$406	\$383	\$446	\$459
Property Insurance	\$349	\$418	\$527	\$654
Security	\$50	\$63	\$68	\$93
Salary ⁹	\$1,590	\$1,622	\$1,834	\$1,978

- **Property Insurance:** From FY23 to FY24, property insurance increased by 24%. Put another way, property insurance accounted for 5.6% of total operating expenses in FY21, rising to 8% in FY24.
- **Security:** Security costs increased by 38% from FY23 to FY24. Although still a relatively small share of total expenses, this category is growing quickly. In FY24, 45% of properties reported a security expense.
- **Bad Debt:** Bad debt increased by 36% from FY23 to FY24 and more than doubled since FY21. Bad debt reflects uncollected rent from occupied units after reasonable collection efforts have failed. Partners vary in how they record bad debt—some do so after 60 days, others at 90-120 days—resulting in a natural time lag between missed rent and the recorded expense.

Non-Operating Expenses: Trends and Implications

Non-operating expenses - including depreciation, amortization, and financial costs – remained stable from FY23 to FY24, showing only minimal overall growth.

Table 8: Non-operating Expenses

Year	Depreciation & Amortization	Financial	Other
2021	\$ 3,560	\$ 1,784	\$ 373
2022	\$ 3,697	\$ 1,831	\$ 492
2023	\$ 4,083	\$ 2,085	\$ 557

⁸ Only includes reports with a reported property tax expense.

⁹ Salary line items: Office Salary, Property Manager, Payroll (catchall), Payroll Taxes, Payroll Insurance

Year	Depreciation & Amortization	Financial	Other
2024	\$ 4,135	\$ 2,037	\$ 568
Change 2021-22	3.9%	2.6%	31.7%
Change 2022-23	10.4%	13.9%	13.4%
Change 2023-24	1.3%	-2.3%	1.8%

Depreciation and amortization account for the largest share of non-operating expenses. The Financial category includes debt interest and mortgage insurance, and rose significantly in FY23 by \$255, or 13.9%, but fell in FY24 by \$49, or -2.3%.

“Other” non-operating expenses serve as a catch-all category; because financial reports do not provide detail on these line items, the specific drivers are not identifiable.

Although the year-over-year changes are relatively modest, these shifts signal underlying financial pressures beyond day-to-day operations. Understanding what contributes to non-operating expenses and how they evolve over time is crucial for gaining a complete picture of the fiscal forces shaping affordable housing across the state.

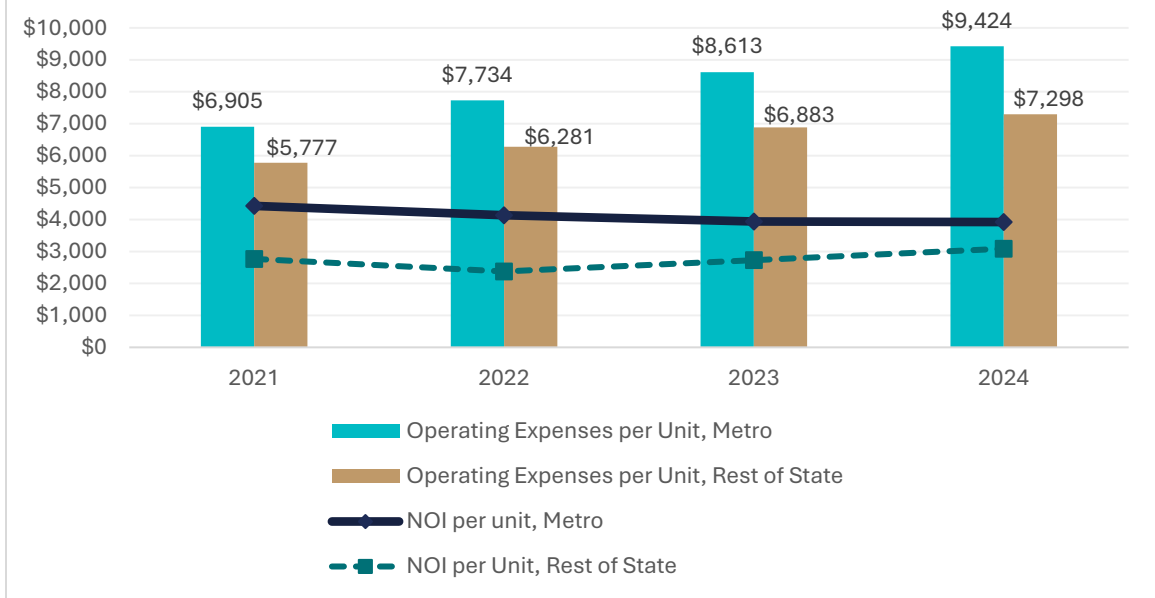
Key takeaways: Operating expenses are still rising, but the pace is easing. Total operating costs increased 8% in FY24 vs. 11% in FY23 and 9% in FY22. Operating & Maintenance remains the largest cost driver, while Tax & Insurance is growing fastest over the 4-year time period.

Patterns by Geography and Size

Geography Trends

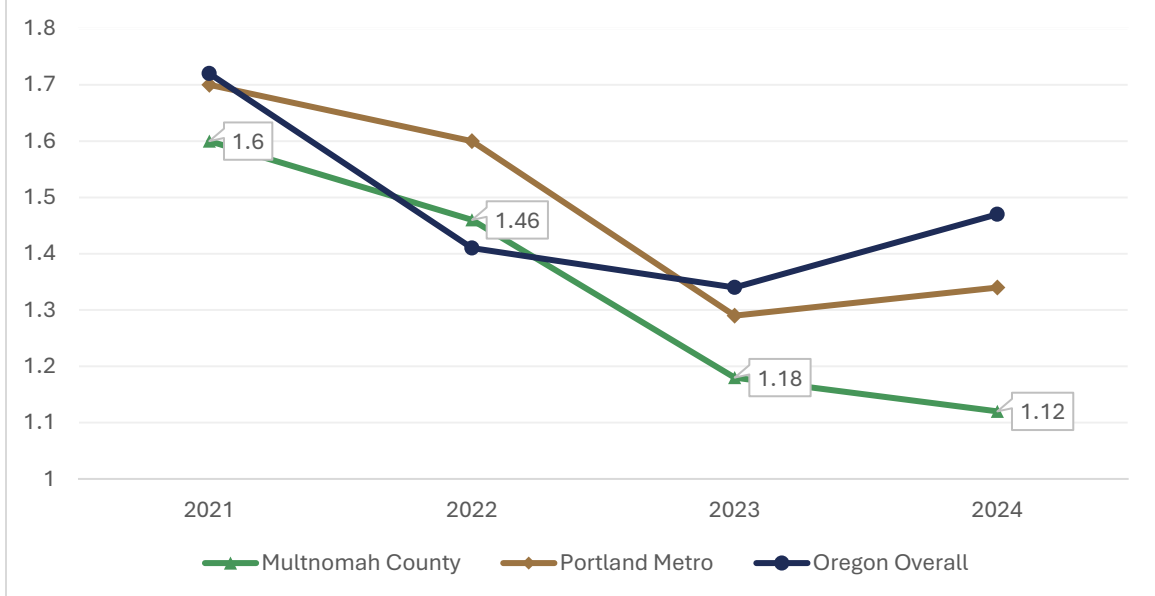
Location plays a crucial role in shaping expense trends. For this analysis, OHCS compares the Portland Metro Area – defined as Washington, Multnomah and Clackamas counties – with the rest of the state. The bar graphs below are average operating expenses per unit, and the line graphs are average NOI per unit. While operating expenses are higher in the Portland Metro, NOI is higher as well, given that revenue is higher in the Portland Metro than the rest of the state.

Figure 4: Operating Expenses and NOI by Geography



DCR statewide rose from 1.34 in FY23 to 1.47 in FY24. This upward trend is evident for the Portland Metro Area, the rest of State, and Oregon overall. Looking at just Multnomah County, DCR decreases slightly, from 1.18 in FY23 to 1.12 in FY24.

Figure 5: Debt Coverage Ratio Comparison



The overall portfolio's vacancy loss increased from 5.4% in FY23 to 6% in FY24, largely driven by rising vacancies across the three-county Portland Metro area, which climbed from 6.5% to 7.3%. Within the Metro area, vacancy loss reached 8% in Multnomah County,

6.7% in Clackamas County, and 4.8% in Washington County. By comparison, vacancy loss in other counties was generally lower: 4.3% in Deschutes, 4.5% in Marion, 3.4% in Linn, and 5.2% in Lane.

Although the Portland Metro area reported a higher FY24 vacancy loss than both the rest of the state and Oregon overall, vacancy loss in these other areas is also increasing and doing so at a faster pace.

Table 9: Vacancy Loss Comparisons

Year	Portland Metro	Rest of State	Oregon Overall
FY21	4.7%	2.9%	3.7%
FY24	7.3%	5.0%	6.0%
Change FY21-4	56%	74%	61%

The online dashboard will have more location analysis, including by county. See the “Other Resources” section for more details.

Property Size Trends

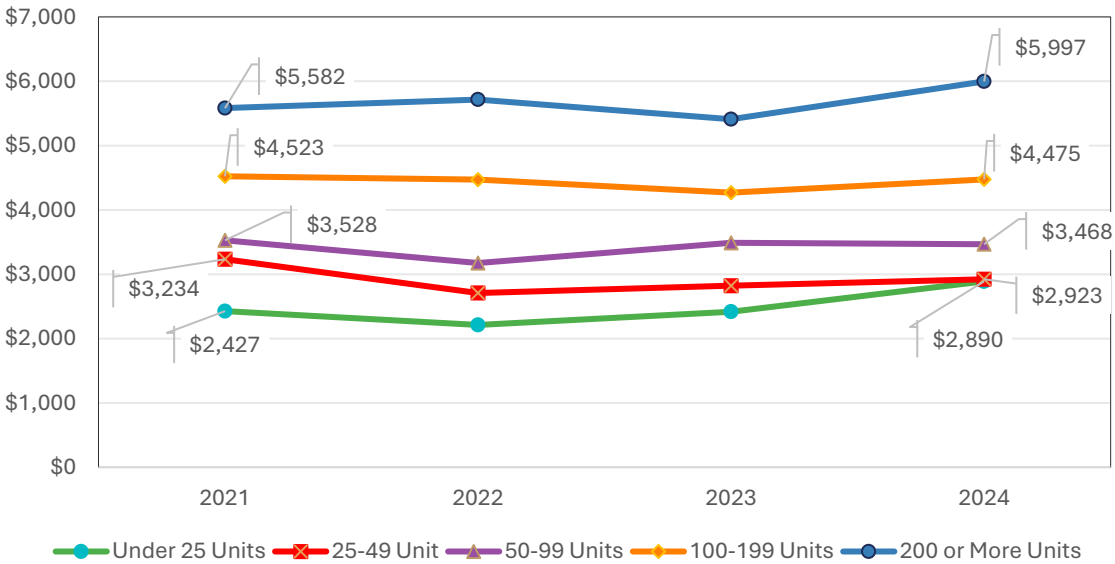
To evaluate the impact of scale, OHCS divided properties into five size categories based on unit count. In all four years, the largest share of properties is between 25-49 units. Below is the breakdown of the 737 properties for 2024.

Table 10: 2024 Properties by Unit Size

Unit Category	# of Properties	# of Units
4-24 Units	142	2,323
25-49 Units	237	8,978
50-99 Units	224	14,735
100-199 Units	97	12,717
200+ Units	37	9,306

Analyzing operating expenses by property size helps identify economies of scale or challenges unique to smaller or larger developments. There is a clear trend of NOI per unit increasing as the property size increases. However, from FY23 to FY24, properties with 50-99 units saw their NOIs slightly decrease, while all other properties sizes saw their NOIs increase.

Figure 6: NOI per Unit, by Property Size



Key takeaways: In the Portland Metro area and Multnomah County specifically, properties experienced higher vacancy loss and lower debt-coverage ratios compared with the rest of the state. Larger properties also demonstrated clear economies of scale, resulting in stronger net operating income performance.

Other Resources

In partnership with this report, OHCS will refresh the online dashboard featuring the full dataset, offering more tools for filtering and data analysis. Additional filtering will include by county. New this year are data visualizations and metrics including hard debt service, hard debt balance and deposits to the replacement reserve.

Data Appendix

Financial Metric Calculations and Definitions

- **Net Income:** Total Revenue – Total Expenses
- **Net Operating Income (NOI):** Total Revenue – Total Operating Expenses
- **Operating Expenses:** Administrative, Utilities, Operating/Maintenance, Taxes/Insurance, Elderly Services. *See the next section for more details on Operating Expenses*
- **Non-Operating Expenses:** Depreciation, Financial (debt interest), Other

- **Debt service:** Senior hard debts (interest and principal), plus fees and insurance premium. *This report does not include Junior Hard debts interest and principal in debt service or DCR calculations*
- **Replacement Reserve:** A restricted account used to pay for planned future replacements of major building systems and components
- **Debt Coverage Ratio (DCR):** (NOI – annual deposit to replacement reserve) / annual senior hard debt service. *More conservative measure of a project’s ongoing health by factoring in ongoing capital reserve needs*
- **Cash Flow:** (NOI – annual deposit to the replacement reserve) / annual senior and junior hard debt service
- **Vacancy Rate (Loss):** Vacancy / gross potential revenue
- *Gross potential revenue includes residential, commercial, garage and other rent. Vacancy refers to revenue lost due to vacant, or unoccupied, units.*
- **Income to expense ratio:** Revenue / (Total operating expenses + annual deposit to replacement reserve). *Alternative metric to DCR for properties that do not have hard debts*

OHCS Standardized Financials – based on HUD’s Chart of Accounts

Notes: The ProLink standard financial template categorizes operating expenses into five main groups: administrative, utilities, operating/maintenance/ taxes/insurance and elderly services. Instead of listing payroll as a standalone category, the template embeds payroll costs within all categories except Utilities. These costs include Office Salary, Property Manager, Payroll (catchall), Payroll Taxes and Payroll Insurance.

1000 Asset

- 1100 Current Assets (includes cash, accounts receivable, tenant deposits, and other current assets)
- 1200 Prepaid Expense
- 1300 Funded Reserve (replacement reserve, escrow deposit, and other reserves)
- 1400 Fixed Assets
- 1500 Investment Long-term
- 1900 Other Assets

2000 Liability

- 2100 Current Liability (accounts payable, accruals, prepaid rent, and other current liabilities)
- 2300 Long-term Liability (developer fee, mortgage, and other long-term liabilities)

3000 Equity

- 3100 Owner Equity

5000 Revenue

- 5100 Rent Revenue
- 5200 Vacancy
- 5400 Financial Revenue
- 5900 Other Revenue

6000 Expense

- 6200 Administrative Expense (advertisements, office salaries, office supplies, management fees, property management and superintendent salaries, legal expenses, audit expenses, accounting services, phone services, bad debt, other general administrative costs)
- 6400 Utility Expenses (fuel, electricity, gas, water, sewer)
- 6500 Operating and Maintenance Expense (payroll, maintenance supplies, contracts, garbage, security, vehicle, other O&M expenses)
- 6600 Depreciation and Amortization Expense *non-operating expense
- 6700 Tax and Insurance Expense (property tax, payroll tax, property insurance, payroll insurance, other)

6800 Financial Expense (senior hard debt interest, junior hard debt interest, mortgage insurance, other financial expense) *non-operating expense

6900 Elderly Expense (dietary, nursing, medical, laundry, housekeeping, other) *only for properties financed with OHCS Elderly & Disabled (E&D) bonds

7000 Other Expense**10000 Other Financial****11300 Reserve Deposit**

- 11400 Property Valuation
- 15100 Rental Revenue
- 15200 Occupancy Info
- 16800 Mortgage Principal Payment
- 17100 Cash Flow

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