



Multi-Family Market Report

East Bay - CA

PREPARED BY



MULTI-FAMILY MARKET REPORT

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12 Mo. Delivered Units

2,685

12 Mo. Absorption Units

2,409

Vacancy Rate

7.4%

12 Mo. Asking Rent Growth

-1.1%

Leasing had been waning sharply in the East Bay through the early part of 2023, but a steadily dwindling pipeline and a slowdown in new starts has allowed vacancies to level off. Current rates are trending to 7.4%, after peaking at 7.9% in 2020. There are an additional 4,100 units in the pipeline as of the fourth quarter of 2023, set to increase inventory by 2.1%. Occupancies of 92.6% are therefore anticipated to flatline in coming quarters, before potentially gaining some momentum in 2024.

Most areas of the East Bay have reclaimed pre-pandemic rent levels, but year-over-year growth is now -1.1%, showing visible erosion after a recent five-year peak of 5.5%. Submarkets in more-densely populated urban areas like Downtown Oakland, for example, have yet to reclaim pre-pandemic rental rates. At a macro level, some of this is the result of residents tightening budgets to battle historically high inflation, which has

resulted in some hesitancy to sign new leases. Household formations are thus down, reducing demand and eroding landlord pricing power.

However, despite leading the region in population growth in recent years, the East Bay still offers more affordability than its cross bay rivals of San Francisco and San Jose. For these reasons, some structural demand in the form of well paid renters fleeing east across the bay is solidifying. New projects are thus generally aimed at higher-income renters, concentrated in and around BART rail stations for accessibility to regional job nodes.

Deal flow and investment outside of a few market-moving transactions has slowed thus far in 2023, but the trend is likely not solely due to fundamentals and certain deals are still closing. Debt costs remain elevated in the face of tight monetary policy from the Federal Reserve, as a battle against historically high inflation continues.

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	39,636	11.5%	\$2,969	\$2,919	805	499	2,831
3 Star	48,856	6.1%	\$2,366	\$2,346	(11)	8	1,225
1 & 2 Star	100,960	6.5%	\$1,963	\$1,950	(128)	0	0
Market	189,452	7.4%	\$2,369	\$2,344	666	507	4,056

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0%	4.8%	6.4%	7.9%	2020 Q3	2.2%	2000 Q1
Absorption Units	2,409	1,152	1,968	6,975	2021 Q4	(1,584)	2009 Q2
Delivered Units	2,685	1,641	1,336	5,073	2021 Q2	0	2011 Q3
Demolished Units	0	27	25	190	2009 Q4	0	2023 Q3
Asking Rent Growth (YOY)	-1.1%	2.0%	3.4%	18.1%	2001 Q1	-7.0%	2009 Q4
Effective Rent Growth (YOY)	-0.8%	2.0%	3.4%	17.8%	2001 Q1	-6.8%	2009 Q4
Sales Volume	\$674M	\$1.2B	N/A	\$3.7B	2022 Q2	\$257.3M	2010 Q3

As of the fourth quarter of 2023, a net of 2,400 units have been absorbed on a trailing 12-month basis. For reference, the prior decade average was 1,700 units, with a peak of 7,000 units in 2021. Vacancies are thus trending to 7.4%, reflecting a one-year change of 0.0%. The previous five-year average vacancy mark equates to 6.6%. However, a dwindling supply pipeline and slowing apartment starts could provide some relief.

In fact, the effects of supply pressure are being felt more acutely in certain submarkets like Downtown Oakland. The area is experiencing a significant amount of the metro's construction activity. Other areas of the metro, particularly certain suburban communities in the eastern portion of the East Bay, are experiencing lower vacancy rates when compared with their urban counterparts. Access to good quality schools and BART stations for easy transportation into the cores and across the bay have enticed many renters to places like Fremont/Newark, Walnut Creek/San Ramon and Dublin/Pleasanton/Livermore.

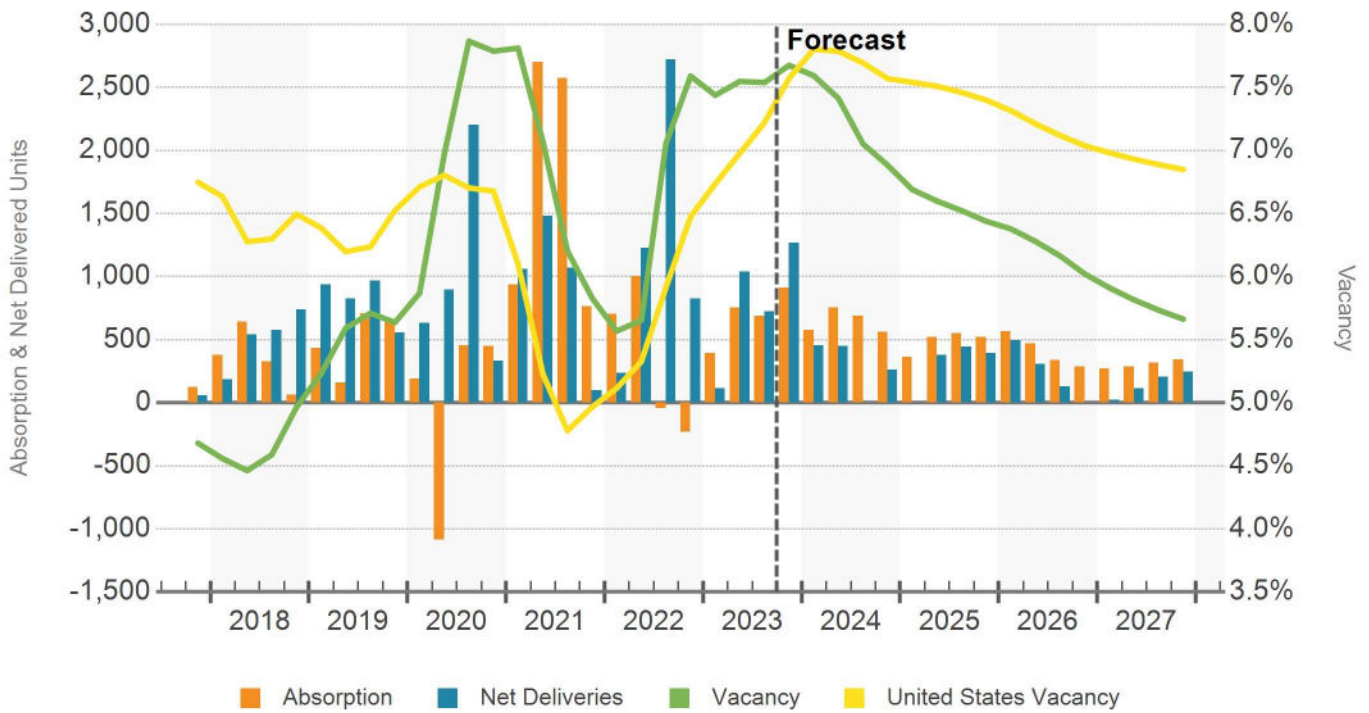
Nonetheless, Downtown Oakland remains among the metro's five strongest in terms of number of units absorbed in the last 12 months. This is likely due to a boomerang effect that took shape as renters fled during the pandemic, but returned to the central portion of the city seeking re-opened services and leasing incentives. This, coupled with the East Bay's suburban and generally

less dense character has allowed the metro as a whole to generally keep pace with the neighboring titans of San Francisco and San Jose.

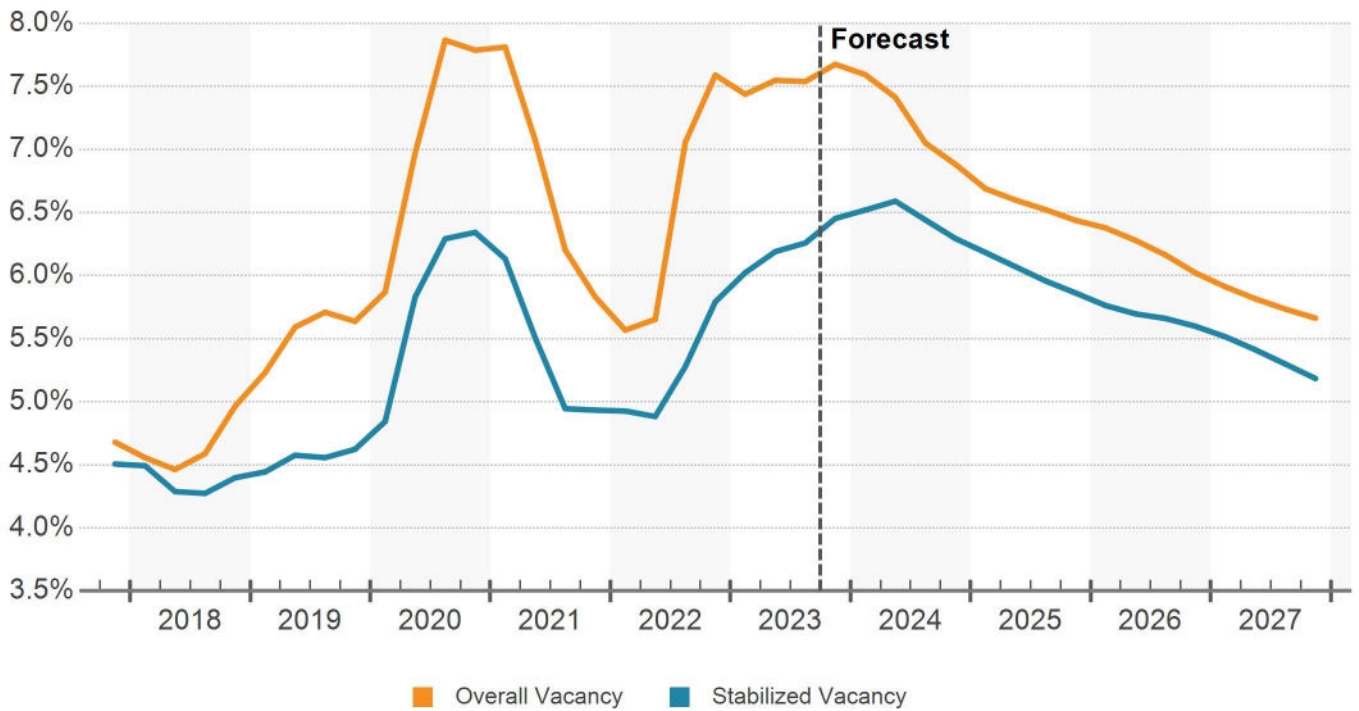
The East Bay leads all Bay Area markets in population growth, having added over 250,000 residents since 2010 and outpacing national averages. An increasingly desirable, yet relatively affordable market for housing has enticed developers to bet on new apartment communities overcoming the current near-term challenges with a long-term ability to attract residents. Those seeking high-end housing at rental rates that compare favorably to San Jose and San Francisco will boost prospects for investors and landlords.

In addition, access to these larger cross bay markets is now more feasible. Most multifamily units making their way to the market in the East Bay are located near BART stations in submarkets like Downtown Oakland, Walnut Creek/Pleasant Hill, and Fremont/Newark. BART commute times to San Francisco's Financial District from new high-rise developments in Downtown Oakland measure just 15 minutes. That is competitive with public transit commute times from most residential areas in the City of San Francisco. BART's continued extension into Silicon Valley should continue to increase demand for transit-oriented developments in the southern portion of the metro.

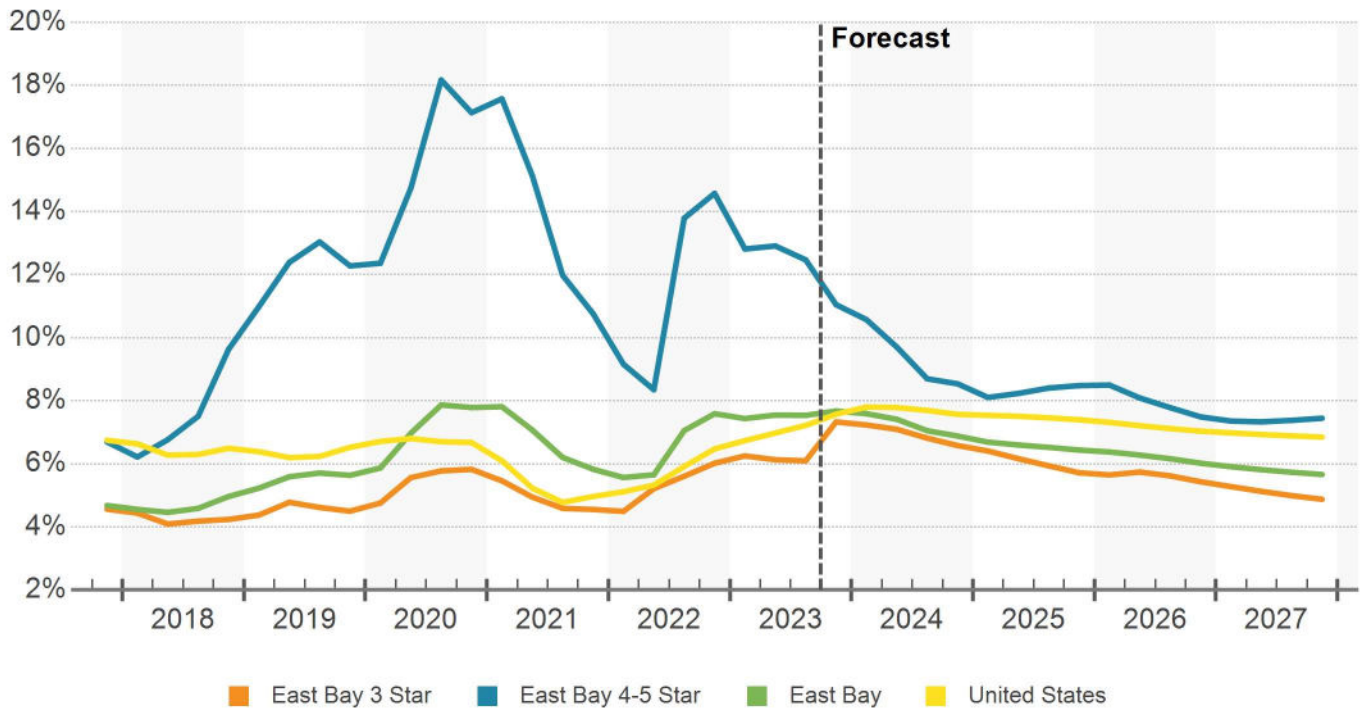
ABSORPTION, NET DELIVERIES & VACANCY



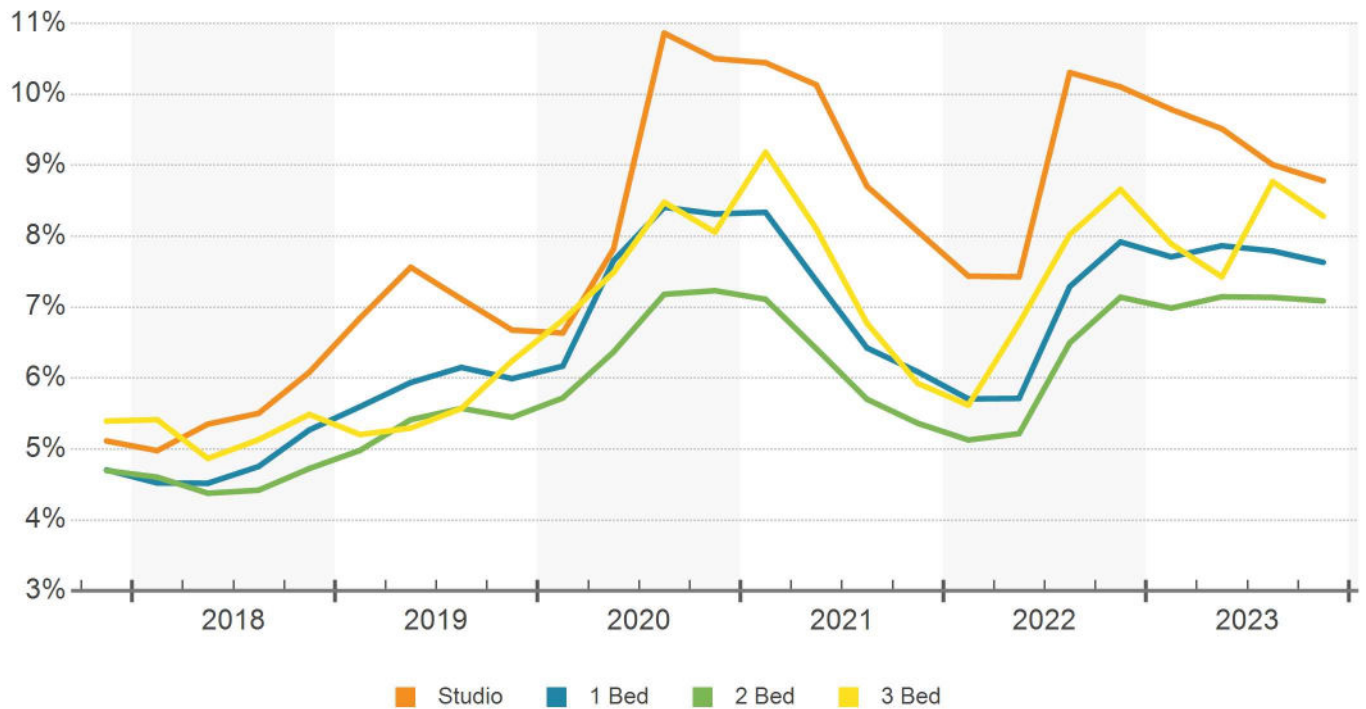
OVERALL & STABILIZED VACANCY



VACANCY RATE



VACANCY BY BEDROOM



As of the fourth quarter of 2023, East Bay asking rents average around \$2,370/unit, with year-over-year rent growth currently measuring -1.1%. Downward momentum after a recent peak of 5.5% has set in, as leasing works to find its footing.

The average asking rent in the East Bay is one of the highest rates in the country, but is just under 20% below the neighboring metros of San Francisco and San Jose.

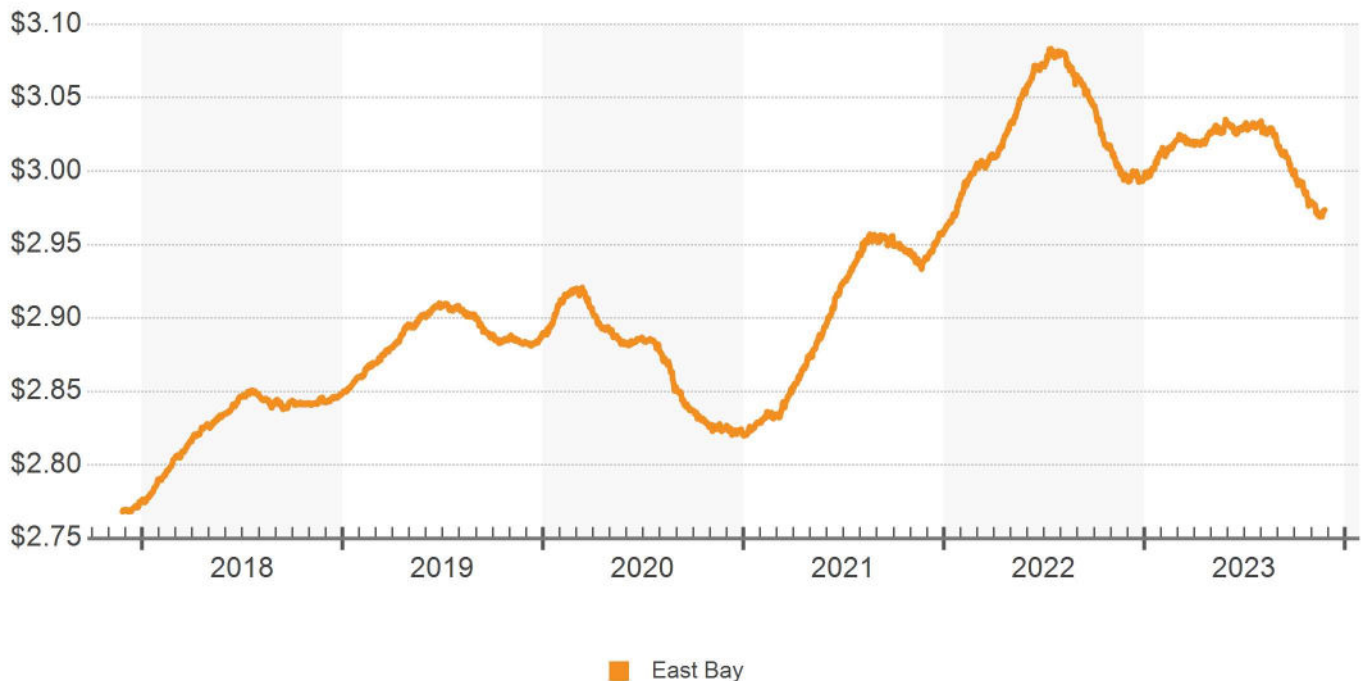
Average rental rates vary widely, with the most expensive markets like Emeryville and Berkeley showcasing asking rents around 40% higher than submarkets like Richmond/Martinez, Pittsburg/Antioch, and East Oakland, which sit at the opposite end of the metro's rankings. The most expensive markets are more centralized in the western portion of the metro with shorter commute times to job centers compared to less costly submarkets.

Nonetheless, population demographics also play a role in

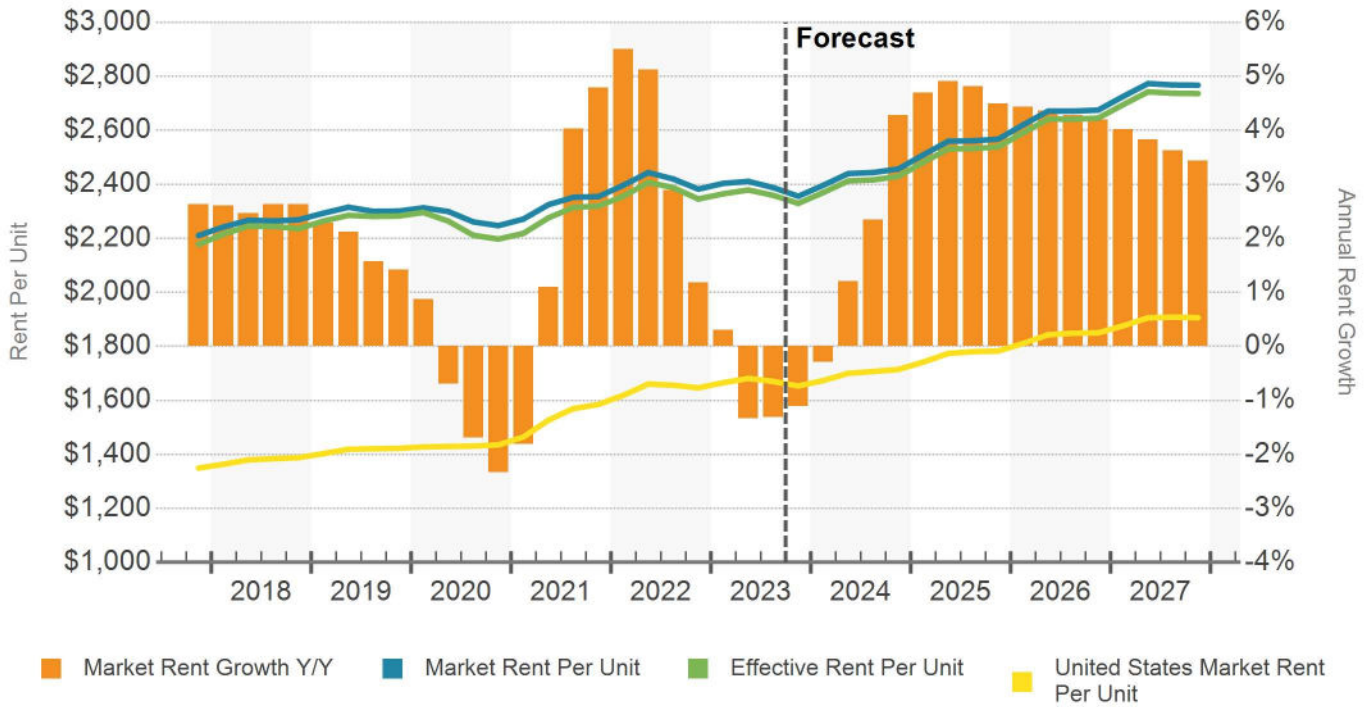
submarkets such as Dublin/Pleasanton/Livermore and Walnut Creek/San Ramon. These submarkets lie in the eastern portion of the metro but consist of populations with higher median incomes and boast desirable lifestyle and community amenities, as well as public transportation access. These factors support rental rates above the metro average.

The 4 & 5 Star quality slice will see the most pressure of the downside in coming quarters, as around 80% of the units in the pipeline are in luxury communities. Already, trailing 12-month rent growth in this category is -2.6%, which paces well behind 3 Star and 1 & 2 Star growth of -0.8% and 0.1%, respectively. One exception to this would be higher-end communities clustered around the Warm Springs/South Fremont BART station and the Tesla factory in Fremont/Newark. Here, in the Eastside Industrial district, occupancies are well above metro trends and rent growth has outperformed, given walkable proximity to Tesla and other major employers.

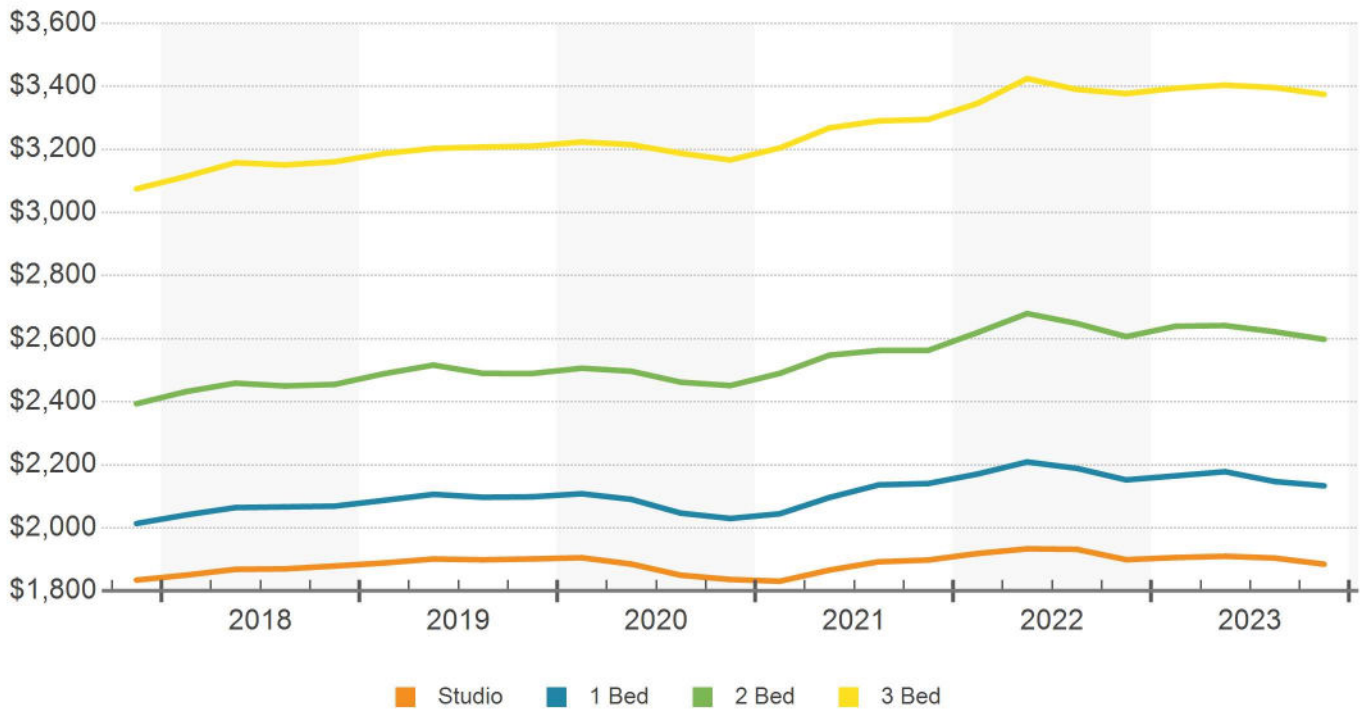
DAILY ASKING RENT PER SF



MARKET RENT PER UNIT & RENT GROWTH



MARKET RENT PER UNIT BY BEDROOM



4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
East Bay	\$0.94	\$0.97	\$0.63	\$0.72	\$1.23	\$1.27	\$0.42	\$2.53	\$0.25	\$0.82	\$0.98	\$10.76
Berkeley	\$0.98	\$1.02	\$0.65	\$0.72	\$1.24	\$1.30	\$0.43	\$2.71	\$0.30	\$0.82	\$1.01	\$11.18
Concord/Pleasant Hill	\$0.64	\$1.07	\$0.56	\$0.87	\$1.28	\$1.47	\$0.42	\$2.29	\$0.10	\$0.74	\$1.01	\$10.45
Downtown Oakland	\$0.98	\$1.02	\$0.65	\$0.72	\$1.24	\$1.30	\$0.43	\$2.71	\$0.30	\$0.82	\$1.01	\$11.18
Dublin/Pleasanton/L...	\$0.74	\$1.01	\$0.65	\$0.71	\$1.12	\$1.28	\$0.42	\$2.64	\$0.29	\$0.80	\$0.99	\$10.65
East Oakland	\$0.91	\$0.68	\$0.56	\$0.58	\$1.14	\$0.77	\$0.37	\$2	\$0.14	\$0.70	\$0.90	\$8.75
Emeryville	\$0.78	\$1.02	\$0.65	\$0.72	\$1.14	\$1.30	\$0.43	\$2.71	\$0.30	\$0.82	\$1.01	\$10.88
Fremont/Newark	\$1.03	\$0.94	\$0.64	\$0.70	\$1.35	\$1.22	\$0.41	\$2.52	\$0.27	\$0.77	\$0.97	\$10.82
Hayward/Castro Val...	\$0.91	\$0.66	\$0.57	\$0.65	\$1.17	\$0.91	\$0.37	\$1.87	\$0.17	\$0.61	\$0.84	\$8.73
Pittsburg/Antioch	\$0.58	\$1.08	\$0.56	\$0.91	\$1.32	\$1.43	\$0.40	\$2.05	\$0.10	\$0.74	\$1.01	\$10.18
Richmond/Martinez	\$1.05	\$0.97	\$0.74	\$0.74	\$1.16	\$1.31	\$0.42	\$2.63	\$0.08	\$0.59	\$0.99	\$10.68
Walnut Creek/San...	\$1.17	\$1.07	\$0.61	\$0.76	\$1.18	\$1.52	\$0.45	\$2.65	\$0.32	\$1.17	\$1	\$11.90

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
East Bay	\$0.94	\$0.52	\$0.54	\$0.55	\$1.17	\$0.59	\$0.37	\$1.92	\$0.08	\$0.73	\$0.94	\$8.35
Alameda	\$0.92	\$0.48	\$0.51	\$0.51	\$1.17	\$0.46	\$0.35	\$1.88	\$0.05	\$0.76	\$0.94	\$8.03
Berkeley	\$0.93	\$0.49	\$0.52	\$0.51	\$1.17	\$0.48	\$0.35	\$1.91	\$0.05	\$0.76	\$0.95	\$8.12
Concord/Pleasant Hill	\$0.57	\$0.84	\$0.53	\$0.48	\$0.88	\$0.68	\$0.34	\$1.80	\$0.09	\$0.60	\$0.93	\$7.74
Downtown Oakland	\$0.91	\$0.58	\$0.54	\$0.53	\$1.16	\$0.60	\$0.36	\$1.96	\$0.09	\$0.75	\$0.94	\$8.42
Dublin/Pleasanton/L...	\$0.70	\$0.80	\$0.62	\$0.50	\$0.96	\$0.64	\$0.35	\$2.10	\$0.14	\$0.76	\$0.94	\$8.51
East Oakland	\$0.90	\$0.48	\$0.51	\$0.50	\$1.13	\$0.47	\$0.34	\$1.76	\$0.05	\$0.71	\$0.90	\$7.75
Emeryville	\$0.71	\$0.80	\$0.62	\$0.50	\$0.95	\$0.63	\$0.35	\$2.14	\$0.14	\$0.78	\$0.96	\$8.58
Fremont/Newark	\$1	\$0.34	\$0.51	\$0.60	\$1.31	\$0.57	\$0.39	\$1.85	\$0.06	\$0.76	\$0.94	\$8.33
Hayward/Castro Val...	\$1	\$0.35	\$0.51	\$0.60	\$1.31	\$0.59	\$0.38	\$1.85	\$0.06	\$0.76	\$0.94	\$8.35
Oakland Hills	\$0.93	\$0.48	\$0.51	\$0.51	\$1.18	\$0.46	\$0.35	\$1.91	\$0.05	\$0.77	\$0.95	\$8.10
Pittsburg/Antioch	\$0.55	\$0.85	\$0.53	\$0.48	\$0.88	\$0.69	\$0.34	\$1.84	\$0.10	\$0.62	\$0.95	\$7.83
Richmond/Martinez	\$1.01	\$0.80	\$0.71	\$0.62	\$1.04	\$0.75	\$0.32	\$2.29	\$0.08	\$0.23	\$0.95	\$8.80
San Leandro/San L...	\$1.01	\$0.31	\$0.50	\$0.59	\$1.32	\$0.54	\$0.39	\$1.84	\$0.05	\$0.77	\$0.95	\$8.27
Walnut Creek/San...	\$1.12	\$0.96	\$0.58	\$0.42	\$0.79	\$0.81	\$0.39	\$2.30	\$0.32	\$1.13	\$0.96	\$9.78

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
East Bay	\$0.74	\$0.50	\$0.51	\$0.52	\$0.91	\$0.53	\$0.31	\$1.05	\$0.06	\$0.40	\$0.67	\$6.20
Alameda	\$0.76	\$0.46	\$0.49	\$0.48	\$0.94	\$0.44	\$0.31	\$1.04	\$0.04	\$0.41	\$0.67	\$6.04
Berkeley	\$0.76	\$0.46	\$0.49	\$0.48	\$0.94	\$0.44	\$0.31	\$1.04	\$0.04	\$0.41	\$0.67	\$6.04
Concord/Pleasant Hill	\$0.55	\$0.81	\$0.51	\$0.46	\$0.84	\$0.65	\$0.31	\$1.04	\$0.09	\$0.41	\$0.67	\$6.34
Downtown Oakland	\$0.75	\$0.48	\$0.50	\$0.48	\$0.94	\$0.45	\$0.31	\$1.04	\$0.05	\$0.41	\$0.67	\$6.08
Dublin/Pleasanton/L...	\$0.67	\$0.75	\$0.59	\$0.47	\$0.94	\$0.59	\$0.31	\$1.08	\$0.11	\$0.43	\$0.68	\$6.62
East Oakland	\$0.76	\$0.46	\$0.49	\$0.48	\$0.94	\$0.44	\$0.31	\$1.03	\$0.04	\$0.41	\$0.67	\$6.03
Emeryville	\$0.68	\$0.72	\$0.57	\$0.47	\$0.94	\$0.57	\$0.31	\$1.04	\$0.10	\$0.41	\$0.67	\$6.48
Fremont/Newark	\$0.77	\$0.31	\$0.48	\$0.58	\$0.96	\$0.52	\$0.31	\$1.07	\$0.04	\$0.43	\$0.68	\$6.15
Hayward/Castro Val...	\$0.76	\$0.30	\$0.48	\$0.59	\$0.94	\$0.52	\$0.31	\$1.03	\$0.04	\$0.41	\$0.67	\$6.05
Oakland Hills	\$0.76	\$0.46	\$0.49	\$0.48	\$0.94	\$0.44	\$0.31	\$1.03	\$0.04	\$0.41	\$0.67	\$6.03
Pittsburg/Antioch	\$0.53	\$0.81	\$0.51	\$0.46	\$0.84	\$0.65	\$0.31	\$1.10	\$0.09	\$0.42	\$0.69	\$6.41
Richmond/Martinez	\$0.76	\$0.75	\$0.67	\$0.58	\$0.94	\$0.71	\$0.31	\$1.03	\$0.07	\$0.23	\$0.67	\$6.72
San Leandro/San L...	\$0.76	\$0.32	\$0.48	\$0.58	\$0.94	\$0.51	\$0.31	\$1.04	\$0.04	\$0.41	\$0.67	\$6.06
Walnut Creek/San...	\$0.76	\$0.86	\$0.54	\$0.28	\$0.63	\$0.56	\$0.31	\$1.04	\$0.11	\$0.41	\$0.67	\$6.17

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

Over 19,000 units have been added on a net basis over the past five years in the East Bay, equating to a percentage change of 11.0%. Another 4,100 units are underway as of the fourth quarter of 2023. The current pipeline will expand the metro's inventory by 2.1%, pushing the market closer to the 200,000 unit mark.

Downtown Oakland has been the focal point of development of late. Signature Development Group of Oakland is leading a multi-year transformation of Brooklyn Basin that includes around 3,100 housing units and 200,000 SF of commercial space on the project's 65-acre waterfront site. Submarket inventory has already grown by nearly 50% since 2015. In addition, Downtown Oakland has experienced some companies establishing larger office footprints over the years. As a result, it has emerged as a friendlier live/work/play environment.

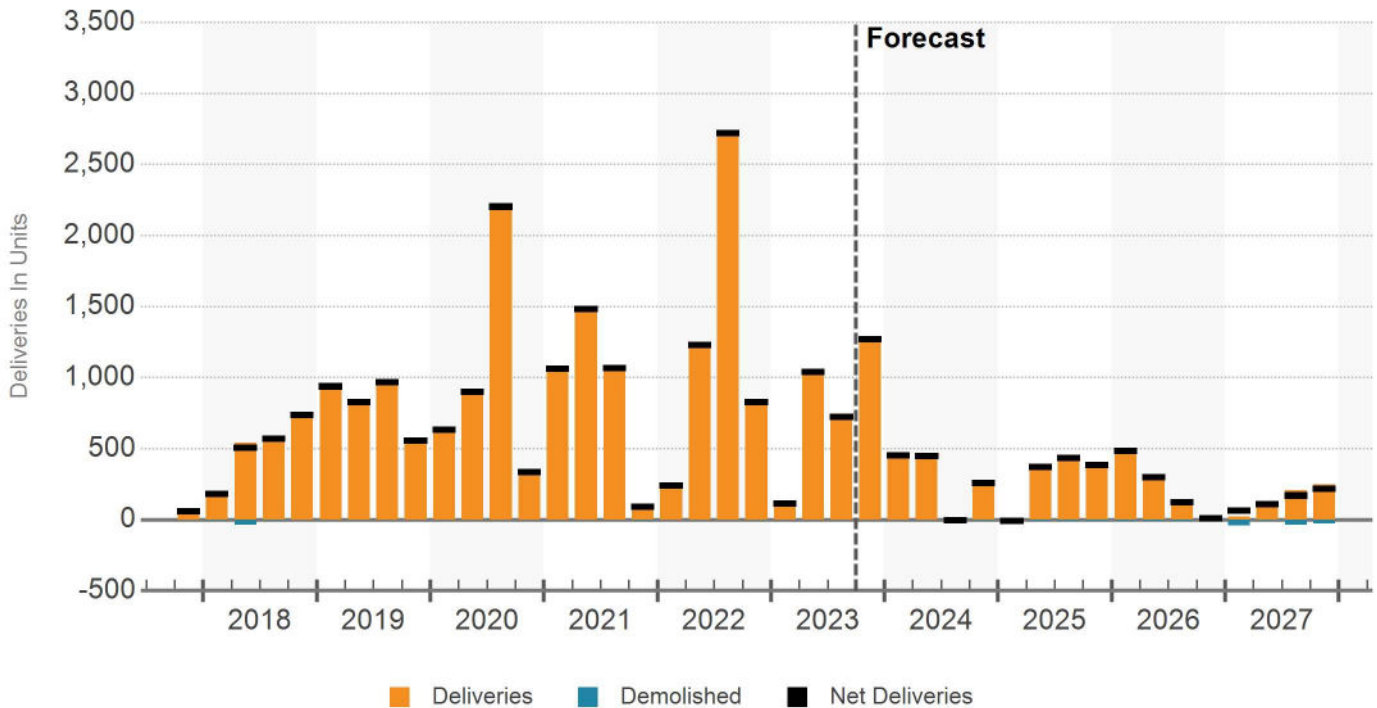
Recent projects to complete include the 419-unit mid-rise VESPR project on 24th Street developed by The Holland Partner Group out of Vancouver, Washington. Occupancy is nearing 70%. Holland also broke ground on the 328-unit 24th and Waverly, located at 2359 Harrison Street, with a completion timeline expected to

stretch into 2024. The 19th Street BART station is located about one-half of a mile to the south.

Fremont/Newark has also seen plenty of construction activity, gaining momentum as tech-oriented tenants from the South Bay move in and the development of Silicon Valley's BART extension progresses. Phase 1 of the BART extension, from Fremont to Milpitas and Berryessa/North San Jose, was completed in 2020. This phase has spurred the significant development seen in Fremont in recent years. Phase 2 of the extension to Santa Clara through Downtown San Jose and Diridon Station is anticipated to initiate service by 2029.

Lastly, Berkeley, Walnut Creek, Concord, and Pleasanton have also seen BART-proximate communities deliver in recent quarters. Some cities have improved zoning regulations allowing for increased density around transit stations. In response, developers have capitalized on desirable areas where residents can benefit from the accessibility and good quality of life. In Walnut Creek, the 91-unit Rise and the 284-unit Hanover Walnut Creek near the Pleasant Hill/Contra Costa Centre station are prime examples.

DELIVERIES & DEMOLITIONS



Under Construction Properties

East Bay Multi-Family

Properties

Units

Percent of Inventory

Avg. No. Units

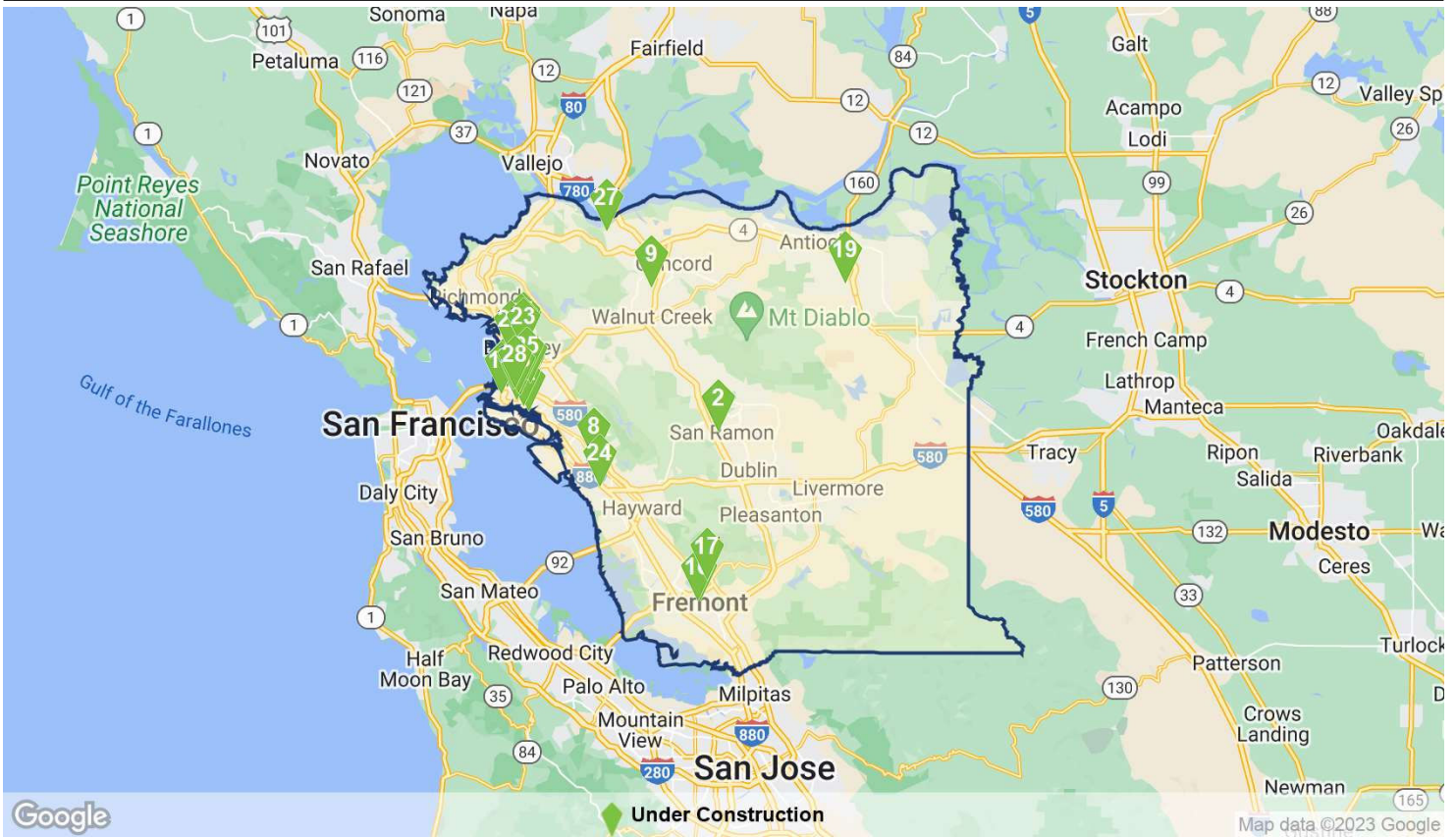
30

4,056

2.1%

135

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 1900 Broadway 1900 Broadway	★★★★☆	452	39	Aug 2021	Jan 2024	Behring Companies Mission Bay Development Group,...
2 6131 Bollinger Canyon Rd	★★★☆☆	381	7	Sep 2023	Feb 2025	- Related California
3 Portico 37 8th Ave	★★★★☆	378	8	Apr 2022	Dec 2023	CityView CityView
4 24th and Waverly 2359 Harrison St	★★★★☆	328	16	Oct 2022	Jun 2024	Holland Partner Group Holland Partner Group
5 MIG Fremont Apartments 39150 Fremont Blvd	★★★★☆	250	5	Apr 2022	Jan 2024	Bayrock Multifamily LLC MIG Real Estate, LLC
6 2011-2195 Wood St	★★★★☆	235	6	May 2023	Feb 2025	Holliday Development Holliday Development
7 1510 Webster St	★★★★☆	222	25	Nov 2022	Apr 2025	oWOW Webster Development Corp

Under Construction Properties

East Bay Multi-Family

UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
8 Centro Callan Apartments 100 Callan Ave	★ ★ ★ ★ ★	196	5	Oct 2022	Jun 2024	The Martin Group Sansome Pacific Properties, Inc.
9 85 Cleaveland Rd	★ ★ ★ ★ ★	189	4	Feb 2023	Mar 2024	Gemdale USA Gemdale USA
10 2150 Kittredge 2150 Kittredge St	★ ★ ★ ★ ★	169	7	Apr 2022	Apr 2024	East Beach Capital East Beach Capital
11 Ace Berkeley 1951 Shattuck Ave	★ ★ ★ ★ ★	163	12	Feb 2023	May 2024	Grosvenor Grosvenor
12 Link Apartments 412 Madison St	★ ★ ★ ★ ★	157	7	Mar 2022	Jan 2024	Swenson Swenson
13 685 9th St	★ ★ ★ ★ ★	117	1	Jun 2023	Dec 2024	- Riaz Capital
14 The Phoenix 801 Pine St	★ ★ ★ ★ ★	101	4	Sep 2023	Jan 2025	Holliday Development, Inc. Holliday Development, Inc.
15 1888 MLK 1888 Martin Luther King Jr...	★ ★ ★ ★ ★	88	6	Nov 2020	Feb 2024	CRC Development CRC Development
16 Bell Street Gardens 4103 Mowry Ave	★ ★ ★ ★ ★	79	4	Apr 2023	Apr 2025	Resources for Community Develo... Resources for Community Develo...
17 Niles Gateway by Lennar... 37899 Niles Blvd	★ ★ ★ ★ ★	75	3	Feb 2023	Feb 2024	Lennar Lennar
18 Rumi at King 2099 Martin Luther King Jr...	★ ★ ★ ★ ★	72	6	Oct 2022	Oct 2024	- Thompson 1997 Living Trust
19 5413 Guenoc Valley Ln	★ ★ ★ ★ ★	71	1	Jun 2022	Jun 2024	Tri Pointe Homes, Inc Xin Chen
20 2242 Magnolia St	★ ★ ★ ★ ★	65	3	Aug 2022	Dec 2023	Dogtown Development Company,... Riaz Capital
21 One Piedmont 230-240 W Macarthur Blvd	★ ★ ★ ★ ★	57	5	May 2021	Jan 2024	- Bayrock Multifamily LLC
22 Poet's Place 2435 San Pablo Ave	★ ★ ★ ★ ★	41	4	Jun 2022	Dec 2023	- Wang Brothers Investments, LLC
23 The Lair 2440 Shattuck Ave	★ ★ ★ ★ ★	40	8	Oct 2022	May 2024	- -
24 Maple Lane 903 Manor Blvd	★ ★ ★ ★ ★	39	3	Sep 2020	Aug 2024	D.R. Horton, Inc. -
25 469 40th St	★ ★ ★ ★ ★	34	5	Sep 2022	Dec 2023	Three Steps Properties, Llc Three Steps Properties, Llc
26 1925 Brush St	★ ★ ★ ★ ★	18	3	Dec 2022	May 2024	Riaz Capital Riaz Capital
27 901 Estudillo St	★ ★ ★ ★ ★	12	2	Dec 2018	Dec 2023	- James Scott Busby
28 2432 Chestnut St	★ ★ ★ ★ ★	12	3	Sep 2022	Dec 2023	- Riaz Capital

Trailing 12-month multifamily sales volume as of the fourth quarter of 2023 comes in at \$632 million on 140 recorded transactions. However, the East Bay metro has averaged a healthy 300 sales over the past five years. For reference, over that period, trailing four quarter sales volume peaked at \$3.7 billion, while averaging about \$2.0 billion. Deteriorating lending conditions as a result of the Federal Reserve's ongoing battle with inflation have reduced the amount of debt and equity available, slowing capital markets activity.

Investors are currently paying a market price of \$370,000/unit. Even after a steady correction in pricing over the past few quarters, the East Bay boasts one of the highest rates in the country, but well below the averages of neighboring cross bay rivals. San Francisco, for example, sees most of the foreign investment in the Bay Area. Market cap rates have trended up over the past few quarters in response to increases in bid to ask spreads.

Private capital accounts for the bulk of purchase activity over the past year, amounting to more than 85%. Conversely, 70% of the sales volume in the East Bay originated from outside of the metro area.

Some examples include value-add plays by private investors in areas such as Hayward and Walnut Creek/San Ramon. In 23Q1, a local buyer picked up the 45-unit Dixon Landing Apartments for \$11.6 million (\$258,000/unit). Buyer motivations reportedly included some upside potential with a prime location near the South Hayward BART station. The 23Q2 transactions of the 21- and 22-unit La Posada Apartments and the Courtyard at Poet Corner were deals that could each benefit from minor upgrades and higher rents in Walnut Creek. Closing prices were \$7.5 million (\$341,000/unit) and \$8 million (\$381,000/unit), respectively.

MG Properties drove a hefty portion of volume in the third quarter with an outsized purchase in Fremont. In

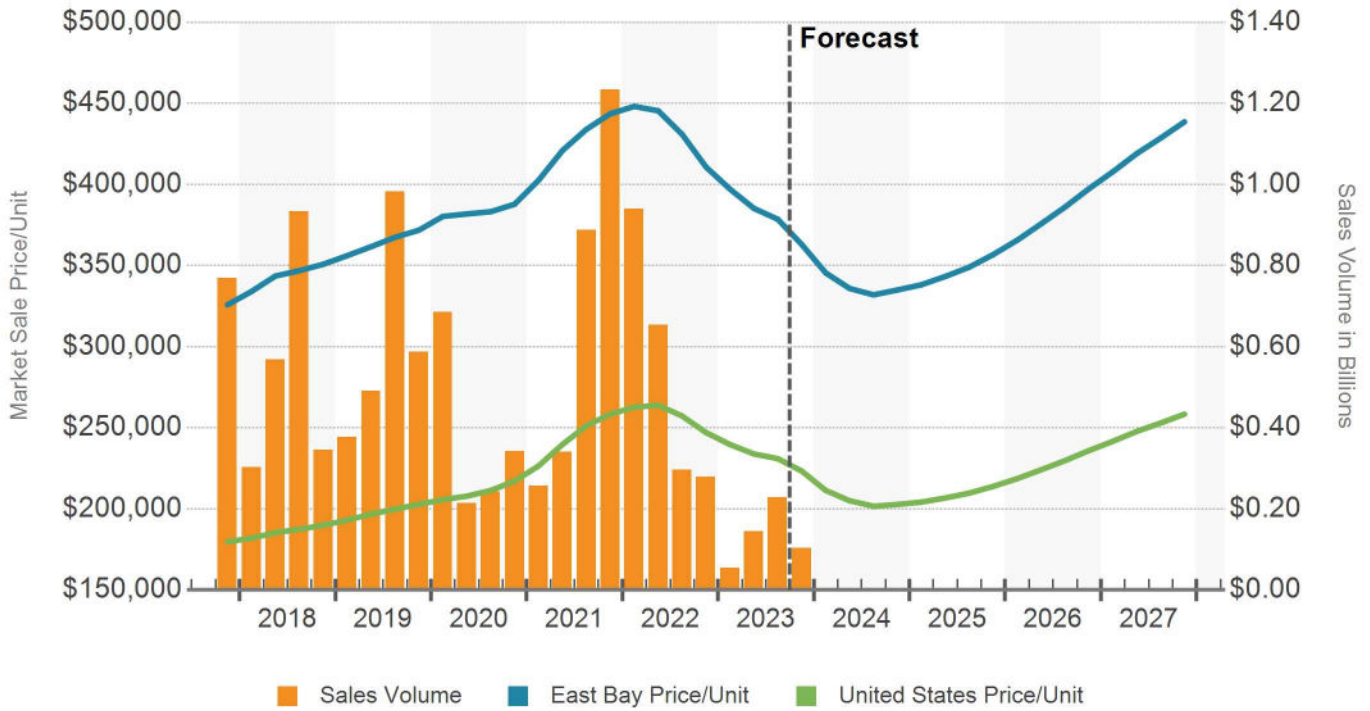
September, the San Diego-based firm purchased the 185-unit Artist Walk for just under \$90 million (\$485,000/unit). MG's relatively bullish outlook on the longer-term economic potential of the Bay Area drove the elevated price. Given the newer 2018 build date, maintenance costs should be minimal in the near term and units won't need many updates to support rent growth over the hold period, which could bolster cash flow.

However, turn-key properties like Artist Walk haven't completely outshined other types of deals. Certain investors have shown a willingness to acquire apartments creatively during a period of rising interest rates. One example is the Investment Management Group's purchase of the Stratus Apartments in Castro Valley.

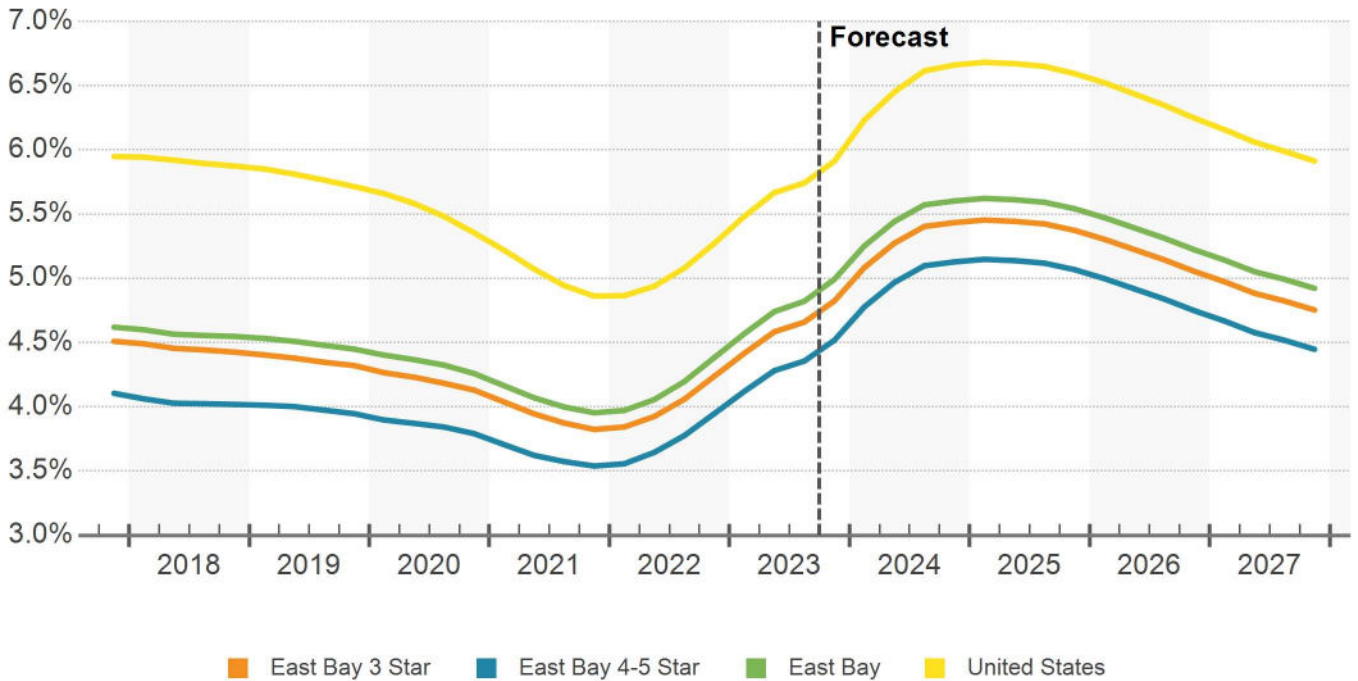
The local buyer acquired the property through a debt assumption, which allowed it to secure a lower interest rate that was put into place before the Federal Reserve's current rate hiking cycle. The loan was structured as Fannie Mae debt at a 2.82% interest rate on a 10-year term, with interest-only payments through July of 2025, followed by interest and principal payments through June of 2030. The 46-unit community was built in 1959 but had undergone a substantial renovation in the past five years. The closing price totaled \$15.5 million (\$337,000/unit).

California public agencies have made prominent investments here over the past several years as well. Both the California Statewide Communities Development Authority (CSCDA) and the California Community Housing Agency (CalCHA) utilized similar strategies to make significant asset purchases. Both CSCDA and CalCHA issue governmental purpose bonds for the purpose of financing projects that provide, preserve and support affordable local housing for low-income, moderate-income, and middle-income families and individuals.

SALES VOLUME & MARKET SALE PRICE PER UNIT



MARKET CAP RATE



Sales Past 12 Months

East Bay Multi-Family

Sale Comparables

Avg. Price/Unit (thous.)

Average Price (mil.)

Average Vacancy at Sale

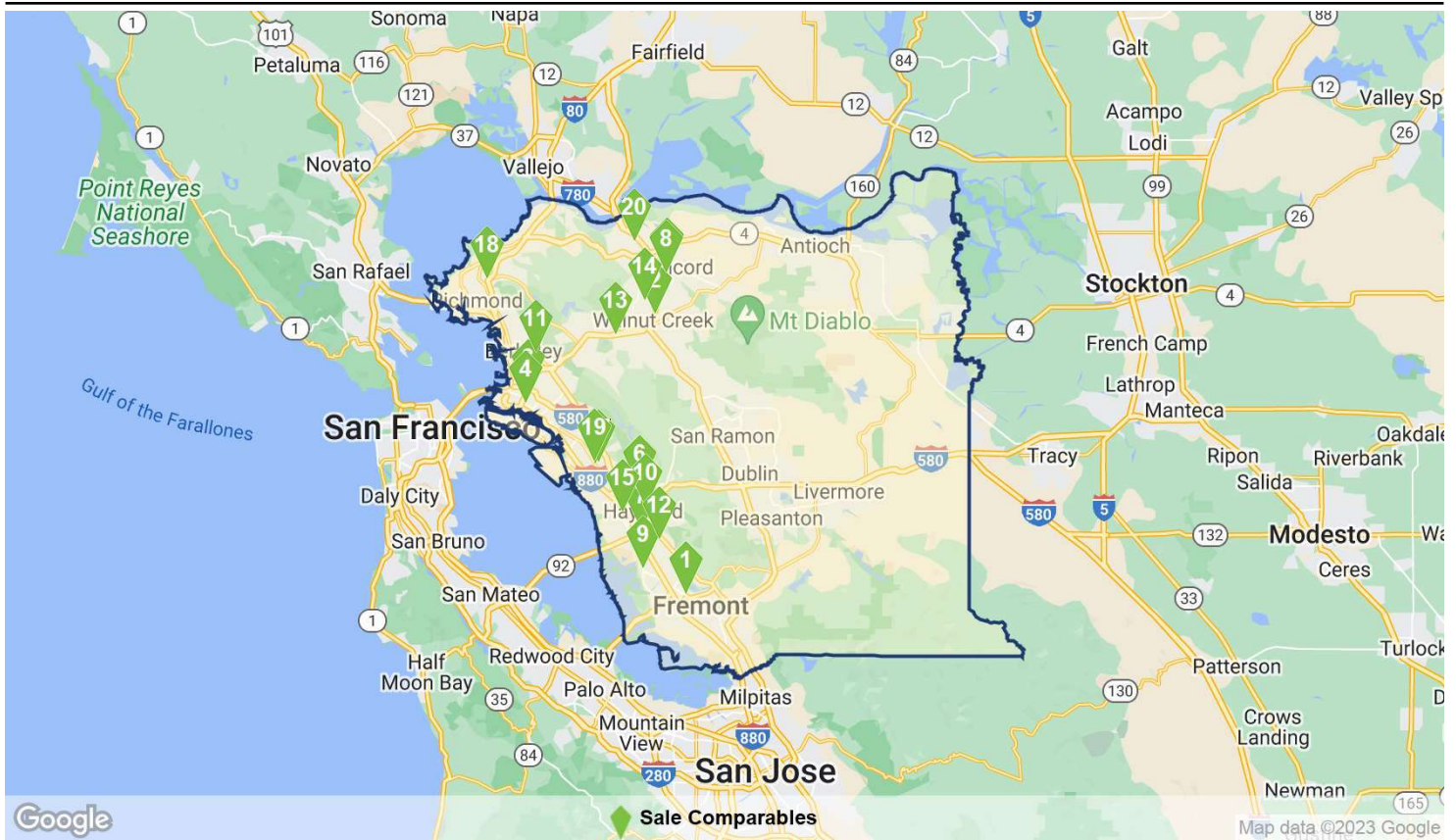
136

\$306

\$5.1

6.6%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$750,000	\$5,108,731	\$2,290,000	\$89,750,000
Price/Unit	\$52,727	\$305,727	\$259,090	\$690,186
Cap Rate	3.4%	5.5%	5.3%	10.4%
Vacancy Rate At Sale	0%	6.6%	0%	100%
Time Since Sale in Months	0.4	5.7	5.2	11.9
Property Attributes	Low	Average	Median	High
Property Size in Units	5	16	8	185
Number of Floors	1	2	2	8
Average Unit SF	78	794	739	2,280
Year Built	1896	1956	1962	2022
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.2	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Sales Past 12 Months

East Bay Multi-Family

RECENT SIGNIFICANT SALES

Property Name/Address	Property Information				Sale Information				
	Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF	
1 Artist Walk 3888 Artist Walk Commons	★★★★★	2018	185	4.9%	9/13/2023	\$89,750,000	\$485,135	\$436	
2 The Boulders 530 Civic Dr	★★★★★	1971	164	3.7%	11/6/2023	\$57,956,500	\$353,393	\$394	
3 Edson 295 29th St	★★★★★	2022	91	3.3%	12/20/2022	\$47,000,000	\$516,483	\$516	
4 Alice House 1411 Alice St	★★★★★	2020	79	20.3%	12/29/2022	\$39,500,000	\$500,000	\$500	
5 Sunset Pines Apartments 1770 Adelaide St	★★★★★	1967	69	0%	6/30/2023	\$22,157,500	\$321,123	\$285	
6 Stratus Apartments 20421-20499 Anita Ave	★★★★★	1959	39	0%	6/27/2023	\$15,500,000	\$397,435	\$513	
7 Townhomes on Gading 26409-26415 Gading Rd	★★★★★	1974	61	0%	10/11/2023	\$15,325,000	\$251,229	\$226	
8 Coral Court Apartments 1491 Detroit Ave	★★★★★	1968	47	0%	6/30/2023	\$15,093,000	\$321,127	\$517	
9 Summerhill Place 3900 Horner St	★★★★★	1986	60	0%	9/1/2023	\$15,000,000	\$250,000	\$336	
10 Hayward Heights 23972-23976 2nd St	★★★★★	1961	41	12.2%	12/22/2022	\$12,000,000	\$292,682	\$418	
11 The Atrium at Prospect 2430 Prospect St	★★★★★	1960	27	7.4%	11/30/2022	\$11,800,000	\$437,037	\$557	
12 Dixon Landing Apartments 29371 Dixon St	★★★★★	1988	45	4.4%	1/20/2023	\$11,600,000	\$257,777	\$323	
13 La Posada Apartments 241 Lafayette Cir	★★★★★	1964	21	4.8%	4/11/2023	\$7,993,500	\$380,642	\$303	
14 The Courtyard at Poet Corner 264 Douglas Ln	★★★★★	1962	22	18.2%	5/17/2023	\$7,495,000	\$340,681	\$333	
15 21788 Thelma St	★★★★★	1965	15	6.7%	8/31/2023	\$7,000,000	\$466,666	\$549	
16 184 Callan Ave	★★★★★	1963	12	11.9%	7/26/2023	\$6,988,000	\$582,333	\$366	
17 540 Callan Ave	★★★★★	1963	29	0%	7/26/2023	\$6,366,000	\$219,517	\$255	
18 5405-5411 Morrow Dr	★★★★★	1962	31	9.7%	8/23/2023	\$6,150,000	\$198,387	\$295	
19 150 Haas Ave	★★★★★	1971	24	0%	7/26/2023	\$5,807,000	\$241,958	\$694	
20 Pacheco Adobe 50 Arthur Rd	★★★★★	1987	20	15.0%	8/2/2023	\$5,800,000	\$290,000	\$256	

The East Bay economy continues its quest to fully recover from the fallout caused by the coronavirus pandemic, which abruptly ended what had been the longest economic expansion in U.S. history. The East Bay and the broader Bay Area were more cautious and methodical regarding opening up the economy following shutdown measures. The majority of office employees continue to work remotely, but retail businesses have been able to reopen, fueling a more robust recovery in recent months.

According to the Bureau of Labor Statistics, employment in the East Bay metro fell by nearly 180,000 between March and April of 2020, or over 15%. To date, employment remains a few thousand jobs short of pre-pandemic levels.

Unemployment stood just above 3% in late 2022, down around 100 basis points from one year prior. The East Bay rate compares to 4.1% for California and 3.5% for the nation overall. As expected, leisure and hospitality continue to be the hardest hit sector, down approximately 10,000 jobs since before the pandemic, but having seen 14,000 people added to payrolls in 2022.

While employment gains pre-pandemic in San Jose and San Francisco were more robust, the East Bay has significantly outpaced national average employment growth. Median income gains have been substantial as well, climbing above \$100,000 and significantly outpacing the national average during the recent expansion. The East Bay benefited from the Bay Area's widespread, tech-led economic expansion from the Great Recession. Established tech players such as Workday, Lam Research, and Veeva Systems continued or expanded their East Bay presence. In addition, newcomers like fintech firms Square and Credit Karma, and startups like Pleasanton-based 10x Genomics, among others, grew around the metro. Oxford Economics estimates that job growth in the East Bay will continue outperforming the national benchmark by a healthy margin over the next five years.

Outside of the tech sector, the East Bay is home to the Port of Oakland, one of the busiest ports in the U.S. and a central economic force in the metro. The East Bay is

also the largest Bay Area industrial market, and major distribution tenants like Amazon and UPS have been expanding in the metro recently. The continued rise of e-commerce and the need for warehouse space and last-mile distribution facilities should benefit the East Bay economy and employment market.

Major U.S. research facilities Lawrence Livermore and Lawrence Berkeley National Laboratories and Sandia National Laboratories are located in the East Bay. In addition, the East Bay is home to major operations for a diverse set of large corporations. Significant employment in the healthcare industry in the East Bay includes healthcare systems Kaiser Permanente, Sutter Health, and John Muir Health, along with device and supplier companies like The Cooper Companies and Bio-Rad Laboratories. And auto manufacturer Tesla, oil giant Chevron Corp, and The Clorox Company are all headquartered in the East Bay, helping to drive the region's economy.

Looking from a broader perspective, continued real estate development and public transportation infrastructure projects already in the works will strengthen economic activity in the East Bay moving forward. Most notable is the considerable amount of apartment construction taking place throughout the market, mostly in transit-oriented projects. While these projects may face issues in the near term, the long-term outlook is for continued connectivity in the Bay Area's most affordable major metro for housing and office space.

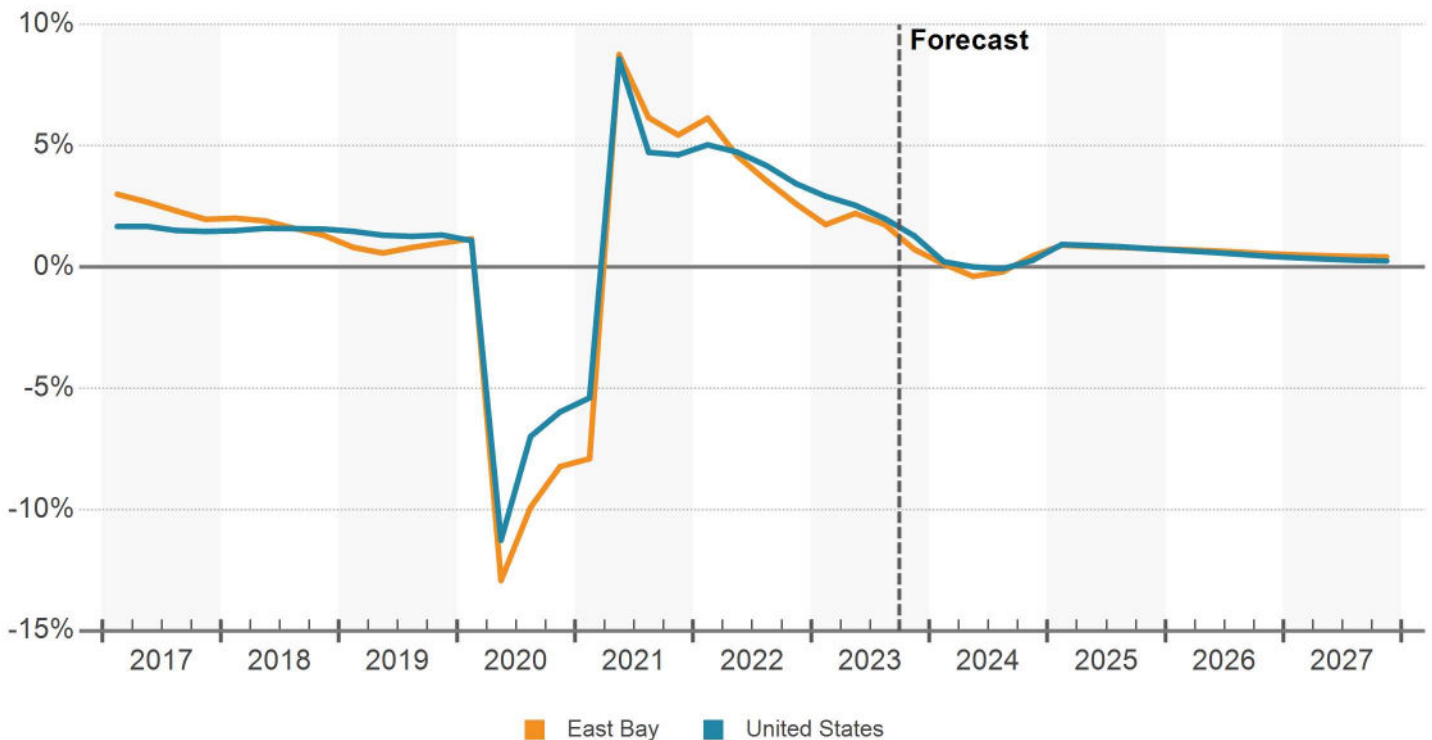
BART's ongoing extension from the East Bay to San Jose is significantly expanding the number of commuting options for East Bay residents. Job centers in San Francisco, Downtown Oakland, and Pleasanton are becoming even more accessible from the southern portion of the East Bay. And once BART reaches San Jose, East Bay, residents can look for work in all the Bay Area's three major cities of San Francisco, Oakland, and San Jose. Simultaneously, the construction of new BART stations through the southern end of the East Bay is opening up pockets for transit-oriented residential and commercial development, unlocking the greater economic potential for the region as a whole.

EAST BAY EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	115	1.2	0.79%	0.26%	3.52%	0.74%	0.83%	0.06%
Trade, Transportation and Utilities	203	0.9	-0.60%	0.24%	0.82%	1.08%	-0.08%	0.13%
Retail Trade	105	0.9	-1.52%	0.42%	-0.34%	0.26%	-0.16%	0.10%
Financial Activities	52	0.7	0.76%	0.72%	-0.08%	1.47%	0.04%	0.13%
Government	163	0.9	1.59%	1.73%	0.04%	0.37%	0.20%	0.39%
Natural Resources, Mining and Construction	79	1.2	3.98%	1.92%	3.19%	2.39%	0.93%	0.24%
Education and Health Services	214	1.1	3.27%	3.43%	2.42%	1.88%	0.76%	0.65%
Professional and Business Services	192	1.1	-1.91%	0.94%	1.02%	2.04%	0.13%	0.49%
Information	24	1.0	-5.34%	-2.42%	0.36%	1.14%	0.66%	0.30%
Leisure and Hospitality	117	0.9	4.71%	3.43%	1.62%	1.50%	1.54%	0.84%
Other Services	40	0.9	0.82%	2.00%	0.56%	0.65%	0.01%	0.26%
Total Employment	1,197	1.0	1.09%	1.54%	1.40%	1.33%	0.48%	0.39%

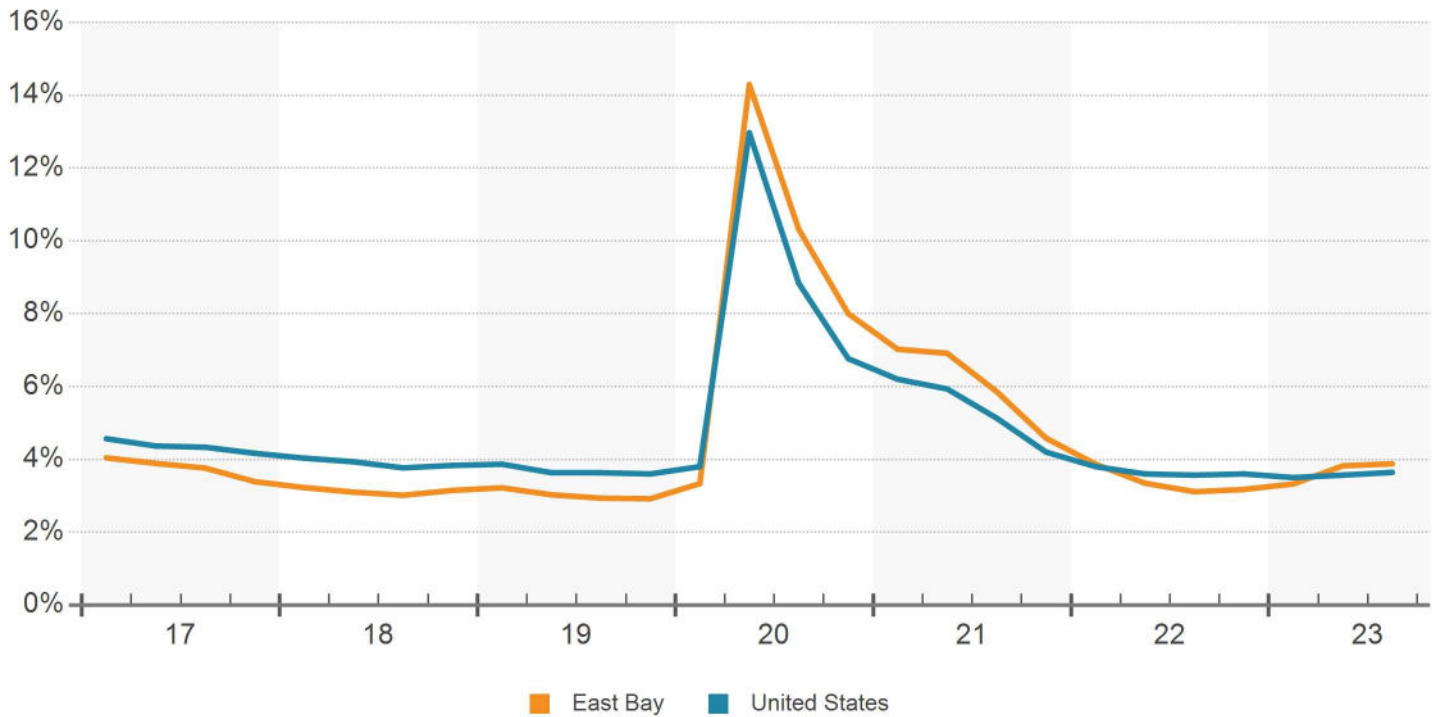
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

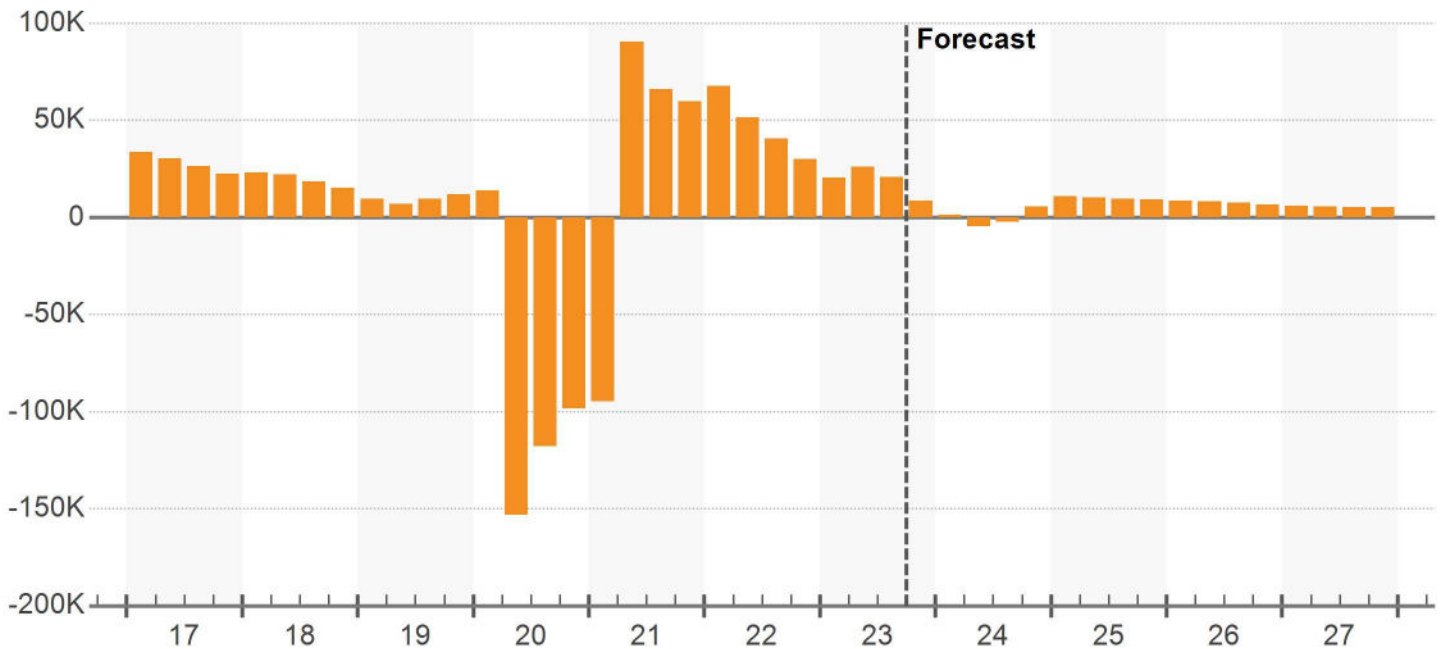


Source: Oxford Economics

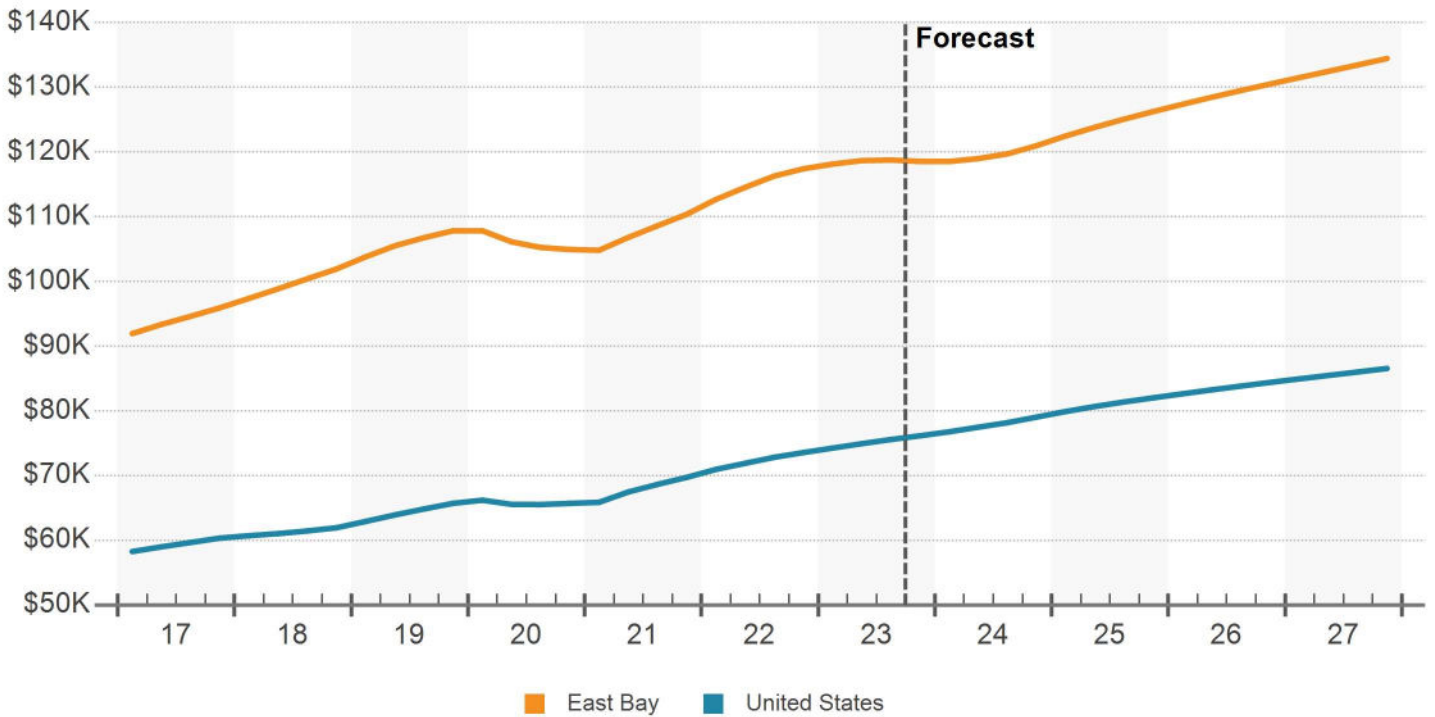
UNEMPLOYMENT RATE (%)



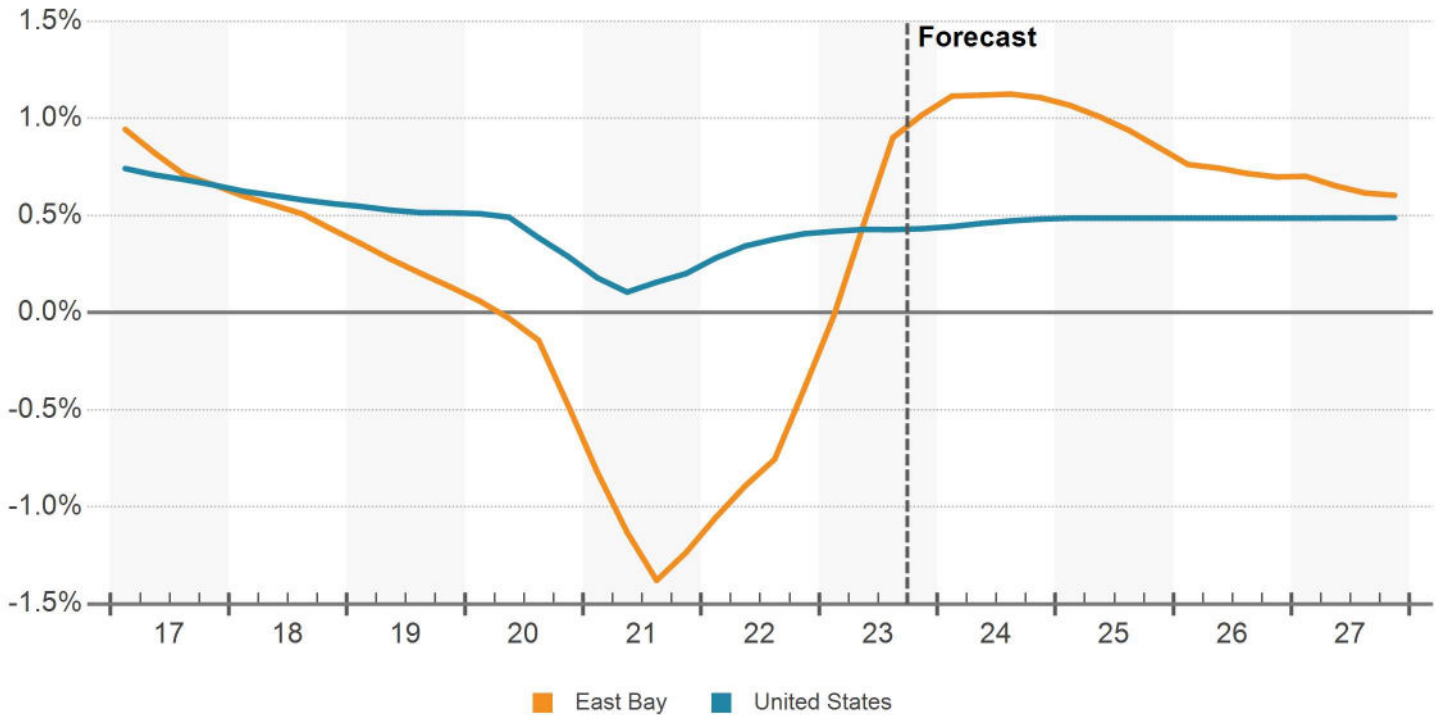
NET EMPLOYMENT CHANGE (YOY)



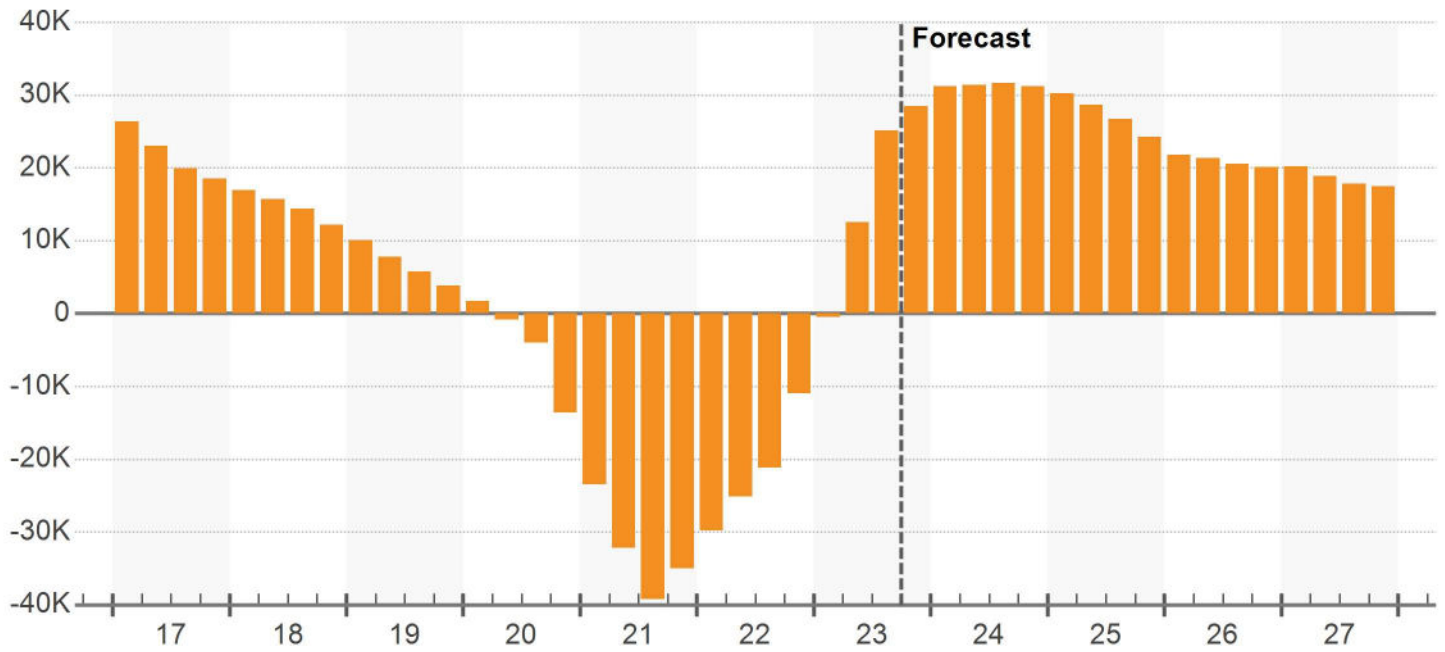
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)



DEMOGRAPHIC TRENDS

Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	2,816,226	334,969,969	1.0%	0.4%	0.4%	0.5%	0.8%	0.5%
Households	1,019,511	130,762,383	1.1%	0.6%	0.6%	0.9%	0.9%	0.6%
Median Household Income	\$118,594	\$75,938	1.4%	3.6%	4.7%	3.8%	3.1%	3.1%
Labor Force	1,387,117	167,555,109	0.7%	1.8%	0.4%	0.8%	0%	0.2%
Unemployment	3.9%	3.6%	0.7%	0.1%	-0.3%	-0.3%	-	-

Source: Oxford Economics

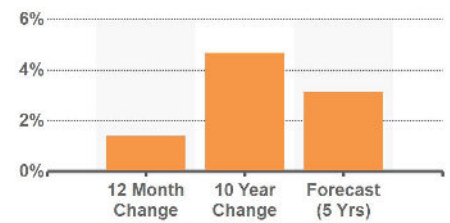
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

EAST BAY SUBMARKETS



SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	Units	% Market	Rank	Bldgs	Units	Percent	Rank	Bldgs	Units	Percent	Rank
1	Alameda	444	8,719	4.6%	12	3	513	5.9%	2	0	0	0%	-
2	Berkeley	1,275	18,068	9.5%	3	4	231	1.3%	5	5	485	2.7%	2
3	Concord/Pleasant Hill	294	11,203	5.9%	9	0	0	0%	-	1	189	1.7%	7
4	Downtown Oakland	691	20,981	11.1%	2	1	27	0.1%	8	11	1,795	8.6%	1
5	Dublin/Pleasanton/Liverm...	178	14,171	7.5%	7	2	721	5.1%	1	0	0	0%	-
6	East Oakland	1,473	17,788	9.4%	4	3	454	2.6%	3	1	378	2.1%	5
7	Emeryville	144	4,468	2.4%	14	1	186	4.2%	6	1	10	0.2%	11
8	Fremont/Newark	470	24,761	13.1%	1	1	6	0%	10	3	404	1.6%	3
9	Hayward/Castro Valley/U...	639	14,853	7.8%	6	2	11	0.1%	9	0	0	0%	-
10	Oakland Hills	727	10,107	5.3%	10	0	0	0%	-	2	91	0.9%	8
11	Pittsburg/Antioch	184	7,960	4.2%	13	1	168	2.1%	7	2	76	1.0%	9
12	Richmond/Martinez	615	11,464	6.1%	8	0	0	0%	-	1	12	0.1%	10
13	San Leandro/San Lorenzo	412	8,960	4.7%	11	0	0	0%	-	2	235	2.6%	6
14	Walnut Creek/San Ramon	312	15,942	8.4%	5	3	369	2.3%	4	1	381	2.4%	4

SUBMARKET RENT

No.	Market	Asking Rents				Effective Rents					
		Per Unit	Per SF	Rank	Yr. Growth	Per Unit	Per SF	Rank	Yr. Growth	Concession	Rank
1	Alameda	\$2,584	\$3.22	3	-4.0%	\$2,544	\$3.17	3	-4.7%	1.5%	2
2	Berkeley	\$2,701	\$3.97	1	-0.3%	\$2,676	\$3.93	1	-0.2%	0.9%	9
3	Concord/Pleasant Hill	\$2,100	\$2.61	12	-1.2%	\$2,081	\$2.59	12	-1.0%	0.9%	10
4	Downtown Oakland	\$2,429	\$3.30	2	-3.3%	\$2,401	\$3.26	2	-1.0%	1.2%	5
5	Dublin/Pleasanton/Liverm...	\$2,683	\$3.01	8	-1.2%	\$2,646	\$2.97	8	-1.6%	1.4%	3
6	East Oakland	\$1,735	\$2.45	13	-2.1%	\$1,694	\$2.39	13	-2.9%	2.4%	1
7	Emeryville	\$2,891	\$3.16	4	0.4%	\$2,861	\$3.13	5	2.1%	1.0%	7
8	Fremont/Newark	\$2,531	\$3.04	7	-1.5%	\$2,513	\$3.01	7	-1.2%	0.7%	11
9	Hayward/Castro Valley/U...	\$2,196	\$2.72	9	0.5%	\$2,173	\$2.70	9	0.8%	1.0%	8
10	Oakland Hills	\$2,243	\$3.16	5	-0.5%	\$2,230	\$3.14	4	1.1%	0.6%	14
11	Pittsburg/Antioch	\$2,051	\$2.40	14	2.0%	\$2,026	\$2.37	14	1.7%	1.2%	4
12	Richmond/Martinez	\$2,086	\$2.63	11	-0.5%	\$2,071	\$2.61	11	-0.4%	0.7%	12
13	San Leandro/San Lorenzo	\$2,046	\$2.69	10	-0.3%	\$2,031	\$2.67	10	-0.2%	0.7%	13
14	Walnut Creek/San Ramon	\$2,543	\$3.05	6	-0.8%	\$2,513	\$3.02	6	-0.9%	1.2%	6

SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construc. Ratio
1	Alameda	1,021	11.7%	14	212	2.4%	7	1.8
2	Berkeley	1,847	10.2%	13	49	0.3%	10	4.7
3	Concord/Pleasant Hill	663	5.9%	3	157	1.4%	8	-
4	Downtown Oakland	1,910	9.1%	11	348	1.7%	3	0.1
5	Dublin/Pleasanton/Liverm...	871	6.1%	5	595	4.2%	1	1.2
6	East Oakland	1,567	8.8%	10	(43)	-0.2%	12	-
7	Emeryville	359	8.0%	9	443	9.9%	2	0.4
8	Fremont/Newark	1,229	5.0%	1	75	0.3%	9	0.1
9	Hayward/Castro Valley/U...	807	5.4%	2	254	1.7%	5	0
10	Oakland Hills	616	6.1%	4	(18)	-0.2%	11	-
11	Pittsburg/Antioch	757	9.5%	12	324	4.1%	4	-
12	Richmond/Martinez	804	7.0%	8	(99)	-0.9%	13	-
13	San Leandro/San Lorenzo	567	6.3%	6	(133)	-1.5%	14	-
14	Walnut Creek/San Ramon	1,070	6.7%	7	240	1.5%	6	1.5

OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	193,992	554	0.3%	1,214	0.6%	0.5
2026	193,438	906	0.5%	1,655	0.9%	0.5
2025	192,532	1,173	0.6%	1,947	1.0%	0.6
2024	191,359	1,148	0.6%	2,576	1.3%	0.4
2023	190,211	3,139	1.7%	2,741	1.4%	1.1
YTD	189,452	2,380	1.3%	2,495	1.3%	1.0
2022	187,072	5,010	2.8%	1,426	0.8%	3.5
2021	182,062	3,694	2.1%	6,975	3.8%	0.5
2020	178,368	4,064	2.3%	6	0%	677.3
2019	174,304	3,283	1.9%	1,950	1.1%	1.7
2018	171,021	1,986	1.2%	1,406	0.8%	1.4
2017	169,035	1,307	0.8%	890	0.5%	1.5
2016	167,728	1,521	0.9%	497	0.3%	3.1
2015	166,207	1,282	0.8%	1,044	0.6%	1.2
2014	164,925	1,028	0.6%	1,287	0.8%	0.8
2013	163,897	481	0.3%	667	0.4%	0.7
2012	163,416	691	0.4%	964	0.6%	0.7
2011	162,725	287	0.2%	613	0.4%	0.5

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	43,081	596	1.4%	569	1.3%	1.0
2026	42,485	591	1.4%	963	2.3%	0.6
2025	41,894	1,100	2.7%	1,031	2.5%	1.1
2024	40,794	1,158	2.9%	2,053	5.0%	0.6
2023	39,636	2,238	6.0%	3,311	8.4%	0.7
YTD	39,636	2,238	6.0%	3,116	7.9%	0.7
2022	37,398	4,492	13.7%	2,586	6.9%	1.7
2021	32,906	3,465	11.8%	4,969	15.1%	0.7
2020	29,441	3,987	15.7%	2,079	7.1%	1.9
2019	25,454	3,095	13.8%	2,129	8.4%	1.5
2018	22,359	2,002	9.8%	1,212	5.4%	1.7
2017	20,357	1,325	7.0%	1,446	7.1%	0.9
2016	19,032	1,502	8.6%	947	5.0%	1.6
2015	17,530	1,270	7.8%	1,081	6.2%	1.2
2014	16,260	1,043	6.9%	1,090	6.7%	1.0
2013	15,217	555	3.8%	500	3.3%	1.1
2012	14,662	750	5.4%	836	5.7%	0.9
2011	13,912	315	2.3%	282	2.0%	1.1

3 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	50,081	0	0%	279	0.6%	0
2026	50,081	355	0.7%	477	1.0%	0.7
2025	49,726	111	0.2%	532	1.1%	0.2
2024	49,615	0	0%	371	0.7%	0
2023	49,615	894	1.8%	192	0.4%	4.7
YTD	48,856	135	0.3%	72	0.1%	1.9
2022	48,721	471	1.0%	(266)	-0.5%	-
2021	48,250	237	0.5%	837	1.7%	0.3
2020	48,013	30	0.1%	(607)	-1.3%	0
2019	47,983	188	0.4%	53	0.1%	3.5
2018	47,795	(15)	0%	140	0.3%	-
2017	47,810	(2)	0%	(83)	-0.2%	0
2016	47,812	56	0.1%	(201)	-0.4%	-
2015	47,756	0	0%	(38)	-0.1%	0
2014	47,756	15	0%	169	0.4%	0.1
2013	47,741	0	0%	32	0.1%	0
2012	47,741	0	0%	269	0.6%	0
2011	47,741	0	0%	13	0%	0

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	100,830	(42)	0%	366	0.4%	-
2026	100,872	(40)	0%	215	0.2%	-
2025	100,912	(38)	0%	384	0.4%	-
2024	100,950	(10)	0%	152	0.2%	-
2023	100,960	7	0%	(762)	-0.8%	0
YTD	100,960	7	0%	(693)	-0.7%	0
2022	100,953	47	0%	(894)	-0.9%	-
2021	100,906	(8)	0%	1,169	1.2%	0
2020	100,914	47	0%	(1,466)	-1.5%	0
2019	100,867	0	0%	(232)	-0.2%	0
2018	100,867	(1)	0%	54	0.1%	0
2017	100,868	(16)	0%	(473)	-0.5%	0
2016	100,884	(37)	0%	(249)	-0.2%	0.1
2015	100,921	12	0%	1	0%	12.0
2014	100,909	(30)	0%	28	0%	-
2013	100,939	(74)	-0.1%	135	0.1%	-
2012	101,013	(59)	-0.1%	(141)	-0.1%	0.4
2011	101,072	(28)	0%	318	0.3%	-

OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	10,986	5.7%	(0.4)	\$2,767	\$3.49	3.4%	(0.8)	\$2,736	\$3.45
2026	11,648	6.0%	(0.4)	\$2,675	\$3.37	4.2%	(0.3)	\$2,645	\$3.33
2025	12,396	6.4%	(0.4)	\$2,567	\$3.24	4.5%	0.2	\$2,539	\$3.20
2024	13,171	6.9%	(0.8)	\$2,457	\$3.10	4.3%	5.4	\$2,429	\$3.06
2023	14,599	7.7%	0.1	\$2,356	\$2.97	-1.1%	(2.3)	\$2,330	\$2.94
YTD	14,086	7.4%	(0.2)	\$2,369	\$2.97	-1.1%	(2.3)	\$2,344	\$2.94
2022	14,198	7.6%	1.8	\$2,382	\$2.99	1.2%	(3.6)	\$2,346	\$2.94
2021	10,616	5.8%	(2.0)	\$2,355	\$2.95	4.8%	7.1	\$2,320	\$2.91
2020	13,890	7.8%	2.1	\$2,247	\$2.82	-2.3%	(3.8)	\$2,197	\$2.75
2019	9,826	5.6%	0.7	\$2,301	\$2.89	1.4%	(1.2)	\$2,283	\$2.86
2018	8,490	5.0%	0.3	\$2,269	\$2.84	2.6%	0	\$2,236	\$2.80
2017	7,911	4.7%	0.2	\$2,211	\$2.77	2.6%	0.2	\$2,178	\$2.73
2016	7,500	4.5%	0.6	\$2,154	\$2.70	2.4%	(5.2)	\$2,123	\$2.66
2015	6,476	3.9%	0.1	\$2,103	\$2.64	7.6%	2.3	\$2,086	\$2.61
2014	6,238	3.8%	(0.2)	\$1,954	\$2.45	5.3%	0	\$1,940	\$2.43
2013	6,497	4.0%	(0.1)	\$1,856	\$2.32	5.3%	1.1	\$1,844	\$2.31
2012	6,681	4.1%	(0.2)	\$1,762	\$2.21	4.2%	1.5	\$1,752	\$2.19
2011	6,954	4.3%	(0.2)	\$1,690	\$2.11	2.8%	-	\$1,680	\$2.10

4 & 5 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	3,208	7.4%	0	\$3,447	\$3.92	3.3%	(0.8)	\$3,386	\$3.85
2026	3,182	7.5%	(1.0)	\$3,336	\$3.80	4.1%	(0.3)	\$3,278	\$3.73
2025	3,553	8.5%	(0.1)	\$3,206	\$3.65	4.4%	0.3	\$3,149	\$3.58
2024	3,484	8.5%	(2.5)	\$3,071	\$3.49	4.1%	6.5	\$3,017	\$3.43
2023	4,379	11.0%	(3.5)	\$2,950	\$3.36	-2.4%	(1.1)	\$2,897	\$3.30
YTD	4,574	11.5%	(3.0)	\$2,969	\$3.36	-2.6%	(1.3)	\$2,919	\$3.30
2022	5,452	14.6%	3.8	\$3,021	\$3.42	-1.2%	(6.4)	\$2,932	\$3.32
2021	3,542	10.8%	(6.4)	\$3,059	\$3.46	5.1%	9.4	\$2,967	\$3.36
2020	5,045	17.1%	4.9	\$2,910	\$3.29	-4.3%	(5.4)	\$2,777	\$3.14
2019	3,125	12.3%	2.6	\$3,041	\$3.44	1.1%	(1.4)	\$3,005	\$3.40
2018	2,153	9.6%	2.9	\$3,008	\$3.41	2.4%	(0.1)	\$2,958	\$3.35
2017	1,363	6.7%	(1.1)	\$2,936	\$3.32	2.5%	0.6	\$2,887	\$3.27
2016	1,485	7.8%	2.5	\$2,865	\$3.24	1.9%	(3.5)	\$2,807	\$3.18
2015	930	5.3%	0.7	\$2,811	\$3.18	5.4%	1.9	\$2,780	\$3.15
2014	740	4.6%	(0.6)	\$2,667	\$3.02	3.5%	(1.4)	\$2,645	\$2.99
2013	788	5.2%	0.2	\$2,577	\$2.92	4.9%	1.1	\$2,559	\$2.90
2012	733	5.0%	(0.9)	\$2,457	\$2.78	3.7%	1.8	\$2,441	\$2.76
2011	818	5.9%	0.1	\$2,369	\$2.68	1.9%	-	\$2,353	\$2.66

3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	2,442	4.9%	(0.6)	\$2,767	\$3.41	3.5%	(0.7)	\$2,742	\$3.38
2026	2,721	5.4%	(0.3)	\$2,673	\$3.30	4.3%	(0.3)	\$2,649	\$3.27
2025	2,843	5.7%	(0.9)	\$2,564	\$3.16	4.6%	0.2	\$2,540	\$3.13
2024	3,265	6.6%	(0.7)	\$2,452	\$3.03	4.4%	5.1	\$2,430	\$3
2023	3,637	7.3%	1.3	\$2,349	\$2.90	-0.7%	(2.6)	\$2,328	\$2.87
YTD	2,998	6.1%	0.1	\$2,366	\$2.91	-0.8%	(2.7)	\$2,346	\$2.88
2022	2,934	6.0%	1.5	\$2,365	\$2.91	1.9%	(5.2)	\$2,345	\$2.88
2021	2,198	4.6%	(1.3)	\$2,321	\$2.85	7.1%	9.5	\$2,305	\$2.83
2020	2,797	5.8%	1.3	\$2,167	\$2.66	-2.4%	(4.1)	\$2,145	\$2.64
2019	2,160	4.5%	0.3	\$2,221	\$2.73	1.7%	(1.3)	\$2,209	\$2.72
2018	2,026	4.2%	(0.3)	\$2,184	\$2.69	2.9%	0.4	\$2,155	\$2.65
2017	2,182	4.6%	0.2	\$2,121	\$2.61	2.6%	0.7	\$2,085	\$2.56
2016	2,102	4.4%	0.5	\$2,068	\$2.54	1.9%	(8.0)	\$2,038	\$2.51
2015	1,846	3.9%	0.1	\$2,030	\$2.50	9.9%	3.1	\$2,015	\$2.48
2014	1,807	3.8%	(0.3)	\$1,847	\$2.27	6.8%	0.3	\$1,833	\$2.25
2013	1,961	4.1%	(0.1)	\$1,730	\$2.13	6.4%	0.5	\$1,719	\$2.11
2012	1,992	4.2%	(0.6)	\$1,626	\$2	5.9%	1.2	\$1,616	\$1.99
2011	2,261	4.7%	0	\$1,535	\$1.89	4.7%	-	\$1,526	\$1.87

1 & 2 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	5,335	5.3%	(0.4)	\$2,304	\$3.18	3.5%	(0.8)	\$2,289	\$3.15
2026	5,745	5.7%	(0.3)	\$2,226	\$3.07	4.3%	(0.3)	\$2,211	\$3.05
2025	6,000	5.9%	(0.4)	\$2,135	\$2.94	4.6%	0.2	\$2,121	\$2.92
2024	6,422	6.4%	(0.2)	\$2,042	\$2.81	4.4%	4.5	\$2,029	\$2.80
2023	6,584	6.5%	0.8	\$1,957	\$2.70	-0.2%	(3.3)	\$1,944	\$2.68
YTD	6,514	6.5%	0.7	\$1,963	\$2.69	0.1%	(3.0)	\$1,950	\$2.67
2022	5,813	5.8%	0.9	\$1,960	\$2.69	3.1%	0.8	\$1,947	\$2.67
2021	4,876	4.8%	(1.2)	\$1,901	\$2.60	2.4%	2.4	\$1,890	\$2.59
2020	6,048	6.0%	1.5	\$1,857	\$2.54	-0.1%	(1.6)	\$1,843	\$2.52
2019	4,542	4.5%	0.2	\$1,858	\$2.54	1.5%	(1.0)	\$1,847	\$2.52
2018	4,311	4.3%	(0.1)	\$1,830	\$2.50	2.6%	(0.3)	\$1,806	\$2.47
2017	4,367	4.3%	0.5	\$1,784	\$2.44	2.9%	(0.6)	\$1,765	\$2.41
2016	3,913	3.9%	0.2	\$1,735	\$2.37	3.5%	(4.6)	\$1,722	\$2.35
2015	3,701	3.7%	0	\$1,677	\$2.29	8.1%	1.9	\$1,667	\$2.27
2014	3,691	3.7%	(0.1)	\$1,551	\$2.11	6.2%	1.4	\$1,541	\$2.10
2013	3,748	3.7%	(0.2)	\$1,460	\$1.99	4.8%	1.4	\$1,453	\$1.98
2012	3,956	3.9%	0.1	\$1,393	\$1.89	3.4%	1.3	\$1,386	\$1.88
2011	3,876	3.8%	(0.3)	\$1,347	\$1.83	2.2%	-	\$1,340	\$1.82

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$438,667	290	4.9%
2026	-	-	-	-	-	-	\$397,342	263	5.2%
2025	-	-	-	-	-	-	\$356,764	236	5.5%
2024	-	-	-	-	-	-	\$334,987	221	5.6%
2023	-	-	-	-	-	-	\$363,041	240	5.0%
YTD	122	\$529.5M	1.0%	\$4,525,331	\$289,958	5.5%	\$374,851	248	4.9%
2022	290	\$2.2B	3.3%	\$7,469,961	\$352,299	5.0%	\$410,787	272	4.4%
2021	304	\$2.7B	4.1%	\$8,939,945	\$368,258	5.0%	\$443,642	293	4.0%
2020	215	\$1.5B	2.8%	\$7,127,738	\$314,837	5.3%	\$387,853	256	4.3%
2019	375	\$2.4B	4.8%	\$9,950,908	\$359,689	5.1%	\$371,854	246	4.4%
2018	450	\$2.1B	5.3%	\$8,170,968	\$325,502	4.8%	\$350,835	232	4.5%
2017	556	\$1.8B	5.3%	\$5,672,859	\$259,893	5.0%	\$325,866	215	4.6%
2016	433	\$1.7B	4.9%	\$5,382,062	\$242,864	5.2%	\$302,297	200	4.7%
2015	477	\$1.4B	4.8%	\$4,017,724	\$200,157	5.1%	\$282,351	187	4.8%
2014	396	\$1.4B	6.2%	\$4,275,642	\$197,148	5.8%	\$253,756	168	5.0%
2013	403	\$1.6B	5.9%	\$4,846,147	\$197,839	6.4%	\$224,330	148	5.3%
2012	376	\$822.3M	4.9%	\$2,957,922	\$144,670	7.2%	\$214,195	142	5.4%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$660,315	286	4.4%
2026	-	-	-	-	-	-	\$596,398	258	4.7%
2025	-	-	-	-	-	-	\$533,957	231	5.1%
2024	-	-	-	-	-	-	\$501,553	217	5.1%
2023	-	-	-	-	-	-	\$548,401	237	4.5%
YTD	2	\$91.3M	0.5%	\$45,666,500	\$480,700	5.7%	\$567,000	246	4.4%
2022	8	\$363.4M	1.8%	\$45,430,688	\$533,694	-	\$625,974	271	3.9%
2021	10	\$1B	5.7%	\$103,529,700	\$548,066	3.8%	\$683,234	296	3.5%
2020	2	\$158.9M	0.9%	\$79,447,500	\$588,500	4.3%	\$604,398	262	3.8%
2019	15	\$880.2M	7.1%	\$62,868,525	\$512,018	4.3%	\$582,807	252	3.9%
2018	11	\$748.4M	10.9%	\$83,157,168	\$459,714	4.6%	\$554,379	240	4.0%
2017	7	\$249.7M	2.6%	\$41,620,833	\$468,527	4.4%	\$509,182	221	4.1%
2016	8	\$352.9M	4.9%	\$44,106,701	\$379,005	4.5%	\$471,839	204	4.2%
2015	6	\$261.4M	5.1%	\$43,561,806	\$294,668	4.7%	\$441,637	191	4.3%
2014	5	\$214.9M	5.8%	\$53,728,750	\$296,844	5.2%	\$401,166	174	4.4%
2013	12	\$590M	14.2%	\$59,002,352	\$293,983	4.8%	\$352,995	153	4.7%
2012	9	\$174.2M	8.1%	\$34,845,000	\$206,918	5.3%	\$334,285	145	4.8%

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3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$414,806	305	4.8%
2026	-	-	-	-	-	-	\$375,331	276	5.1%
2025	-	-	-	-	-	-	\$336,652	247	5.4%
2024	-	-	-	-	-	-	\$315,882	232	5.4%
2023	-	-	-	-	-	-	\$342,323	252	4.8%
YTD	13	\$102.1M	0.7%	\$7,856,832	\$314,273	4.2%	\$353,520	260	4.7%
2022	29	\$642.1M	3.4%	\$22,140,152	\$387,019	4.6%	\$386,443	284	4.2%
2021	28	\$640.1M	3.6%	\$22,859,214	\$364,290	4.7%	\$416,951	306	3.8%
2020	32	\$574M	3.6%	\$19,132,975	\$368,414	5.1%	\$359,974	265	4.1%
2019	43	\$758.5M	4.6%	\$19,448,449	\$351,641	5.0%	\$344,344	253	4.3%
2018	40	\$642.2M	4.0%	\$18,889,601	\$342,897	4.9%	\$323,931	238	4.4%
2017	55	\$522.6M	4.8%	\$12,153,326	\$241,160	5.3%	\$300,798	221	4.5%
2016	37	\$453.3M	3.8%	\$13,331,809	\$256,236	5.0%	\$278,970	205	4.6%
2015	39	\$465.6M	4.2%	\$12,253,368	\$234,692	5.1%	\$258,833	190	4.7%
2014	45	\$586.2M	9.5%	\$16,283,502	\$241,535	5.0%	\$231,806	170	4.9%
2013	35	\$445.3M	6.2%	\$15,904,275	\$224,909	5.8%	\$203,116	149	5.2%
2012	39	\$256.5M	5.0%	\$9,499,198	\$161,409	7.2%	\$195,261	144	5.3%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$357,272	285	5.2%
2026	-	-	-	-	-	-	\$324,532	259	5.5%
2025	-	-	-	-	-	-	\$292,207	233	5.8%
2024	-	-	-	-	-	-	\$274,401	219	5.9%
2023	-	-	-	-	-	-	\$295,349	236	5.3%
YTD	107	\$336M	1.4%	\$3,294,038	\$256,287	5.6%	\$304,608	243	5.1%
2022	253	\$1.2B	3.8%	\$4,588,059	\$304,746	5.1%	\$332,349	265	4.6%
2021	266	\$1B	3.7%	\$3,918,753	\$279,161	5.1%	\$356,102	284	4.2%
2020	181	\$749.7M	2.9%	\$4,259,575	\$260,217	5.3%	\$310,597	248	4.5%
2019	317	\$799.3M	4.2%	\$4,163,144	\$275,439	5.1%	\$296,766	237	4.7%
2018	399	\$758.3M	4.6%	\$3,446,834	\$244,535	4.8%	\$278,564	222	4.8%
2017	494	\$1B	6.1%	\$3,841,941	\$243,318	4.9%	\$261,192	208	4.9%
2016	388	\$867.7M	5.4%	\$3,225,599	\$206,986	5.2%	\$242,554	194	5.0%
2015	432	\$651.1M	5.1%	\$2,177,527	\$162,202	5.1%	\$227,016	181	5.1%
2014	346	\$635.5M	4.7%	\$2,146,942	\$153,650	5.9%	\$202,639	162	5.3%
2013	356	\$530M	4.5%	\$1,859,517	\$135,022	6.5%	\$180,732	144	5.6%
2012	328	\$391.6M	4.4%	\$1,591,866	\$120,381	7.3%	\$173,073	138	5.7%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2027	-	193,994	5.7%	-	581	-	554	-	-
2026	-	193,440	6.0%	-	928	-	907	-	-
2025	-	192,533	6.4%	-	1,211	-	1,173	-	-
2024	-	191,360	6.9%	-	1,158	-	1,149	-	-
2023	-	190,211	7.7%	-	3,139	-	3,139	-	-
YTD	7,859	189,452	7.4%	19	2,380	19	2,380	30	4,056
2022	7,840	187,072	7.6%	27	5,010	27	5,010	41	5,096
2021	7,813	182,062	5.8%	25	3,702	24	3,694	41	7,039
2020	7,789	178,368	7.8%	25	4,064	25	4,064	53	8,240
2019	7,764	174,304	5.6%	23	3,283	23	3,283	60	10,290
2018	7,741	171,021	5.0%	14	2,034	11	1,985	51	9,445
2017	7,730	169,035	4.7%	14	1,337	11	1,307	36	6,603
2016	7,719	167,728	4.5%	14	1,558	10	1,521	29	3,853
2015	7,709	166,207	3.9%	11	1,318	9	1,281	22	2,605
2014	7,700	164,925	3.8%	6	1,058	5	1,028	14	1,516
2013	7,695	163,897	4.0%	4	555	2	481	14	2,094
2012	7,693	163,416	4.1%	3	750	(1)	691	8	1,636
2011	7,694	162,725	4.3%	3	322	(1)	287	7	1,438