



Multi-Family Market Report

East Bay - CA

PREPARED BY



MULTI-FAMILY MARKET REPORT

Market Key Statistics	1
Vacancy	2
Rent	5
Construction	9
Under Construction Properties	10
Sales	12
Sales Past 12 Months	14
Economy	16
Market Submarkets	21
Supply & Demand Trends	24
Vacancy & Rent	26
Sale Trends	28
Deliveries & Under Construction	30

12 Mo. Delivered Units

2,562

12 Mo. Absorption Units

2,754

Vacancy Rate

7.3%

12 Mo. Asking Rent Growth

-1.0%

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 7.3%, 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 2.2%. Occupancies of 92.7% 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 -1.0%, 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	11.1%	\$2,951	\$2,888	951	499	2,989
3 Star	48,905	6.1%	\$2,369	\$2,352	7	8	1,160
1 & 2 Star	100,947	6.4%	\$1,962	\$1,949	(143)	0	0
Market	189,488	7.3%	\$2,365	\$2,336	815	507	4,149

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-0.2%	4.8%	6.2%	7.9%	2020 Q3	2.2%	2000 Q1
Absorption Units	2,754	1,158	2,038	6,965	2021 Q4	(1,582)	2009 Q2
Delivered Units	2,562	1,642	1,363	5,059	2021 Q2	0	2011 Q3
Demolished Units	0	27	24	190	2009 Q4	0	2023 Q3
Asking Rent Growth (YOY)	-1.0%	2.0%	3.4%	18.1%	2001 Q1	-7.0%	2009 Q4
Effective Rent Growth (YOY)	-0.7%	2.0%	3.4%	17.8%	2001 Q1	-6.8%	2009 Q4
Sales Volume	\$668M	\$1.2B	N/A	\$3.7B	2022 Q2	\$257.3M	2010 Q3

As of the fourth quarter of 2023, a net of 2,700 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 7.3%, reflecting a one-year change of -0.2%. 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.

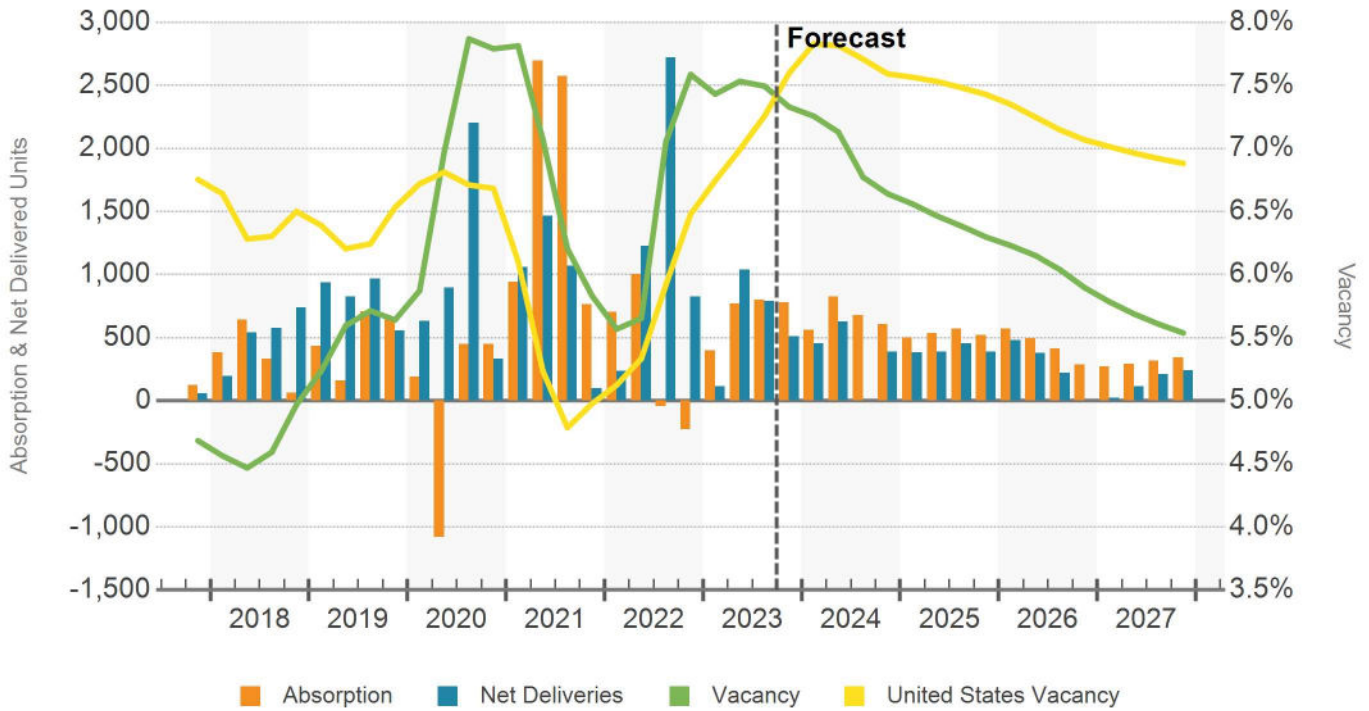
Nonetheless, Downtown Oakland remains among the metro's five strongest in terms of number of units absorbed in the last 12 months. This is likely due to a boomerang effect that took shape as renters fled during the pandemic, but returned to the central portion of the city seeking re-opened services and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

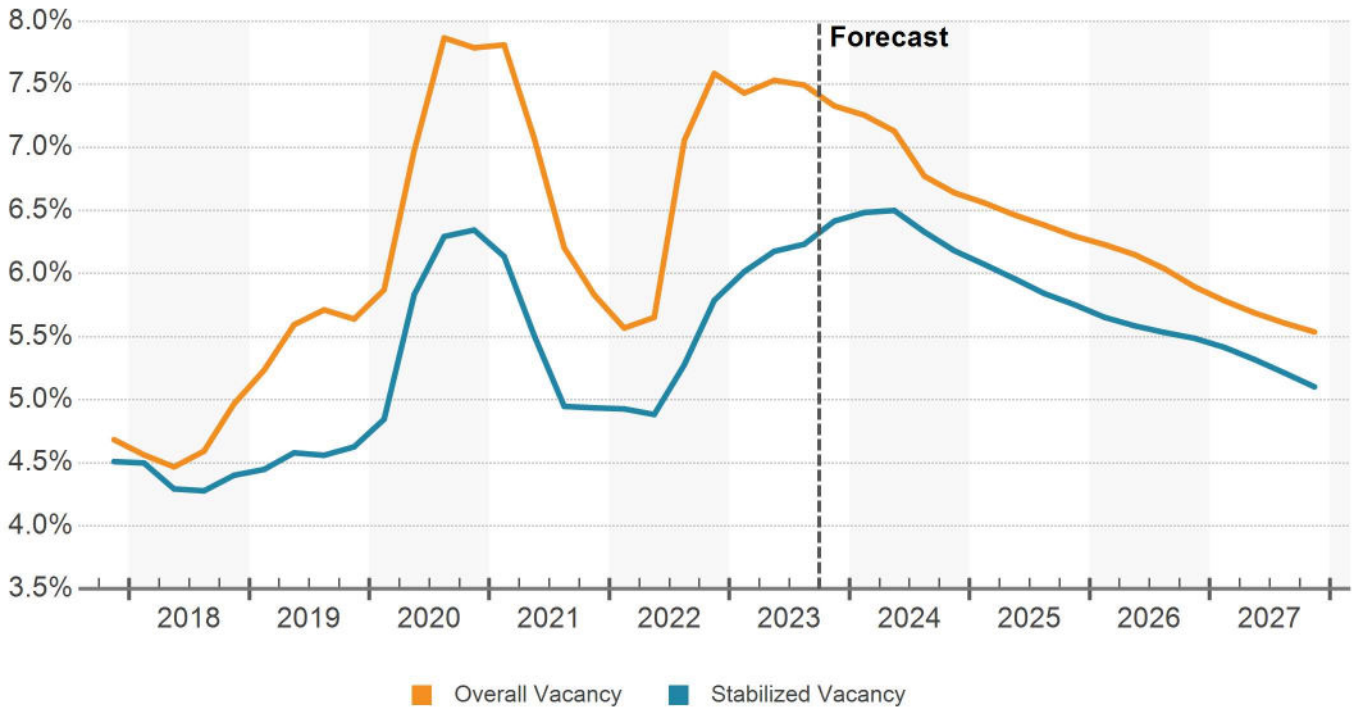
The East Bay leads all Bay Area markets in population growth, having added over 250,000 residents since 2010 and outpacing national averages. An increasingly desirable, yet relatively affordable market for housing has enticed developers to bet on new apartment communities overcoming the current near-term 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.

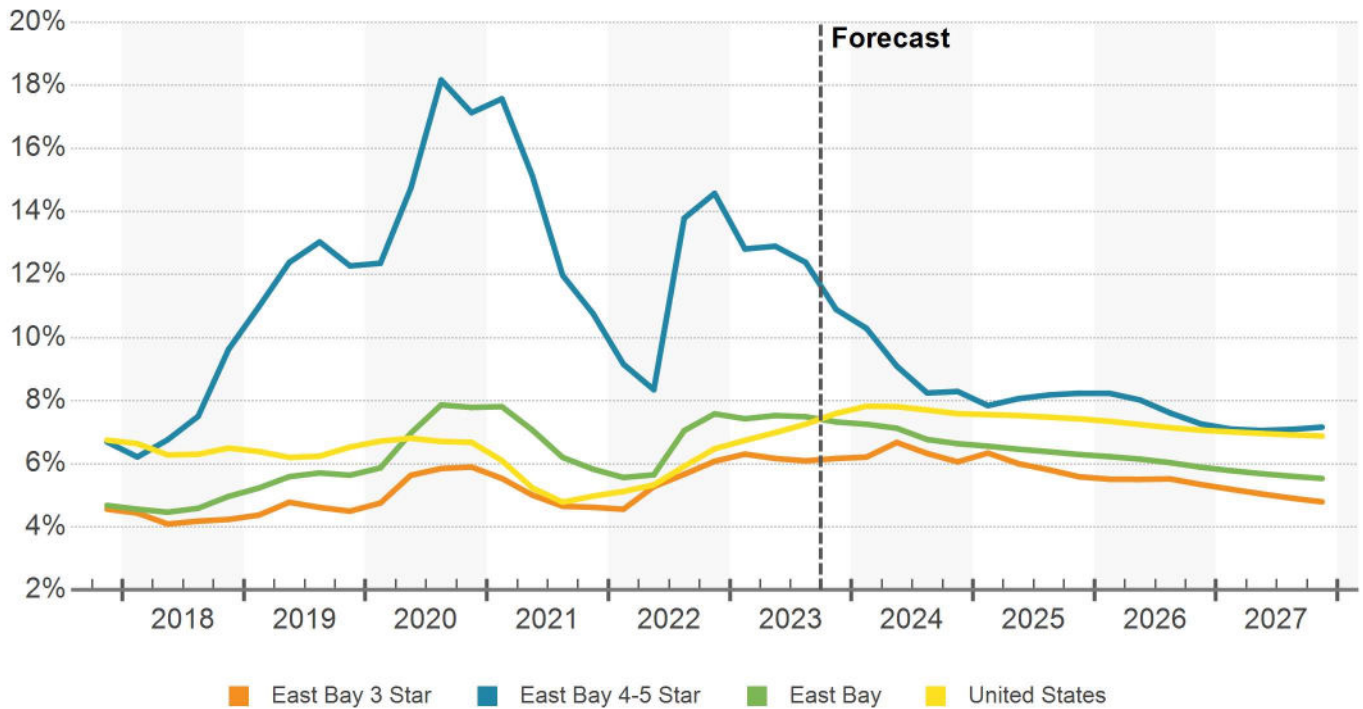
ABSORPTION, NET DELIVERIES & VACANCY



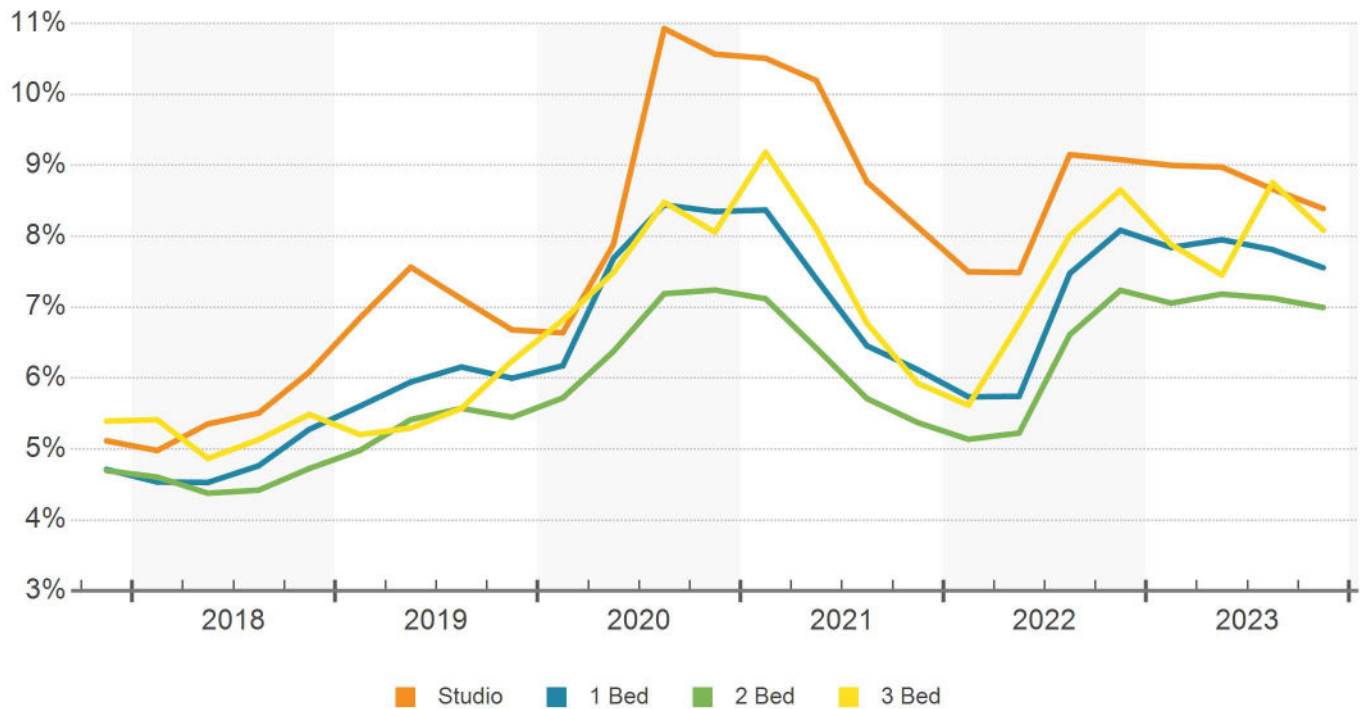
OVERALL & STABILIZED VACANCY



VACANCY RATE



VACANCY BY BEDROOM



As of the fourth quarter of 2023, East Bay asking rents average around \$2,360/unit, with year-over-year rent growth currently measuring -1.0%. 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.

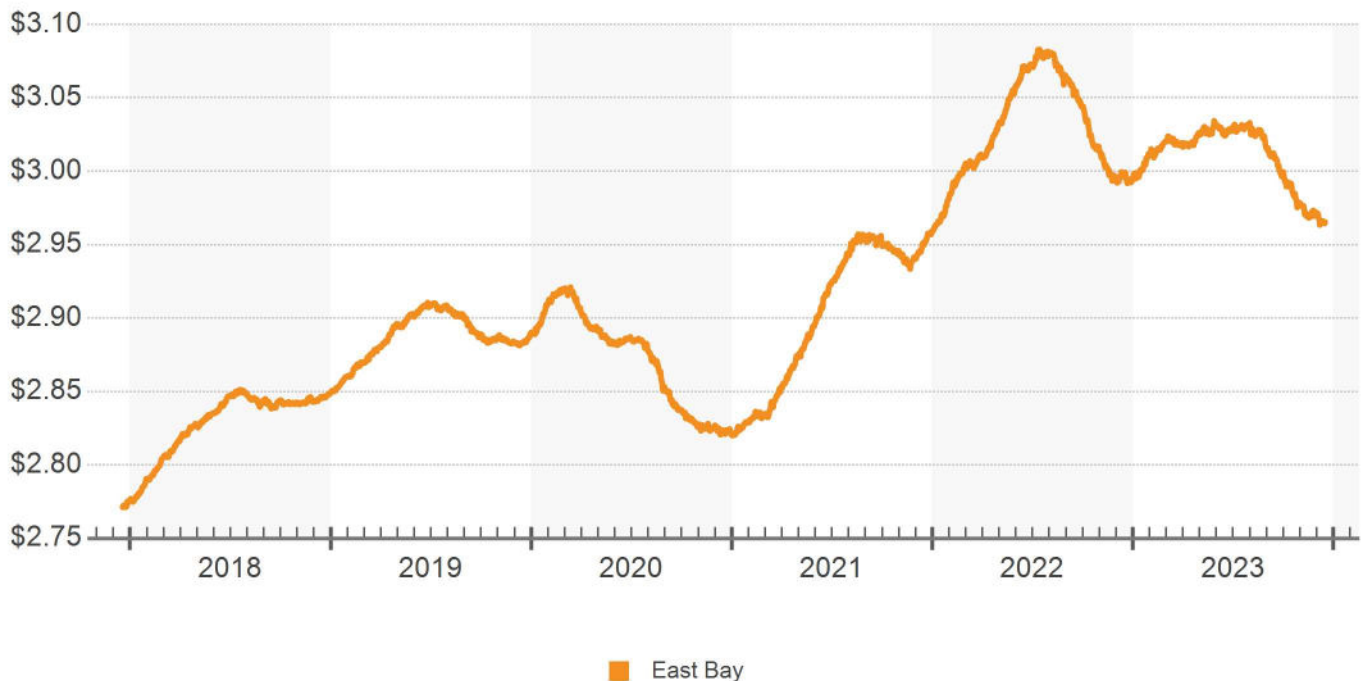
Average rental rates vary widely, with the most expensive markets like Emeryville and Berkeley showcasing asking rents around 40% higher than submarkets like Richmond/Martinez, Pittsburg/Antioch, and East Oakland, which sit at the opposite end of the metro's rankings. The most expensive markets are more 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

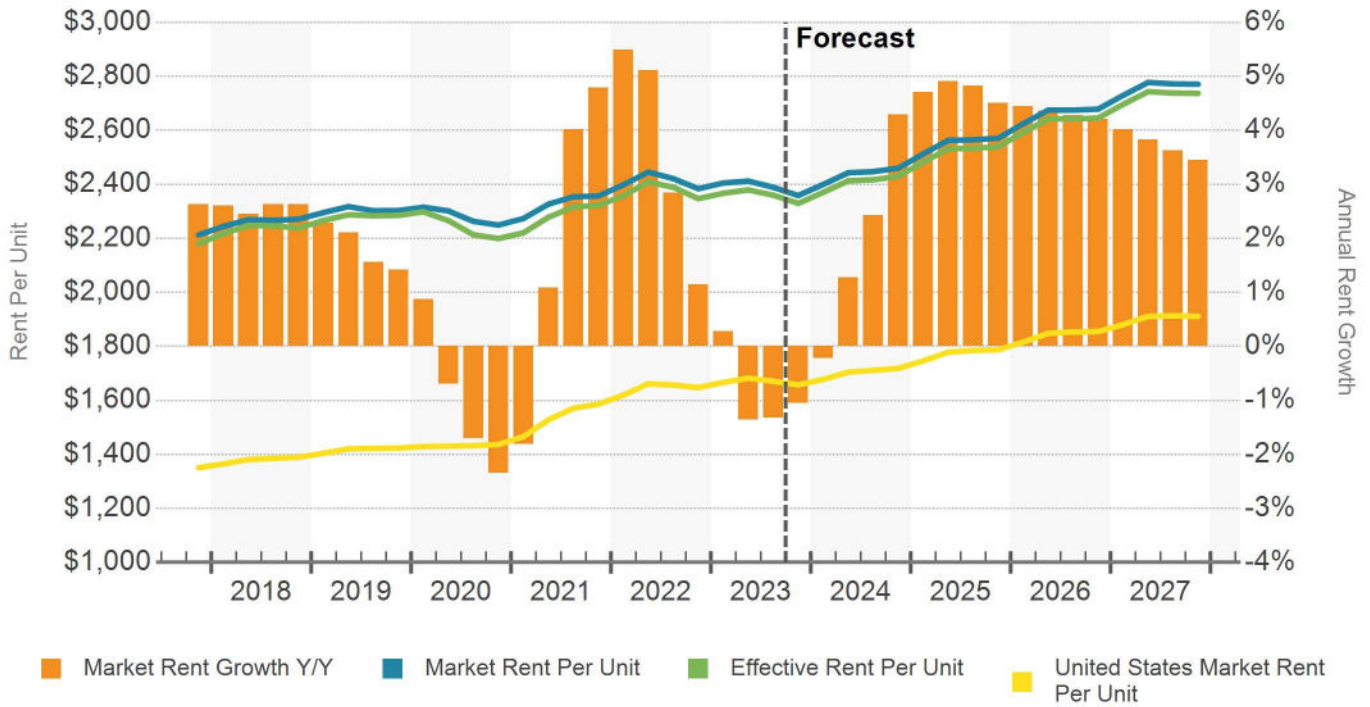
submarkets such as Dublin/Pleasanton/Livermore and Walnut Creek/San Ramon. These submarkets lie in the eastern portion of the metro but consist of populations with higher median incomes and boast desirable lifestyle and community amenities, as well as public transportation access. These factors support 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 -2.7%, which paces well behind 3 Star and 1 & 2 Star growth of -0.3% 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.

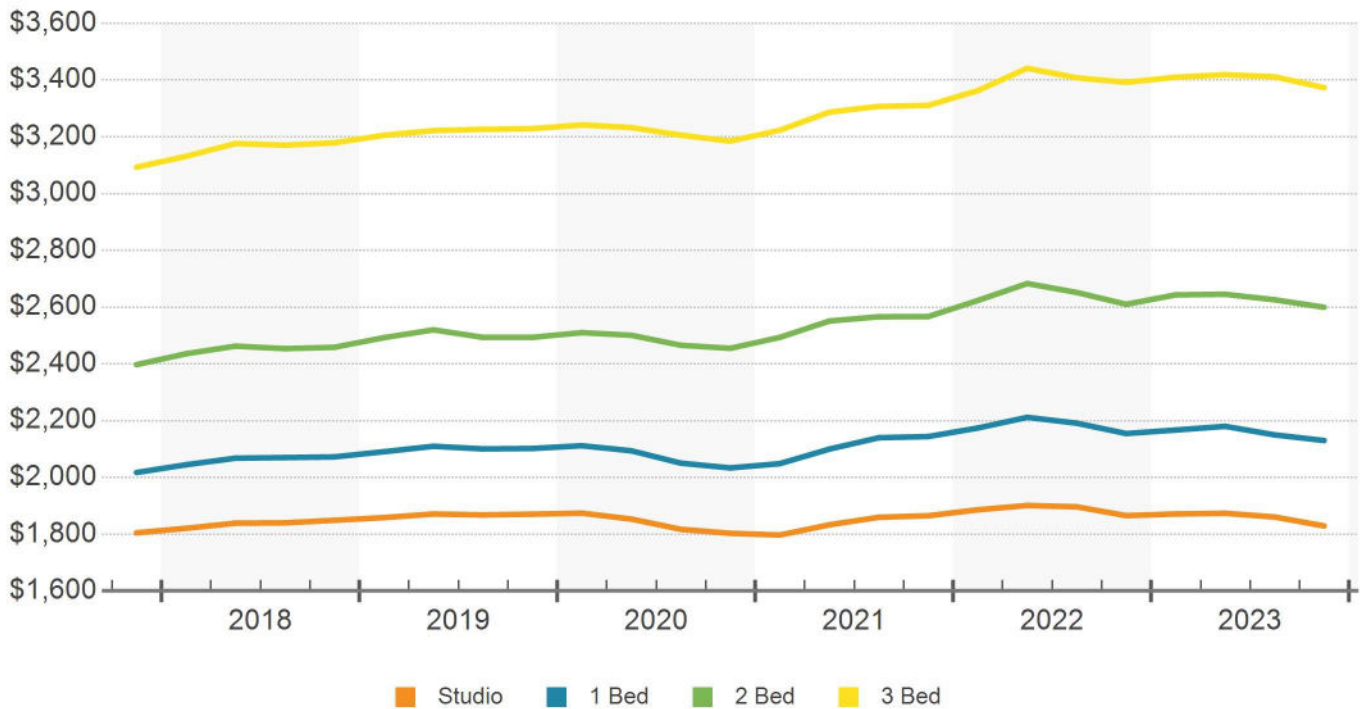
DAILY ASKING RENT PER SF



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	\$0.93	\$0.97	\$0.63	\$0.72	\$1.23	\$1.28	\$0.42	\$2.53	\$0.25	\$0.81	\$0.98	\$10.75
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	\$0.64	\$1.07	\$0.56	\$0.87	\$1.28	\$1.47	\$0.42	\$2.29	\$0.10	\$0.74	\$1.01	\$10.45
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	\$0.93	\$0.52	\$0.54	\$0.55	\$1.16	\$0.59	\$0.37	\$1.92	\$0.08	\$0.73	\$0.94	\$8.33
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	\$0.94	\$7.82
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	\$0.51	\$0.91	\$0.53	\$0.31	\$1.05	\$0.06	\$0.40	\$0.67	\$6.19
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	\$0.52	\$0.81	\$0.51	\$0.46	\$0.84	\$0.65	\$0.31	\$1.09	\$0.09	\$0.42	\$0.69	\$6.39
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 10.9%. Another 4,100 units are underway as of the fourth quarter of 2023. The current pipeline will expand the metro's inventory by 2.2%, 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.

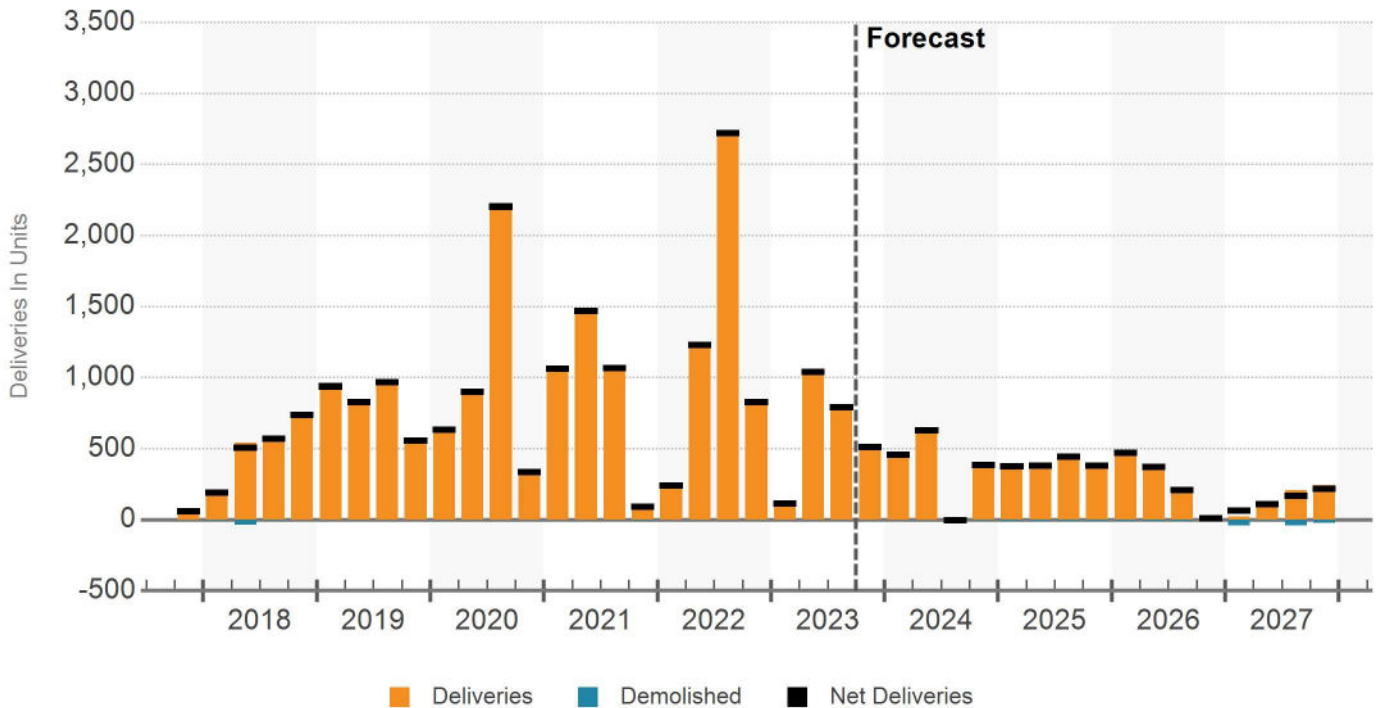
Recent projects to complete include the 419-unit mid-rise VESPR project on 24th Street developed by The Holland Partner Group out of Vancouver, Washington. Occupancy is nearing 70%. Holland also broke ground on the 328-unit 24th and Waverly, located at 2359 Harrison Street, with a completion timeline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

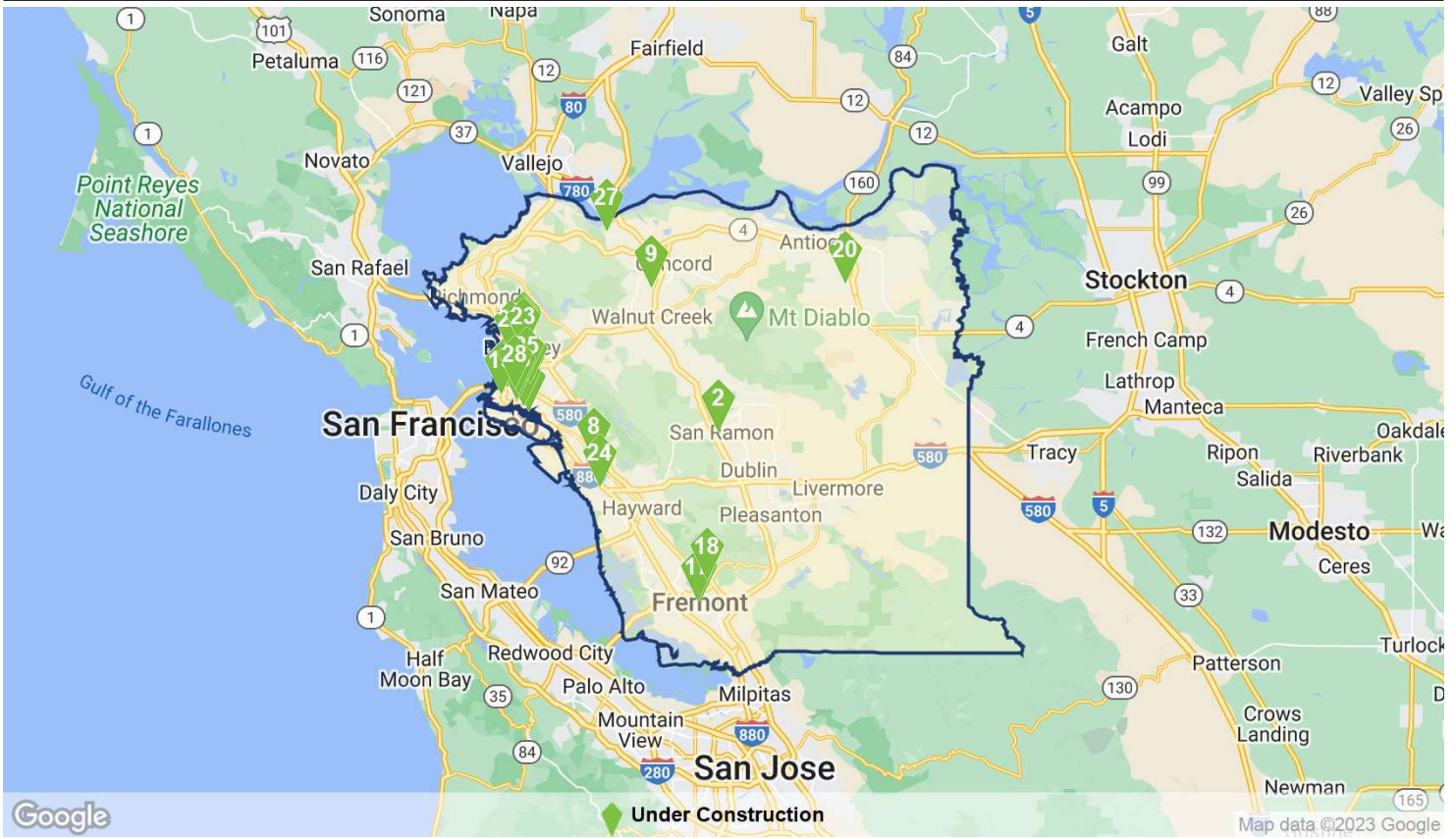
30

4,149

2.2%

138

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 1900 Broadway 1900 Broadway	★★★★☆	455	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	Feb 2024	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	Jul 2024	Gemdale USA Gemdale USA
10 2176 Kittredge St	★ ★ ★ ★ ★	165	7	Mar 2023	Jan 2024	4Terra Investments East Beach Capital
11 Ace Berkeley 1951 Shattuck Ave	★ ★ ★ ★ ★	163	12	Feb 2023	May 2024	Grosvenor Grosvenor
12 2150 Kittredge 2150 Kittredge St	★ ★ ★ ★ ★	159	7	Apr 2022	Apr 2024	East Beach Capital East Beach Capital
13 Link Apartments 412 Madison St	★ ★ ★ ★ ★	157	7	Mar 2022	Jan 2024	Swenson Swenson
14 685 9th St	★ ★ ★ ★ ★	117	1	Jun 2023	Dec 2024	- Riaz Capital
15 The Phoenix 801 Pine St	★ ★ ★ ★ ★	101	4	Sep 2023	Jan 2025	Holliday Development, Inc. Holliday Development, Inc.
16 1888 MLK 1888 Martin Luther King Jr...	★ ★ ★ ★ ★	88	6	Nov 2020	Feb 2024	CRC Development CRC Development
17 Bell Street Gardens 4103 Mowry Ave	★ ★ ★ ★ ★	79	4	Apr 2023	Apr 2025	Resources for Community Develo... Resources for Community Develo...
18 Niles Gateway by Lennar... 37899 Niles Blvd	★ ★ ★ ★ ★	75	3	Feb 2023	Feb 2024	Lennar Lennar
19 Rumi at King 2099 Martin Luther King Jr...	★ ★ ★ ★ ★	72	6	Oct 2022	Oct 2024	- Thompson 1997 Living Trust
20 5413 Guenoc Valley Ln	★ ★ ★ ★ ★	71	1	Jun 2022	Jun 2024	Tri Pointe Homes, Inc Xin Chen
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	Jan 2024	- 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	Jan 2024	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	Jan 2024	- James Scott Busby
28 2432 Chestnut St	★ ★ ★ ★ ★	12	3	Sep 2022	Jan 2024	- Riaz Capital

Trailing 12-month multifamily sales volume as of the fourth quarter of 2023 comes in at \$596 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

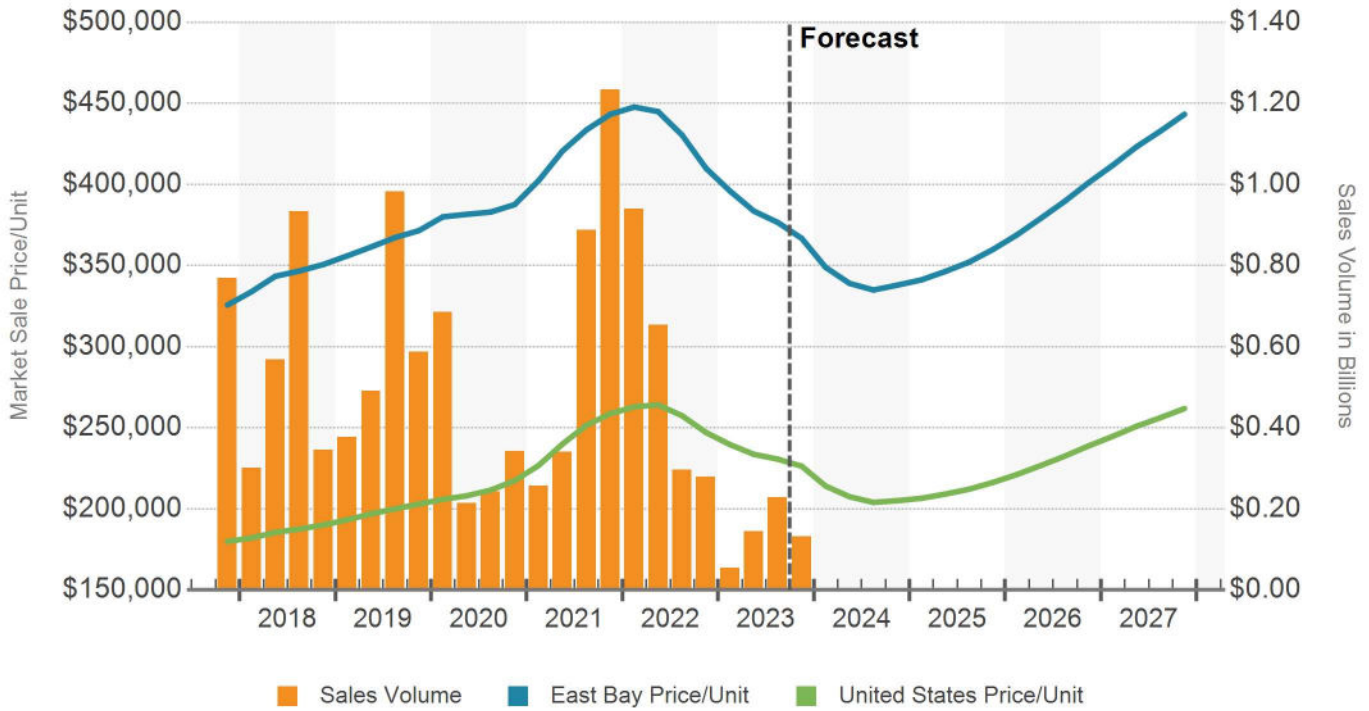
September, the San Diego-based firm purchased the 185-unit Artist Walk for just under \$90 million (\$485,000/unit). MG's relatively bullish outlook on the longer-term economic potential of the Bay Area drove the elevated price. Given the newer 2018 build date, maintenance costs should be minimal in 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.

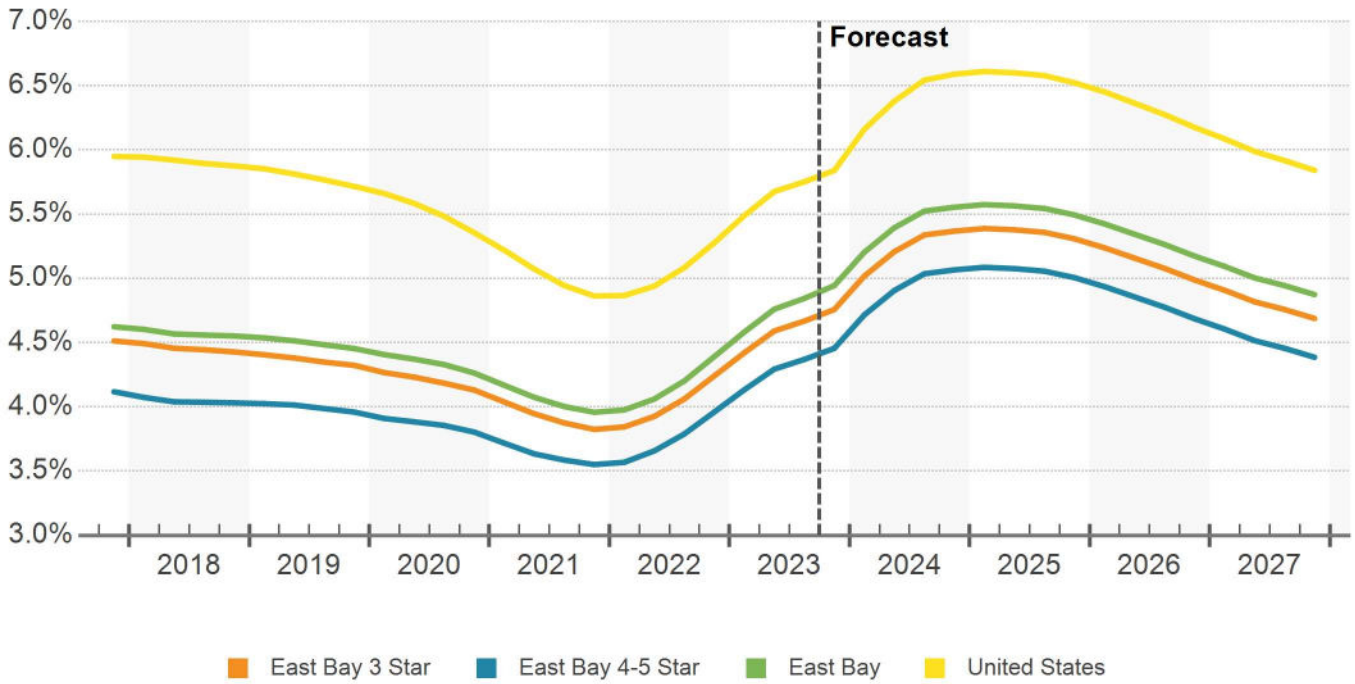
The local buyer acquired the property through a debt assumption, which allowed it to secure a lower interest rate that was put into place before the Federal Reserve's current rate hiking cycle. The loan was structured as Fannie Mae debt at a 2.82% interest rate on a 10-year term, with interest-only payments 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

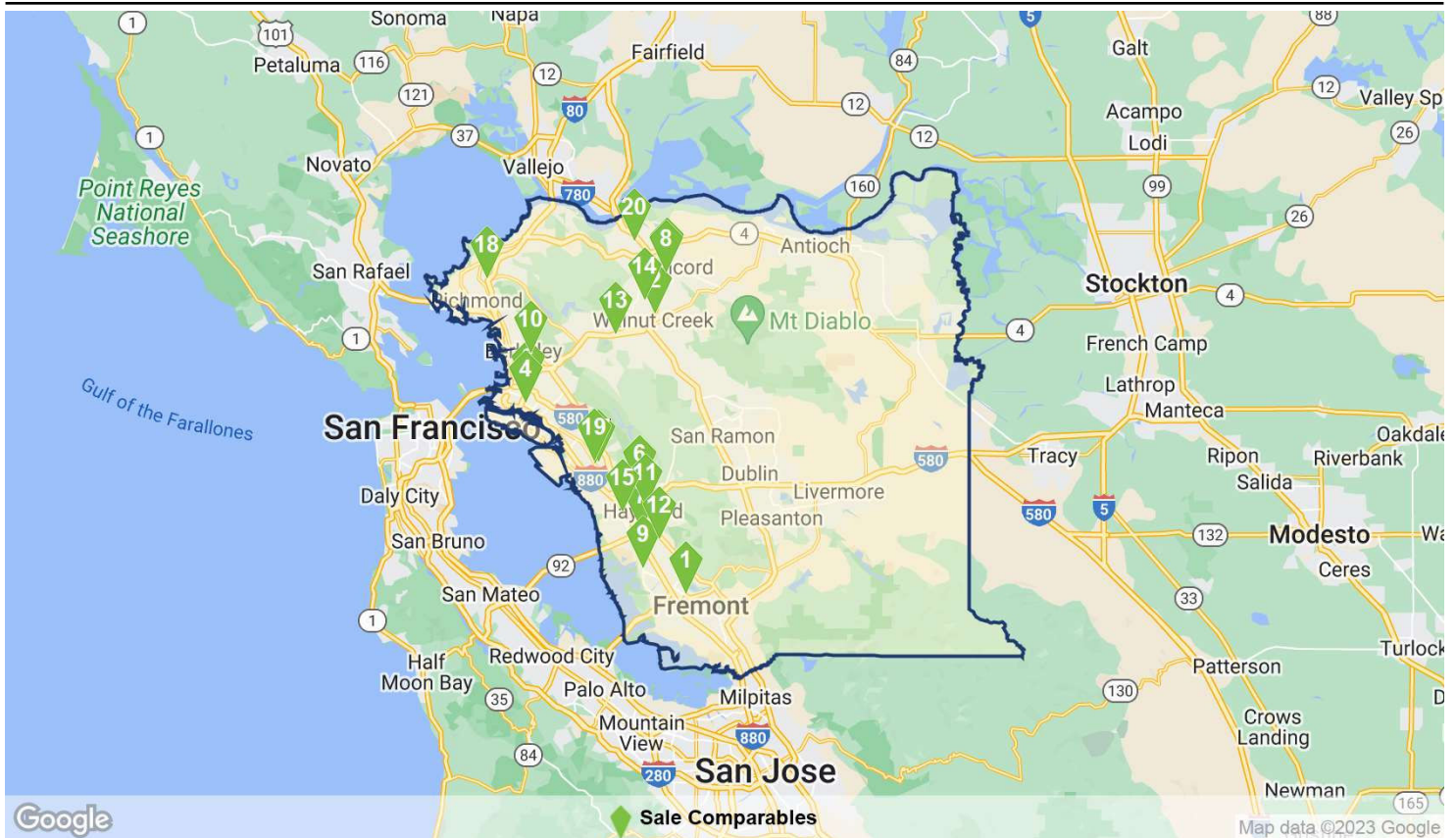
136

\$307

\$5.1

6.8%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$750,000	\$5,144,990	\$2,200,000	\$89,750,000
Price/Unit	\$52,727	\$306,841	\$260,000	\$690,186
Cap Rate	4.0%	5.6%	5.4%	10.4%
Vacancy Rate At Sale	0%	6.8%	0%	100%
Time Since Sale in Months	0.0	5.7	5.5	12.0
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	800	740	2,280
Year Built	1896	1955	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 2410-2424 Telegraph Ave	★★★★★	1919	42	10.8%	12/12/2023	\$15,000,000	\$357,142	\$378	
11 Hayward Heights 23972-23976 2nd St	★★★★★	1961	41	12.2%	12/22/2022	\$12,000,000	\$292,682	\$418	
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.

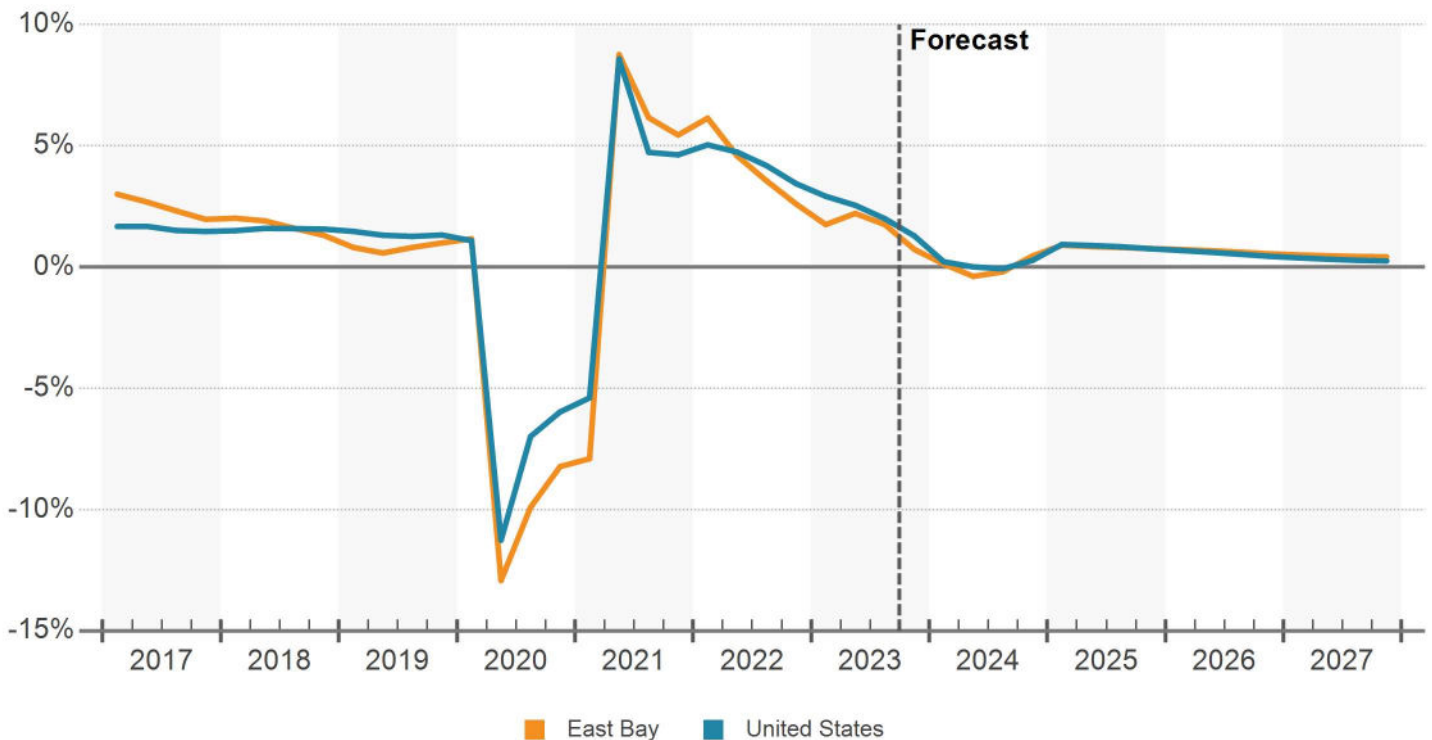
BART's ongoing extension from the East Bay to San Jose is significantly expanding the number of commuting options for East Bay residents. Job centers in San Francisco, Downtown Oakland, and Pleasanton are becoming even more accessible from the southern portion of the East Bay. And once BART reaches San 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	114	1.2	0.40%	0.06%	3.48%	0.72%	0.87%	0.07%
Trade, Transportation and Utilities	203	0.9	-0.69%	0.21%	0.78%	1.07%	-0.07%	0.14%
Retail Trade	105	0.9	-1.24%	0.47%	-0.37%	0.25%	-0.16%	0.09%
Financial Activities	52	0.7	0.72%	0.61%	-0.09%	1.46%	0.04%	0.14%
Government	162	0.9	1.58%	1.61%	0.04%	0.37%	0.24%	0.40%
Natural Resources, Mining and Construction	79	1.2	3.72%	1.58%	3.13%	2.35%	0.99%	0.27%
Education and Health Services	214	1.1	2.64%	3.16%	2.39%	1.88%	0.80%	0.66%
Professional and Business Services	191	1.1	-2.27%	0.79%	1.00%	2.02%	0.16%	0.50%
Information	24	1.0	-5.40%	-2.65%	0.30%	1.11%	0.72%	0.33%
Leisure and Hospitality	117	0.9	4.72%	3.11%	1.60%	1.49%	1.52%	0.83%
Other Services	40	0.9	0.59%	1.79%	0.52%	0.64%	0.07%	0.27%
Total Employment	1,196	1.0	0.84%	1.36%	1.37%	1.31%	0.51%	0.40%

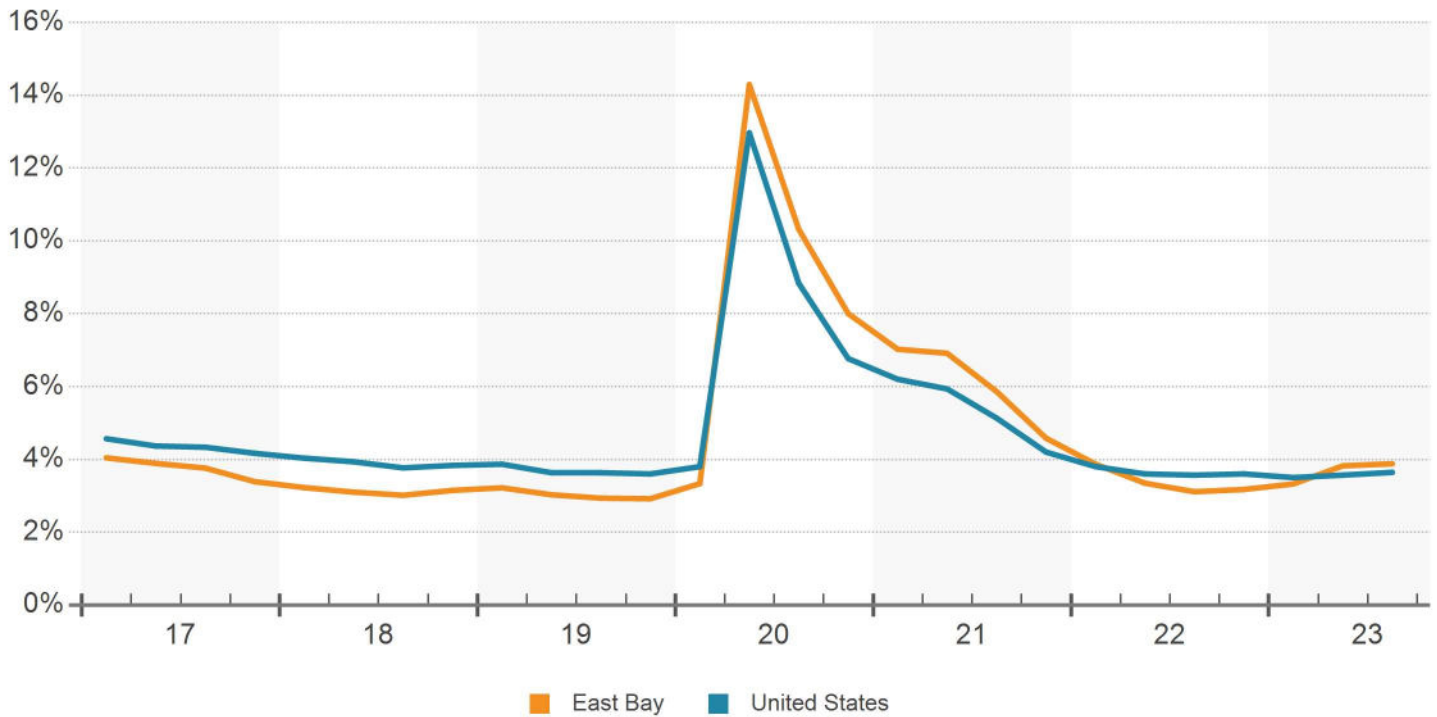
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

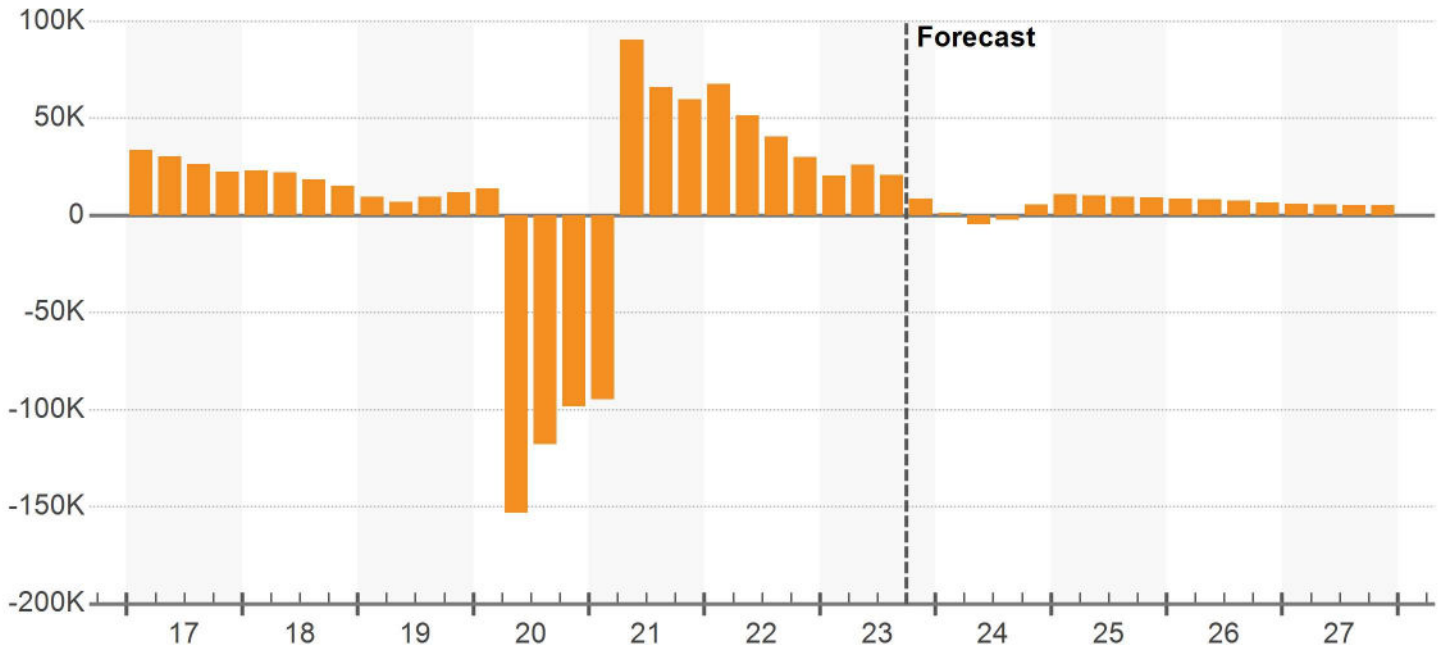


Source: Oxford Economics

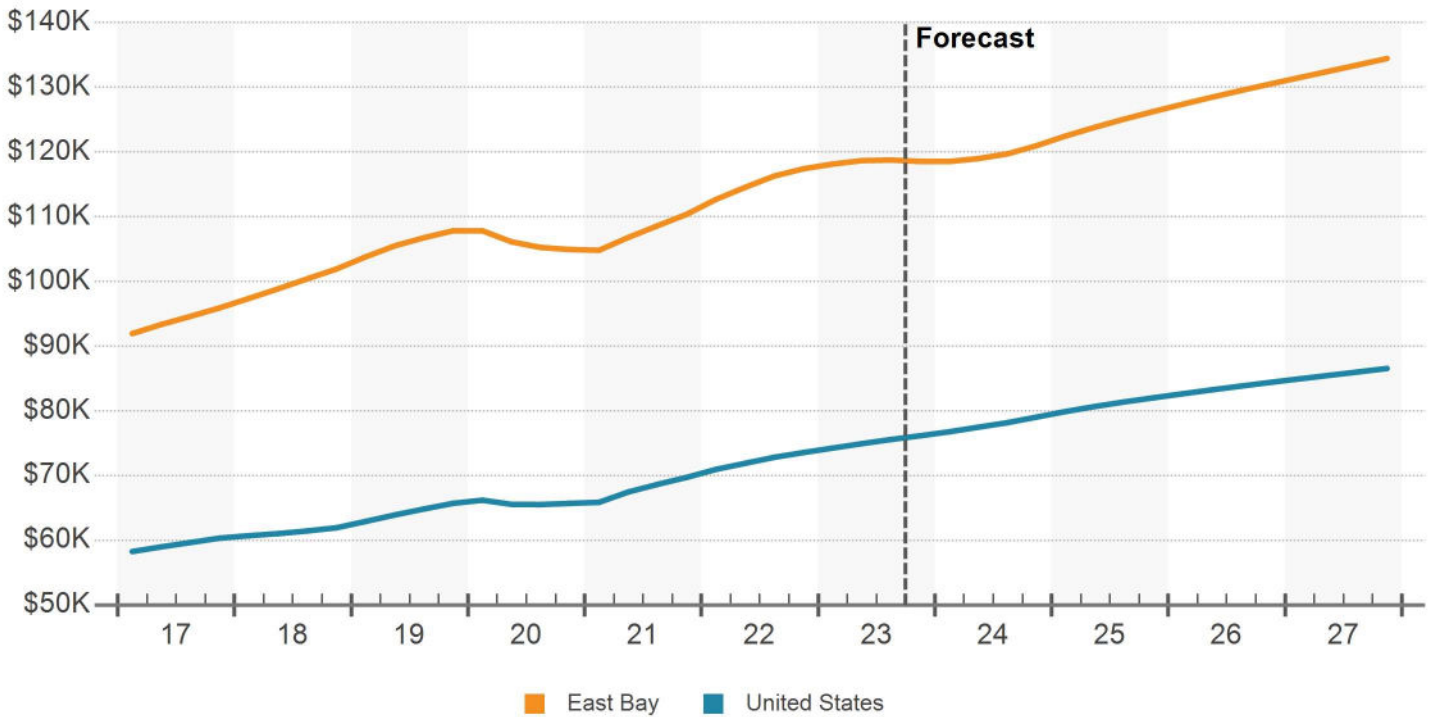
UNEMPLOYMENT RATE (%)



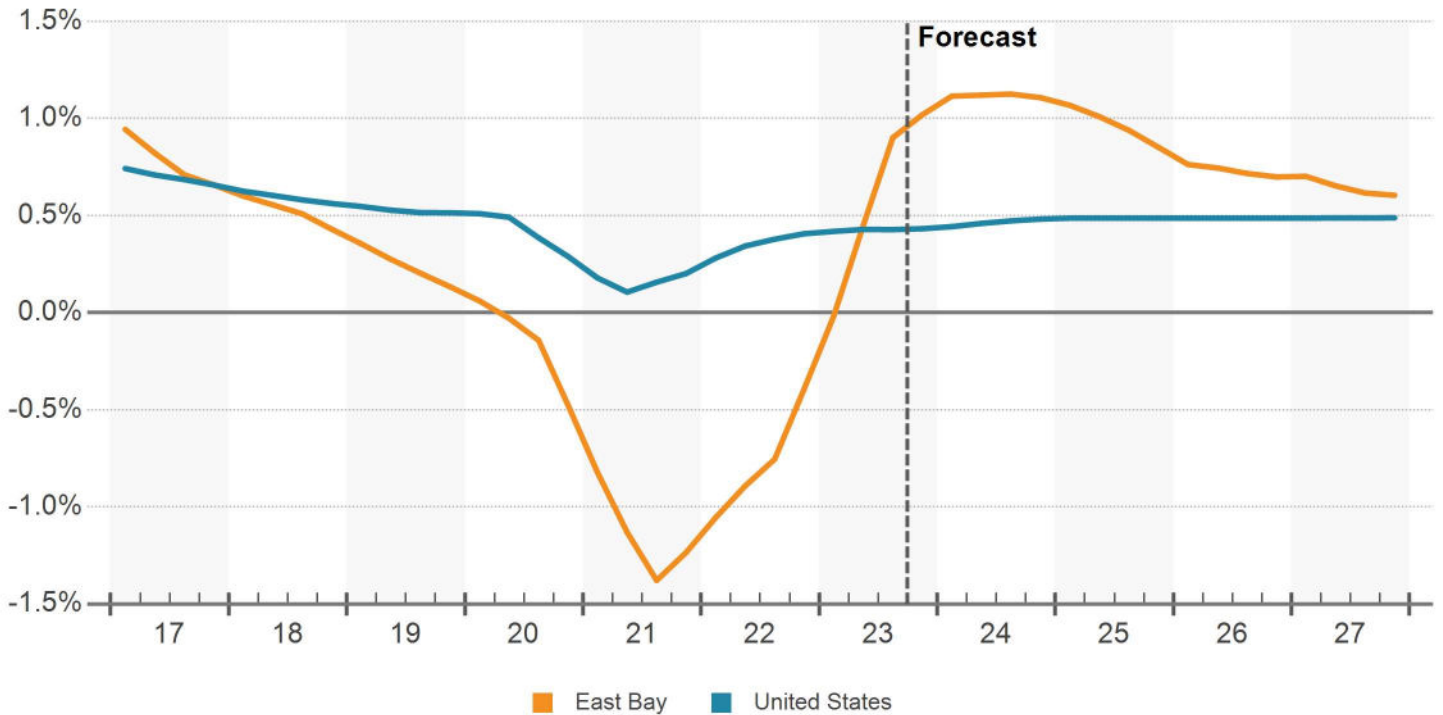
NET EMPLOYMENT CHANGE (YOY)



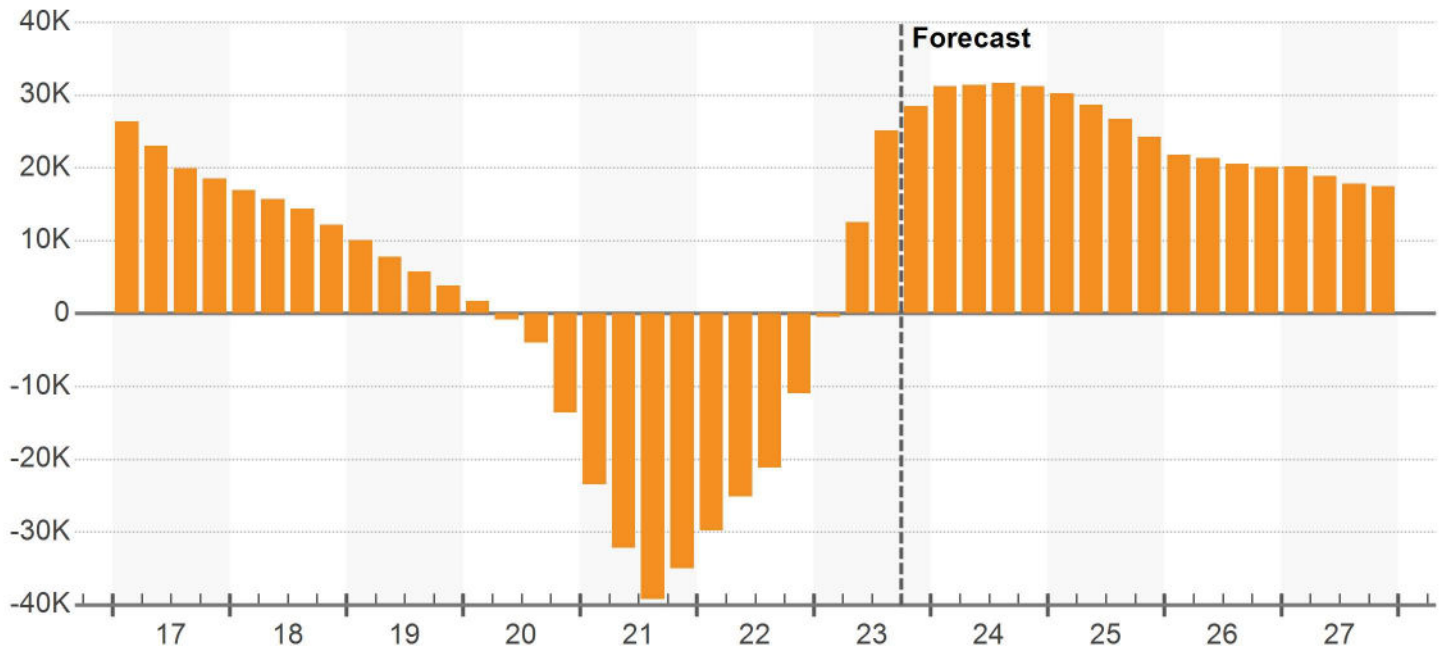
MEDIAN HOUSEHOLD INCOME



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	2,818,136	335,061,719	1.0%	0.4%	0.4%	0.5%	0.8%	0.5%
Households	1,020,291	130,809,484	1.2%	0.6%	0.6%	0.9%	0.9%	0.6%
Median Household Income	\$118,543	\$76,080	1.1%	3.6%	4.7%	3.8%	3.2%	3.1%
Labor Force	1,387,065	167,575,594	0.5%	1.8%	0.4%	0.8%	0%	0.2%
Unemployment	3.9%	3.6%	0.7%	0%	-0.3%	-0.3%	-	-

Source: Oxford Economics

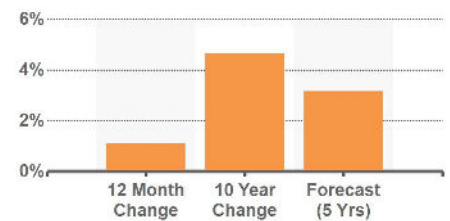
POPULATION GROWTH



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	428	4.9%	3	0	0	0%	-
2	Berkeley	1,276	18,073	9.5%	3	4	231	1.3%	5	6	640	3.5%	2
3	Concord/Pleasant Hill	294	11,203	5.9%	9	0	0	0%	-	1	189	1.7%	7
4	Downtown Oakland	693	21,055	11.1%	2	2	92	0.4%	7	10	1,733	8.2%	1
5	Dublin/Pleasanton/Liverm...	177	14,131	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%	2	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	24,753	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	726	10,107	5.3%	10	0	0	0%	-	2	91	0.9%	8
11	Pittsburg/Antioch	184	7,960	4.2%	13	1	65	0.8%	8	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	313	15,947	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	\$2,585	\$3.22	3	-3.9%	\$2,544	\$3.17	3	-4.4%	1.6%	4
2	Berkeley	\$2,701	\$3.98	1	-0.5%	\$2,677	\$3.94	1	-0.3%	0.9%	10
3	Concord/Pleasant Hill	\$2,117	\$2.63	11	-0.3%	\$2,101	\$2.61	11	0%	0.7%	12
4	Downtown Oakland	\$2,399	\$3.26	2	-4.1%	\$2,379	\$3.23	2	-1.8%	0.9%	11
5	Dublin/Pleasanton/Liverm...	\$2,675	\$3	8	-0.9%	\$2,651	\$2.97	8	-0.5%	0.9%	9
6	East Oakland	\$1,726	\$2.44	13	-2.0%	\$1,678	\$2.37	14	-3.2%	2.8%	2
7	Emeryville	\$2,864	\$3.13	5	0.3%	\$2,775	\$3.04	5	0.2%	3.1%	1
8	Fremont/Newark	\$2,524	\$3.03	7	-1.4%	\$2,497	\$2.99	7	-1.4%	1.1%	7
9	Hayward/Castro Valley/U...	\$2,195	\$2.70	9	0.3%	\$2,157	\$2.66	10	0.1%	1.7%	3
10	Oakland Hills	\$2,223	\$3.14	4	-1.7%	\$2,210	\$3.13	4	0.5%	0.6%	14
11	Pittsburg/Antioch	\$2,055	\$2.40	14	2.4%	\$2,033	\$2.38	13	2.6%	1.1%	8
12	Richmond/Martinez	\$2,087	\$2.63	12	-0.1%	\$2,065	\$2.60	12	-0.2%	1.1%	6
13	San Leandro/San Lorenzo	\$2,044	\$2.69	10	-0.4%	\$2,030	\$2.67	9	-0.4%	0.7%	13
14	Walnut Creek/San Ramon	\$2,557	\$3.07	6	0.2%	\$2,526	\$3.03	6	0.2%	1.2%	5

SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construc. Ratio
1	Alameda	992	11.4%	14	267	3.1%	5	1.4
2	Berkeley	1,824	10.1%	13	79	0.4%	10	2.9
3	Concord/Pleasant Hill	662	5.9%	4	172	1.5%	8	-
4	Downtown Oakland	1,893	9.0%	11	426	2.0%	3	0.2
5	Dublin/Pleasanton/Liverm...	856	6.1%	5	625	4.4%	1	1.2
6	East Oakland	1,538	8.6%	10	(18)	-0.1%	12	-
7	Emeryville	324	7.3%	9	469	10.5%	2	0.4
8	Fremont/Newark	1,215	4.9%	1	80	0.3%	9	0.1
9	Hayward/Castro Valley/U...	805	5.4%	2	250	1.7%	7	0
10	Oakland Hills	583	5.8%	3	26	0.3%	11	-
11	Pittsburg/Antioch	743	9.3%	12	323	4.1%	4	-
12	Richmond/Martinez	806	7.0%	8	(87)	-0.8%	13	-
13	San Leandro/San Lorenzo	568	6.3%	6	(129)	-1.4%	14	-
14	Walnut Creek/San Ramon	1,045	6.6%	7	266	1.7%	6	1.4

OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	194,120	553	0.3%	1,215	0.6%	0.5
2026	193,567	1,053	0.5%	1,766	0.9%	0.6
2025	192,514	1,568	0.8%	2,125	1.1%	0.7
2024	190,946	1,458	0.8%	2,665	1.4%	0.5
2023	189,488	2,445	1.3%	2,752	1.5%	0.9
YTD	189,488	2,445	1.3%	2,785	1.5%	0.9
2022	187,043	5,010	2.8%	1,435	0.8%	3.5
2021	182,033	3,680	2.1%	6,965	3.8%	0.5
2020	178,353	4,064	2.3%	8	0%	508.0
2019	174,289	3,283	1.9%	1,952	1.1%	1.7
2018	171,006	1,995	1.2%	1,411	0.8%	1.4
2017	169,011	1,307	0.8%	890	0.5%	1.5
2016	167,704	1,521	0.9%	498	0.3%	3.1
2015	166,183	1,282	0.8%	1,044	0.6%	1.2
2014	164,901	1,028	0.6%	1,288	0.8%	0.8
2013	163,873	481	0.3%	666	0.4%	0.7
2012	163,392	691	0.4%	964	0.6%	0.7
2011	162,701	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	43,238	595	1.4%	597	1.4%	1.0
2026	42,643	750	1.8%	1,103	2.6%	0.7
2025	41,893	1,167	2.9%	1,094	2.6%	1.1
2024	40,726	1,090	2.8%	2,029	5.0%	0.5
2023	39,636	2,238	6.0%	3,371	8.5%	0.7
YTD	39,636	2,238	6.0%	3,294	8.3%	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%	2,080	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%	1,091	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	50,065	0	0%	276	0.6%	0
2026	50,065	343	0.7%	447	0.9%	0.8
2025	49,722	439	0.9%	646	1.3%	0.7
2024	49,283	378	0.8%	407	0.8%	0.9
2023	48,905	200	0.4%	146	0.3%	1.4
YTD	48,905	200	0.4%	182	0.4%	1.1
2022	48,705	471	1.0%	(261)	-0.5%	-
2021	48,234	223	0.5%	826	1.7%	0.3
2020	48,011	68	0.1%	(607)	-1.3%	-
2019	47,943	188	0.4%	53	0.1%	3.5
2018	47,755	(15)	0%	139	0.3%	-
2017	47,770	(2)	0%	(83)	-0.2%	0
2016	47,772	56	0.1%	(200)	-0.4%	-
2015	47,716	0	0%	(38)	-0.1%	0
2014	47,716	15	0%	169	0.4%	0.1
2013	47,701	0	0%	32	0.1%	0
2012	47,701	0	0%	269	0.6%	0
2011	47,701	0	0%	13	0%	0

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	100,817	(42)	0%	342	0.3%	-
2026	100,859	(40)	0%	216	0.2%	-
2025	100,899	(38)	0%	385	0.4%	-
2024	100,937	(10)	0%	229	0.2%	0
2023	100,947	7	0%	(765)	-0.8%	0
YTD	100,947	7	0%	(691)	-0.7%	0
2022	100,940	47	0%	(890)	-0.9%	-
2021	100,893	(8)	0%	1,170	1.2%	0
2020	100,901	9	0%	(1,465)	-1.5%	0
2019	100,892	0	0%	(230)	-0.2%	0
2018	100,892	8	0%	60	0.1%	0.1
2017	100,884	(16)	0%	(473)	-0.5%	0
2016	100,900	(37)	0%	(249)	-0.2%	0.1
2015	100,937	12	0%	1	0%	12.0
2014	100,925	(30)	0%	28	0%	-
2013	100,955	(74)	-0.1%	134	0.1%	-
2012	101,029	(59)	-0.1%	(141)	-0.1%	0.4
2011	101,088	(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	10,749	5.5%	(0.4)	\$2,771	\$3.49	3.4%	(0.8)	\$2,737	\$3.45
2026	11,412	5.9%	(0.4)	\$2,679	\$3.38	4.2%	(0.3)	\$2,646	\$3.33
2025	12,123	6.3%	(0.3)	\$2,571	\$3.24	4.5%	0.2	\$2,539	\$3.20
2024	12,681	6.6%	(0.7)	\$2,460	\$3.10	4.3%	5.3	\$2,430	\$3.06
2023	13,888	7.3%	(0.3)	\$2,359	\$2.97	-1.1%	(2.2)	\$2,330	\$2.94
YTD	13,854	7.3%	(0.3)	\$2,365	\$2.96	-1.0%	(2.2)	\$2,336	\$2.93
2022	14,190	7.6%	1.8	\$2,384	\$2.99	1.1%	(3.6)	\$2,347	\$2.94
2021	10,616	5.8%	(2.0)	\$2,357	\$2.96	4.8%	7.1	\$2,322	\$2.91
2020	13,894	7.8%	2.1	\$2,249	\$2.82	-2.3%	(3.8)	\$2,199	\$2.76
2019	9,831	5.6%	0.7	\$2,303	\$2.89	1.4%	(1.2)	\$2,285	\$2.86
2018	8,496	5.0%	0.3	\$2,271	\$2.85	2.6%	0	\$2,238	\$2.81
2017	7,916	4.7%	0.2	\$2,213	\$2.77	2.6%	0.2	\$2,180	\$2.73
2016	7,505	4.5%	0.6	\$2,156	\$2.70	2.4%	(5.2)	\$2,125	\$2.66
2015	6,482	3.9%	0.1	\$2,105	\$2.64	7.6%	2.3	\$2,088	\$2.62
2014	6,243	3.8%	(0.2)	\$1,956	\$2.45	5.3%	0	\$1,942	\$2.43
2013	6,501	4.0%	(0.1)	\$1,858	\$2.33	5.3%	1.1	\$1,846	\$2.31
2012	6,686	4.1%	(0.2)	\$1,764	\$2.21	4.2%	1.5	\$1,754	\$2.20
2011	6,959	4.3%	(0.2)	\$1,692	\$2.12	2.8%	-	\$1,682	\$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	3,098	7.2%	(0.1)	\$3,440	\$3.91	3.3%	(0.8)	\$3,364	\$3.82
2026	3,100	7.3%	(1.0)	\$3,329	\$3.79	4.1%	(0.3)	\$3,255	\$3.70
2025	3,452	8.2%	(0.1)	\$3,199	\$3.64	4.4%	0.2	\$3,127	\$3.56
2024	3,379	8.3%	(2.6)	\$3,064	\$3.48	4.1%	6.8	\$2,996	\$3.41
2023	4,319	10.9%	(3.7)	\$2,942	\$3.35	-2.6%	(1.3)	\$2,877	\$3.27
YTD	4,396	11.1%	(3.5)	\$2,951	\$3.34	-2.7%	(1.3)	\$2,888	\$3.26
2022	5,452	14.6%	3.8	\$3,022	\$3.42	-1.3%	(6.5)	\$2,932	\$3.31
2021	3,542	10.8%	(6.4)	\$3,062	\$3.46	5.2%	9.5	\$2,970	\$3.36
2020	5,045	17.1%	4.9	\$2,912	\$3.29	-4.3%	(5.4)	\$2,779	\$3.14
2019	3,125	12.3%	2.6	\$3,044	\$3.44	1.1%	(1.4)	\$3,008	\$3.40
2018	2,153	9.6%	2.9	\$3,011	\$3.41	2.4%	0	\$2,960	\$3.35
2017	1,363	6.7%	(1.1)	\$2,939	\$3.32	2.5%	0.6	\$2,889	\$3.27
2016	1,485	7.8%	2.5	\$2,867	\$3.24	1.9%	(3.5)	\$2,810	\$3.18
2015	930	5.3%	0.7	\$2,813	\$3.18	5.4%	1.9	\$2,782	\$3.15
2014	741	4.6%	(0.6)	\$2,669	\$3.02	3.5%	(1.4)	\$2,648	\$2.99
2013	787	5.2%	0.2	\$2,579	\$2.92	4.9%	1.1	\$2,561	\$2.90
2012	733	5.0%	(0.9)	\$2,459	\$2.78	3.7%	1.8	\$2,444	\$2.76
2011	818	5.9%	0.1	\$2,371	\$2.68	1.9%	-	\$2,355	\$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	2,401	4.8%	(0.6)	\$2,781	\$3.43	3.5%	(0.7)	\$2,761	\$3.41
2026	2,677	5.3%	(0.2)	\$2,687	\$3.32	4.3%	(0.3)	\$2,667	\$3.29
2025	2,780	5.6%	(0.5)	\$2,577	\$3.18	4.6%	0.2	\$2,558	\$3.16
2024	2,989	6.1%	(0.1)	\$2,465	\$3.04	4.4%	4.7	\$2,446	\$3.02
2023	3,018	6.2%	0.1	\$2,361	\$2.91	-0.4%	(2.3)	\$2,344	\$2.89
YTD	2,982	6.1%	0	\$2,369	\$2.91	-0.3%	(2.3)	\$2,352	\$2.89
2022	2,962	6.1%	1.5	\$2,370	\$2.91	1.9%	(5.1)	\$2,350	\$2.89
2021	2,230	4.6%	(1.3)	\$2,325	\$2.86	7.1%	9.5	\$2,309	\$2.84
2020	2,833	5.9%	1.4	\$2,172	\$2.67	-2.4%	(4.1)	\$2,149	\$2.64
2019	2,158	4.5%	0.3	\$2,225	\$2.74	1.7%	(1.3)	\$2,214	\$2.72
2018	2,024	4.2%	(0.3)	\$2,188	\$2.69	2.9%	0.4	\$2,159	\$2.65
2017	2,180	4.6%	0.2	\$2,126	\$2.61	2.5%	0.6	\$2,090	\$2.57
2016	2,101	4.4%	0.5	\$2,073	\$2.55	1.9%	(7.9)	\$2,043	\$2.51
2015	1,844	3.9%	0.1	\$2,034	\$2.50	9.9%	3.2	\$2,019	\$2.48
2014	1,805	3.8%	(0.3)	\$1,851	\$2.28	6.7%	0.3	\$1,837	\$2.26
2013	1,959	4.1%	(0.1)	\$1,735	\$2.13	6.4%	0.5	\$1,723	\$2.12
2012	1,990	4.2%	(0.6)	\$1,630	\$2	5.9%	1.2	\$1,621	\$1.99
2011	2,259	4.7%	0	\$1,540	\$1.89	4.7%	-	\$1,531	\$1.88

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	5,250	5.2%	(0.4)	\$2,307	\$3.18	3.5%	(0.8)	\$2,292	\$3.16
2026	5,635	5.6%	(0.3)	\$2,229	\$3.07	4.3%	(0.3)	\$2,215	\$3.05
2025	5,891	5.8%	(0.4)	\$2,138	\$2.95	4.6%	0.2	\$2,124	\$2.93
2024	6,313	6.3%	(0.2)	\$2,045	\$2.82	4.4%	4.4	\$2,032	\$2.80
2023	6,551	6.5%	0.8	\$1,959	\$2.70	0%	(3.1)	\$1,947	\$2.68
YTD	6,476	6.4%	0.7	\$1,962	\$2.69	0.1%	(3.0)	\$1,949	\$2.67
2022	5,776	5.7%	0.9	\$1,960	\$2.69	3.1%	0.8	\$1,947	\$2.67
2021	4,844	4.8%	(1.2)	\$1,901	\$2.60	2.3%	2.4	\$1,890	\$2.59
2020	6,016	6.0%	1.5	\$1,858	\$2.54	-0.1%	(1.6)	\$1,844	\$2.52
2019	4,548	4.5%	0.2	\$1,859	\$2.54	1.5%	(1.0)	\$1,848	\$2.53
2018	4,319	4.3%	(0.1)	\$1,831	\$2.50	2.6%	(0.3)	\$1,807	\$2.47
2017	4,373	4.3%	0.5	\$1,785	\$2.44	2.9%	(0.6)	\$1,766	\$2.41
2016	3,919	3.9%	0.2	\$1,736	\$2.37	3.5%	(4.7)	\$1,723	\$2.35
2015	3,708	3.7%	0	\$1,677	\$2.29	8.1%	1.9	\$1,668	\$2.28
2014	3,697	3.7%	(0.1)	\$1,551	\$2.12	6.2%	1.4	\$1,542	\$2.10
2013	3,755	3.7%	(0.2)	\$1,461	\$1.99	4.8%	1.4	\$1,454	\$1.98
2012	3,963	3.9%	0.1	\$1,394	\$1.89	3.4%	1.3	\$1,386	\$1.88
2011	3,882	3.8%	(0.3)	\$1,347	\$1.83	2.2%	-	\$1,341	\$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	-	-	-	-	-	-	\$443,289	293	4.9%
2026	-	-	-	-	-	-	\$401,231	265	5.2%
2025	-	-	-	-	-	-	\$360,014	238	5.5%
2024	-	-	-	-	-	-	\$337,987	224	5.6%
2023	-	-	-	-	-	-	\$366,770	243	4.9%
YTD	129	\$557.1M	1.0%	\$4,529,502	\$292,610	5.6%	\$371,968	246	4.9%
2022	290	\$2.2B	3.3%	\$7,469,961	\$352,242	5.0%	\$410,001	271	4.4%
2021	304	\$2.7B	4.1%	\$8,939,945	\$368,258	5.0%	\$443,297	293	4.0%
2020	215	\$1.5B	2.8%	\$7,127,738	\$314,837	5.3%	\$387,616	256	4.3%
2019	375	\$2.4B	4.8%	\$9,950,918	\$359,689	5.1%	\$371,594	246	4.5%
2018	449	\$2.1B	5.3%	\$8,196,555	\$325,526	4.8%	\$350,687	232	4.6%
2017	557	\$1.8B	5.3%	\$5,659,428	\$259,941	5.0%	\$325,706	215	4.6%
2016	434	\$1.7B	4.9%	\$5,368,975	\$242,912	5.2%	\$301,975	200	4.7%
2015	477	\$1.4B	4.8%	\$4,017,724	\$200,157	5.1%	\$282,048	187	4.8%
2014	396	\$1.4B	6.2%	\$4,275,642	\$197,148	5.8%	\$253,519	168	5.0%
2013	403	\$1.6B	5.9%	\$4,846,147	\$197,839	6.4%	\$224,097	148	5.3%
2012	376	\$822.3M	4.9%	\$2,957,922	\$144,670	7.2%	\$213,981	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	-	-	-	-	-	-	\$670,200	291	4.4%
2026	-	-	-	-	-	-	\$604,729	263	4.7%
2025	-	-	-	-	-	-	\$540,941	235	5.0%
2024	-	-	-	-	-	-	\$507,953	221	5.1%
2023	-	-	-	-	-	-	\$556,245	242	4.5%
YTD	2	\$91.3M	0.5%	\$45,666,500	\$480,700	5.7%	\$563,858	245	4.4%
2022	8	\$363.4M	1.8%	\$45,430,688	\$533,694	-	\$624,004	271	4.0%
2021	10	\$1B	5.7%	\$103,529,700	\$548,066	3.8%	\$681,140	296	3.6%
2020	2	\$158.9M	0.9%	\$79,447,500	\$588,500	4.3%	\$602,712	262	3.8%
2019	15	\$880.2M	7.1%	\$62,868,525	\$512,018	4.3%	\$581,080	252	4.0%
2018	11	\$748.4M	10.9%	\$83,157,168	\$459,714	4.6%	\$552,792	240	4.0%
2017	7	\$249.7M	2.6%	\$41,620,833	\$468,527	4.4%	\$507,764	221	4.1%
2016	8	\$352.9M	4.9%	\$44,106,701	\$379,005	4.5%	\$470,343	204	4.2%
2015	6	\$261.4M	5.1%	\$43,561,806	\$294,668	4.7%	\$440,239	191	4.3%
2014	5	\$214.9M	5.8%	\$53,728,750	\$296,844	5.2%	\$399,792	174	4.4%
2013	12	\$590M	14.2%	\$59,002,352	\$293,983	4.8%	\$351,728	153	4.8%
2012	9	\$174.2M	8.1%	\$34,845,000	\$206,918	5.3%	\$333,134	145	4.8%

(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.

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	-	-	-	-	-	-	\$420,258	309	4.7%
2026	-	-	-	-	-	-	\$379,951	280	5.0%
2025	-	-	-	-	-	-	\$340,554	251	5.3%
2024	-	-	-	-	-	-	\$319,516	235	5.4%
2023	-	-	-	-	-	-	\$346,801	255	4.8%
YTD	14	\$103.3M	0.7%	\$7,380,630	\$313,118	4.7%	\$351,521	259	4.7%
2022	29	\$642.1M	3.4%	\$22,140,152	\$387,019	4.6%	\$385,970	284	4.2%
2021	28	\$640.1M	3.6%	\$22,859,214	\$364,290	4.7%	\$416,872	307	3.8%
2020	32	\$574M	3.6%	\$19,132,975	\$368,414	5.1%	\$359,947	265	4.1%
2019	43	\$758.5M	4.6%	\$19,448,449	\$351,641	5.0%	\$344,229	253	4.3%
2018	40	\$642.2M	4.0%	\$18,889,601	\$342,897	4.9%	\$323,818	238	4.4%
2017	55	\$522.6M	4.8%	\$12,153,326	\$241,160	5.3%	\$300,491	221	4.5%
2016	37	\$453.3M	3.8%	\$13,331,809	\$256,236	5.0%	\$278,497	205	4.6%
2015	39	\$465.6M	4.2%	\$12,253,368	\$234,692	5.1%	\$258,383	190	4.7%
2014	45	\$586.2M	9.5%	\$16,283,502	\$241,535	5.0%	\$231,503	170	4.9%
2013	35	\$445.3M	6.2%	\$15,904,275	\$224,909	5.8%	\$202,818	149	5.2%
2012	39	\$256.5M	5.0%	\$9,499,198	\$161,409	7.2%	\$194,948	143	5.3%

(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.

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	-	-	-	-	-	-	\$358,898	286	5.2%
2026	-	-	-	-	-	-	\$325,858	260	5.5%
2025	-	-	-	-	-	-	\$293,268	234	5.8%
2024	-	-	-	-	-	-	\$275,380	220	5.9%
2023	-	-	-	-	-	-	\$296,668	237	5.2%
YTD	113	\$362.5M	1.5%	\$3,387,541	\$261,898	5.7%	\$301,082	240	5.2%
2022	253	\$1.2B	3.8%	\$4,588,059	\$304,666	5.1%	\$331,557	264	4.6%
2021	266	\$1B	3.7%	\$3,918,753	\$279,161	5.1%	\$355,974	284	4.2%
2020	181	\$749.7M	2.9%	\$4,259,575	\$260,217	5.3%	\$310,514	248	4.5%
2019	317	\$799.3M	4.2%	\$4,163,156	\$275,440	5.1%	\$296,710	237	4.7%
2018	398	\$756.8M	4.6%	\$3,455,875	\$244,456	4.8%	\$278,674	222	4.8%
2017	495	\$1B	6.1%	\$3,832,838	\$243,412	4.9%	\$261,338	208	4.9%
2016	389	\$869M	5.4%	\$3,218,463	\$207,098	5.2%	\$242,526	193	5.0%
2015	432	\$651.1M	5.1%	\$2,177,527	\$162,202	5.1%	\$226,988	181	5.1%
2014	346	\$635.5M	4.7%	\$2,146,942	\$153,650	5.9%	\$202,674	162	5.3%
2013	356	\$530M	4.5%	\$1,859,517	\$135,022	6.5%	\$180,759	144	5.6%
2012	328	\$391.6M	4.4%	\$1,591,866	\$120,381	7.3%	\$173,108	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	-	194,122	5.5%	-	582	-	553	-	-
2026	-	193,569	5.9%	-	1,075	-	1,054	-	-
2025	-	192,515	6.3%	-	1,606	-	1,568	-	-
2024	-	190,947	6.6%	-	1,468	-	1,459	-	-
2023	-	189,488	7.3%	-	2,445	-	2,445	-	-
YTD	7,861	189,488	7.3%	20	2,445	20	2,445	30	4,149
2022	7,841	187,043	7.6%	27	5,010	27	5,010	41	5,089
2021	7,814	182,033	5.8%	24	3,688	23	3,680	41	7,042
2020	7,791	178,353	7.8%	25	4,064	25	4,064	52	8,226
2019	7,766	174,289	5.6%	23	3,283	23	3,283	59	10,276
2018	7,743	171,006	5.0%	15	2,043	12	1,994	51	9,445
2017	7,731	169,011	4.7%	14	1,337	11	1,307	37	6,612
2016	7,720	167,704	4.5%	14	1,558	10	1,521	29	3,853
2015	7,710	166,183	3.9%	11	1,318	9	1,281	22	2,605
2014	7,701	164,901	3.8%	6	1,058	5	1,028	14	1,516
2013	7,696	163,873	4.0%	4	555	2	481	14	2,094
2012	7,694	163,392	4.1%	3	750	(1)	691	8	1,636
2011	7,695	162,701	4.3%	3	322	(1)	287	7	1,438