



# Multi-Family Market Report

## San Francisco - CA USA

PREPARED BY



**MULTI-FAMILY MARKET REPORT**

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12 Mo Delivered Units

**2,180**

12 Mo Absorption Units

**2,829**

Vacancy Rate

**6.3%**

12 Mo Asking Rent Growth

**2.1%**

In the fourth quarter of 2024, the San Francisco multifamily market continues to see growing demand. Absorption has increased in each of the past four quarters, with net absorption in the second quarter of around 900 units, the highest quarterly total in more than two years. Absorption for the past year now stands at 2,800 units.

After several years of outward migration, the population of San Francisco has stabilized in the past year, with a modest increase projected for 2024. This has been a key factor in the improved demand picture. However, the bulk of demand growth is now focused in San Mateo County. Of the four submarkets that saw the highest net absorption for the past year, three were in San Mateo County, and together they accounted for around half of the total absorption.

In contrast, the rate of improvement in some areas close to downtown San Francisco has been slowed by the weak return of office workers and concerns related to safety and security. Social problems associated with homelessness, drug activity, and crime are a significant disincentive to both workers and residents. The social issues are highly localized, and market participants note that leasing conditions are more favorable in the city's northern neighborhoods. Further, employment uncertainty exists as tech companies announce additional layoffs in 2024.

Weaker demand in San Francisco has also had a notable

effect on the rate and location of construction activity, with the focus shifting from San Francisco to the Peninsula. More units are underway in San Mateo County than in San Francisco, with activity centered on transit-friendly redevelopment sites close to Caltrain stations.

Although construction is muted in downtown San Francisco, many new developments have been approved and are ready to break ground once economic conditions are favorable. For example, the South of Market Submarket alone has 25 proposed projects, with more than 5,000 units in the pipeline.

With demand growing and new construction low, the vacancy rate has decreased to 6.3%, the lowest level since the fourth quarter of 2019.

Rent growth turned from negative in 2023 to positive in 2024. Year-over-year rent growth was 2.1% in the fourth quarter. And while average rents in San Francisco remain below the peak levels achieved in 2019, the improved outlook should see average rent levels set a new high later in 2024.

The return to population growth and an improving economy will likely continue to support growth in renter demand. With low levels of new construction, the prospects for rent growth in the year ahead are much improved from 3% to 4%.

### KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	42,967	9.7%	\$3,873	\$3,833	81	0	2,459
3 Star	49,007	6.0%	\$2,967	\$2,945	(6)	0	170
1 & 2 Star	94,618	4.9%	\$2,442	\$2,429	4	0	8
<b>Market</b>	<b>186,592</b>	<b>6.3%</b>	<b>\$3,127</b>	<b>\$3,101</b>	<b>79</b>	<b>0</b>	<b>2,637</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	-0.4% (YOY)	5.4%	5.6%	10.7%	2020 Q4	2.8%	2000 Q1
Absorption Units	2,829	1,234	1,863	7,974	2021 Q4	(6,178)	2020 Q3
Delivered Units	2,180	1,576	1,515	4,420	2016 Q2	22	2012 Q1
Demolished Units	0	40	44	350	2013 Q3	0	2024 Q3
Asking Rent Growth	2.1%	1.8%	3.0%	19.0%	2001 Q1	-11.6%	2002 Q4
Effective Rent Growth	2.5%	1.7%	3.0%	19.0%	2001 Q1	-11.6%	2002 Q4
Sales Volume	\$1.2B	\$1.5B	N/A	\$3.1B	2020 Q1	\$322.6M	2009 Q3

As of the fourth quarter of 2024, the apartment vacancy rate in San Francisco stands at 6.3%, a slight decline from the previous quarter. This is the lowest vacancy rate since the first quarter of 2020.

In contrast to many other parts of the nation, which saw booming multifamily demand during the Covid-19 pandemic but which have since weakened, San Francisco saw weak demand during the pandemic and has since been on a recovery track.

The weakening economic conditions in early 2023, which included elevated interest rates and tech layoffs, dampened absorption. However, demand has increased again in the past six months, and in the fourth quarter of 2024, absorption is back to the levels previously seen in 2022.

Moreover, recent population growth has supported apartment demand. According to California Department of Finance estimates, domestic out-migration between 2018 and 2022 led to a population loss of around 90,000 people in the San Francisco market. However, the most recent release shows a small increase in population in 2023.

In 2020, as tech workers left San Francisco in large numbers, the vacancy rate for high-end units reached nearly 20%. Since then, the return of some high-income renters reduced 4 & 5 Star vacancies to around 10%, where it has remained for the past two years. As of the fourth quarter of 2024 the vacancy rate for these

premium properties is 9.7%.

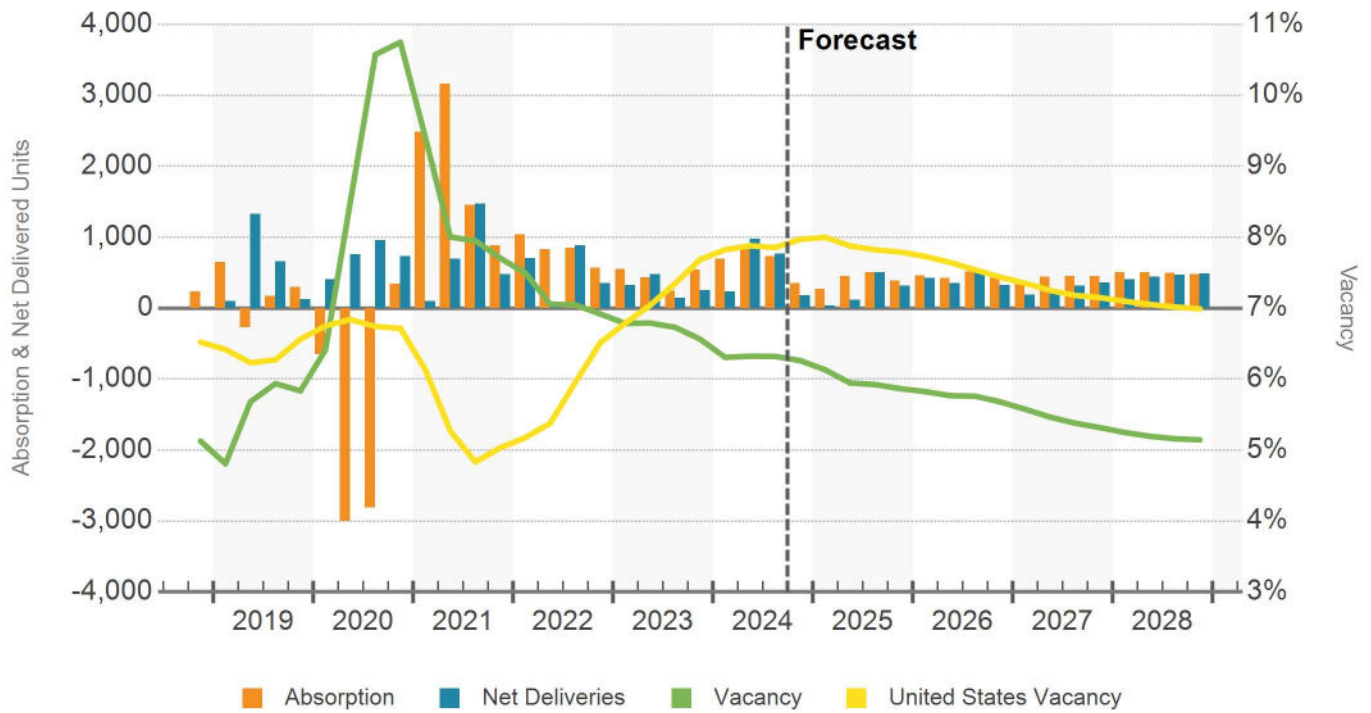
Mid-level assets typically perform well in San Francisco, and there is usually no shortage of demand for moderately priced options. The vacancy rate among 3 Star assets in the fourth quarter is 6.0%, while 1 & 2 Star vacancy is 4.9%. Both figures are slightly below where they were a year ago.

Among the submarkets with the highest vacancy rates are those with the greatest exodus of tech workers during the pandemic and those with the worst street-level social problems. These neighborhoods include parts of Downtown San Francisco, Haight-Ashbury/Castro/Noe Valley, and Civic Center/Tenderloin. Demand remains subdued in these neighborhoods. In contrast, submarkets in San Mateo County have seen higher rates of net absorption in the past year.

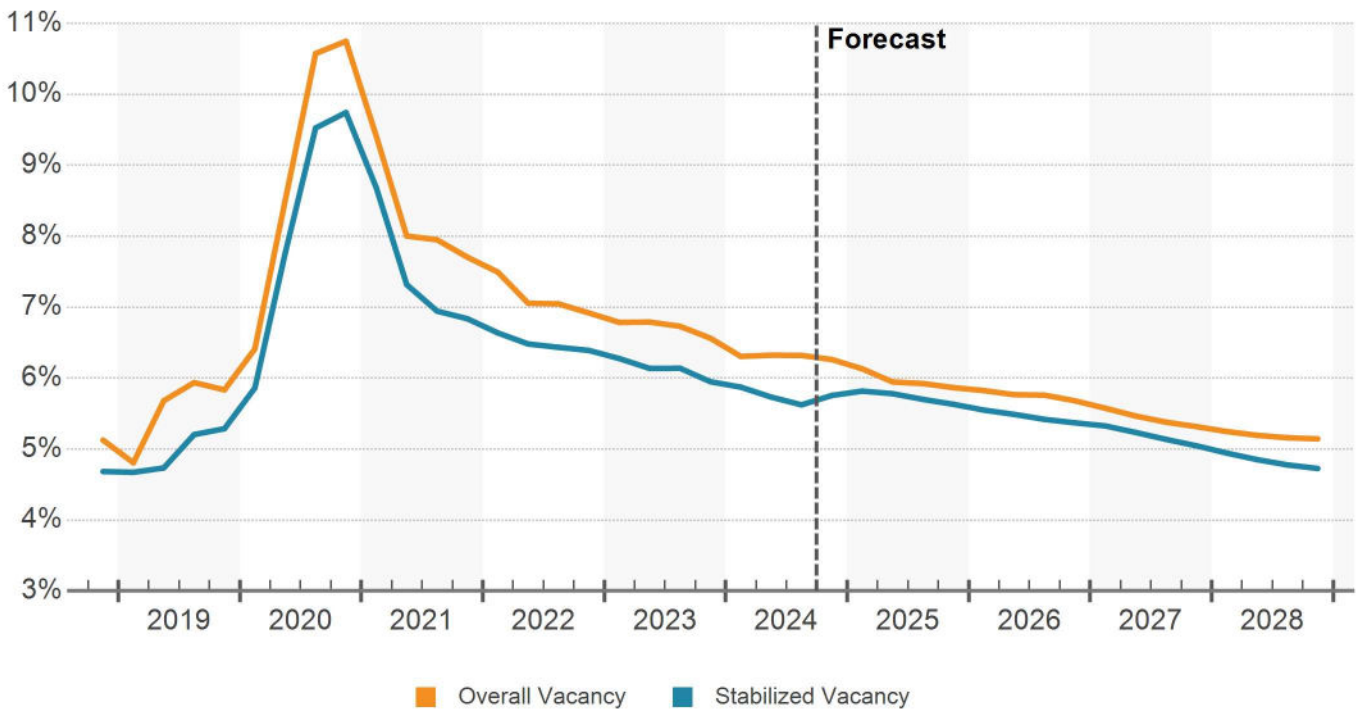
Moreover, demand in and around downtown San Francisco will likely remain muted compared to pre-pandemic levels. A large drop in the number of people working downtown has directly impacted the demand for apartments in neighboring areas, where proximity to the workplace is a prime attraction.

Over the longer term, the apartment market in San Francisco benefits from high single-family home and condo pricing. Combined with elevated mortgage rates, this creates a barrier to homeownership in the area and supports a relatively strong demand for rentals.

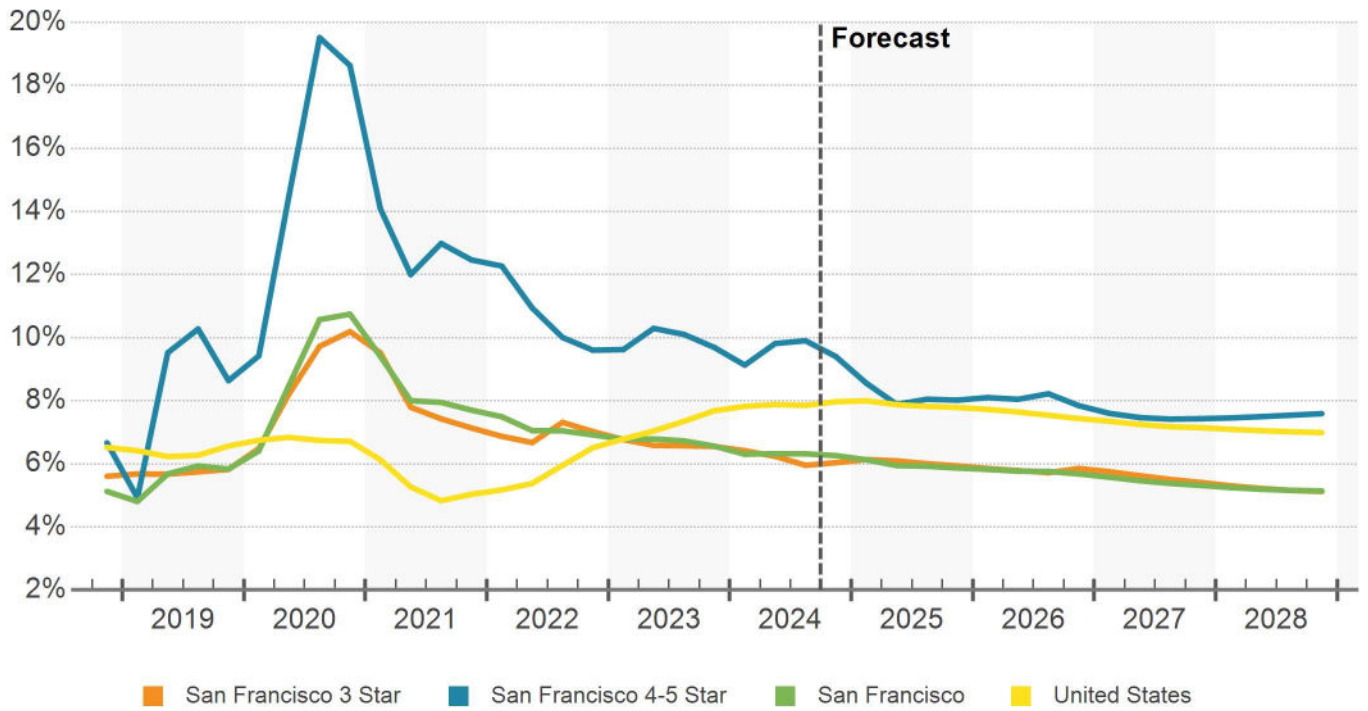
## ABSORPTION, NET DELIVERIES & VACANCY



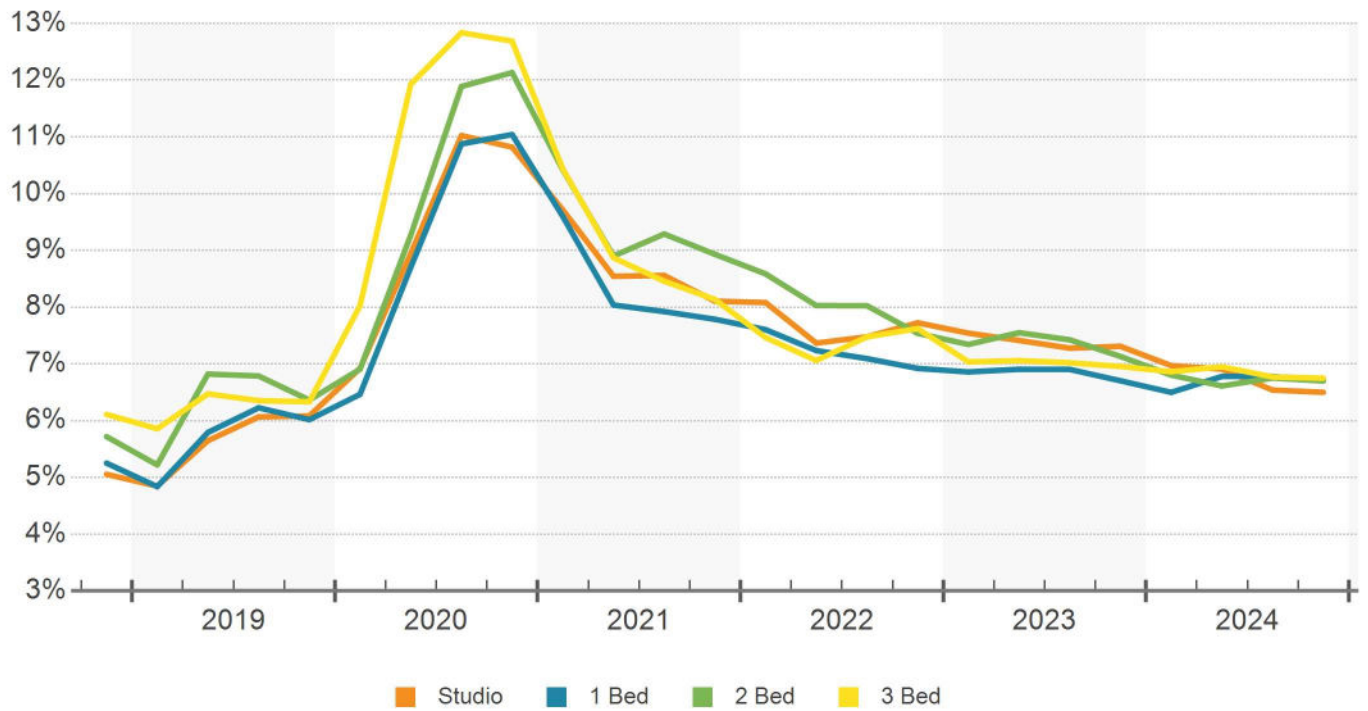
## OVERALL & STABILIZED VACANCY



## VACANCY RATE



## VACANCY BY BEDROOM



Apartments rent for an average of \$3,130/month in San Francisco. Until a few years ago, this was the highest asking rent in the nation. However, tepid rent growth over the past few years has diminished San Francisco's price premium, and New York is now the most expensive market. San Jose has also closed the gap, and several submarkets within the San Jose metro area have overtaken their San Francisco counterparts.

High inflation and rising interest rates impacted demand in 2022, causing rent growth to fall. This continued into 2023, leading the average rent to move slightly downwards over the year. The average annual rent growth in San Francisco over the past three years was 1.8%, whereas the national average was 3.8%. However, with the national average rent at \$1,730/month, tenants still pay a large premium to rent in San Francisco.

Rent affordability has improved in the past three years as incomes have risen faster than rents. By contrast, the affordability of for-sale housing has diminished as mortgage rates remain elevated. These trends have played an important role in underpinning demand for apartments.

As of the fourth quarter of 2024, annual rent growth is again positive, at 2.1%. CoStar's daily asking rent series shows asking rents increasing for the first seven months of the year. And while average rents remain below those in 2019, continued growth is projected to allow rents to

hit a new high by the end of 2024.

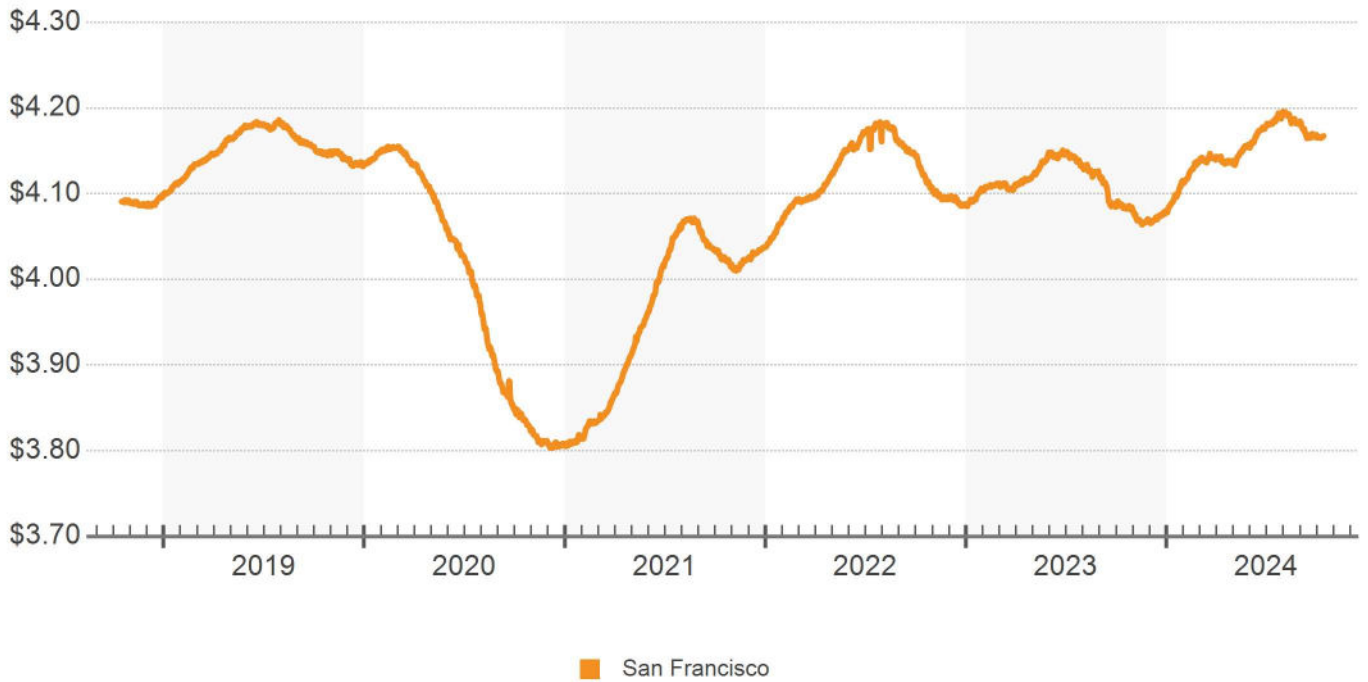
Over the past decade, many new premium and luxury properties were developed but few mid-range apartments were built. This shortage resulted in stronger rent growth for mid-quality 3 Star properties, which outperformed 1 & 2 Star and 4 & 5 Star properties. That said, current rent growth is even across all quality segments. As of the second quarter of 2024, asking rents for properties rated 4 & 5 Star have increased by 3.0% year over year, which compares to changes of 1.5% among 3 Star properties and 1.3% among 1 & 2 Star properties.

Asking rents are highest in Downtown San Francisco, Mission Bay, and South of Market. These areas saw the most construction in the 2010s, much of which was in the 4 & 5 Star category that commands the highest rents in the city.

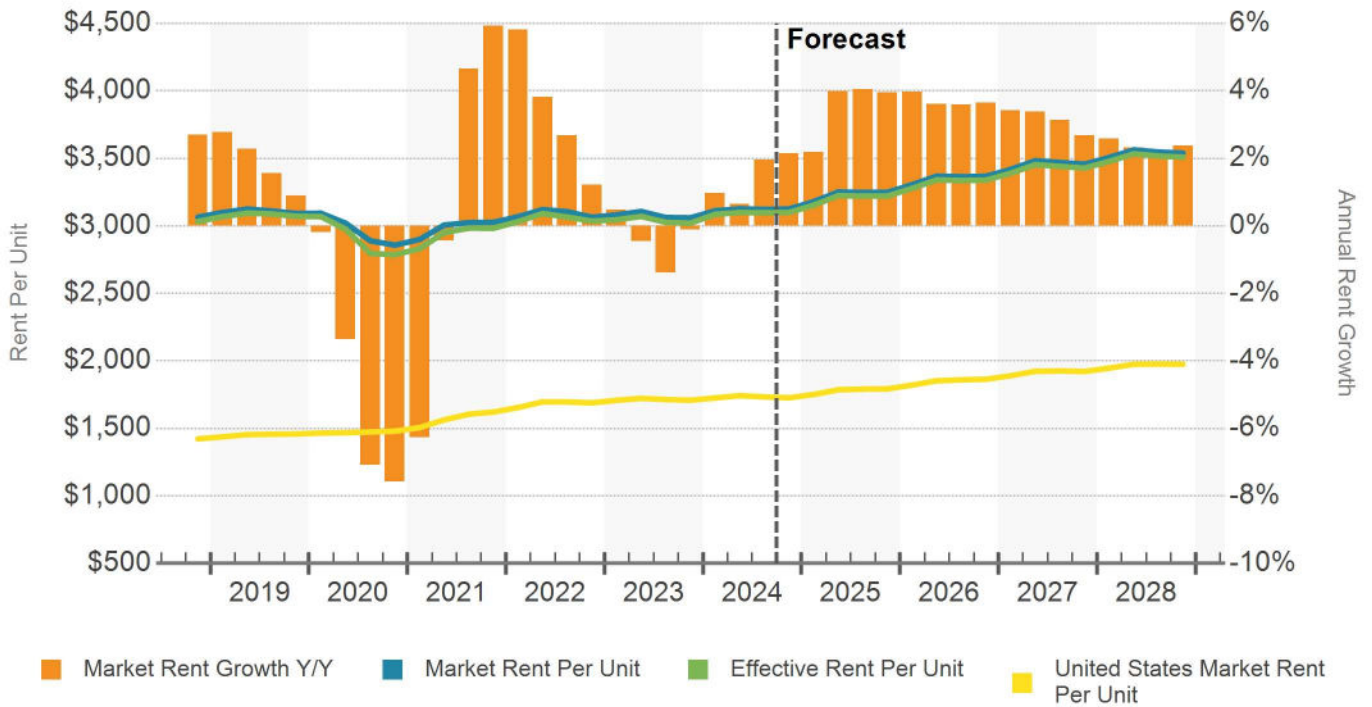
Over the past year, weaker rent growth has been recorded in San Francisco submarkets, including the Civic Center/Tenderloin and South of Market, which are struggling with the social problems associated with crime, drug use, and homelessness. By contrast, rent growth has been higher in areas where these concerns are less pronounced, such as Marina/Pacific Heights/Presidio and Downtown San Francisco, which includes the popular neighborhoods of Russian Hill and North Beach.



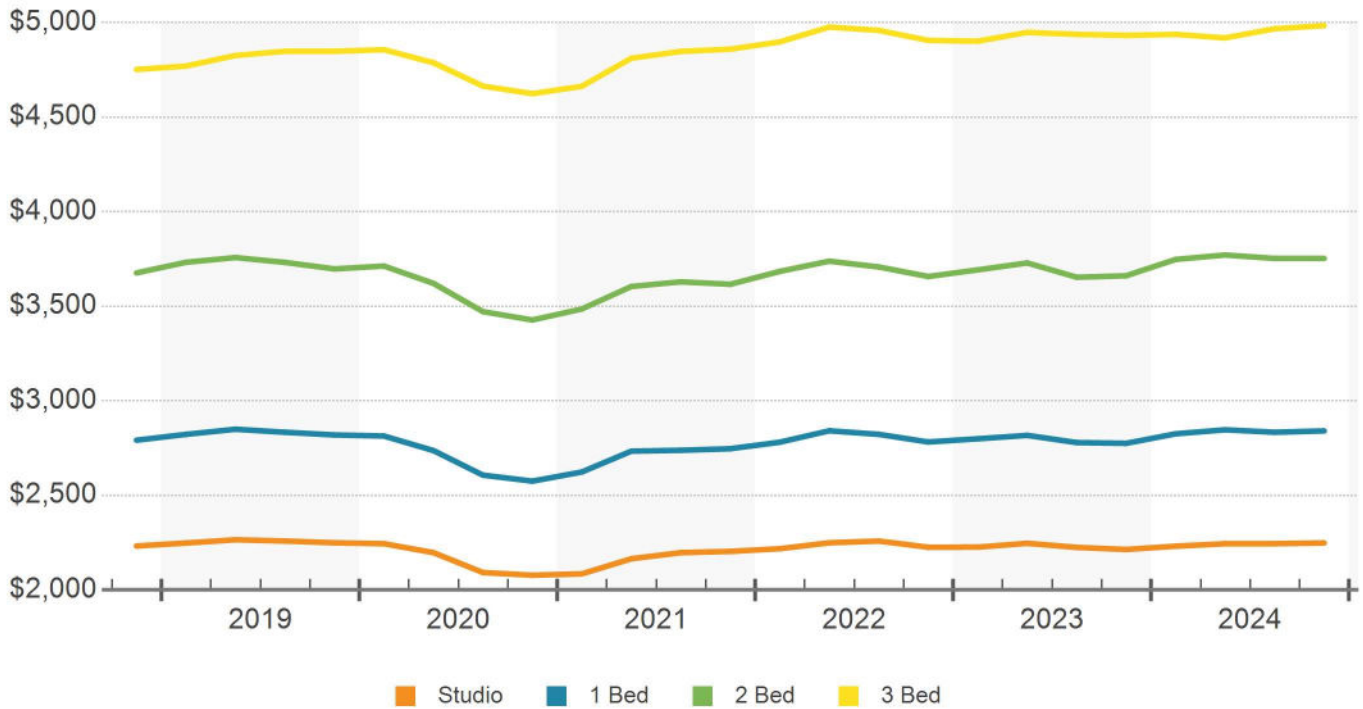
### DAILY ASKING RENT PER SF



### 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	
<b>San Francisco</b>	\$1.20	\$1.53	\$1.08	\$0.98	\$1.86	\$1.76	\$0.70	\$2.76	\$0.16	\$1.32	\$1.38	<b>\$14.73</b>
Bayview/Visitacion...	\$1.15	\$1.58	\$1.05	\$1.05	\$2.05	\$1.82	\$0.89	\$2.77	\$0.17	\$1.34	\$1.40	<b>\$15.27</b>
Civic Center/Tender...	\$1.15	\$1.58	\$1.05	\$1.05	\$2.05	\$1.82	\$0.89	\$2.77	\$0.17	\$1.34	\$1.40	<b>\$15.27</b>
Daly City/Brisbane	\$1.35	\$1.58	\$1.20	\$0.91	\$1.70	\$1.82	\$0.46	\$2.78	\$0.17	\$1.34	\$1.40	<b>\$14.71</b>
Downtown San Fra...	\$1.12	\$1.53	\$1.04	\$1.02	\$1.99	\$1.78	\$0.86	\$2.67	\$0.16	\$1.29	\$1.36	<b>\$14.82</b>
Foster City/Redwoo...	\$1.34	\$1.46	\$1.20	\$0.90	\$1.69	\$1.68	\$0.46	\$2.76	\$0.16	\$1.34	\$1.39	<b>\$14.38</b>
Haight-Ashbury/Cas...	\$1.12	\$1.55	\$1.05	\$1.04	\$2.04	\$1.79	\$0.88	\$2.75	\$0.15	\$1.33	\$1.39	<b>\$15.09</b>
Marina/Pacific Heig...	\$1.15	\$1.58	\$1.05	\$1.05	\$2.05	\$1.82	\$0.89	\$2.77	\$0.17	\$1.34	\$1.40	<b>\$15.27</b>
Mission Bay/China...	\$1.15	\$1.58	\$1.05	\$0.95	\$1.74	\$1.82	\$0.64	\$3.03	\$0.17	\$1.34	\$1.40	<b>\$14.87</b>
Pacifica	\$1.45	\$1.58	\$1.24	\$0.97	\$1.83	\$1.82	\$0.49	\$2.82	\$0.17	\$1.34	\$1.40	<b>\$15.11</b>
Redwood City/Menl...	\$1.20	\$1.34	\$1.09	\$0.83	\$1.51	\$1.53	\$0.42	\$2.34	\$0.14	\$1.11	\$1.22	<b>\$12.73</b>
Richmond/Western...	\$1.15	\$1.58	\$1.05	\$1.05	\$2.05	\$1.82	\$0.89	\$2.77	\$0.17	\$1.34	\$1.40	<b>\$15.27</b>
S San Francisco/Sa...	\$1.35	\$1.58	\$1.20	\$0.91	\$1.70	\$1.82	\$0.46	\$2.78	\$0.17	\$1.34	\$1.40	<b>\$14.71</b>
San Mateo/Burlinga...	\$1.33	\$1.35	\$1.19	\$0.90	\$1.68	\$1.54	\$0.45	\$2.75	\$0.14	\$1.33	\$1.39	<b>\$14.05</b>
South Of Market	\$1.15	\$1.58	\$1.05	\$0.98	\$1.82	\$1.82	\$0.70	\$2.96	\$0.17	\$1.34	\$1.40	<b>\$14.97</b>
Sunset/Lakeshore	\$1.15	\$1.58	\$0.94	\$1.09	\$2.05	\$1.82	\$0.95	\$2.77	\$0.17	\$1.34	\$1.40	<b>\$15.26</b>

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	
<b>San Francisco</b>	\$1.02	\$1.05	\$0.98	\$0.91	\$1.70	\$1.27	\$0.63	\$2.47	\$0.07	\$1.17	\$1.25	<b>\$12.52</b>
Bayview/Visitacion...	\$0.96	\$1.41	\$1	\$1	\$1.95	\$1.68	\$0.85	\$2.64	\$0.06	\$1.28	\$1.34	<b>\$14.17</b>
Civic Center/Tender...	\$0.95	\$1.39	\$0.99	\$0.98	\$1.92	\$1.66	\$0.83	\$2.58	\$0.06	\$1.25	\$1.31	<b>\$13.92</b>
Daly City/Brisbane	\$1.19	\$0.70	\$1.07	\$0.82	\$1.49	\$0.78	\$0.41	\$2.35	\$0.07	\$1.12	\$1.22	<b>\$11.22</b>
Downtown San Fra...	\$0.96	\$1.40	\$1	\$0.99	\$1.93	\$1.67	\$0.83	\$2.60	\$0.07	\$1.26	\$1.32	<b>\$14.03</b>
Foster City/Redwoo...	\$1.31	\$0.99	\$1.17	\$0.88	\$1.65	\$1.12	\$0.44	\$2.70	\$0.10	\$1.30	\$1.36	<b>\$13.02</b>
Haight-Ashbury/Cas...	\$0.96	\$1.39	\$0.99	\$0.98	\$1.90	\$1.66	\$0.82	\$2.55	\$0.07	\$1.23	\$1.30	<b>\$13.85</b>
Marina/Pacific Heig...	\$0.92	\$1.30	\$0.95	\$0.92	\$1.76	\$1.60	\$0.74	\$2.33	\$0.06	\$1.11	\$1.21	<b>\$12.90</b>
Mission Bay/China...	\$1.04	\$1	\$1	\$0.91	\$1.66	\$1.68	\$0.61	\$2.88	\$0.06	\$1.28	\$1.34	<b>\$13.46</b>
Outlying San Mateo...	\$1.28	\$0.64	\$1.15	\$0.87	\$1.62	\$0.72	\$0.43	\$2.65	\$0.06	\$1.28	\$1.34	<b>\$12.04</b>
Pacifica	\$1.44	\$0.96	\$1.21	\$0.97	\$1.83	\$0.96	\$0.48	\$2.73	\$0.09	\$1.30	\$1.35	<b>\$13.32</b>
Redwood City/Menl...	\$1.08	\$0.63	\$1	\$0.75	\$1.35	\$0.71	\$0.38	\$2.11	\$0.06	\$0.92	\$1.06	<b>\$10.05</b>
Richmond/Western...	\$0.94	\$1.36	\$0.98	\$0.96	\$1.87	\$1.64	\$0.80	\$2.50	\$0.06	\$1.20	\$1.28	<b>\$13.59</b>
S San Francisco/Sa...	\$1.24	\$0.64	\$1.11	\$0.84	\$1.56	\$0.71	\$0.42	\$2.50	\$0.06	\$1.20	\$1.28	<b>\$11.56</b>
San Mateo/Burlinga...	\$1.19	\$0.70	\$1.07	\$0.82	\$1.50	\$0.78	\$0.41	\$2.36	\$0.07	\$1.12	\$1.22	<b>\$11.24</b>
South Of Market	\$1.07	\$1.41	\$1.03	\$0.96	\$1.79	\$1.75	\$0.70	\$2.88	\$0.12	\$1.31	\$1.37	<b>\$14.39</b>
Sunset/Lakeshore	\$0.54	\$1.11	\$0.47	\$0.99	\$1.82	\$1.64	\$0.85	\$2.42	\$0.07	\$1.16	\$1.25	<b>\$12.32</b>

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	
<b>San Francisco</b>	\$0.74	\$0.75	\$0.71	\$0.60	\$0.98	\$0.99	\$0.32	\$1.11	\$0.06	\$0.45	\$0.70	<b>\$7.41</b>
Bayview/Visitacion...	\$0.77	\$0.89	\$0.74	\$0.61	\$1	\$1.30	\$0.34	\$1.12	\$0.06	\$0.46	\$0.70	<b>\$7.99</b>
Civic Center/Tender...	\$0.79	\$0.95	\$0.77	\$0.65	\$1.10	\$1.34	\$0.39	\$1.28	\$0.06	\$0.55	\$0.77	<b>\$8.65</b>
Daly City/Brisbane	\$0.76	\$0.61	\$0.73	\$0.59	\$0.94	\$0.68	\$0.31	\$1.03	\$0.06	\$0.41	\$0.67	<b>\$6.79</b>
Downtown San Fra...	\$0.77	\$0.90	\$0.75	\$0.62	\$1.01	\$1.31	\$0.35	\$1.14	\$0.06	\$0.47	\$0.71	<b>\$8.09</b>
Foster City/Redwoo...	\$0.80	\$0.61	\$0.76	\$0.61	\$1	\$0.68	\$0.32	\$1.17	\$0.06	\$0.48	\$0.72	<b>\$7.21</b>
Haight-Ashbury/Cas...	\$0.76	\$0.87	\$0.73	\$0.59	\$0.95	\$1.29	\$0.32	\$1.05	\$0.06	\$0.42	\$0.68	<b>\$7.72</b>
Marina/Pacific Heig...	\$0.76	\$0.87	\$0.73	\$0.60	\$0.96	\$1.29	\$0.32	\$1.06	\$0.06	\$0.42	\$0.68	<b>\$7.75</b>
Mission Bay/China...	\$0.76	\$0.86	\$0.73	\$0.59	\$0.94	\$1.28	\$0.31	\$1.03	\$0.06	\$0.41	\$0.67	<b>\$7.64</b>
Outlying San Mateo...	\$0.76	\$0.61	\$0.73	\$0.59	\$0.94	\$0.68	\$0.31	\$1.03	\$0.06	\$0.41	\$0.67	<b>\$6.79</b>
Pacifica	\$0.77	\$0.70	\$0.73	\$0.59	\$0.95	\$0.64	\$0.31	\$1.05	\$0.06	\$0.42	\$0.67	<b>\$6.89</b>
Redwood City/Menl...	\$0.75	\$0.61	\$0.72	\$0.58	\$0.93	\$0.68	\$0.31	\$1.05	\$0.06	\$0.40	\$0.66	<b>\$6.75</b>
Richmond/Western...	\$0.77	\$0.89	\$0.74	\$0.61	\$0.98	\$1.30	\$0.33	\$1.10	\$0.06	\$0.44	\$0.69	<b>\$7.91</b>
S San Francisco/Sa...	\$0.76	\$0.61	\$0.73	\$0.59	\$0.94	\$0.68	\$0.31	\$1.03	\$0.06	\$0.41	\$0.67	<b>\$6.79</b>
San Mateo/Burlinga...	\$0.81	\$0.62	\$0.77	\$0.62	\$1	\$0.68	\$0.32	\$1.19	\$0.06	\$0.49	\$0.73	<b>\$7.29</b>
South Of Market	\$0.86	\$0.93	\$0.83	\$0.71	\$1.21	\$1.42	\$0.43	\$1.70	\$0.06	\$0.72	\$0.91	<b>\$9.78</b>
Sunset/Lakeshore	\$0.48	\$0.86	\$0.42	\$0.59	\$0.94	\$1.28	\$0.31	\$1.03	\$0.06	\$0.41	\$0.67	<b>\$7.05</b>

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

While construction starts have picked up in the past six months, total construction activity remains subdued compared to the pre-pandemic decade.

As of the fourth quarter, just 2,200 units were delivered over the past year. This is in line with the five-year average of 2,200 units per year. The elevated pace of new construction starts is projected to increase completions in 2025 and 2026.

There are 2,600 units currently underway, which below the five-year average of 4,200 units. The under-construction stock measures 1.4% of existing inventory, well below the average rate of 3.5% across the nation. Most market-rate units under construction are in 4 & 5 Star buildings.

Geographically, construction in the 2010s was concentrated in redevelopment areas near downtown San Francisco, including South of Market and Mission Bay/China Basin/Potrero Hill. These areas have good access to the city's main work and recreation centers. Moreover, freeways and Caltrain provide good access to major employment hubs in the Peninsula, Silicon Valley, and San Jose.

By contrast, much of the current construction pipeline is located south of San Francisco. Spurred by life sciences and biotechnology growth, new projects are clustered in Peninsula employment markets such as South San Francisco, San Mateo, and Redwood City, which have

emerged as popular locations for transit-oriented development around Caltrain stations.

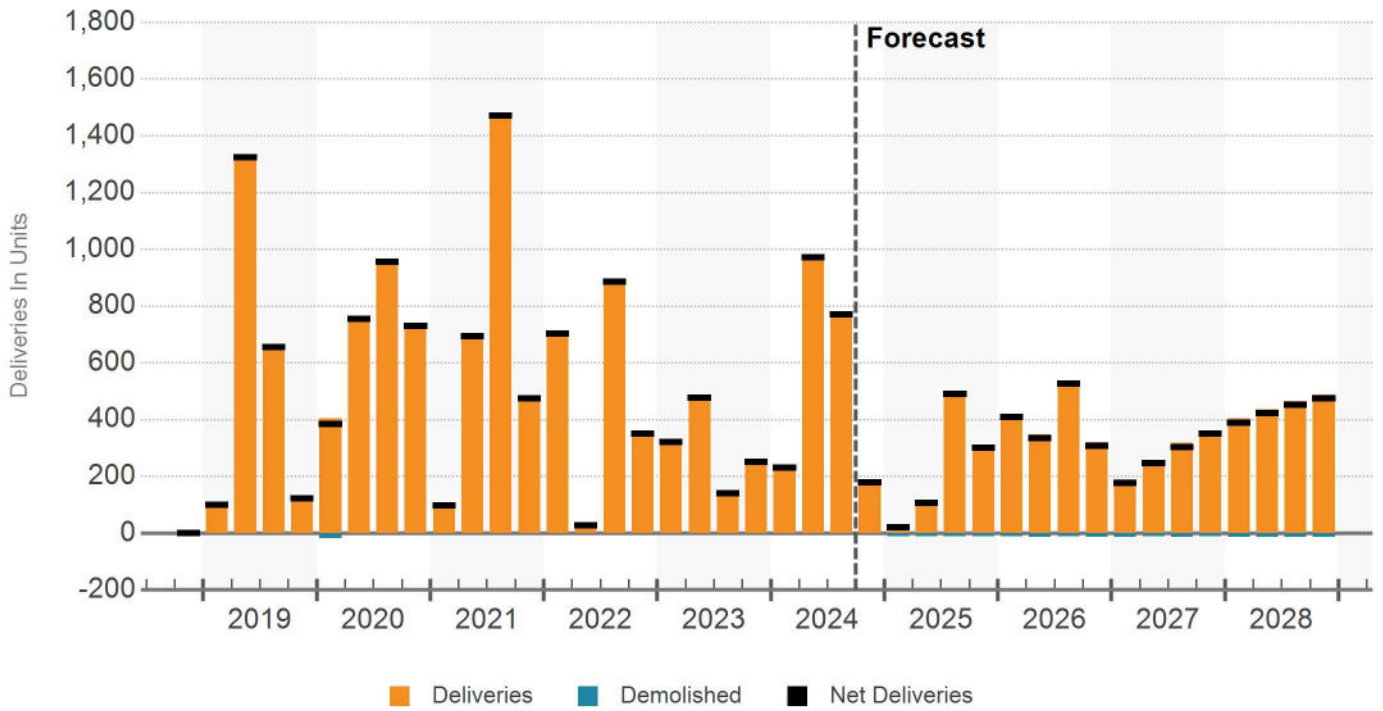
An example of a newer project of this type is The Hayden, a 177-unit mid-rise property in Belmont, completed in March 2024. The building is currently 70% leased, with average asking rents at \$3,800, while offering up to 10 weeks free rent.

In the past six months, a few construction projects have broken ground in San Francisco. For example, Strada Investment Group began constructing a mixed-use project near the Caltrain station at 555 Bryant St. in San Francisco. When completed in 2025, the project will include 501 apartment units.

Over the longer term, San Francisco is generally more insulated from supply risk than most markets in the country. Stringent zoning, costly affordable housing requirements, NIMBY objections, and a lack of available land make the development process in San Francisco more arduous than in most U.S. cities. As a result, supply growth over the past 40 years has fallen below most major U.S. markets on a percentage basis despite strong demand for more housing.

That said, developers continue to guide new projects through planning. Several sizable apartment towers have secured permits in recent months, although construction may not break ground until there is an easing of the current high costs of financing and construction.

### DELIVERIES & DEMOLITIONS



# Under Construction Properties

San Francisco Multi-Family

Properties

Units

Percent of Inventory

Avg. No. Units

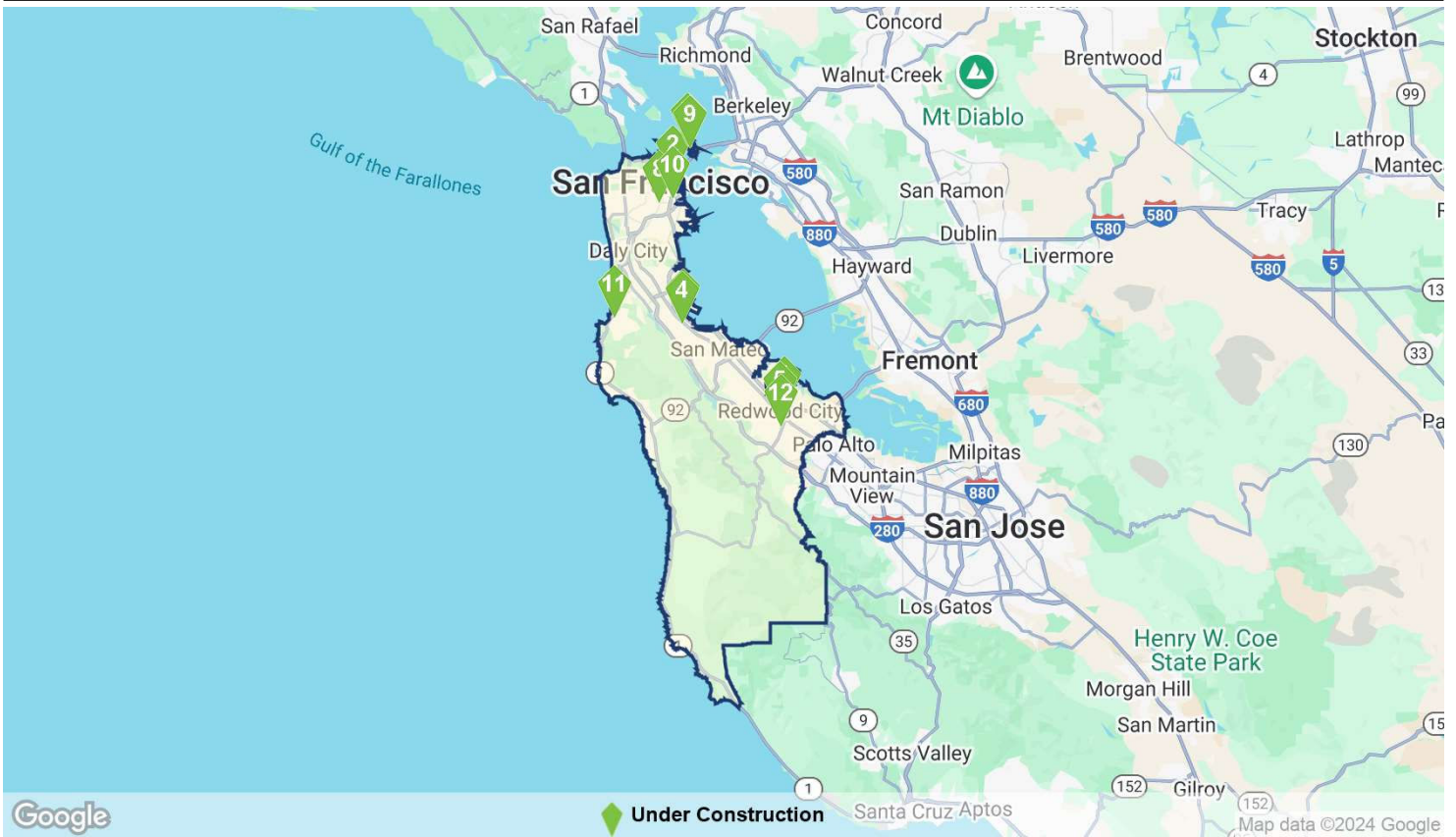
12

2,637

1.4%

220

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 <b>Broadway Plaza</b> 1401 Broadway St	★★★★☆	520	10	Aug 2023	Aug 2026	The Sobrato Organization Longs Drug Stores Cal Inc
2 <b>555-585 Bryant St</b>	★★★★☆	501	15	Sep 2023	Sep 2025	Strada Investment Group Strada Investment Group
3 <b>1845-1855 Rollins Rd</b>	★★★★☆	420	5	Feb 2024	Feb 2026	- Hanover Company
4 <b>1766 El Camino Real</b>	★★★★☆	311	8	Nov 2023	Jul 2025	Carmel Partners Carmel Partners
5 <b>Bldg A</b> 1555 El Camino Real	★★★★☆	187	6	Nov 2023	Dec 2025	IQHQ IQHQ
6 <b>Hawkins</b> 77 Bruton St	★★★★☆	178	4	Oct 2022	Nov 2024	Webcor Lennar
7 <b>C3.5</b> 401 Avenue A Ave	★★★★☆	160	4	Jan 2022	May 2026	- Lennar

# Under Construction Properties

San Francisco Multi-Family

## UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
8 1633 Valencia St	★ ★ ★ ★ ★	146	6	Jun 2024	Jan 2026	-
9 1 Avenue of the Palms Ave	★ ★ ★ ★ ★	117	5	Jun 2023	May 2025	- Lennar
10 Potrero Hope Phase IV 1095 Connecticut St	★ ★ ★ ★ ★	65	5	Nov 2023	Jan 2026	BRIDGE Housing Corporation SF Housing Authority Lessor
11 801 Fassler Ave	★ ★ ★ ★ ★	24	3	Sep 2022	Jan 2025	-
12 955 Woodside Rd	★ ★ ★ ★ ★	8	3	Jul 2023	Nov 2024	Terra Holdings Samir Sharma

Investment sales activity in San Francisco has been below the market's long-term historical average over the past few years. As of the fourth quarter of 2024, 220 deals had closed within the past 12 months, somewhat below the five-year average of 230 transactions per year.

Historically, investors have been attracted to San Francisco's sound fundamentals and rent growth prospects. Development opportunities are limited, which gives buyers confidence that demand will outweigh supply in the long term, leading to improved operating income.

With a fragmented and aged housing stock, opportunities to acquire core investment properties in San Francisco are generally limited. However, current economic concerns are, for the most part, outweighing these considerations.

Most sales that closed in the past year were 2 Star and 3 Star buildings in the six- to 12-unit range. Most buyers are locally based private investors, although a few developers also actively acquire buildings. They are

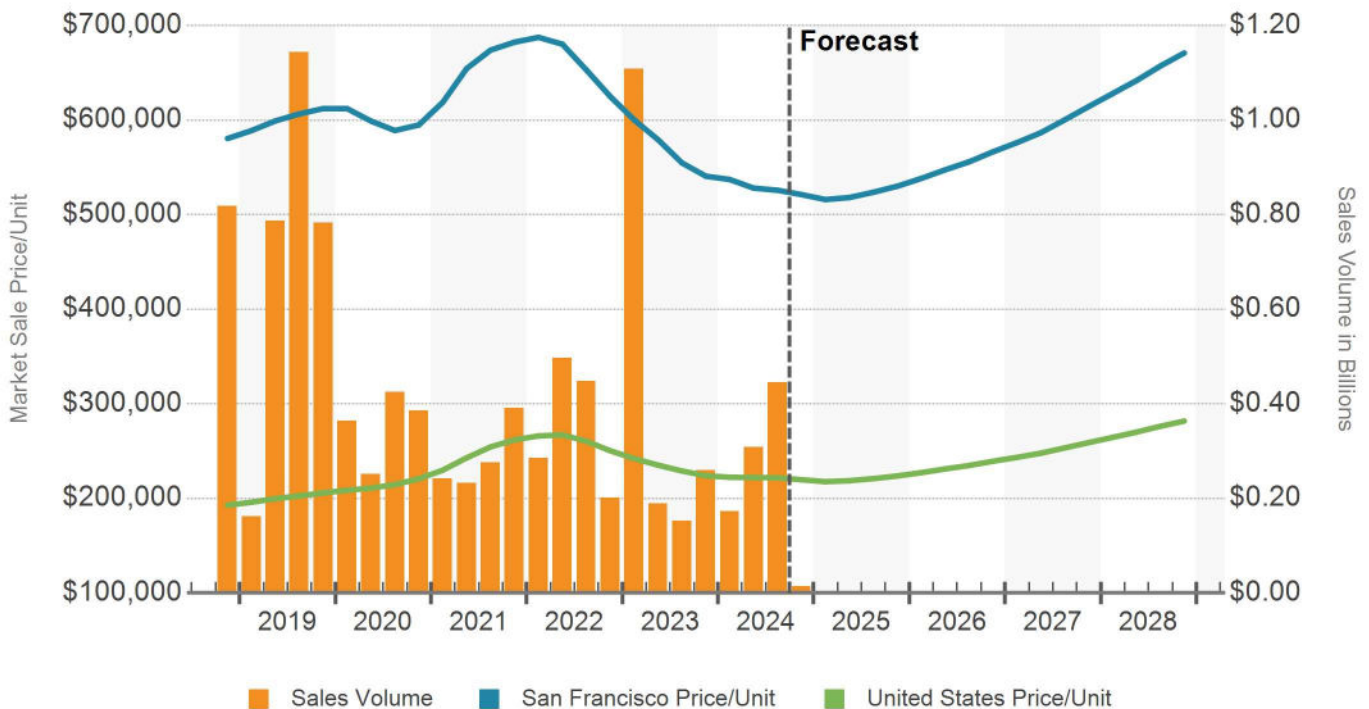
acquiring these properties at prices notably below those of previous years. The average sale price over the past year was \$340,000/unit, a 21% discount to the five-year average transaction price of \$420,000/unit.

The average cap rate for sales that closed in the past year was 5.4%, compared to 4.1% for deals that closed between 2020 and 2022.

Distressed sales related to the rapid rise in interest rates have also led to changes in ownership in San Francisco. In January 2024, Brookfield and Ballast Investments acquired a portfolio of 74 properties with around 2,000 units previously owned and operated by Veritas. Brookfield took control of the properties through a foreclosure auction after buying the debt associated with the portfolio.

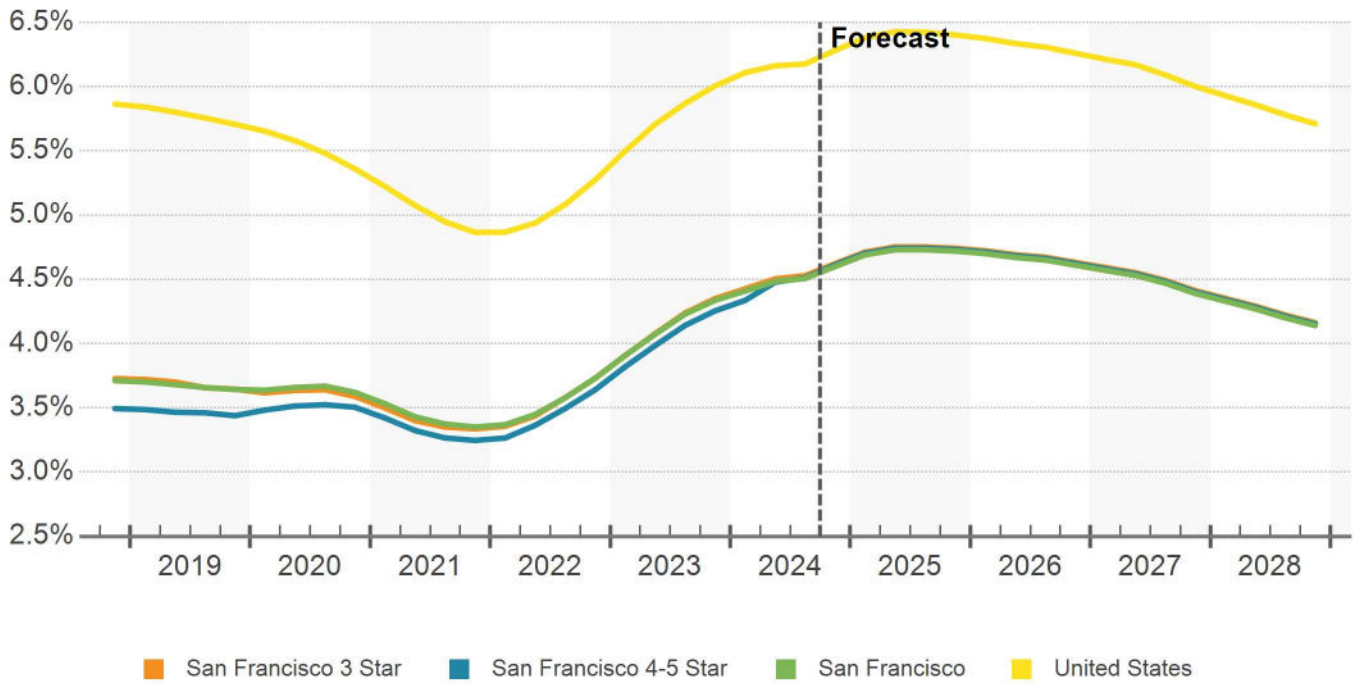
Some larger owners are choosing to exit or reduce their San Francisco holdings. For instance, in September 2024, ASB Capital Management sold 333 Fremont St in downtown San Francisco. The 83-unit property was bought by JRK property Holdings for \$44 million, or \$533,000/unit.

### SALES VOLUME & MARKET SALE PRICE PER UNIT





### MARKET CAP RATE



# Sales Past 12 Months

## San Francisco Multi-Family

Sale Comparables

Avg. Price/Unit (thous.)

Average Price (mil.)

Average Vacancy at Sale

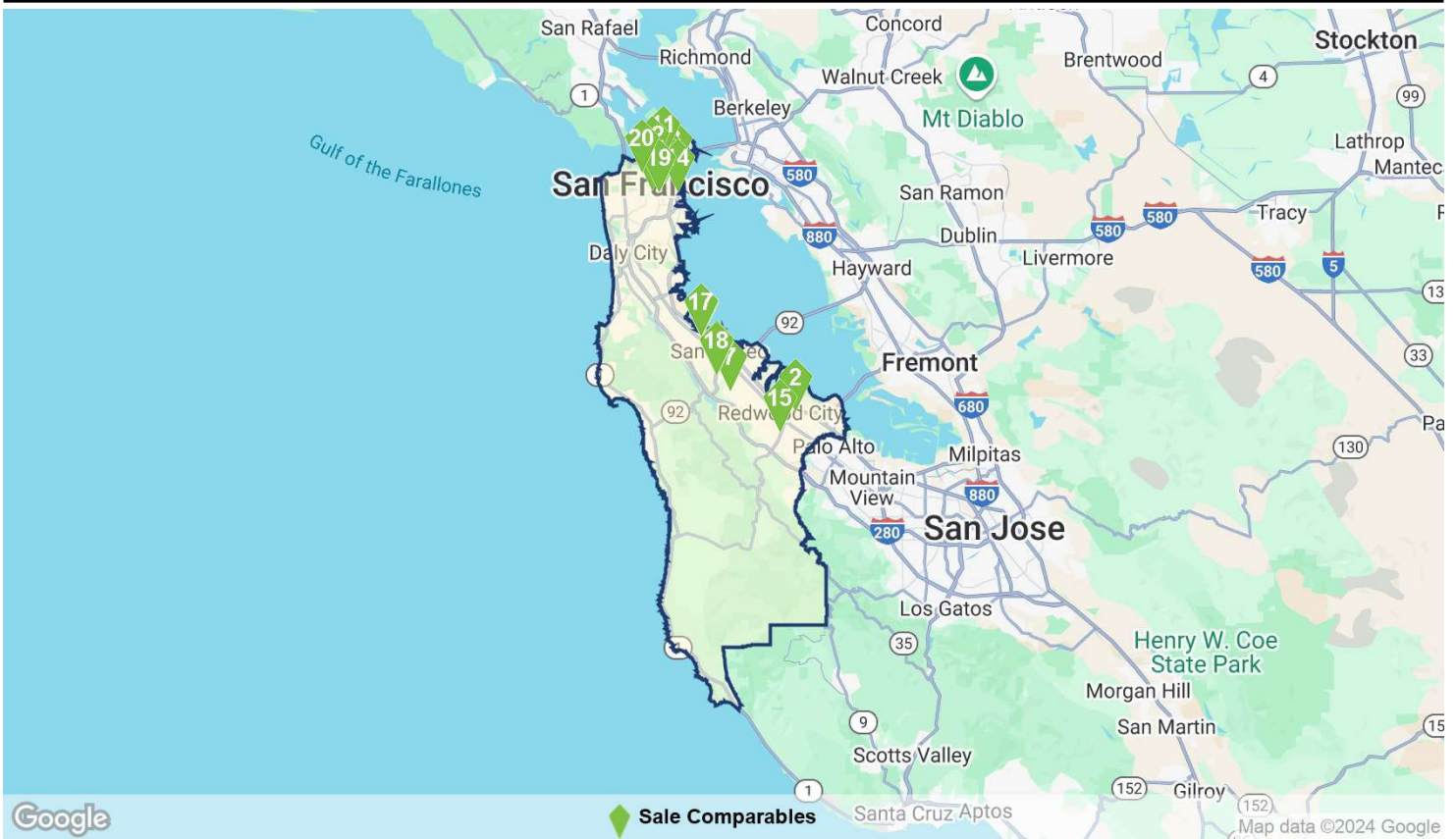
**272**

**\$344**

**\$5.6**

**6.5%**

### SALE COMPARABLE LOCATIONS



### SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$1,050,000	\$5,638,566	\$2,845,000	\$177,500,000
Price/Unit	\$46,208	\$344,359	\$340,000	\$1,590,909
Cap Rate	2.0%	5.7%	5.5%	14.7%
Vacancy Rate At Sale	0%	6.5%	0%	80.0%
Time Since Sale in Months	0.0	6.5	7.1	12.0
Property Attributes	Low	Average	Median	High
Property Size in Units	5	23	10	463
Number of Floors	1	3	3	15
Average Unit SF	118	836	789	3,004
Year Built	1885	1936	1927	2022
Star Rating	★★★★★	★★★★★ 2.3	★★★★★	★★★★★

# Sales Past 12 Months

San Francisco 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 L Seven 1144 Harrison St	★★★★★	2017	410	7.6%	9/13/2024	\$177,500,000	\$432,926	\$355	
2 Avenue Two Apartments 1107 2nd Ave	★★★★★	1972	123	8.9%	10/19/2023	\$51,000,000	\$414,634	\$582	
3 333 Fremont 333 Fremont St	★★★★★	2013	83	6.0%	9/10/2024	\$44,250,000	\$533,132	\$604	
4 The Duboce 181 Sanchez St	★★★★★	2017	87	3.5%	9/16/2024	\$38,000,000	\$436,781	\$582	
5 Geary Courtyard Apartments 639 Geary St	★★★★★	1990	165	8.5%	6/17/2024	\$37,000,000	\$224,242	\$348	
6 Oakview Apartments 3135 Campus Dr	★★★★★	1973	96	0%	6/20/2024	\$32,568,000	\$339,250	\$494	
7 The Ralston at Belmont Hills 1000 Continentals Way	★★★★★	1972	80	2.5%	3/1/2024	\$28,000,000	\$350,000	\$392	
8 OME Apartments 663 Clementina St	★★★★★	2021	42	7.1%	11/30/2023	\$27,150,000	\$646,428	\$636	
9 The Arlington 1401 Floribunda Ave	★★★★★	1929	63	11.1%	1/23/2024	\$21,000,000	\$333,333	\$408	
10 Sonoma Suites 2901-2915 16th St	★★★★★	1914	63	7.9%	9/9/2024	\$20,350,000	\$323,015	\$421	
11 NorthPoint Vistas 2351 Powell St	★★★★★	1968	72	0%	12/22/2023	\$18,000,000	\$250,000	\$168	
12 2100 Jackson St	★★★★★	1923	11	8.3%	6/28/2024	\$17,500,000	\$1,590,909	\$530	
13 Glendora Apartments 1300 Overland Dr	★★★★★	1968	37	13.5%	6/20/2024	\$16,092,500	\$434,932	\$242	
14 603 Tennessee St	★★★★★	2022	24	4.2%	10/27/2023	\$14,000,000	\$583,333	\$583	
15 Sunbeam Square 1115-1129 Woodside Rd	★★★★★	1953	27	3.7%	1/8/2024	\$13,840,413	\$512,607	\$314	
16 Floribunda Apartments 1404 Floribunda Ave	★★★★★	1958	38	2.6%	9/19/2024	\$13,335,765	\$350,941	\$478	
17 1239 Oak Grove Ave	★★★★★	1959	38	2.6%	9/19/2024	\$12,998,235	\$342,058	\$478	
18 Crown Towers Apartments 3214 Palos Verdes Ct	★★★★★	1971	30	6.7%	6/20/2024	\$12,150,000	\$405,000	\$540	
19 2059-2065 Mission St	★★★★★	1914	31	5.7%	9/9/2024	\$11,350,000	\$366,129	\$698	
20 3245 Clay St	★★★★★	1922	12	6.7%	10/20/2023	\$9,200,000	\$766,666	\$539	

The San Francisco Bay Area is the global leader in innovation and development of information technology. Home to several of the world's largest companies, including Apple, Alphabet, NVIDIA, and Meta, San Francisco and San Jose lead the nation with the highest economic growth rates at the metropolitan level. This translates into high wages and nation-leading household income growth. In turn, San Francisco has some of the nation's highest rents and prices across all real estate asset classes.

However, growth in the technology sector tends to be volatile, with innovation happening in bursts. This does not sit well with the slow-moving world of real estate, with the result that San Francisco's real estate markets have a long history of boom followed by bust, causing volatility in rents, prices, and vacancy.

The current boom-bust cycle began with the tech boom of the 2010s, which comprised a significant expansion of cloud computing and mobile technologies. San Francisco was the hub for leading companies that built global businesses around mobile applications that disrupted traditional industries. Real estate demand surged, prompting nation-leading rates of growth in rents and prices and a surge in the construction of office and residential towers in downtown San Francisco.

The cycle abruptly turned downwards in early 2020. By

then, affordability had become a problem, causing businesses and people to relocate from San Francisco to less expensive parts of the country. The COVID-19 pandemic and associated lockdowns triggered a surge in this exodus. Tech companies adopted distributed workforce models, and employees left the city in large numbers. While the outward migration has now abated, San Francisco's resident population has yet to recover from the tens of thousands who moved away.

Starting in 2022, cyclical economic pressures have also been at work after the Fed began raising interest rates to slow the economy and reduce inflation. Locally, the most visible impacts have been layoffs in the tech sector and a large decline in real estate investment sales activity.

Downtown San Francisco has suffered the most, where the exodus of tech workers is part of a broader narrative that involves population decline and an increase in crime, homelessness, and drug abuse. Low economic activity and social problems have impacted the viability of retailers, restaurants, and hotels.

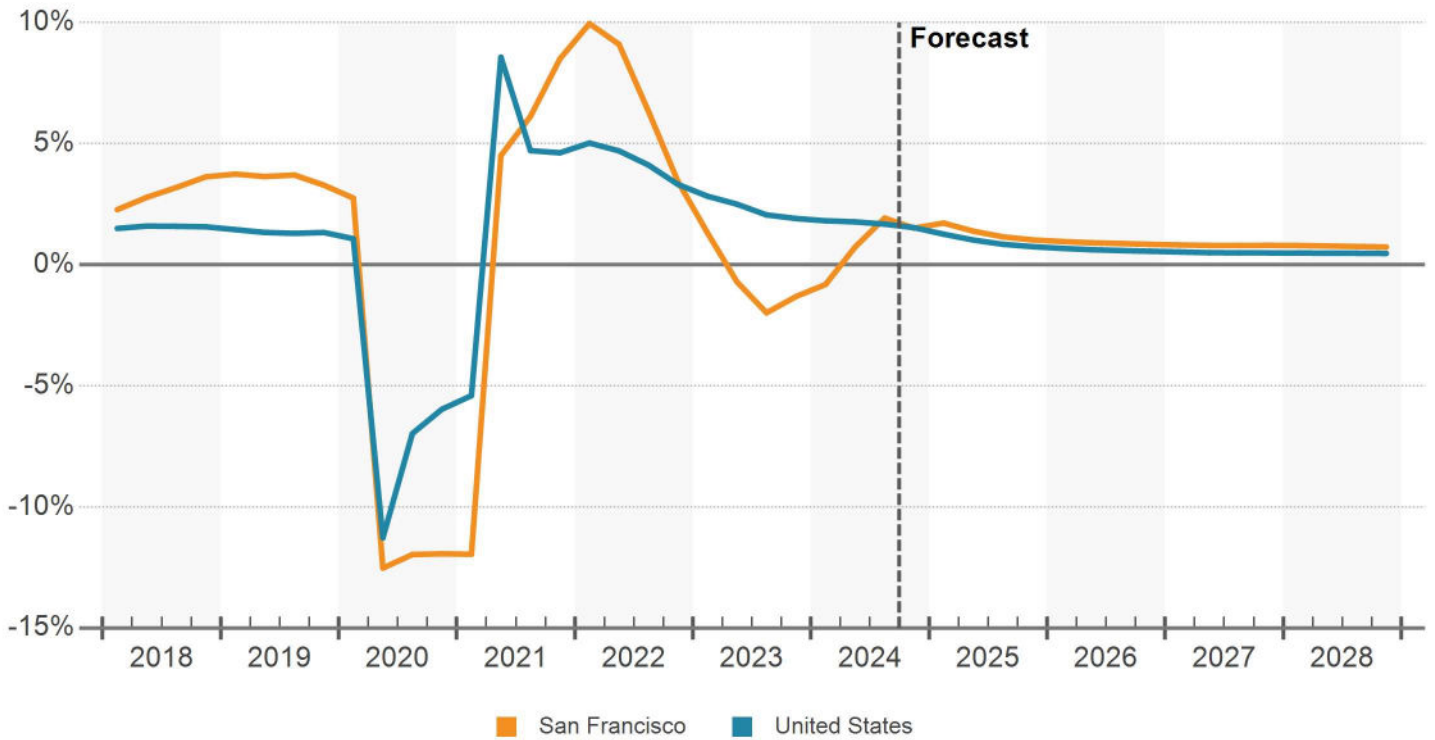
Total employment is now slightly ahead of its pre-pandemic level. However, with the increase in flexible working practices, it is unclear how many San Francisco businesses' employees live in the metro area. After falling to a 10-year low of 2.3% in 2022, the unemployment rate has increased to just under 4.0%.

### SAN FRANCISCO 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	35	0.4	-0.37%	0.40%	-0.54%	0.62%	0.51%	0.33%
Trade, Transportation and Utilities	133	0.6	1.72%	0.83%	-0.43%	1.00%	0.06%	0.28%
Retail Trade	66	0.6	1.85%	0.86%	-2.06%	0.24%	0.01%	0.21%
Financial Activities	82	1.2	-0.30%	0.38%	1.05%	1.47%	0.08%	0.35%
Government	142	0.8	2.79%	2.20%	1.75%	0.66%	0.64%	0.51%
Natural Resources, Mining and Construction	42	0.6	0.43%	2.34%	2.34%	2.26%	0.64%	0.72%
Education and Health Services	159	0.8	3.59%	3.49%	2.57%	2.07%	0.73%	0.77%
Professional and Business Services	300	1.7	0.73%	0.82%	2.13%	1.81%	1.15%	0.59%
Information	116	5.2	0.14%	0.57%	7.43%	1.02%	1.81%	0.54%
Leisure and Hospitality	133	1.0	5.22%	2.23%	0.00%	1.47%	1.16%	0.98%
Other Services	39	0.9	2.94%	1.40%	-0.28%	0.61%	0.75%	0.49%
<b>Total Employment</b>	<b>1,181</b>	<b>1.0</b>	<b>1.85%</b>	<b>1.65%</b>	<b>1.69%</b>	<b>1.33%</b>	<b>0.86%</b>	<b>0.56%</b>

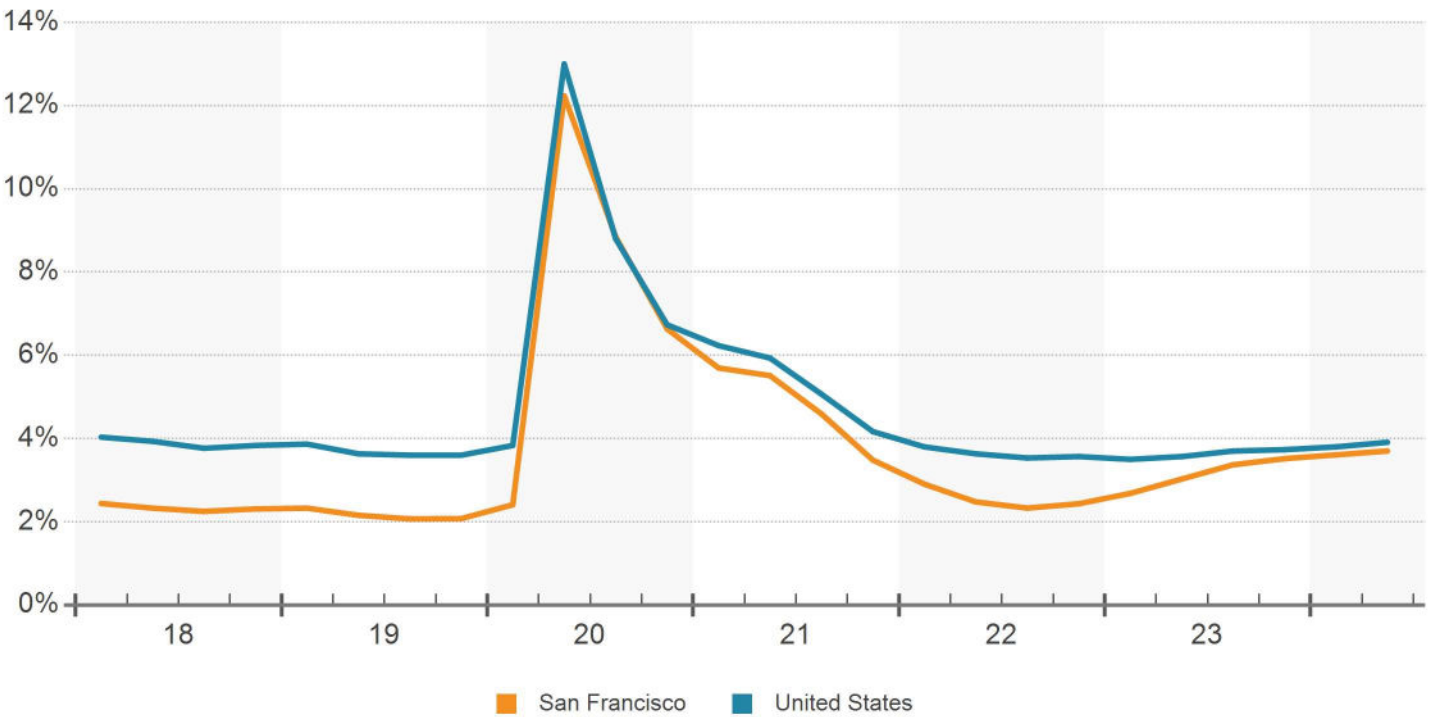
Source: Oxford Economics  
LQ = Location Quotient

## JOB GROWTH (YOY)

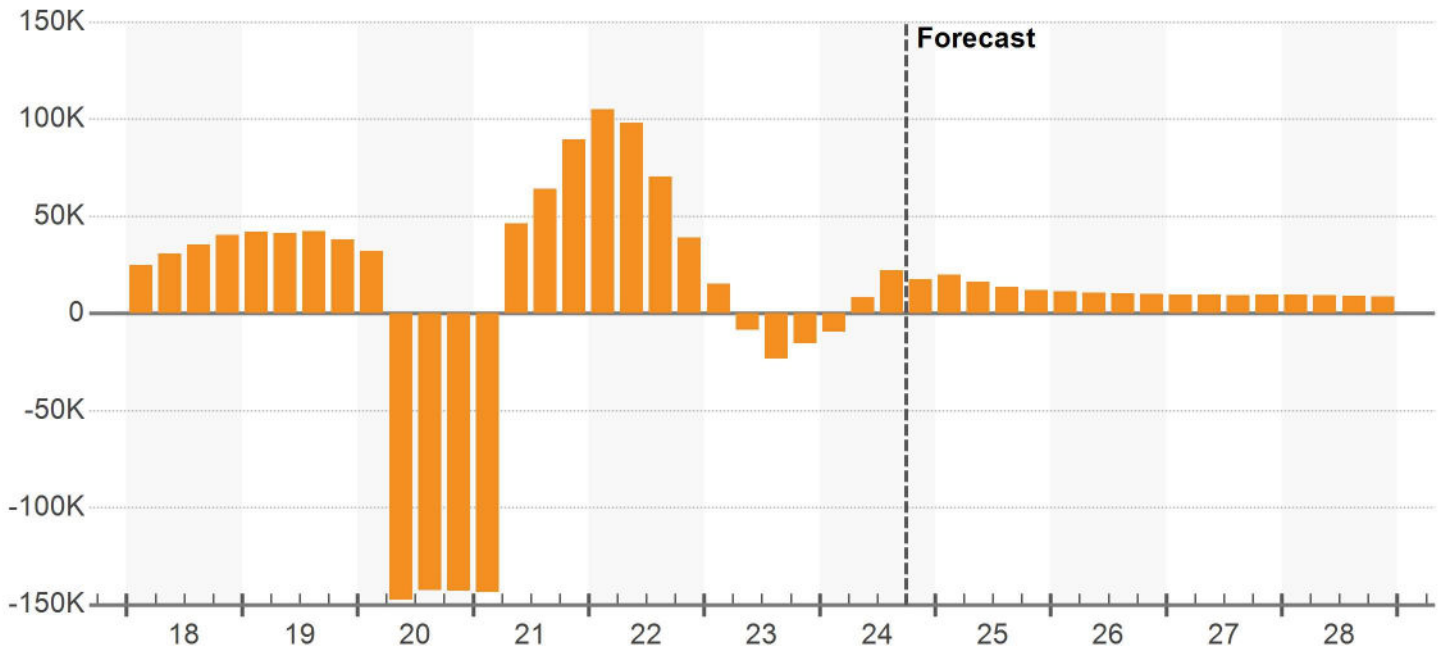


Source: Oxford Economics

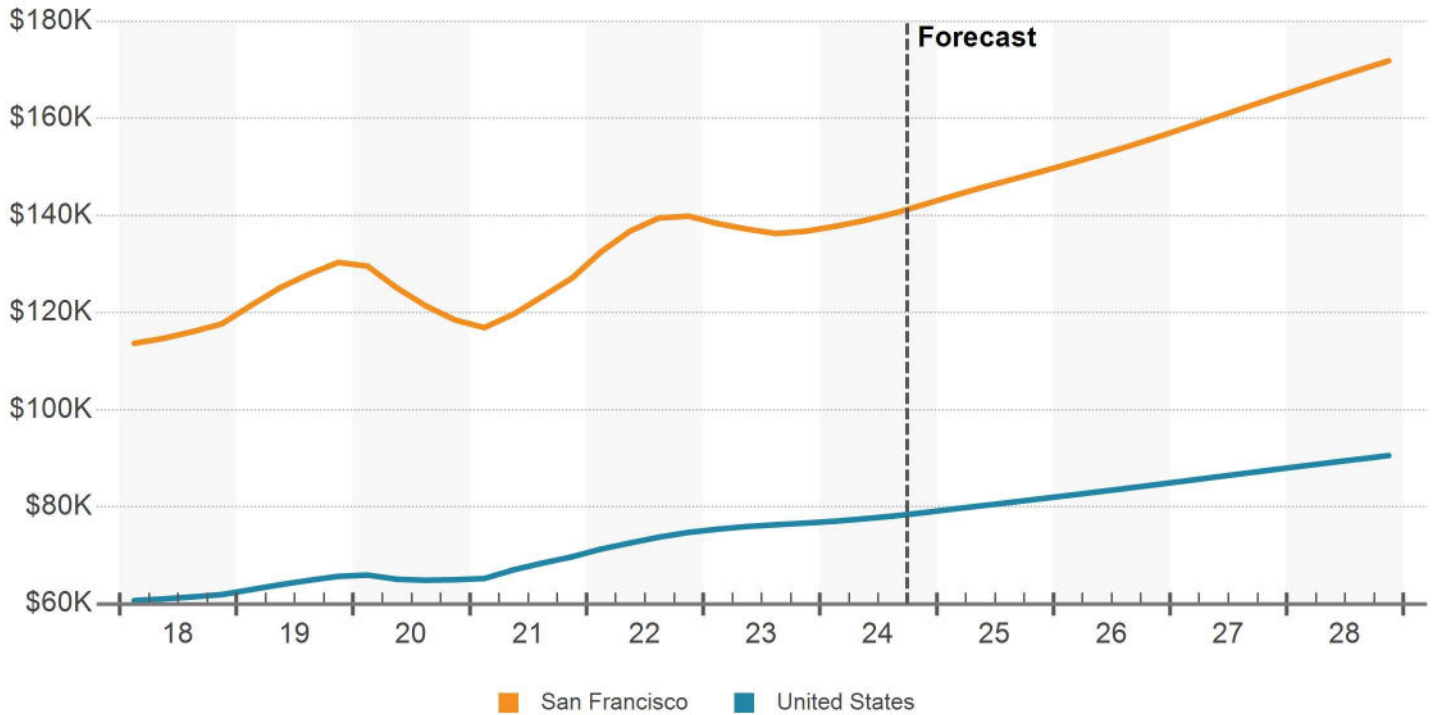
## UNEMPLOYMENT RATE (%)



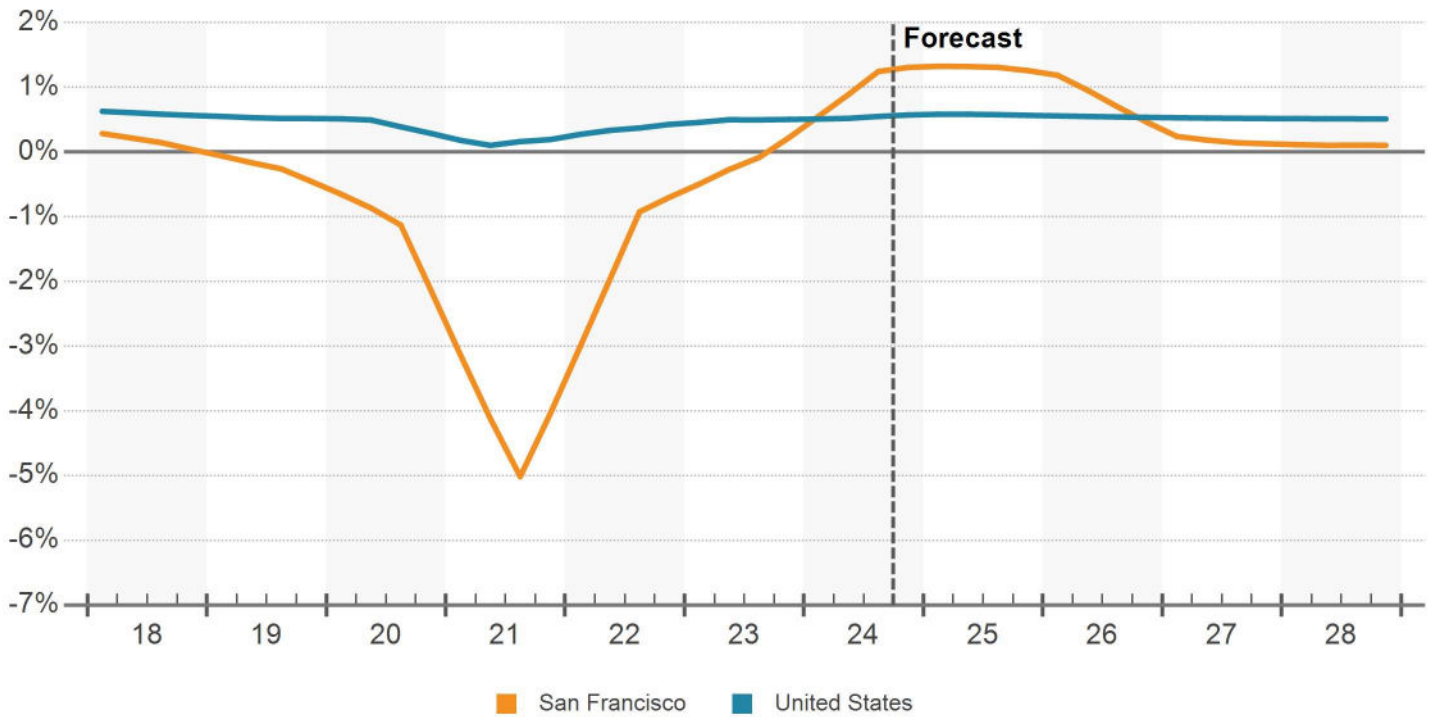
## NET EMPLOYMENT CHANGE (YOY)



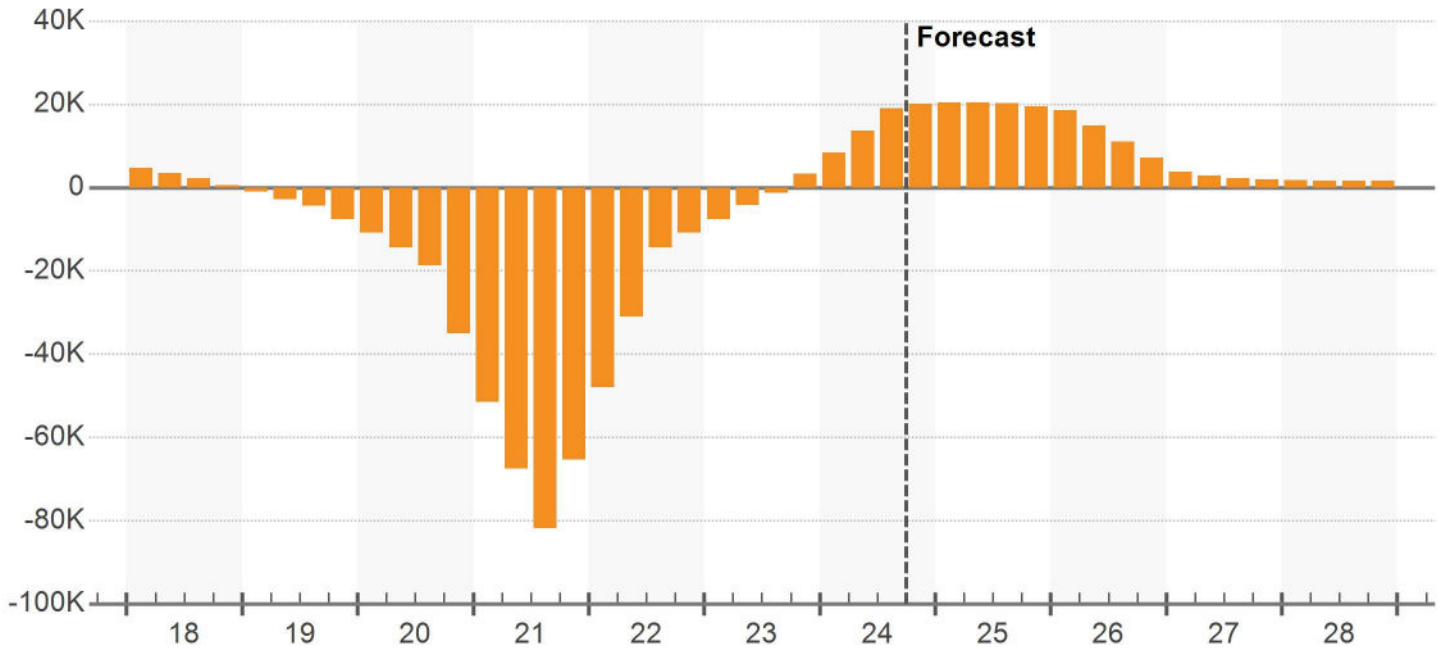
## MEDIAN HOUSEHOLD INCOME



## POPULATION GROWTH (YOY %)



## NET POPULATION CHANGE (YOY)

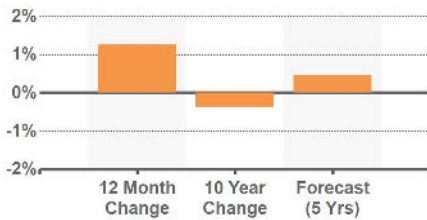


### DEMOGRAPHIC TRENDS

Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	1,555,250	336,826,156	1.3%	0.5%	-0.4%	0.5%	0.5%	0.5%
Households	633,086	131,653,781	1.4%	0.7%	0.1%	0.9%	0.6%	0.6%
Median Household Income	\$140,701	\$78,223	3.2%	2.4%	4.6%	3.9%	4.8%	3.5%
Labor Force	1,011,588	168,432,406	0.5%	0.5%	0.6%	0.8%	0.6%	0.5%
Unemployment	3.7%	3.9%	0.3%	0.2%	0%	-0.2%	-	-

Source: Oxford Economics

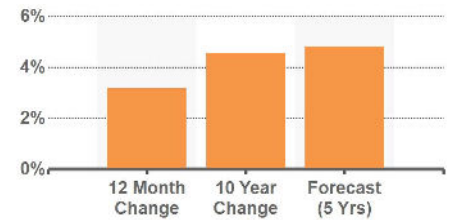
#### POPULATION GROWTH



#### LABOR FORCE GROWTH



#### INCOME GROWTH

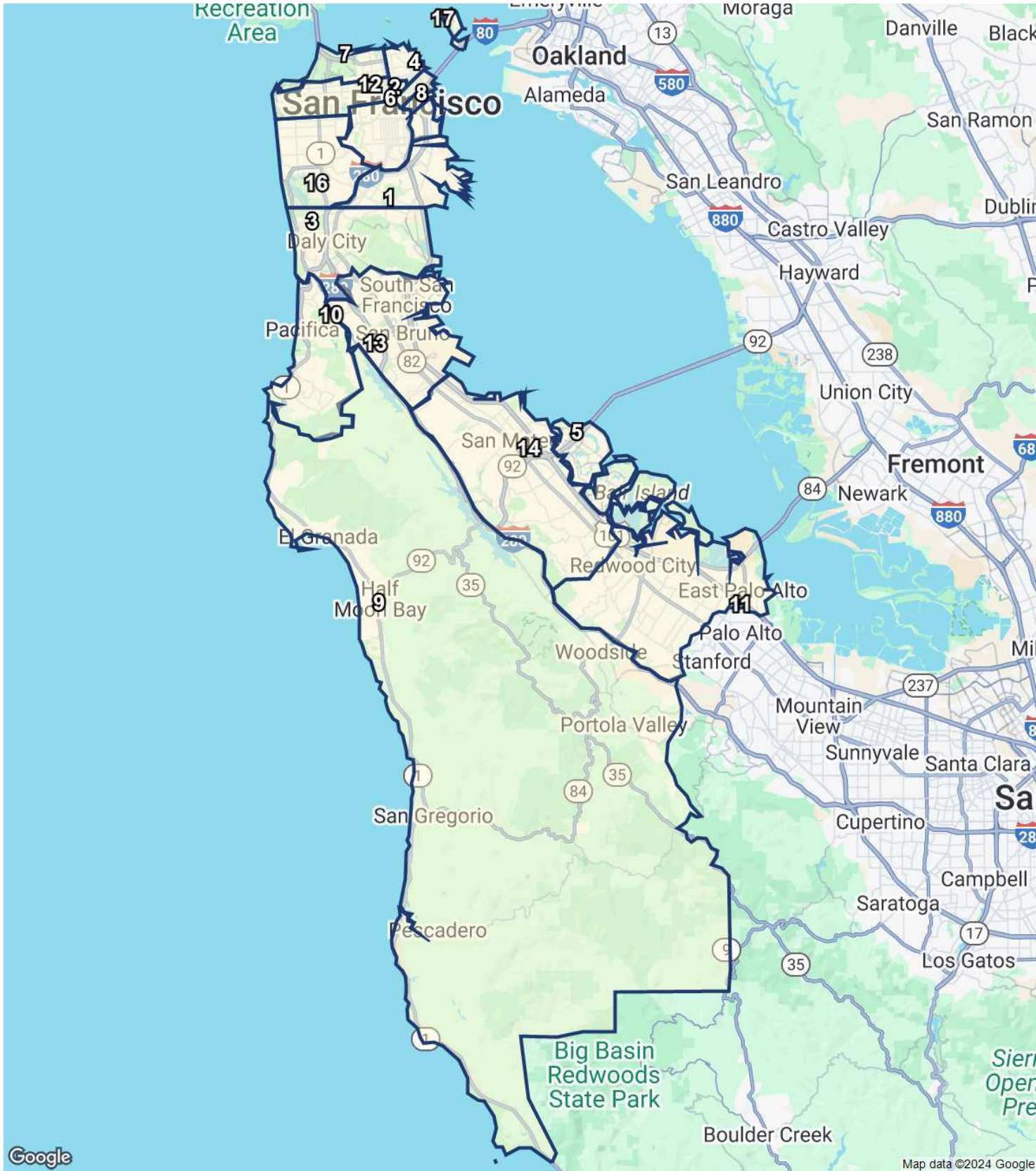


Source: Oxford Economics



# Submarkets

## SAN FRANCISCO SUBMARKETS



# Submarkets

## San Francisco Multi-Family

### SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	Units	% Market	Rank	Bldgs	Units	Percent	Rank	Bldgs	Units	Percent	Rank
1	Bayview/Visitacion Valley	91	1,313	0.7%	15	0	0	0%	-	0	0	0%	-
2	Civic Center/Tenderloin	228	10,818	5.8%	8	0	0	0%	-	0	0	0%	-
3	Daly City/Brisbane	181	6,960	3.7%	12	0	0	0%	-	0	0	0%	-
4	Downtown San Francisco	1,578	24,425	13.1%	1	0	0	0%	-	0	0	0%	-
5	Foster City/Redwood Sho...	32	5,919	3.2%	13	0	0	0%	-	0	0	0%	-
6	Haight-Ashbury/Castro/N...	1,786	21,312	11.4%	3	0	0	0%	-	1	146	0.7%	5
7	Marina/Pacific Heights/Pr...	947	14,973	8.0%	6	0	0	0%	-	0	0	0%	-
8	Mission Bay/China Basin...	84	8,069	4.3%	11	1	254	3.1%	3	2	566	7.0%	3
9	Outlying San Mateo County	30	346	0.2%	17	0	0	0%	-	0	0	0%	-
10	Pacifica	80	2,342	1.3%	14	0	0	0%	-	1	24	1.0%	6
11	Redwood City/Menlo Park	846	16,879	9.0%	5	2	776	4.6%	1	3	715	4.2%	2
12	Richmond/Western Addition	1,455	18,885	10.1%	4	0	0	0%	-	0	0	0%	-
13	S San Francisco/San Bru...	542	8,758	4.7%	10	1	195	2.2%	5	0	0	0%	-
14	San Mateo/Burlingame	1,227	22,363	12.0%	2	4	706	3.2%	2	2	731	3.3%	1
15	South Of Market	122	13,217	7.1%	7	0	0	0%	-	0	0	0%	-
16	Sunset/Lakeshore	519	9,333	5.0%	9	0	0	0%	-	0	0	0%	-
17	Treasure/Yerba Buena Isl...	2	680	0.4%	16	1	250	36.8%	4	3	455	66.9%	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	Bayview/Visitacion Valley	\$2,855	\$3.84	10	-0.2%	\$2,839	\$3.82	10	5.6%	0.6%	13
2	Civic Center/Tenderloin	\$2,382	\$4.26	7	-0.4%	\$2,369	\$4.24	7	0.6%	0.6%	12
3	Daly City/Brisbane	\$2,566	\$3.58	15	0.6%	\$2,546	\$3.55	14	0.9%	0.8%	7
4	Downtown San Francisco	\$2,799	\$4.68	3	2.4%	\$2,779	\$4.65	3	2.4%	0.7%	9
5	Foster City/Redwood Sho...	\$3,419	\$3.91	9	3.5%	\$3,406	\$3.89	9	4.4%	0.4%	17
6	Haight-Ashbury/Castro/N...	\$3,085	\$4.52	4	0.9%	\$3,063	\$4.49	4	2.3%	0.7%	8
7	Marina/Pacific Heights/Pr...	\$3,738	\$4.27	5	1.4%	\$3,724	\$4.26	5	1.5%	0.4%	15
8	Mission Bay/China Basin...	\$3,983	\$4.85	1	5.1%	\$3,944	\$4.80	1	5.8%	1.0%	5
9	Outlying San Mateo County	\$2,064	\$2.17	17	0.3%	\$2,057	\$2.16	17	0.3%	0.4%	16
10	Pacifica	\$2,788	\$3.67	13	1.1%	\$2,775	\$3.65	13	1.3%	0.5%	14
11	Redwood City/Menlo Park	\$3,211	\$3.98	8	4.5%	\$3,176	\$3.93	8	4.2%	1.1%	4
12	Richmond/Western Addition	\$2,701	\$4.27	6	1.1%	\$2,686	\$4.25	6	1.1%	0.6%	11
13	S San Francisco/San Bru...	\$3,087	\$3.55	16	0.9%	\$3,049	\$3.51	16	1.8%	1.2%	3
14	San Mateo/Burlingame	\$3,069	\$3.72	12	2.3%	\$3,040	\$3.68	11	2.4%	1.0%	6
15	South Of Market	\$3,609	\$4.83	2	3.1%	\$3,585	\$4.80	2	4.2%	0.7%	10
16	Sunset/Lakeshore	\$3,089	\$3.74	11	-1.0%	\$3,039	\$3.68	12	-1.8%	1.6%	2
17	Treasure/Yerba Buena Isl...	\$3,691	\$3.67	14	-0.7%	\$3,574	\$3.55	15	-3.9%	3.2%	1

### SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construc. Ratio
1	Bayview/Visitacion Valley	58	4.4%	5	134	10.2%	9	-
2	Civic Center/Tenderloin	787	7.3%	12	130	1.2%	10	-
3	Daly City/Brisbane	510	7.3%	13	49	0.7%	11	-
4	Downtown San Francisco	1,358	5.6%	9	168	0.7%	6	-
5	Foster City/Redwood Sho...	196	3.3%	2	41	0.7%	12	-
6	Haight-Ashbury/Castro/N...	1,600	7.5%	14	164	0.8%	7	-
7	Marina/Pacific Heights/Pr...	759	5.1%	8	22	0.1%	14	-
8	Mission Bay/China Basin...	506	6.3%	10	295	3.7%	4	0.9
9	Outlying San Mateo County	10	3.0%	1	1	0.3%	17	-
10	Pacifica	86	3.7%	3	23	1.0%	13	-
11	Redwood City/Menlo Park	1,377	8.2%	15	327	1.9%	3	2.4
12	Richmond/Western Addition	799	4.2%	4	159	0.8%	8	-
13	S San Francisco/San Bru...	426	4.9%	7	394	4.5%	2	0.5
14	San Mateo/Burlingame	1,082	4.8%	6	662	3.0%	1	0.7
15	South Of Market	894	6.8%	11	236	1.8%	5	-
16	Sunset/Lakeshore	1,030	11.0%	16	11	0.1%	16	-
17	Treasure/Yerba Buena Isl...	233	34.3%	17	17	2.5%	15	14.7

### OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	192,070	1,739	0.9%	1,977	1.0%	0.9
2027	190,331	1,072	0.6%	1,704	0.9%	0.6
2026	189,259	1,576	0.8%	1,834	1.0%	0.9
2025	187,683	913	0.5%	1,600	0.9%	0.6
2024	186,770	2,149	1.2%	2,646	1.4%	0.8
YTD	186,592	1,971	1.1%	2,375	1.3%	0.8
2023	184,621	1,185	0.6%	1,762	1.0%	0.7
2022	183,436	1,962	1.1%	3,261	1.8%	0.6
2021	181,474	2,733	1.5%	7,974	4.4%	0.3
2020	178,741	2,822	1.6%	(6,140)	-3.4%	-
2019	175,919	2,197	1.3%	847	0.5%	2.6
2018	173,722	2,481	1.4%	2,767	1.6%	0.9
2017	171,241	3,782	2.3%	3,151	1.8%	1.2
2016	167,459	3,767	2.3%	3,452	2.1%	1.1
2015	163,692	2,489	1.5%	1,868	1.1%	1.3
2014	161,203	2,291	1.4%	2,463	1.5%	0.9
2013	158,912	2,663	1.7%	2,456	1.5%	1.1
2012	156,249	179	0.1%	(175)	-0.1%	-

### 4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	48,470	1,791	3.8%	1,580	3.3%	1.1
2027	46,679	1,125	2.5%	1,230	2.6%	0.9
2026	45,554	1,480	3.4%	1,441	3.2%	1.0
2025	44,074	929	2.2%	1,450	3.3%	0.6
2024	43,145	2,149	5.2%	2,141	5.0%	1.0
YTD	42,967	1,971	4.8%	1,769	4.1%	1.1
2023	40,996	1,122	2.8%	981	2.4%	1.1
2022	39,874	1,500	3.9%	2,461	6.2%	0.6
2021	38,374	2,694	7.6%	4,561	11.9%	0.6
2020	35,680	2,642	8.0%	(1,155)	-3.2%	-
2019	33,038	2,156	7.0%	1,370	4.1%	1.6
2018	30,882	2,436	8.6%	2,882	9.3%	0.8
2017	28,446	3,692	14.9%	3,052	10.7%	1.2
2016	24,754	3,800	18.1%	3,589	14.5%	1.1
2015	20,954	2,411	13.0%	2,134	10.2%	1.1
2014	18,543	2,266	13.9%	2,069	11.2%	1.1
2013	16,277	2,374	17.1%	2,069	12.7%	1.1
2012	13,903	489	3.6%	380	2.7%	1.3

### 3 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	49,176	0	0%	141	0.3%	0
2027	49,176	0	0%	219	0.4%	0
2026	49,176	146	0.3%	178	0.4%	0.8
2025	49,030	23	0%	72	0.1%	0.3
2024	49,007	0	0%	252	0.5%	0
YTD	49,007	0	0%	287	0.6%	0
2023	49,007	63	0.1%	289	0.6%	0.2
2022	48,944	462	1.0%	487	1.0%	0.9
2021	48,482	39	0.1%	1,518	3.1%	0
2020	48,443	199	0.4%	(1,933)	-4.0%	-
2019	48,244	30	0.1%	(77)	-0.2%	-
2018	48,214	55	0.1%	(85)	-0.2%	-
2017	48,159	121	0.3%	127	0.3%	1.0
2016	48,038	13	0%	(62)	-0.1%	-
2015	48,025	85	0.2%	(248)	-0.5%	-
2014	47,940	20	0%	282	0.6%	0.1
2013	47,920	241	0.5%	229	0.5%	1.1
2012	47,679	(310)	-0.6%	(430)	-0.9%	0.7

### 1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	94,424	(52)	-0.1%	256	0.3%	-
2027	94,476	(53)	-0.1%	255	0.3%	-
2026	94,529	(50)	-0.1%	215	0.2%	-
2025	94,579	(39)	0%	78	0.1%	-
2024	94,618	0	0%	253	0.3%	0
YTD	94,618	0	0%	319	0.3%	0
2023	94,618	0	0%	492	0.5%	0
2022	94,618	0	0%	313	0.3%	0
2021	94,618	0	0%	1,895	2.0%	0
2020	94,618	(19)	0%	(3,052)	-3.2%	0
2019	94,637	11	0%	(446)	-0.5%	0
2018	94,626	(10)	0%	(30)	0%	0.3
2017	94,636	(31)	0%	(28)	0%	1.1
2016	94,667	(46)	0%	(75)	-0.1%	0.6
2015	94,713	(7)	0%	(18)	0%	0.4
2014	94,720	5	0%	112	0.1%	0
2013	94,715	48	0.1%	158	0.2%	0.3
2012	94,667	0	0%	(125)	-0.1%	0

### OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	9,881	5.1%	(0.2)	\$3,538	\$4.77	2.4%	(0.3)	\$3,509	\$4.73
2027	10,121	5.3%	(0.4)	\$3,457	\$4.66	2.7%	(1.0)	\$3,428	\$4.62
2026	10,752	5.7%	(0.2)	\$3,367	\$4.54	3.6%	(0.3)	\$3,339	\$4.50
2025	11,010	5.9%	(0.4)	\$3,249	\$4.38	3.9%	1.8	\$3,221	\$4.34
2024	11,695	6.3%	(0.3)	\$3,125	\$4.21	2.1%	2.3	\$3,099	\$4.18
YTD	11,713	6.3%	(0.3)	\$3,127	\$4.17	2.1%	2.3	\$3,101	\$4.14
2023	12,116	6.6%	(0.4)	\$3,060	\$4.08	-0.1%	(1.3)	\$3,020	\$4.02
2022	12,691	6.9%	(0.8)	\$3,063	\$4.08	1.2%	(4.7)	\$3,035	\$4.04
2021	13,981	7.7%	(3.0)	\$3,026	\$4.03	5.9%	13.5	\$2,983	\$3.97
2020	19,210	10.7%	4.9	\$2,857	\$3.80	-7.6%	(8.5)	\$2,787	\$3.71
2019	10,265	5.8%	0.7	\$3,092	\$4.13	0.9%	(1.8)	\$3,071	\$4.10
2018	8,907	5.1%	(0.2)	\$3,064	\$4.09	2.7%	1.4	\$3,033	\$4.05
2017	9,192	5.4%	0.3	\$2,984	\$3.99	1.3%	0.1	\$2,925	\$3.90
2016	8,558	5.1%	0.1	\$2,945	\$3.94	1.2%	(4.9)	\$2,886	\$3.85
2015	8,227	5.0%	0.3	\$2,909	\$3.89	6.1%	1.4	\$2,880	\$3.85
2014	7,604	4.7%	(0.2)	\$2,742	\$3.66	4.7%	0.4	\$2,721	\$3.63
2013	7,768	4.9%	0	\$2,619	\$3.50	4.3%	0	\$2,601	\$3.47
2012	7,562	4.8%	0.2	\$2,512	\$3.35	4.3%	-	\$2,498	\$3.34

### 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
2028	3,680	7.6%	0.2	\$4,346	\$5.24	2.2%	(0.3)	\$4,299	\$5.19
2027	3,469	7.4%	(0.4)	\$4,254	\$5.13	2.5%	(1.0)	\$4,208	\$5.08
2026	3,574	7.8%	(0.2)	\$4,149	\$5	3.5%	(0.3)	\$4,104	\$4.95
2025	3,535	8.0%	(1.4)	\$4,008	\$4.83	3.9%	1.0	\$3,964	\$4.78
2024	4,057	9.4%	(0.3)	\$3,859	\$4.65	2.9%	4.1	\$3,817	\$4.60
YTD	4,175	9.7%	0	\$3,873	\$4.59	3.1%	4.3	\$3,833	\$4.54
2023	3,972	9.7%	0.1	\$3,751	\$4.44	-1.3%	(1.8)	\$3,695	\$4.37
2022	3,830	9.6%	(2.9)	\$3,799	\$4.50	0.6%	(8.1)	\$3,765	\$4.46
2021	4,784	12.5%	(6.2)	\$3,777	\$4.47	8.7%	19.9	\$3,698	\$4.37
2020	6,647	18.6%	10.0	\$3,474	\$4.11	-11.2%	(11.6)	\$3,339	\$3.95
2019	2,854	8.6%	2.0	\$3,912	\$4.62	0.4%	(2.3)	\$3,885	\$4.59
2018	2,059	6.7%	(2.1)	\$3,897	\$4.61	2.6%	2.0	\$3,843	\$4.54
2017	2,504	8.8%	1.3	\$3,797	\$4.49	0.6%	(0.6)	\$3,687	\$4.36
2016	1,861	7.5%	(0.3)	\$3,774	\$4.47	1.2%	(3.9)	\$3,671	\$4.34
2015	1,634	7.8%	0.5	\$3,729	\$4.41	5.1%	0.9	\$3,685	\$4.36
2014	1,357	7.3%	0.3	\$3,546	\$4.20	4.2%	0.8	\$3,522	\$4.17
2013	1,150	7.1%	1.0	\$3,403	\$4.02	3.4%	(0.5)	\$3,373	\$3.99
2012	846	6.1%	0.6	\$3,289	\$3.89	3.9%	-	\$3,272	\$3.87

### 3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	2,519	5.1%	(0.3)	\$3,382	\$4.69	2.5%	(0.3)	\$3,356	\$4.65
2027	2,661	5.4%	(0.4)	\$3,298	\$4.57	2.8%	(0.9)	\$3,273	\$4.54
2026	2,879	5.9%	(0.1)	\$3,208	\$4.45	3.7%	(0.3)	\$3,184	\$4.41
2025	2,911	5.9%	(0.1)	\$3,092	\$4.29	4.0%	2.6	\$3,069	\$4.25
2024	2,959	6.0%	(0.5)	\$2,972	\$4.12	1.4%	0.6	\$2,950	\$4.09
YTD	2,924	6.0%	(0.6)	\$2,967	\$4.09	1.5%	0.6	\$2,945	\$4.06
2023	3,211	6.6%	(0.5)	\$2,931	\$4.04	0.9%	(0.9)	\$2,884	\$3.97
2022	3,437	7.0%	(0.1)	\$2,906	\$4	1.8%	(3.3)	\$2,874	\$3.96
2021	3,461	7.1%	(3.1)	\$2,855	\$3.93	5.1%	11.5	\$2,828	\$3.90
2020	4,938	10.2%	4.4	\$2,715	\$3.74	-6.4%	(7.4)	\$2,671	\$3.68
2019	2,810	5.8%	0.2	\$2,901	\$4.01	0.9%	(1.3)	\$2,878	\$3.97
2018	2,704	5.6%	0.3	\$2,874	\$3.97	2.2%	0.6	\$2,850	\$3.93
2017	2,564	5.3%	0	\$2,812	\$3.88	1.6%	1.1	\$2,767	\$3.82
2016	2,570	5.4%	0.2	\$2,767	\$3.82	0.6%	(6.9)	\$2,714	\$3.75
2015	2,494	5.2%	0.7	\$2,751	\$3.80	7.5%	3.1	\$2,720	\$3.76
2014	2,160	4.5%	(0.5)	\$2,560	\$3.53	4.4%	(1.1)	\$2,535	\$3.49
2013	2,423	5.1%	0	\$2,453	\$3.38	5.4%	0.4	\$2,438	\$3.36
2012	2,411	5.1%	0.3	\$2,326	\$3.21	5.0%	-	\$2,313	\$3.19

### 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
2028	3,682	3.9%	(0.3)	\$2,780	\$4.10	2.5%	(0.3)	\$2,766	\$4.08
2027	3,990	4.2%	(0.3)	\$2,713	\$4	2.8%	(1.0)	\$2,699	\$3.98
2026	4,299	4.5%	(0.3)	\$2,640	\$3.90	3.7%	(0.3)	\$2,626	\$3.88
2025	4,564	4.8%	(0.1)	\$2,545	\$3.76	4.0%	2.3	\$2,532	\$3.74
2024	4,679	4.9%	(0.3)	\$2,447	\$3.61	1.8%	1.0	\$2,434	\$3.59
YTD	4,614	4.9%	(0.3)	\$2,442	\$3.59	1.3%	0.6	\$2,429	\$3.57
2023	4,932	5.2%	(0.5)	\$2,404	\$3.53	0.7%	(0.9)	\$2,392	\$3.51
2022	5,423	5.7%	(0.3)	\$2,387	\$3.50	1.7%	(0.4)	\$2,370	\$3.48
2021	5,736	6.1%	(2.0)	\$2,348	\$3.45	2.1%	4.3	\$2,327	\$3.41
2020	7,625	8.1%	3.2	\$2,300	\$3.37	-2.3%	(4.1)	\$2,279	\$3.34
2019	4,600	4.9%	0.5	\$2,354	\$3.47	1.8%	(1.6)	\$2,341	\$3.45
2018	4,144	4.4%	0	\$2,311	\$3.40	3.4%	1.1	\$2,297	\$3.38
2017	4,124	4.4%	0	\$2,235	\$3.29	2.3%	0.1	\$2,218	\$3.26
2016	4,127	4.4%	0	\$2,185	\$3.22	2.2%	(4.1)	\$2,168	\$3.19
2015	4,099	4.3%	0	\$2,139	\$3.15	6.3%	0.3	\$2,127	\$3.13
2014	4,087	4.3%	(0.1)	\$2,012	\$2.95	6.0%	1.6	\$1,999	\$2.93
2013	4,195	4.4%	(0.1)	\$1,898	\$2.78	4.4%	0.3	\$1,888	\$2.76
2012	4,306	4.5%	0.1	\$1,818	\$2.66	4.1%	-	\$1,808	\$2.64

### 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
2028	-	-	-	-	-	-	\$670,805	255	4.1%
2027	-	-	-	-	-	-	\$614,084	234	4.4%
2026	-	-	-	-	-	-	\$566,301	215	4.6%
2025	-	-	-	-	-	-	\$529,922	202	4.7%
2024	-	-	-	-	-	-	\$521,077	198	4.6%
YTD	169	\$939.4M	2.2%	\$5,908,265	\$332,889	5.6%	\$525,854	200	4.5%
2023	185	\$1.7B	2.9%	\$9,230,363	\$321,162	5.2%	\$540,513	206	4.3%
2022	237	\$1.4B	1.8%	\$6,059,770	\$437,093	4.2%	\$624,797	238	3.7%
2021	211	\$1.1B	1.5%	\$5,404,027	\$421,690	4.3%	\$682,215	259	3.4%
2020	170	\$1.4B	1.8%	\$8,483,904	\$452,762	4.1%	\$594,741	226	3.6%
2019	466	\$2.9B	4.2%	\$11,363,281	\$562,818	4.0%	\$612,013	233	3.6%
2018	580	\$2.5B	5.3%	\$7,848,666	\$455,850	3.7%	\$580,351	221	3.7%
2017	610	\$1.7B	3.9%	\$5,652,892	\$414,172	3.6%	\$552,876	210	3.7%
2016	420	\$2.5B	4.7%	\$9,013,098	\$388,031	3.8%	\$525,813	200	3.8%
2015	380	\$1.8B	3.7%	\$7,003,898	\$403,113	3.9%	\$501,964	191	3.8%
2014	479	\$2.6B	6.8%	\$7,496,188	\$295,530	4.2%	\$453,288	172	3.9%
2013	380	\$2.3B	5.4%	\$7,819,731	\$328,541	4.7%	\$406,062	154	4.2%

(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. The price index is not smoothed.

### 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
2028	-	-	-	-	-	-	\$795,813	223	4.2%
2027	-	-	-	-	-	-	\$730,569	204	4.4%
2026	-	-	-	-	-	-	\$675,067	189	4.6%
2025	-	-	-	-	-	-	\$632,474	177	4.7%
2024	-	-	-	-	-	-	\$622,161	174	4.6%
YTD	5	\$255.2M	2.6%	\$63,787,500	\$381,390	4.1%	\$628,469	176	4.5%
2023	2	\$41.2M	0.2%	\$20,575,000	\$623,485	6.1%	\$666,508	186	4.3%
2022	1	\$206M	0.7%	\$206,000,000	\$792,308	-	\$777,920	218	3.6%
2021	2	\$146.6M	0.7%	\$73,300,000	\$523,571	3.6%	\$860,576	241	3.2%
2020	4	\$390.4M	2.3%	\$97,599,064	\$477,257	3.9%	\$751,883	210	3.5%
2019	11	\$1.4B	6.4%	\$159,201,111	\$770,742	4.7%	\$809,219	226	3.4%
2018	12	\$353.2M	4.8%	\$50,462,764	\$387,324	3.7%	\$770,205	215	3.5%
2017	5	\$454.2M	2.8%	\$90,849,677	\$572,101	-	\$738,323	206	3.5%
2016	5	\$774.7M	4.5%	\$154,930,000	\$687,966	3.9%	\$702,917	197	3.5%
2015	5	\$251.2M	3.7%	\$62,800,000	\$697,778	3.9%	\$673,421	188	3.5%
2014	5	\$1.2B	20.4%	\$232,826,000	\$307,077	5.7%	\$613,859	172	3.7%
2013	7	\$497.8M	12.2%	\$99,569,017	\$425,509	5.1%	\$557,520	156	3.9%

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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
2028	-	-	-	-	-	-	\$584,429	267	4.2%
2027	-	-	-	-	-	-	\$534,789	245	4.4%
2026	-	-	-	-	-	-	\$493,006	226	4.6%
2025	-	-	-	-	-	-	\$461,122	211	4.7%
2024	-	-	-	-	-	-	\$453,056	207	4.6%
YTD	30	\$212.9M	1.8%	\$7,604,821	\$372,264	6.2%	\$456,731	209	4.5%
2023	33	\$1.2B	8.1%	\$36,918,803	\$308,514	5.5%	\$470,608	215	4.4%
2022	32	\$378M	1.8%	\$11,811,015	\$427,548	4.4%	\$547,400	250	3.7%
2021	32	\$193M	1.1%	\$6,030,031	\$376,142	4.2%	\$603,848	276	3.3%
2020	32	\$343.4M	1.7%	\$10,731,790	\$421,371	3.8%	\$532,495	244	3.6%
2019	73	\$426.1M	2.8%	\$9,507,717	\$425,272	4.0%	\$534,883	245	3.6%
2018	106	\$854.3M	6.1%	\$11,240,892	\$471,993	3.9%	\$502,226	230	3.7%
2017	98	\$362.5M	2.7%	\$5,492,223	\$371,400	3.6%	\$478,937	219	3.8%
2016	69	\$917.5M	6.7%	\$16,384,820	\$298,003	3.7%	\$455,494	208	3.8%
2015	66	\$780.9M	4.4%	\$13,464,158	\$430,497	3.9%	\$430,576	197	3.8%
2014	76	\$412.4M	5.8%	\$5,976,749	\$272,029	4.0%	\$385,045	176	4.0%
2013	75	\$1.2B	7.2%	\$17,178,994	\$353,730	4.4%	\$342,023	156	4.2%

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### 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
2028	-	-	-	-	-	-	\$655,684	273	4.1%
2027	-	-	-	-	-	-	\$599,374	249	4.4%
2026	-	-	-	-	-	-	\$552,179	230	4.6%
2025	-	-	-	-	-	-	\$516,446	215	4.7%
2024	-	-	-	-	-	-	\$507,902	211	4.6%
YTD	134	\$471.3M	2.3%	\$3,711,253	\$298,121	5.5%	\$512,516	213	4.5%
2023	150	\$448.1M	1.4%	\$2,987,645	\$344,199	5.1%	\$516,357	215	4.4%
2022	204	\$844.9M	2.3%	\$4,168,243	\$397,602	4.2%	\$591,512	246	3.8%
2021	177	\$800.7M	2.0%	\$4,523,665	\$418,989	4.3%	\$637,319	265	3.4%
2020	134	\$691.5M	1.6%	\$5,238,503	\$456,424	4.1%	\$551,652	229	3.7%
2019	382	\$1B	4.1%	\$5,096,748	\$451,984	4.0%	\$557,426	232	3.7%
2018	462	\$1.3B	5.1%	\$5,472,137	\$468,012	3.7%	\$529,812	220	3.8%
2017	507	\$856.5M	4.8%	\$3,806,760	\$377,322	3.6%	\$502,277	209	3.8%
2016	346	\$840.5M	3.7%	\$3,820,366	\$361,964	3.8%	\$477,338	198	3.9%
2015	309	\$781.9M	3.3%	\$3,968,976	\$336,151	3.9%	\$456,755	190	3.9%
2014	398	\$1B	4.6%	\$3,725,679	\$293,165	4.2%	\$411,670	171	4.1%
2013	298	\$600.2M	3.4%	\$2,753,054	\$247,083	4.8%	\$366,634	152	4.3%

(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. The price index is not smoothed.

### DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2028	-	192,073	5.1%	-	1,792	-	1,739	-	-
2027	-	190,334	5.3%	-	1,125	-	1,073	-	-
2026	-	189,261	5.7%	-	1,626	-	1,576	-	-
2025	-	187,685	5.9%	-	961	-	915	-	-
2024	-	186,770	6.3%	-	2,139	-	2,139	-	-
YTD	9,752	186,602	6.3%	8	1,971	8	1,971	12	2,637
2023	9,744	184,631	6.6%	7	1,185	7	1,185	18	4,042
2022	9,737	183,446	6.9%	15	1,962	15	1,962	18	3,518
2021	9,722	181,484	7.7%	23	2,733	23	2,733	21	3,326
2020	9,699	178,751	10.7%	20	2,841	19	2,822	37	4,981
2019	9,680	175,929	5.8%	19	2,197	19	2,197	44	6,691
2018	9,661	173,732	5.1%	14	2,491	13	2,481	40	5,589
2017	9,648	171,251	5.4%	23	3,820	19	3,782	30	4,909
2016	9,629	167,469	5.1%	19	3,813	15	3,767	30	5,654
2015	9,614	163,702	5.0%	17	2,496	16	2,489	38	8,628
2014	9,598	161,213	4.7%	15	2,291	15	2,291	33	6,794
2013	9,583	158,922	4.9%	19	2,703	16	2,663	27	5,239
2012	9,567	156,259	4.8%	5	489	4	179	27	4,513