

Q3 **CBRE**
2023
BAY AREA
MULTIFAMILY
MARKET



PREFACE

CBRE is pleased to introduce the Q3 2023 San Francisco Bay Area Multifamily Market Report, the most current and comprehensive multifamily data available for the nine county Bay Area. This report has been assembled to empower the decision making of multifamily professionals active in the Bay Area market.

Data contributions and validations to this publication were made by:

- [CBRE Research](#)
- [CBRE Econometric Advisors](#)
- [Yardi Matrix](#)
- [Axio RealPage](#)
- [CoStar](#)
- [U.S. Department of Housing and Urban Development](#)
- [U.S. Census Bureau](#)
- [Real Capital Analytics](#)
- [MSCI Real Assets](#)

Whatever your multifamily needs may be, please feel free to reach out to us. CBRE has the most comprehensive data on the market and can provide information on a macro or micro level based on class, city, submarket, zip code, vintage, size, proximity to transit stations, and many other variations.

We welcome your inquiries into the Bay Area multifamily market and encourage you to contact us with any questions.

For a market analysis on your property or more information contact:



Jeffrey Henderson
+1 408 453 7461
jefrey.henderson@cbre.com



Jon Teel
+1 408 453 7434
jon.teel@cbre.com



Katie Hayden
+1 949 419 4980
katie.hayden@cbre.com



Adam Foley
+1 408 893 8063
adam.foley@cbre.com




Ben Mollahan
+1 925 330 3642
ben.mollahan@cbre.com


SAN JOSE FUNDAMENTALS


 **NEW SUPPLY**
481 Units

 **ABSORPTION**
732 Units

 **OCCUPANCY**
95.7%

 **QOQ CHANGE (BPS)**
120 BPS

 **MONTHLY RENT**
\$3,089

 **Rent PSF**
\$3.57

 **# OF SALES**
32 Assets

 **SALES VOLUME**
\$382,992,000


SAN FRANCISCO FUNDAMENTALS


 **NEW SUPPLY**
1,124 Units

 **ABSORPTION**
1,494 Units

 **OCCUPANCY**
95.2%

 **QOQ CHANGE (BPS)**
60 BPS

 **MONTHLY RENT**
\$3,201


 **Rent PSF**
\$4.03

 **# OF SALES**
72 Assets

 **SALES VOLUME**
\$272,578,193


OAKLAND FUNDAMENTALS


 **NEW SUPPLY**
1,260 Units

 **ABSORPTION**
1,141 Units

 **OCCUPANCY**
94.8%

 **QOQ CHANGE (BPS)**
180 BPS

 **MONTHLY RENT**
\$2,615

 **Rent PSF**
\$3.13

 **# OF SALES**
55 Assets

 **SALES VOLUME**
\$194,623,429

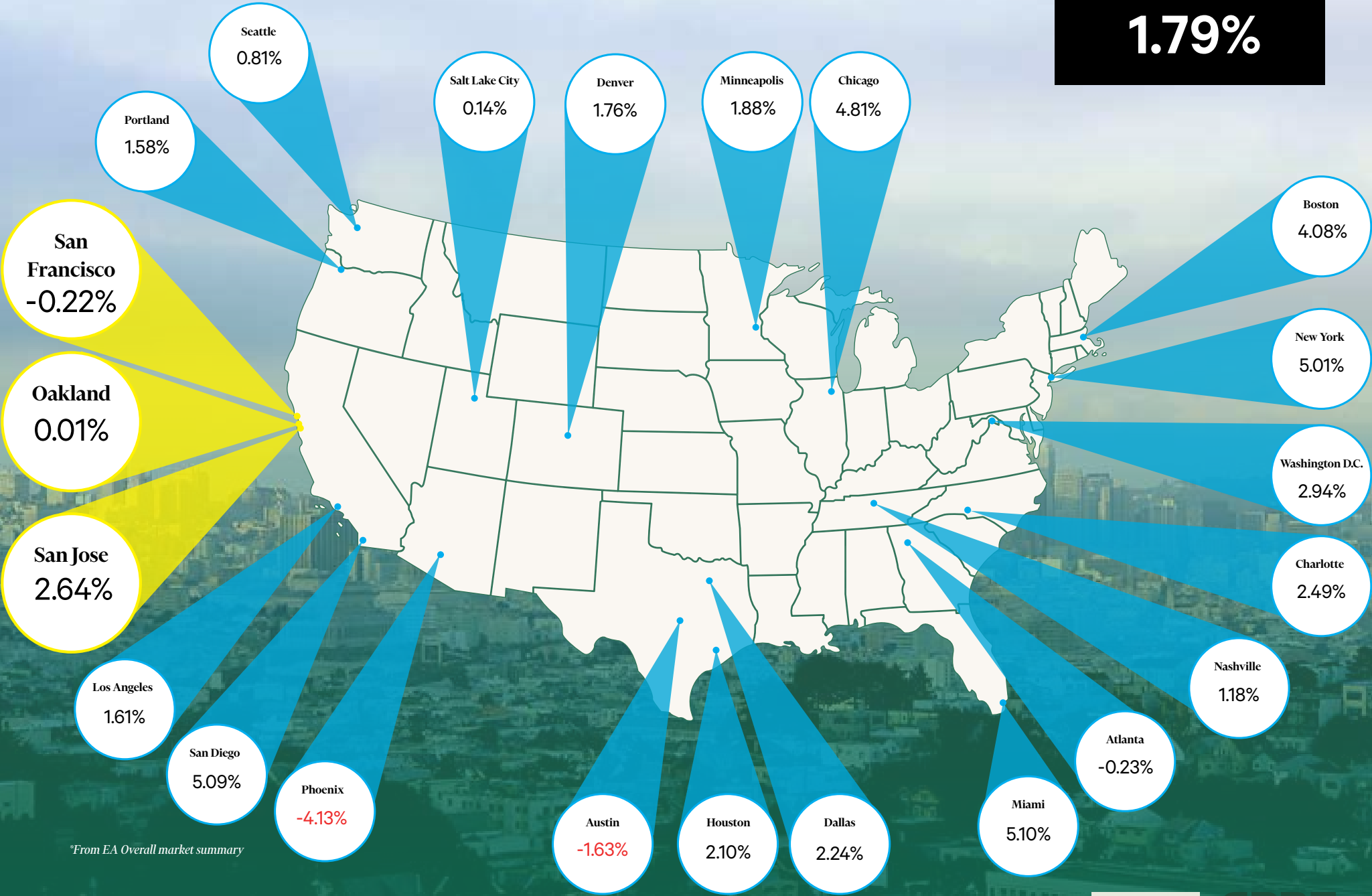
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National Rent Growth YoY

U.S.
1.79%



*From EA Overall market summary

National Rent Trends YoY

Average Rent Growth

		Atlanta	Austin	Boston	Charlotte	Chicago	Dallas	Denver	Houston	Los Angeles	Miami	Minneapolis	Nashville	New York	Oakland	Phoenix	Portland	Salt Lake City	San Francisco	San Jose	San Diego	Seattle	Washington D.C.
Metro	YoY	-0.2%	-1.6%	4.1%	2.5%	4.8%	2.2%	1.8%	2.1%	16%	5.1%	1.9%	1.2%	5.0%	0.0%	-4.1%	16%	0.1%	-0.2%	2.6%	5.1%	0.8%	2.9%
	5 Year	34.6%	29.7%	19.9%	36.6%	18.4%	29.6%	24.1%	15.5%	14.9%	35.1%	11.6%	32.7%	14.4%	6.3%	45.9%	23.6%	36.8%	-5.4%	3.7%	36.1%	16.5%	13.9%
Downtown	YoY	0.5%	-4.4%	4.3%	2.5%	2.5%	0.9%	2.2%	1.7%	-1.2%	4.4%	1.6%	-1.2%	3.8%	-1.7%	-3.4%	3.2%	-0.7%	-0.8%	2.7%	2.9%	-1.3%	3.0%
	5 Year	17.3%	12.9%	6.7%	20.8%	9.6%	16.1%	15.1%	3.9%	10%	37.9%	-2.0%	19.8%	8.9%	-3.9%	27.6%	3.6%	23.0%	-9.6%	5.3%	18.8%	0.1%	4.0%

Suburban vs Urban Average Rents By Metro

Q2 2023		Atlanta	Austin	Boston	Charlotte	Chicago	Dallas	Denver	Houston	Los Angeles	Miami	Minneapolis	Nashville	New York	Oakland	Phoenix	Portland	Salt Lake City	San Francisco	San Jose	San Diego	Seattle	Washington D.C.
Metro	Monthly Rent	\$1,691	\$1,668	\$2,781	\$1,601	\$1,934	\$1,589	\$1,904	\$1,358	\$2,807	\$2,571	\$1,537	\$1,653	\$3,568	\$2,615	\$1,612	\$1,755	\$1,591	\$3,201	\$3,089	\$2,829	\$2,108	\$2,080
	Rent PSF	\$1.69	\$1.92	\$3.14	\$1.68	\$2.31	\$1.79	\$2.19	\$1.50	\$3.30	\$2.80	\$1.70	\$1.78	\$4.36	\$3.13	\$1.88	\$2.07	\$1.81	\$4.03	\$3.57	\$3.20	\$2.58	\$2.41
Downtown	Monthly Rent	\$1,967	\$2,711	\$4,016	\$2,109	\$2,782	\$2,184	\$2,296	\$2,114	\$2,946	\$3,301	\$1,729	\$2,149	\$5,473	\$2,833	\$1,791	\$1,840	\$1,851	\$3,159	\$2,949	\$3,145	\$2,514	\$2,594
	Rent PSF	\$2.17	\$3.06	\$4.81	\$2.37	\$3.43	\$2.30	\$2.77	\$2.26	\$3.39	\$3.62	\$2.13	\$2.69	\$7.18	\$3.51	\$2.16	\$2.57	\$2.23	\$4.44	\$3.43	\$3.91	\$3.51	\$3.80



National Quick Facts QoQ

12 Month Net Units Delivered		
2022 TOTAL	345,700	Increase of 49.8% QoQ
Q1 2023	61,027	
Q2 2023	91,424	

Average Rent		
2022 TOTAL	\$2,143	Increase of 1.1% QoQ
Q1 2023	\$2,140	
Q2 2023	\$2,164	

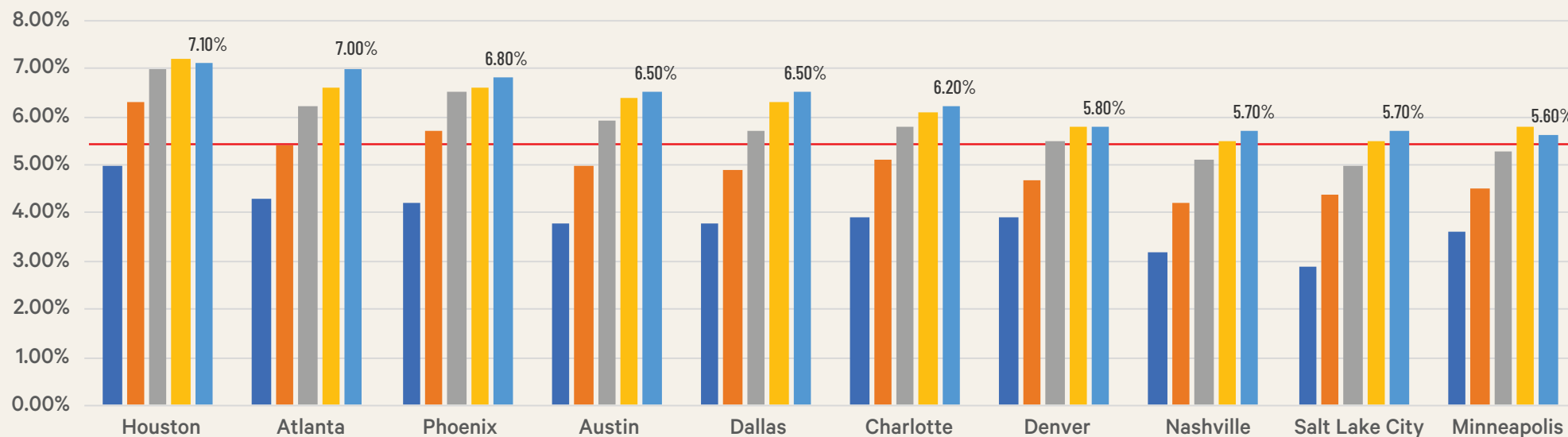
Average Occupancy Rate		
2022 TOTAL	96.50%	Decrease of 0.1% QoQ
Q1 2023	95.10%	
Q2 2023	95.00%	

12 Month Absorption		
2022 TOTAL	-7,607	Increase of 5,653% QoQ
Q1 2023	1,220	
Q2 2023	70,184	

Average Annual Rent Growth		
2022 TOTAL	4.61%	Increase of 1.00% QoQ
Q1 2023	-0.12%	
Q2 2023	1.13%	

Average Rent PSF		
2022 TOTAL	\$2.46	Increase of 1.2% QoQ
Q1 2023	\$2.46	
Q2 2023	\$2.49	

VACANCY BY MARKET Q2 2022 - Q2 2023



National Vacancy Trends

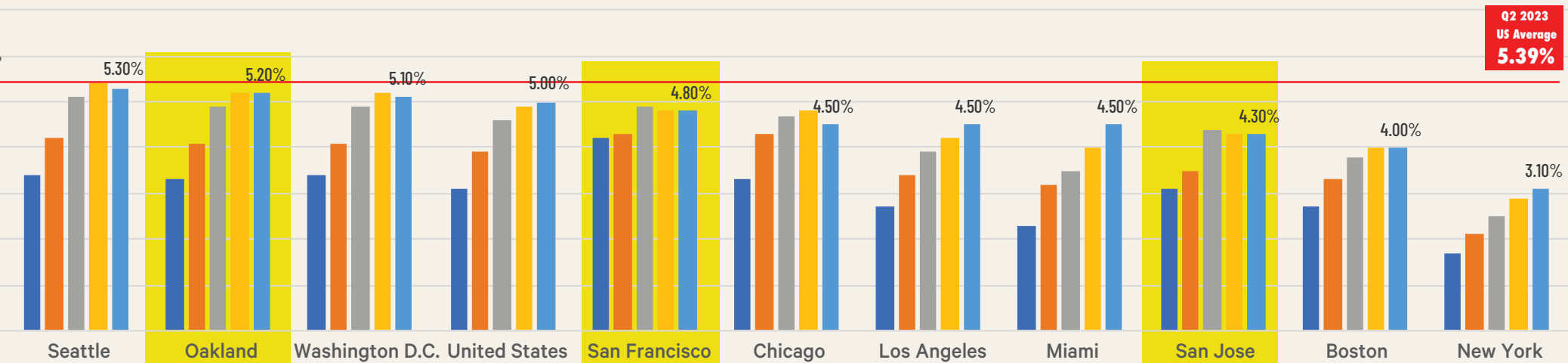
U.S. AVERAGE VACANCY RATE BY VINTAGE & BUILDING TYPE

Year	Year Built						Building Type	
	1960s	1970s	1980s	1990s	2000s	2010+	Garden-Style	High-Rise
2020	4.40%	4.50%	4.40%	4.40%	4.60%	5.50%	4.30%	5.70%
Q1 2021	4.90%	4.80%	4.60%	4.40%	4.60%	5.50%	4.40%	6.10%
Q2 2021	4.40%	4.10%	3.90%	3.70%	3.80%	4.40%	3.70%	5.10%
Q3 2021	3.40%	3.00%	2.90%	2.70%	2.80%	3.10%	2.80%	3.60%
Q4 2021	2.80%	2.60%	2.60%	2.50%	2.60%	2.80%	2.50%	3.20%
Q1 2022	2.70%	2.50%	2.40%	2.50%	2.60%	2.70%	2.40%	3.00%
Q2 2022	3.20%	3.20%	3.30%	3.30%	3.40%	3.60%	3.30%	3.80%
Q3 2022	4.00%	4.10%	4.30%	4.30%	4.40%	4.40%	4.30%	4.60%
Q4 2022	4.70%	5.00%	5.10%	5.10%	5.10%	5.20%	5.10%	5.30%
Q1 2023	5.20%	5.40%	5.40%	5.30%	5.40%	5.50%	5.60%	5.60%
Q2 2023	5.40%	5.60%	5.50%	5.40%	5.50%	5.40%	5.70%	5.70%

VACANCY BY MARKET Q3 2022-Q2 2023

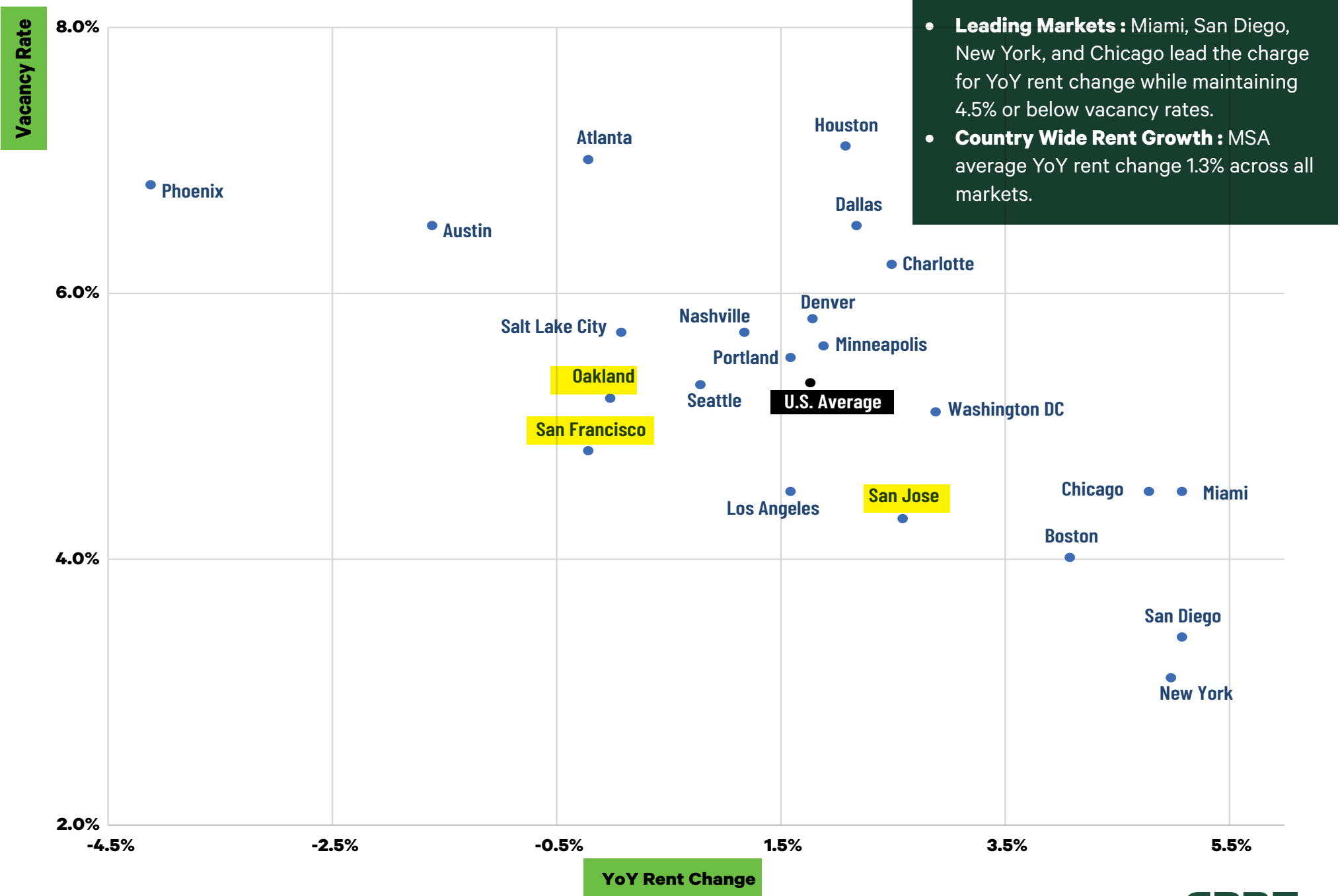
	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Atlanta	5.40%	6.20%	6.60%	7.00%
Austin	5.00%	5.90%	6.40%	6.50%
Boston	3.30%	3.80%	4.00%	4.00%
Charlotte	5.10%	5.80%	6.10%	6.20%
Chicago	4.30%	4.70%	4.80%	4.50%
Dallas	4.90%	5.70%	6.30%	6.50%
Denver	4.70%	5.50%	5.80%	5.80%
Houston	6.30%	7.00%	7.20%	7.10%
Los Angeles	3.40%	3.90%	4.20%	4.50%
Miami	3.20%	3.50%	4.00%	4.50%
Minneapolis	4.50%	5.30%	5.80%	5.60%
Nashville	4.20%	5.10%	5.50%	5.70%
New York	2.10%	2.50%	2.90%	3.10%
Oakland	4.10%	4.90%	5.20%	5.20%
Phoenix	5.70%	6.50%	6.60%	6.80%
Salt Lake City	4.40%	5.00%	5.50%	5.70%
San Francisco	4.30%	4.90%	4.80%	4.80%
San Jose	3.50%	4.40%	4.30%	4.30%
Seattle	4.20%	5.10%	5.40%	5.30%
United States	3.90%	4.60%	4.90%	5.00%
Washington D.C.	4.10%	4.90%	5.20%	5.10%

■ Q2 2022 ■ Q3 2022 ■ Q4 2022 ■ Q1 2023 ■ Q2 2023

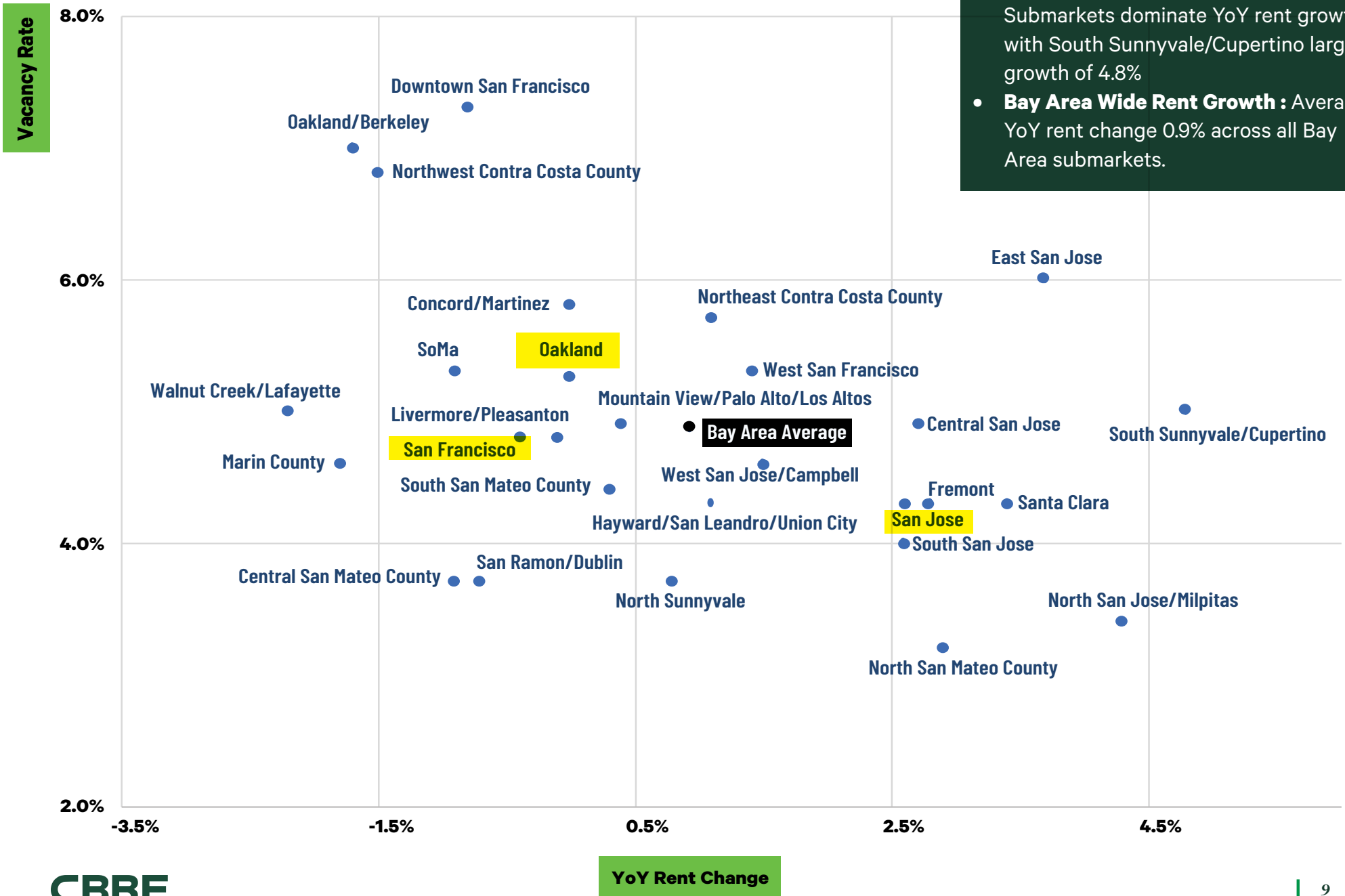


**Q2 2023
US Average
5.39%**

National Markets YoY Rent & Vacancy Changes



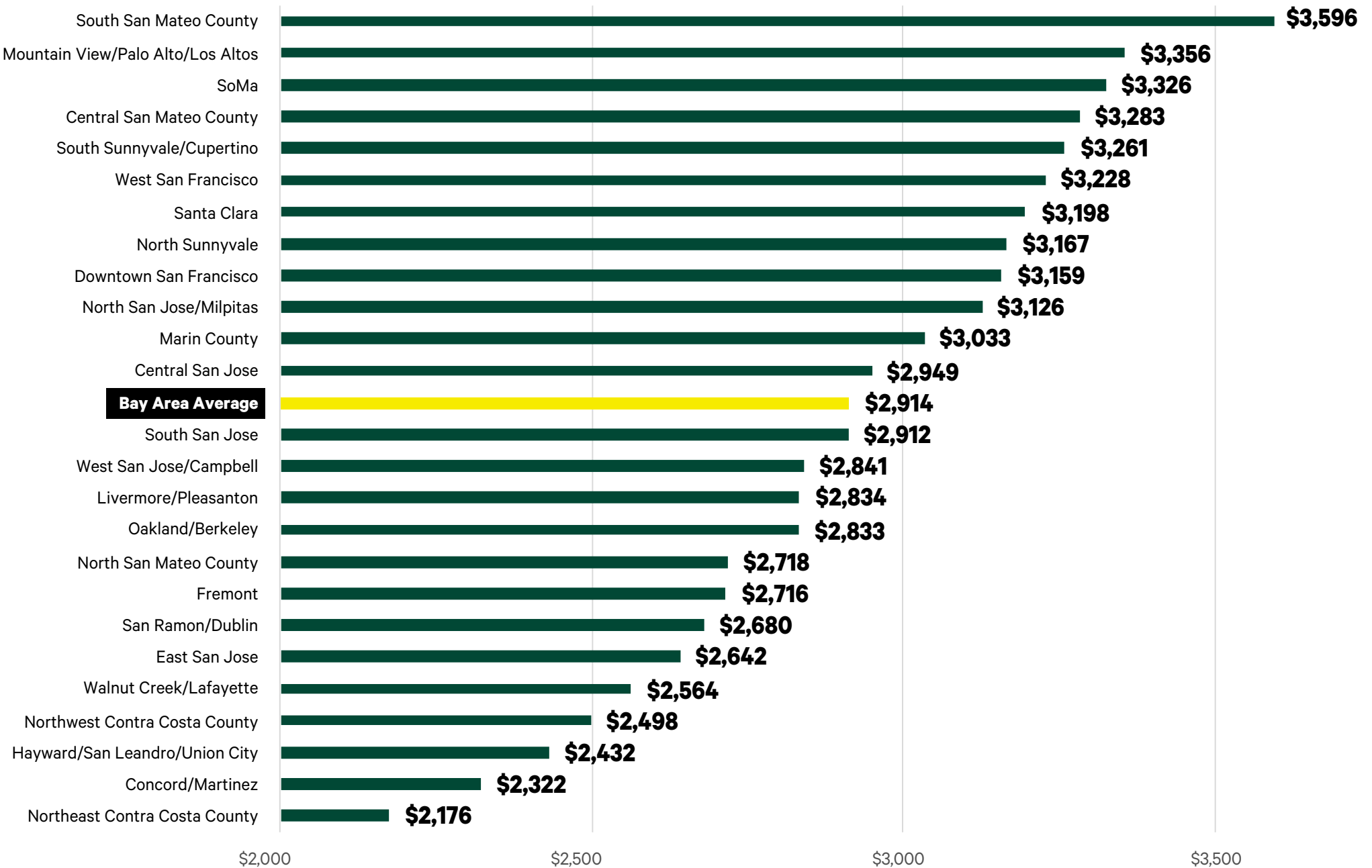
Bay Area Submarkets YoY Rent & Vacancy Changes



- **Leading Markets :** Santa Clara County Submarkets dominate YoY rent growth with South Sunnyvale/Cupertino largest growth of 4.8%
- **Bay Area Wide Rent Growth :** Average YoY rent change 0.9% across all Bay Area submarkets.

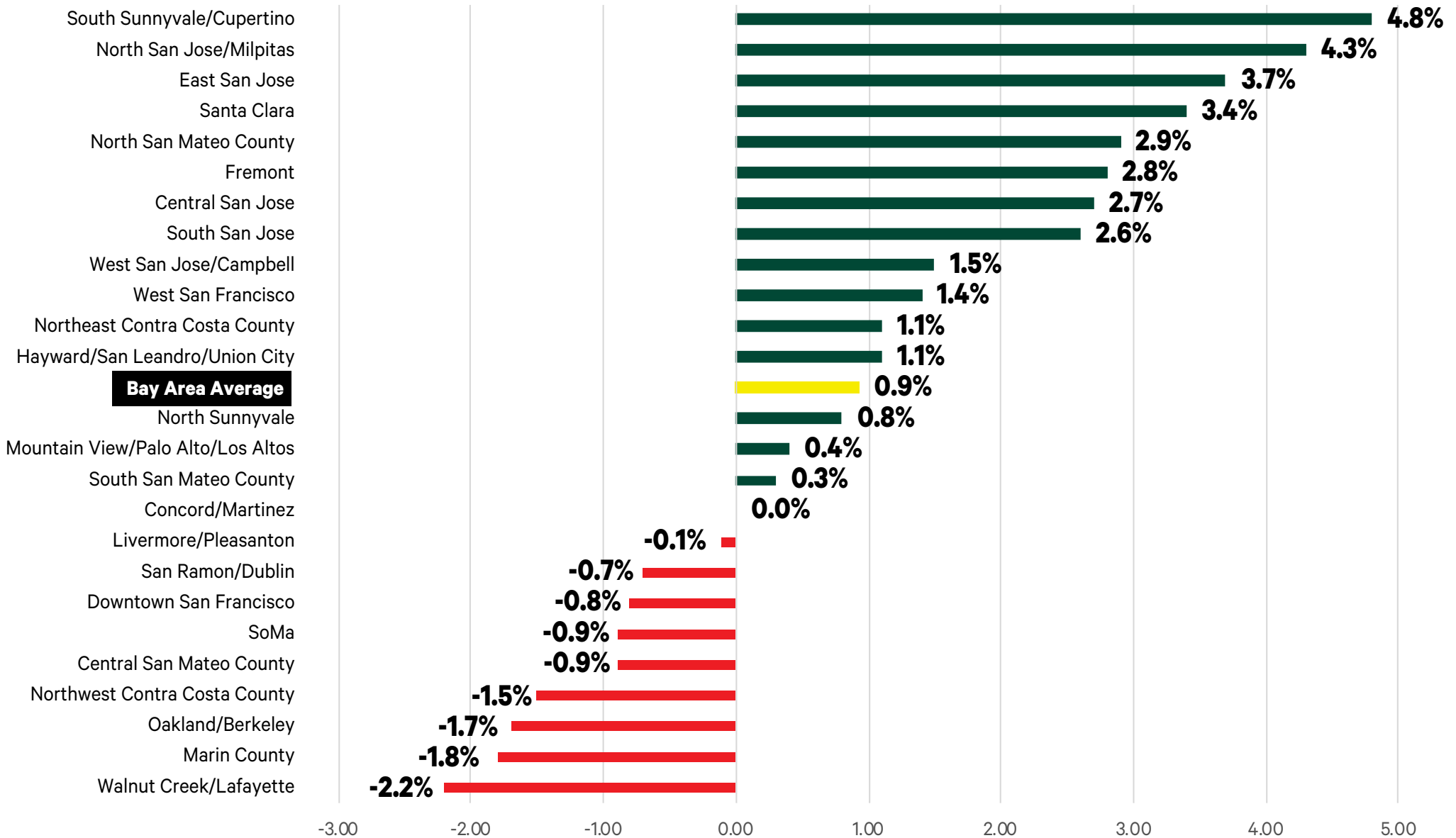
Bay Area Submarket Rankings: Rent

Q2 2023 Average Monthly Rent Per Unit



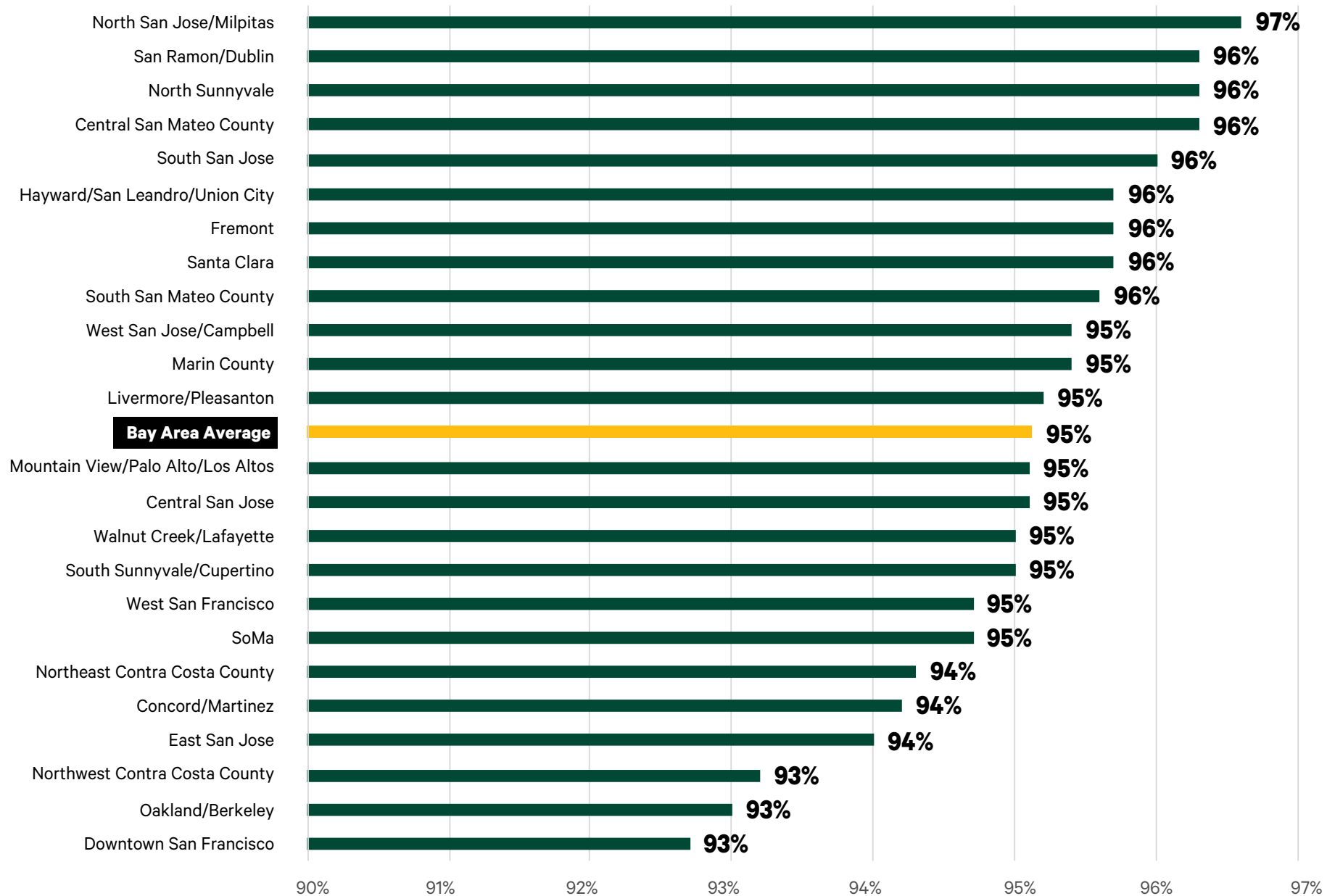
Bay Area Submarket Rankings: Rent

YoY Rent Change



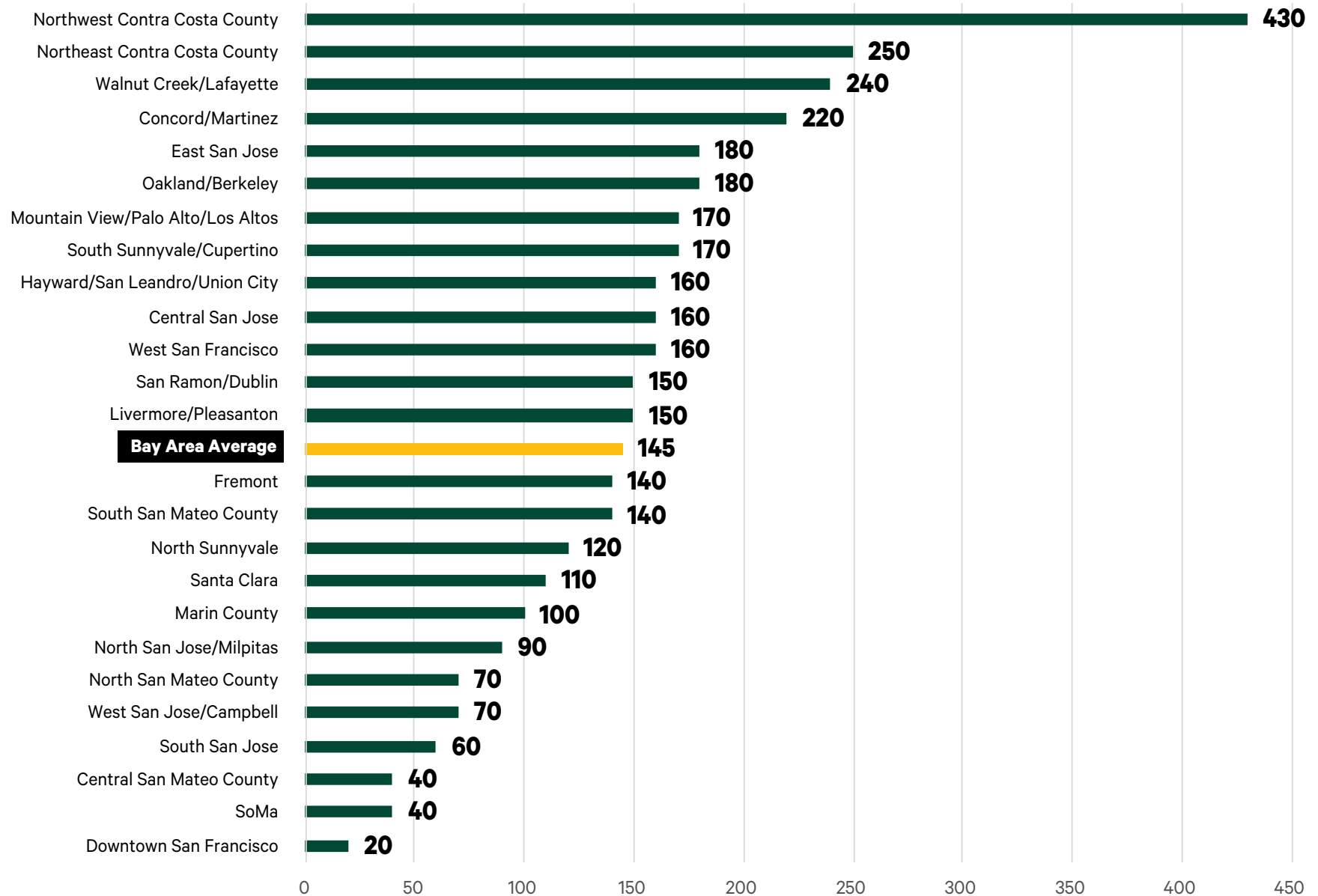
Bay Area Submarket Rankings: Occupancy

Q1 2023 Average Occupancy



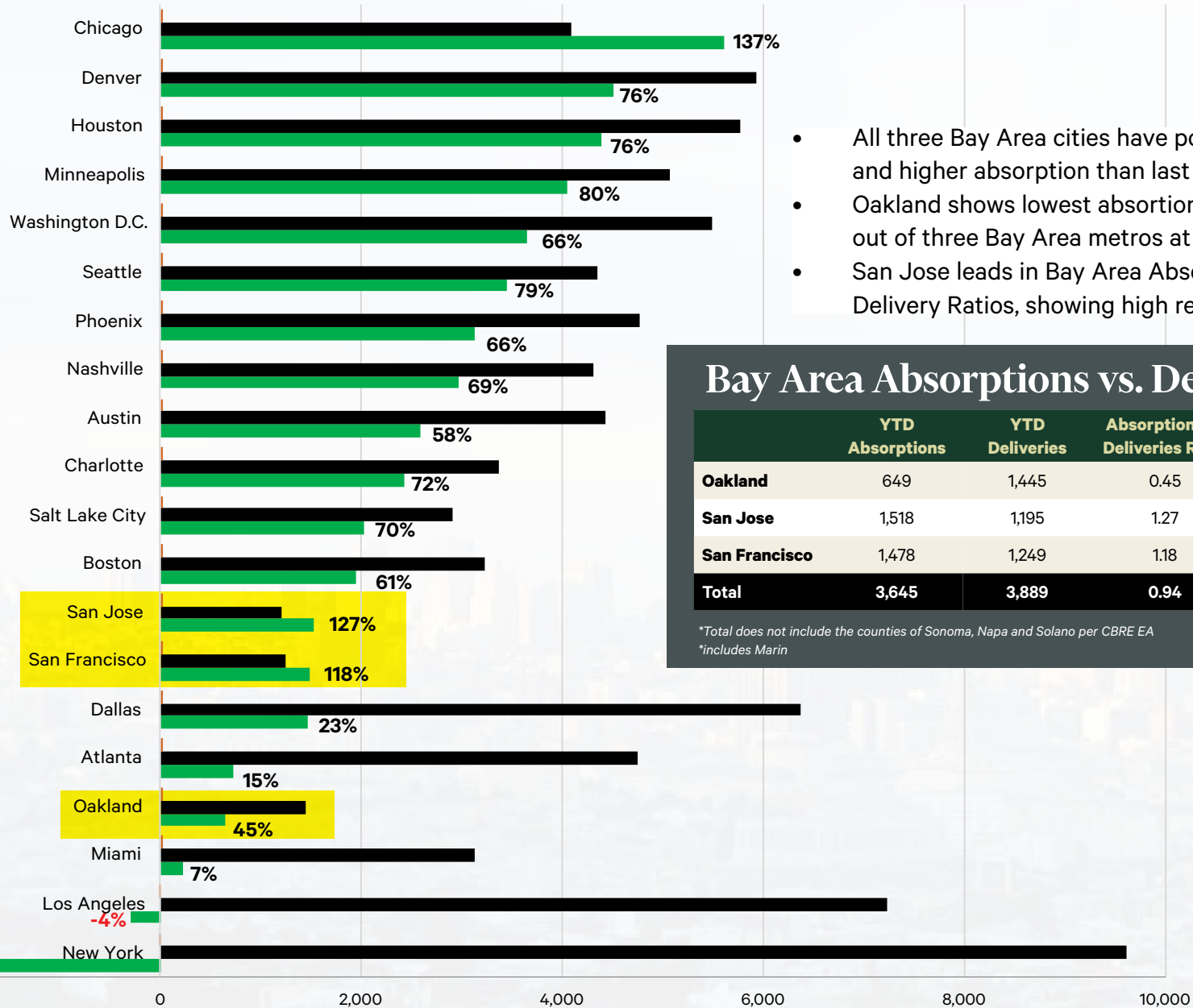
Bay Area Submarket Rankings: Vacancy

YoY Vacancy Change (BPS)



U.S. Absorptions & Deliveries

2023 Deliveries YTD 2023 Absorptions YTD



- All three Bay Area cities have positive absorption and higher absorption than last year
- Oakland shows lowest absorption to delivery ratio out of three Bay Area metros at 45%
- San Jose leads in Bay Area Absorption to Delivery Ratios, showing high renter demand

Bay Area Absorptions vs. Deliveries

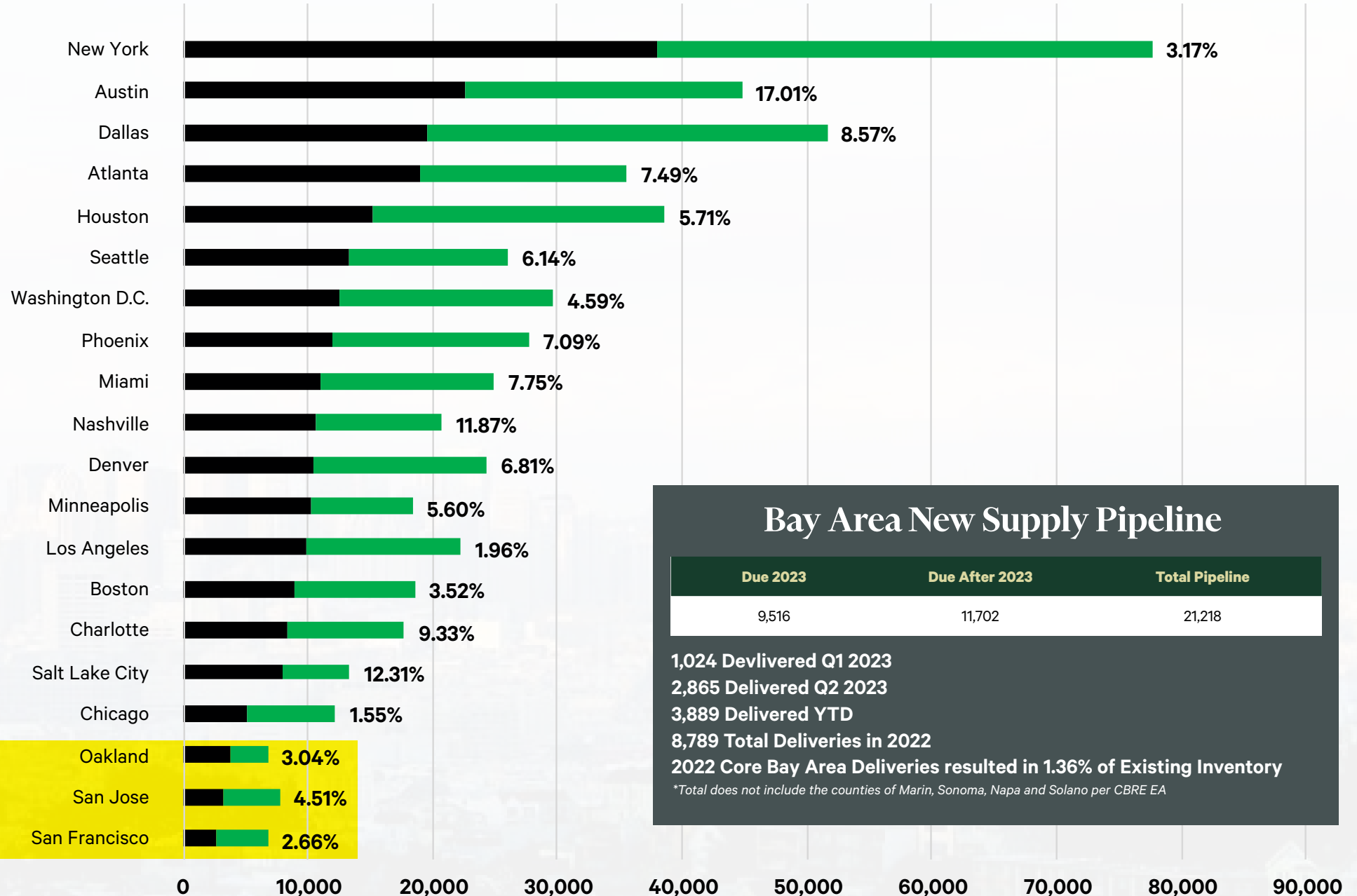
	YTD Absorptions	YTD Deliveries	Absorptions to Deliveries Ratio	% of E.I.
Oakland	649	1,445	0.45	0.65%
San Jose	1,518	1,195	1.27	0.70%
San Francisco	1,478	1,249	1.18	0.49%
Total	3,645	3,889	0.94	0.60%

*Total does not include the counties of Sonoma, Napa and Solano per CBRE EA
*includes Marin

U.S. Under Construction

■ Due Current Year ■ Due After Current Year

Sorted by Units Due in 2023



Bay Area New Supply Pipeline

Due 2023	Due After 2023	Total Pipeline
9,516	11,702	21,218

1,024 Delivered Q1 2023

2,865 Delivered Q2 2023

3,889 Delivered YTD

8,789 Total Deliveries in 2022

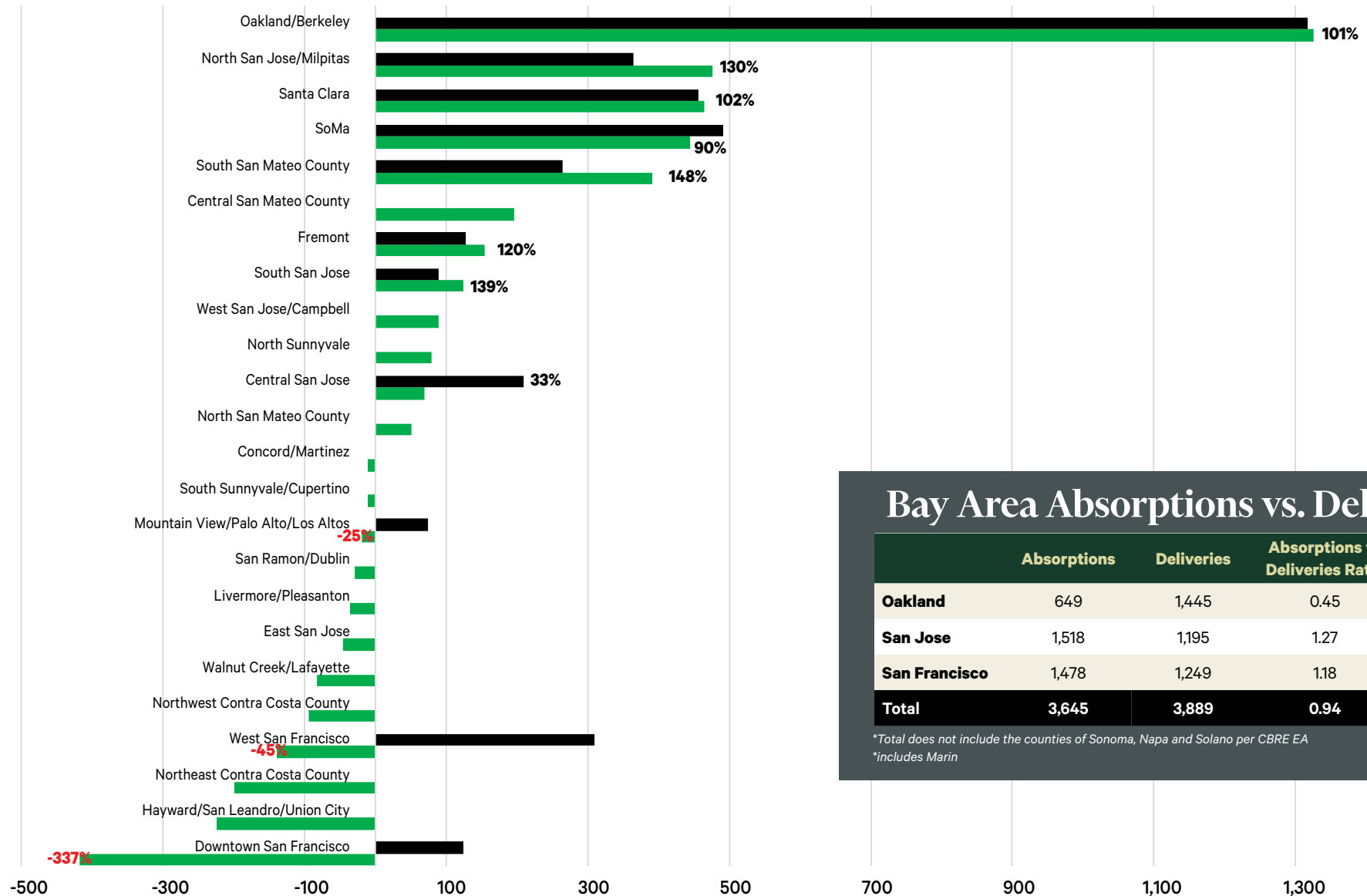
2022 Core Bay Area Deliveries resulted in 1.36% of Existing Inventory

*Total does not include the counties of Marin, Sonoma, Napa and Solano per CBRE EA

Bay Area Absorptions & Deliveries

■ 2023 Deliveries YTD ■ 2023 Absorptions YTD

- **San Francisco:** Deliveries up 871% QoQ but absorption up 1,510 Units
- **Oakland/ East Bay:** Deliveries up 581% QoQ and absorption up 1,633 Units
- **San Jose:** Deliveries down 32% QoQ and absorption down 54 Units



Bay Area Absorptions vs. Deliveries

	Absorptions	Deliveries	Absorptions to Deliveries Ratio	% of E.I.
Oakland	649	1,445	0.45	0.65%
San Jose	1,518	1,195	1.27	0.70%
San Francisco	1,478	1,249	1.18	0.49%
Total	3,645	3,889	0.94	0.60%

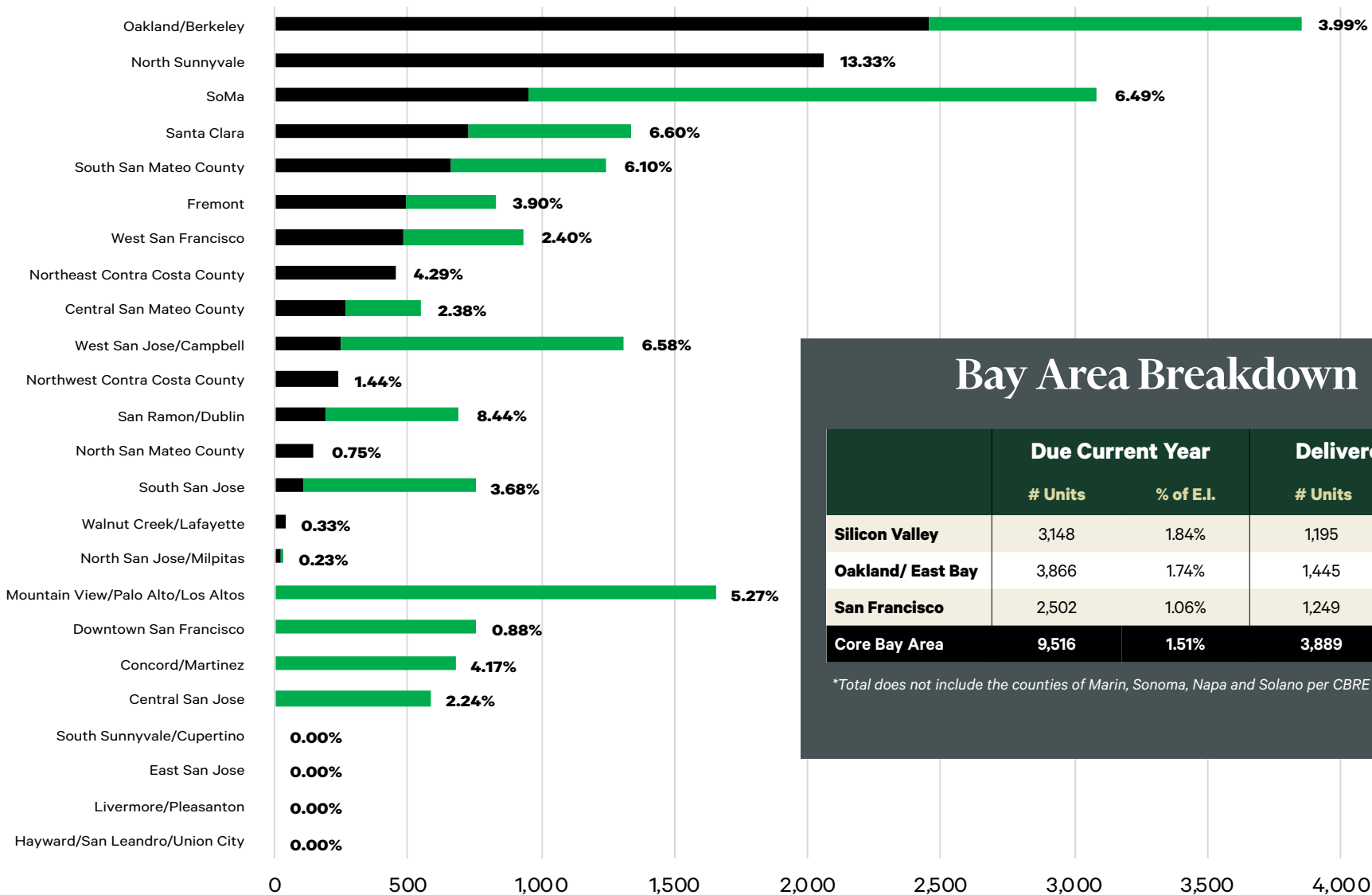
*Total does not include the counties of Sonoma, Napa and Solano per CBRE EA
*includes Marin

Bay Area Under Construction

■ Due Current Year ■ Due After Current Year

Sorted by Units Due in 2023

- The total units under construction make up 3.3% of the Core Bay Area inventory
- Oakland and Berkeley lead in units UC due this year
- SoMa leads in units UC due after the current year



Bay Area Breakdown

	Due Current Year		Delivered YTD	
	# Units	% of E.I.	# Units	% of E.I.
Silicon Valley	3,148	1.84%	1,195	0.70%
Oakland/ East Bay	3,866	1.74%	1,445	0.65%
San Francisco	2,502	1.06%	1,249	0.49%
Core Bay Area	9,516	1.51%	3,889	0.60%

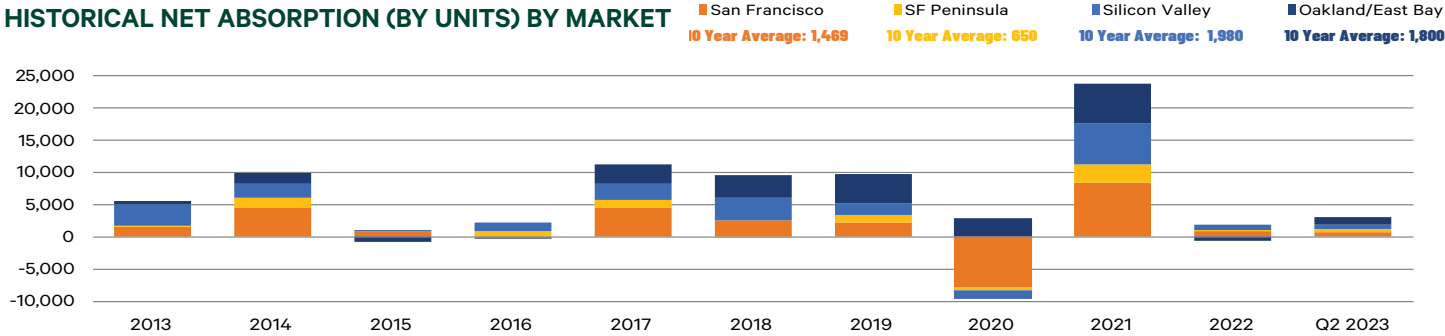
*Total does not include the counties of Marin, Sonoma, Napa and Solano per CBRE EA

Bay Area Q2 2023 Fundamentals

Market/Submarket	Existing Inventory (Units)	Completions			Net Absorption		Vacancy Rate		Rent per Unit			
		Current Qtr. (Units)	Current Qtr. (% of E.I.)	YTD (Units)	Current Qtr. (Units)	YTD (Units)	Current Qtr. (%)	YOY Chg. (BPS)*	Current Qtr. (\$)	Q2 2023 (\$)	QOQ Chg. (\$)	YOY Chg. (%)
San Francisco / SF Peninsula	254,858	1,124	0.4%	1,249	1,305	492	4.8	81	3,192	3,180	12	-0.2
Downtown San Francisco	86,132	7	0.0%	124	29	-418	7.3	20	3,159	3,211	-52	-0.8
SoMa	47,554	483	1.0%	491	524	444	5.3	40	3,326	3,368	-43	-0.9
Marin County	19,236	60	0.3%	60	107	-34	4.6	100	3,033	3,130	-96	-1.8
West San Francisco	38,938	309	0.8%	309	266	-139	5.3	160	3,228	3,171	57	1.4
Central San Mateo County	22,921	0	0.0%	0	134	197	3.7	40	3,283	3,207	76	-0.9
North San Mateo County	19,657	0	0.0%	0	-30	51	3.2	70	2,718	2,695	23	2.9
South San Mateo County	20,420	265	1.3%	265	275	391	4.4	140	3,595	3,480	115	0.3
Silicon Valley	171,255	481	0.3%	1,195	634	1,229	4.5	126	3,050	3,009	41	2.6
Central San Jose	26,208	80	0.3%	210	12	70	4.90	160	2,949	2,905	44	2.7
East San Jose	12,582	0	0.0%	0	11	-45	6.00	180	2,642	2,599	42	3.7
Mountain View/Palo Alto/Los Altos	31,432	0	0.0%	75	-6	-19	4.90	170	3,356	3,392	-36	0.4
North San Jose/Milpitas	14,306	0	0.0%	365	38	476	3.40	90	3,126	3,051	75	4.3
North Sunnyvale	15,414	0	0.0%	0	89	80	3.70	120	3,167	3,096	71	0.8
Santa Clara	20,283	391	1.9%	456	420	465	4.30	110	3,198	3,144	54	3.4
South San Jose	20,442	10	0.0%	89	120	124	4.00	60	2,912	2,844	67	2.6
South Sunnyvale/Cupertino	10,672	0	0.0%	0	-15	-11	5.00	170	3,261	3,228	32	4.8
West San Jose/Campbell	19,916	0	0.0%	0	-35	89	4.60	70	2,841	2,821	19	1.5
Oakland/East Bay	222,585	1,260	0.6%	1,445	1,297	807	5.3	213	2,562	2,551	11	0.0
Concord/Martinez	16,254	0	0.0%	0	88	-10	5.80	220	2,322	2,324	-2	0.0
Fremont	21,184	128	0.6%	128	80	154	4.30	140	2,716	2,696	21	2.8
Hayward/San Leandro/Union City	31,866	0	0.0%	0	-35	-224	4.30	160	2,432	2,421	11	1.1
Livermore/Pleasanton	9,029	0	0.0%	0	12	-35	4.80	150	2,834	2,819	16	-0.1
Northeast Contra Costa County	10,590	0	0.0%	0	-22	-199	5.70	250	2,176	2,171	4	1.1
Northwest Contra Costa County	16,154	0	0.0%	0	4	-94	6.80	430	2,498	2,446	52	-1.5
Oakland/Berkeley	96,417	1,132	1.2%	1,317	1,230	1,326	7.00	180	2,833	2,872	-39	-1.7
San Ramon/Dublin	8,190	0	0.0%	0	-32	-29	3.70	150	2,680	2,627	54	-0.7
Walnut Creek/Lafayette	12,901	0	0.0%	0	-28	-82	5.00	240	2,564	2,580	-16	-2.2
Total Bay Area Market	648,698	2,865	0.4%	3,889	3,236	2,528	4.9	140	2,935	2,913	21	0.6

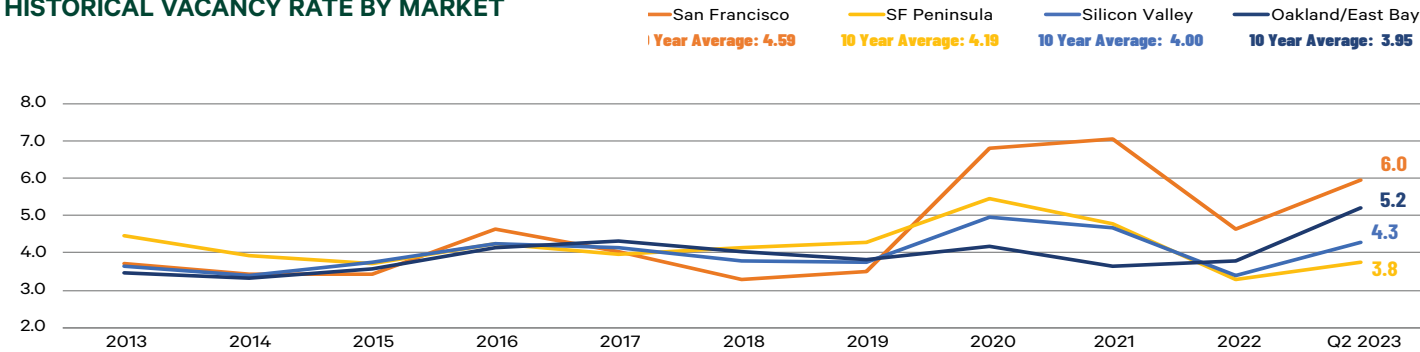
Bay Area Q2 2023 Fundamentals

HISTORICAL NET ABSORPTION (BY UNITS) BY MARKET



Silicon Valley, SF Peninsula, SF Proper, and the East Bay all record positive net absorption. The East Bay shows the most significant improvement QoQ.

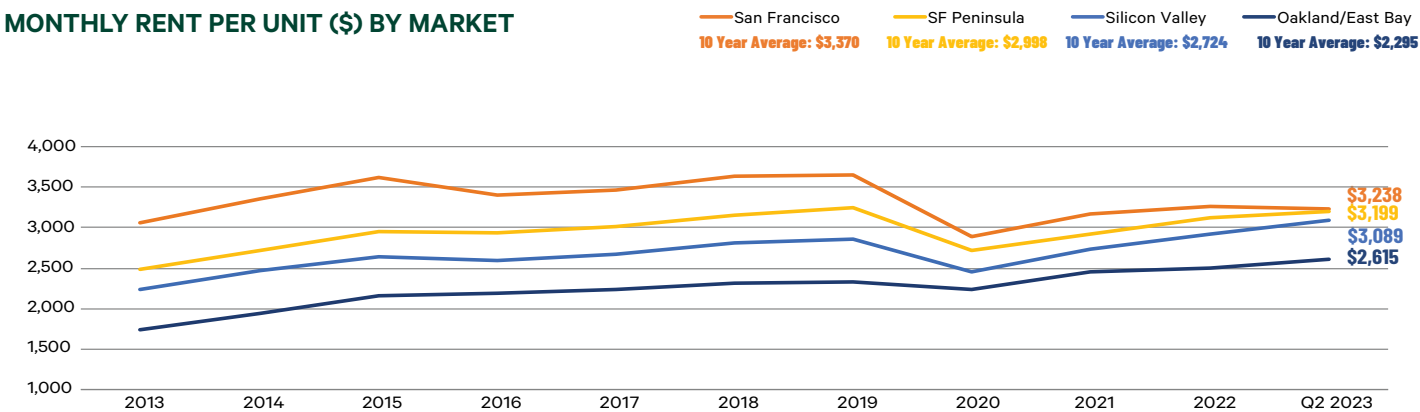
HISTORICAL VACANCY RATE BY MARKET



Vacancy rates stay flat in both Silicon Valley and the East Bay. Significant vacancy increase of 37 BPS recorded in SF Proper market while SF Peninsula market only decreases 10 BPS.

	San Francisco	SF Peninsula	Silicon Valley	Oakland/East Bay
Peak%	7.07	5.47	4.94	5.20
QOQ % Change	7%	-3%	0%	0%

MONTHLY RENT PER UNIT (\$) BY MARKET

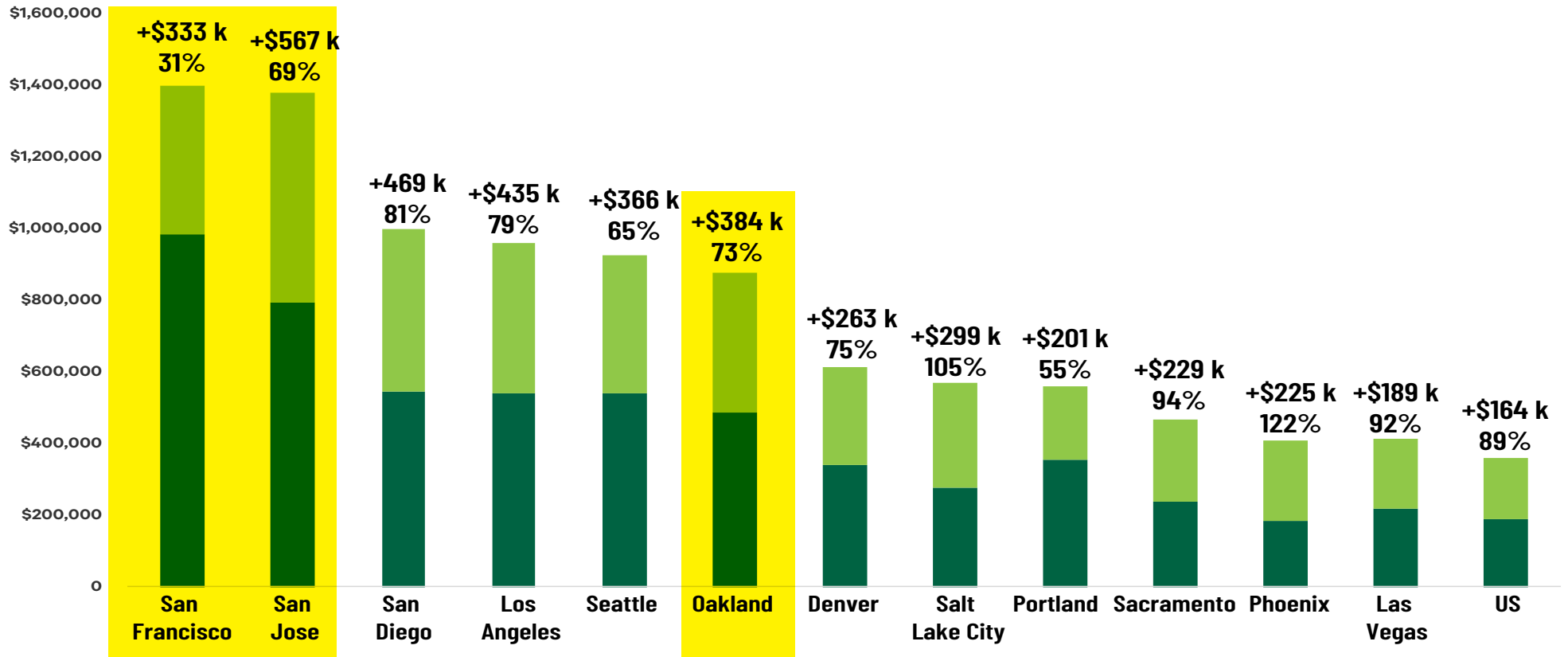


Effective rental rates increased across all SF Proper, SF Peninsula, Silicon Valley and the East Bay. The Silicon Valley as the largest increase at 6.0% QoQ. SF Proper records the smallest positive rental rate growth of 50 BPS. The average QoQ rental rate decrease was 3.6% over the four markets.

	San Francisco	SF Peninsula	Silicon Valley	Oakland/East Bay
Peak \$	\$3,649	\$3,254	\$3,089	\$2,615
QOQ \$ Change	\$18	\$72	\$175	\$140
QOQ % Change	0.5%	2.3%	6.0%	5.7%

Median Single-Family Home Value: Q1 2015 vs Q2 2023

2015 Median Home Price 2023 Median Home Price



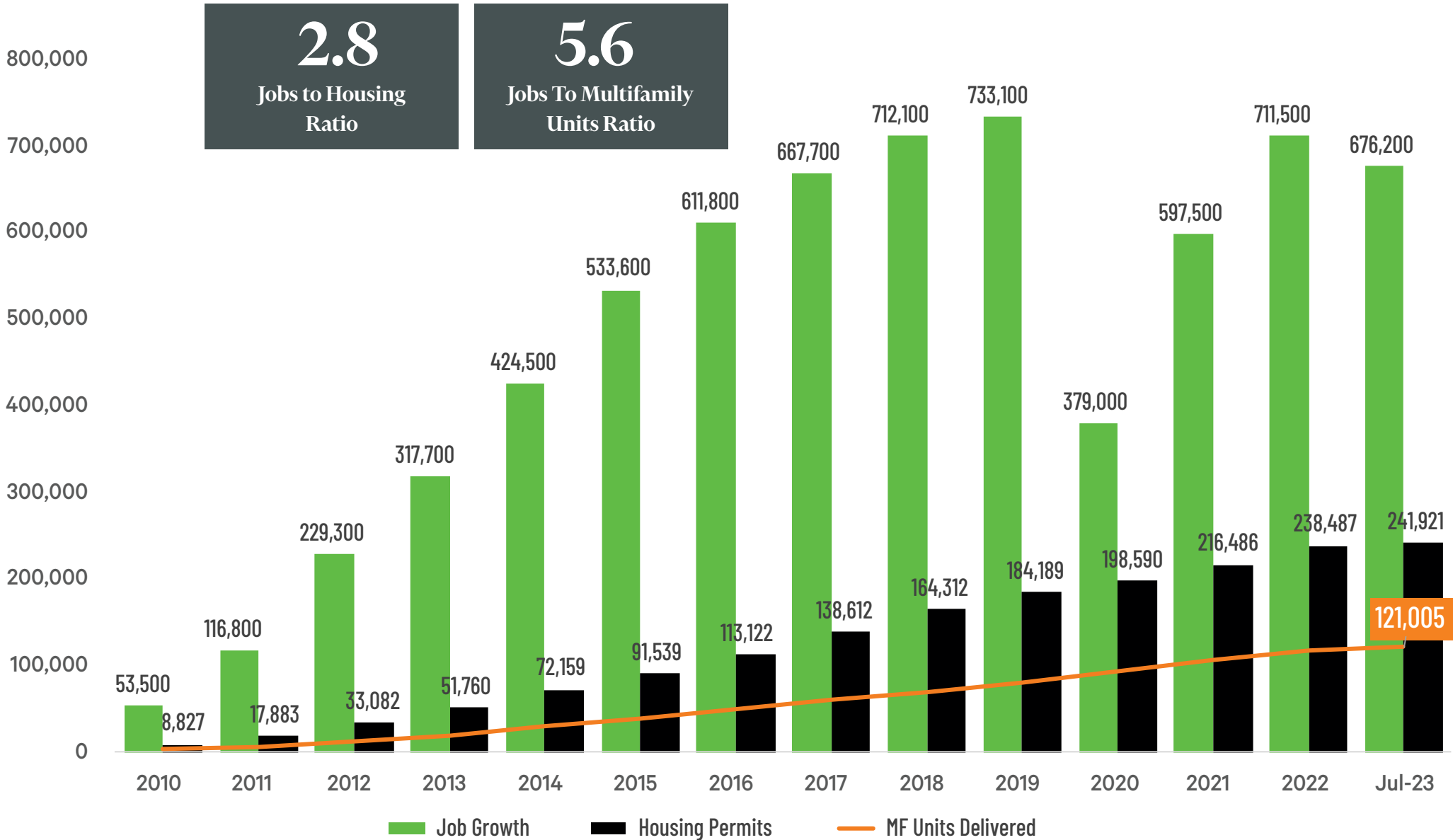
MEDIAN HOME PRICE vs. MEDIAN HOUSEHOLD INCOME

	San Francisco	San Jose	San Diego	Los Angeles	Seattle	Oakland	Denver	Salt Lake City	Portland	Sacramento	Phoenix	Las Vegas	US
MHP	\$1,399,412	\$1,392,321	\$1,045,609	\$987,300	\$926,599	\$886,466	\$614,203	\$583,609	\$566,906	\$473,566	\$409,481	\$395,715	\$349,329
MHI	\$129,536	\$130,295	\$96,517	\$76,152	\$115,656	\$89,420	\$85,243	\$70,189	\$84,170	\$78,218	\$71,736	\$62,391	\$72,603
Ratio	10.8	10.7	10.8	13.0	8.0	9.9	7.2	8.3	6.7	6.1	5.7	6.3	4.8
RTI 23	31%	28%	38%	43%	24%	37%	28%	28%	25%	29%	26%	28%	29%
RTI 19	35%	28%	30%	44%	33%	43%	26%	24%	23%	24%	21%	21%	26%
MTI 23	67%	64%	64%	78%	49%	61%	46%	52%	42%	39%	38%	44%	40%
MTI 19	53%	44%	41%	56%	37%	48%	34%	38%	32%	27%	25%	29%	23%

ZILLOW MEDIAN HOME PRICE GROWTH

	San Francisco	San Jose	San Diego	Los Angeles	Seattle	Oakland	Denver	Salt Lake City	Portland	Sacramento	Phoenix	Las Vegas	US
2022 YE	-5.7%	18.2%	27.7%	16.4%	8.3%	1.5%	19.0%	16.1%	5.3%	16.0%	21.4%	11.6%	11.9%
8-yr avg	3.1%	6.9%	8.1%	7.9%	6.5%	7.3%	7.5%	10.5%	5.5%	9.4%	12.2%	9.2%	8.9%

Cumulative Bay Area Jobs to Housing Gap: 2010 - July 2023



San Jose Quick Facts

Inventory		
2021	167,822	2.05% increase (Over Q4 2021)
2022	170,060	
2023 (Q2)	171,255	0.70% increase (Over Q4 2022)
10 Year Avg Annual Increase	1.37%	

Units Delivered		
	Units	% of Existing Inventory
2021	1,894	1.13%
2022	2,238	1.32%
2023 (Q2)	481	0.28%

Net Absorption			
	UNITS	Absorption to Completion %	
2021	6,724	355%	-89% YoY Change
2022	295	13%	148% QoQ Change
2023 (Q2)	732	152%	
Last 5 Year Avg	1,793		
Last 10 Year Avg	1,912		

Average Rent Per Month		
2021	2,803	11.0% Increase (Over 2020)
2022	3,061	9.2% Increase (Over 2021)
2023 (Q2)	3,089	-0.9% Decrease (Over Q4 2022)
3 Year Average (2021-2023)	\$2,984	

Average Rent Per Square Foot		
2021	3.19	11.1% Increase (Over 2020)
2022	3.52	10.3% Increase (Over 2021)
2023 (Q2)	3.57	-1.4% Decrease (Over Q4 2022)
10 Year Average Annual Increase	2.63%	

Occupancy		
2021	95.4%	0.5% Increase (Over 2020)
2022	96.6%	1.3% Increase (Over 2021)
2023 (Q2)	95.7%	-0.9% Decrease (Over Q4 2022)
3 Year Average (2021-2023)	95.9%	
10 Year Average (2014-2023)	95.8%	



TAKEAWAY

- Average price per square foot in San Jose during Q2 2023 was \$3.57
- Occupancy remained healthy at 95.7% during Q2 2023
- 481 units were delivered during Q2 2023



MARKET SNAPSHOT

Q2 2023

\$3,089

Average Monthly Rent

\$3.57

Average Rent PSF

95.7%

Average Occupancy

Year-Over-Year

\$80

Monthly Rent Increase

\$0.13

Rent PSF

120 BPS

Occupancy

Quarter-Over-Quarter

\$50

Rent Decrease

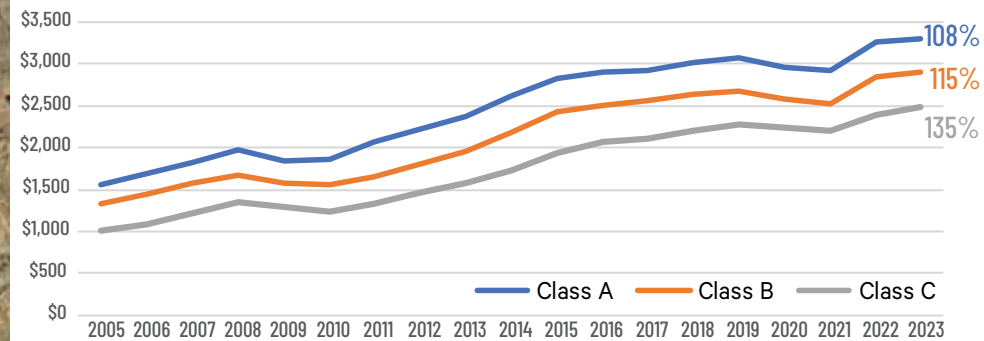
\$0.07

Rent PSF

-10 BPS

Occupancy

AVERAGE RENTAL RATES BY CLASS



INVENTORY

Vintage	Properties	Sum of Units	% of Base
<1960	1,549	22,094	11%
1960's	1,679	45,460	22%
1970's	503	37,731	18%
1980's	170	16,865	8%
1990's	123	18,244	9%
2000's	126	19,416	10%
2010's	145	32,158	16%
2020's (Delivered)	71	12,158	6%
Existing	4,366	204,126	100%
2020's (Under Construction)	45	9,944	5%
2020's (Final Planning)	4	909	0.4%
2020's (Proposed)	88	29,493	14%
Total Pipeline	137	40,346	20%

SOURCE: CBRE EA

San Jose

Submarket Rankings

VACANCY RATE

	Submarket	Vacancy Rate			
		10 Year Avg (%)	Q2 2023 (%)	QOQ Change (BPS)	QOQ Change (%)
1	North San Jose/Milpitas	4.2%	3.4%	-20	-0.2%
2	North Sunnyvale	4.1%	3.7%	-60	-0.6%
3	South San Jose	4.1%	4.0%	-50	-0.5%
4	Santa Clara	4.4%	4.3%	-20	-0.2%
5	West San Jose/Campbell	4.0%	4.6%	20	0.2%
6	Central San Jose	4.1%	4.9%	30	0.3%
7	Mountain View/Palo Alto/Los Altos	5.2%	4.9%	0	0.0%
8	South Sunnyvale/Cupertino	4.5%	5.0%	10	0.1%
9	East San Jose	3.6%	6.0%	-10	-0.1%
	TOTAL	4.2%	4.5%	-11.1	-0.1%



TAKEAWAY

- Average monthly rental rates were \$3,050 during Q2 2023
- North San Jose/Milpitas led the submarkets with a vacancy rate of 3.4%.
- Mountain View remains the most expensive submarket with average monthly rent at \$3,356.

San Jose

Submarket Rankings

RENTAL RATES

Submarket	Rent per Unit			
	10 Year Avg (\$)	Q12 2023 (\$)	QOQ Change (\$)	QOQ Change (%)
1 Mountain View/Palo Alto/Los Altos	\$3,273	\$3,356	-\$36	-1.1%
2 South Sunnyvale/Cupertino	\$2,944	\$3,261	\$32	1.0%
3 Santa Clara	\$2,810	\$3,198	\$54	1.7%
4 North Sunnyvale	\$2,834	\$3,167	\$71	2.3%
5 North San Jose/Milpitas	\$2,764	\$3,126	\$75	2.5%
6 Central San Jose	\$2,655	\$2,949	\$44	1.5%
7 South San Jose	\$2,524	\$2,912	\$67	2.4%
8 West San Jose/Campbell	\$2,510	\$2,841	\$19	0.7%
9 East San Jose	\$2,253	\$2,642	\$20	0.8%
TOTAL	\$2,730	\$3,050	\$39	1.3%

SAN JOSE

SOUTH SAN JOSE

San Jose

DELIVERIES

	Submarket	Deliveries			
		10 Year Average	2021	2022	YTD
1	Santa Clara	549	476	145	456
2	North San Jose/Milpitas	505	209	0	365
3	Central San Jose	323	355	903	210
4	South San Jose	523	31	185	89
5	Mountain View/Palo Alto/Los Altos	489	398	788	75
6	East San Jose	319	0	109	0
7	North Sunnyvale	544	250	0	0
8	South Sunnyvale/Cupertino	456	0	0	0
9	West San Jose/Campbell	442	0	108	0
	TOTAL	461	1,719	2,238	1,195



TAKEAWAY

- 481 units were delivered during Q2 2023.
- 634 units were absorbed during Q2 2023.
- Total rentable apartment inventory reached 171,255 units.



San Jose

ABSORPTION

	Submarket	Absorption			
		10 Year Average	2021	2022	YTD
1	North San Jose/Milpitas	383	530	-207	476
2	Santa Clara	328	894	13	465
3	South San Jose	164	389	-59	124
4	West San Jose/Campbell	30	491	-296	89
5	North Sunnyvale	119	962	-201	80
6	Central San Jose	300	864	644	70
7	South Sunnyvale/Cupertino	18	335	-141	-11
8	Mountain View/Palo Alto/Los Altos	289	1,861	680	-19
9	East San Jose	66	53	-74	-45
TOTAL		1698	6,379	359	1,229

San Francisco Quick Facts

Inventory

2021	251,066	1.53% Increase (Over Q4 2021)
2022	253,669	
2023 (Q2)	254,918	0.49% Increase (Over Q4 2022)
10 Year Avg Annual Increase		

Units Delivered

	Units	% of Existing Inventory
2021	2,373	0.95%
2022	2,603	1.03%
2023 (YTD)	1,249	0.49%

Net Absorption

	UNITS	Absorption to Completion %	
2021	11,102	468%	-87% YoY Change
2022	376	14%	293% QoQ Change
2023 (YTD)	1,478	118%	
Last 5 Year Avg			
	2,207		
Last 10 Year Avg			
	2,703		

Average Rent Per Month

2021	\$3,071	9.9% Increase (Over 2020)
2022	\$3,212	4.6% Increase (Over 2021)
2023 (Q2)	\$3,201	-0.3% Decrease (Over Q4 2022)
3 Year Average (2021-2023)		
	\$3,161	

Average Rent Per Square Foot

2021	3.83	9.4% Increase (Over 2020)
2022	4.06	6.0% Increase (Over 2021)
2023 (Q2)	4.03	-0.7% Decrease (Over Q4 2022)
10 Year Average Annual Increase		
	1.43%	

Occupancy

2021	94.30	0.6% Increase (Over 2020)
2022	95.80	1.6% Increase (Over 2021)
2023 (Q2)	95.20	-0.6% Decrease (Over Q3 2022)
3 Year Average (2021-2023)		
	95.1%	
10 Year Average (2014-2023)		
	95.4%	

**DOWNTOWN
SAN FRANCISCO**

**WEST
SAN FRANCISCO**

**NORTH
SAN MATEO**

TAKEAWAY

- San Francisco Average Annual Rent Growth projected over 1.9% over next 3 years
- SF Rent Per Month, Rent Per SF, and Occupancy all down QoQ
- Occupancy rates in line with 3-year average



MA

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**CENTRAL
SAN MATEO**

**SOUTH
SAN MATEO**

CBRE

MARKET SNAPSHOT

Q2 2023

\$3,201
Average Monthly Rent

\$4.03
Average Rent PSF

95.2%
Average Occupancy

Year-Over-Year

-\$7
Monthly Rent

\$0.01
Rent PSF

-60 BPS
Occupancy

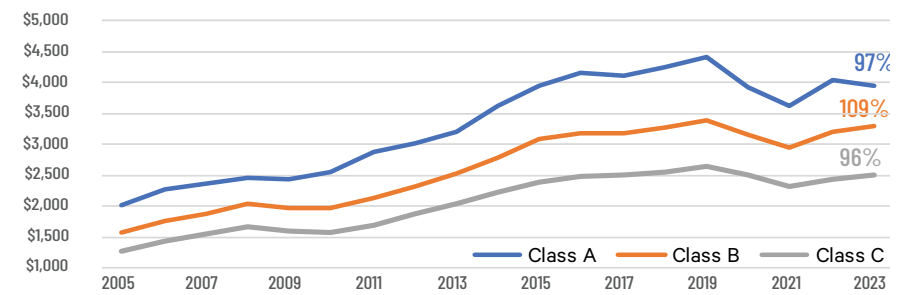
Quarter-Over-Quarter

\$18
Monthly Rent

0.00
Rent PSF

-20 BPS
Occupancy

AVERAGE RENTAL RATES BY CLASS



INVENTORY

Vintage	Properties	Units	% of Base
<1960	6,713	102,095	46%
1960's	2,076	33,223	15%
1970's	597	21,355	10%
1980's	172	11,795	5%
1990's	90	4,529	2%
2000's	123	12,338	6%
2010's	180	25,039	11%
2020's (Delivered)	93	12,042	5%
Existing	10,044	222,416	100%
2020's (Under Construction)	37	6,434	3%
2020's (Proposed)	172	44,408	20%
Total Pipeline	209	50,842	23%

* 5 Units +

San Francisco

Submarket Rankings

VACANCY RATE

Submarket	Vacancy Rate			
	10 Year Avg (%)	Q2 2023 (%)	QoQ Change (BPS)	QoQ Change (%)
1 North San Mateo County	4.47	3.2%	20	6.7%
2 Central San Mateo County	4.16	3.7%	-60	-14.0%
3 South San Mateo County	4.17	4.4%	-10	-2.2%
4 SoMa	4.96	5.3%	-10	-1.9%
5 West San Francisco	4.49	5.3%	10	1.9%
6 Downtown San Francisco	5.23	7.3%	0	0.0%
TOTAL	4.6%	4.9%	-10	3.7%



TAKEAWAY

- Q2 Rental Rate slightly above 10 Year Average and up QoQ
- Vacancy Rates remain below 5%, expected to continue trending downward
- San Mateo County submarkets top rental rate and vacancy charts showing high renter demand



San Francisco Submarket Rankings

RENTAL RATES

Submarket	Rent per Unit			
	10 Year Avg (\$)	Q2 2023 (\$)	QoQ Change (\$)	QoQ Change (%)
1 South San Mateo County	\$3,468	\$3,595	\$81	2.3%
2 SoMa	\$3,490	\$3,326	-\$36	-1.1%
3 Central San Mateo County	\$3,082	\$3,283	\$73	2.3%
4 West San Francisco	\$3,286	\$3,228	\$57	1.8%
5 Downtown San Francisco	\$3,317	\$3,159	-\$11	-0.3%
6 North San Mateo County	\$2,621	\$2,718	\$13	0.5%
Total	\$3,211	\$3,218	\$30	0.9%

San Francisco

DELIVERIES

	Submarket	Vacancy Rate			
		10 Year Average	2021	2022	YTD 2023
1	SoMa	1,659	1,201	975	483
2	West San Francisco	84	0	19	309
3	South San Mateo County	333	446	181	265
4	Downtown San Francisco	328	523	383	7
5	North San Mateo County	141	0	828	0
6	Central San Mateo County	264	162	128	0
	Total	468	389	419	177

* Marin County excluded



TAKEAWAY

- SoMa shows highest deliveries and highest absorption for Q2 2023
- Absorption remains positive in all but one submarket in Q2
- Only 2 submarkets had 0 deliveries in Q2 - both in San Mateo county



San Francisco

ABSORPTION

	Submarket	Absorption			
		10 Year Average	2021	2022	YTD
1	SoMa	1,581	2,806	965	444
2	South San Mateo County	307	904	-136	391
3	Central San Mateo County	281	864	-290	197
4	North San Mateo County	167	989	646	51
5	West San Francisco	29	1,675	157	-139
6	Downtown San Francisco	64	3,798	-178	-418
Total		405	1,839	194	526

* Marin County excluded

Oakland Quick Facts

Inventory

2021	217,103	1.8% Increase (Over Q4 2021)
2022	220,917	
2023 (Q2)	221,102	0.1% Increase (Over Q4 2022)
10 Year Average Annual Increase	1.1%	

Units Delivered

	Units	% of Existing Inventory
2021	1,727	0.78%
2022	3,725	1.69%
2023 (Q2)	1,260	0.57%

Net Absorption

	Units	Absorption to Completion %	
2021	5,683	329%	-80% YoY Change
2022	-374	-10%	405% QoQ Change
2023 (Q2)	1,141	91%	
Last 5 Year Average	2,998		
Last 10 Year Average	2,036		

Average Rent Per Month

2021	\$2,505	7.5% Increase (Over 2020)
2022	\$2,622	4.7% Increase (Over 2021)
2023 (Q2)	\$2,615	-0.3% Decrease (Over Q4 2022)
3 Year Average (2021-2023)	\$2,580	

Average Rent Per Square Foot

2021	\$2.94	7.7% Increase (Over 2020)
2022	\$3.13	6.5% Increase (Over 2021)
2023 (Q2)	\$3.13	0.0% (Over Q4 2022)
10 Year Average Annual Increase	4.6%	

Occupancy

2021	95.9%	0.4% Increase (Over 2020)
2022	95.1%	-0.8% Decrease (Over 2021)
2023 (Q2)	94.8%	-0.3% Decrease (Over Q4 2022)
3 Year Average (2021-2023)	95.3%	
10 Year Average (2014-2023)	95.9%	



TAKEAWAY

- Rent Growth is forecasted at 2.13% over the next 4 years
- Current quarter showing substantial positive net absorption for the first quarter in over a year
- Occupancy at 94.8% on average, decrease from 2022

NORTHEAST CONTRA COSTA COUNTY

LIVERMORE/ PLEASANTON



MARKET SNAPSHOT

Q2 2023

\$2,622 Average Monthly Rent
\$3.13 Average Rent PSF
95.1% Average Occupancy

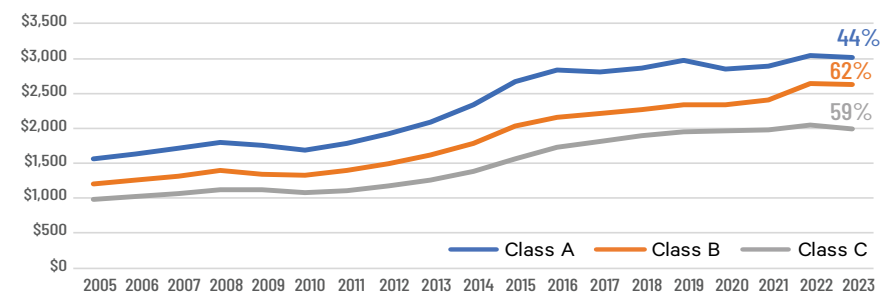
Year-Over-Year

\$115 Monthly Rent Increase
\$0.19 Rent PSF
-110 BPS Occupancy

Quarter-Over-Quarter

-\$7 Monthly Rent
\$0.00 Rent PSF
-30 BPS Occupancy

AVERAGE RENTAL RATES BY CLASS



INVENTORY

Vintage	Properties	Sum of Units	% of Base
<1960	4,301	51,624	22%
1960's	2,253	49,080	21%
1970's	638	35,011	15%
1980's	426	30,479	13%
1990's	275	14,003	6%
2000's	267	20,542	9%
2010's	172	19,265	8%
2020's (Delivered)	137	17,119	7%
Existing	8,469	234,931	100%
2020's (Under Construction)	60	7,692	3%
2020's (Final Planning)	6	1,943	1%
2020's (Proposed)	122	24,112	10%
Total Pipeline	188	33,747	14%

Oakland Submarket Rankings

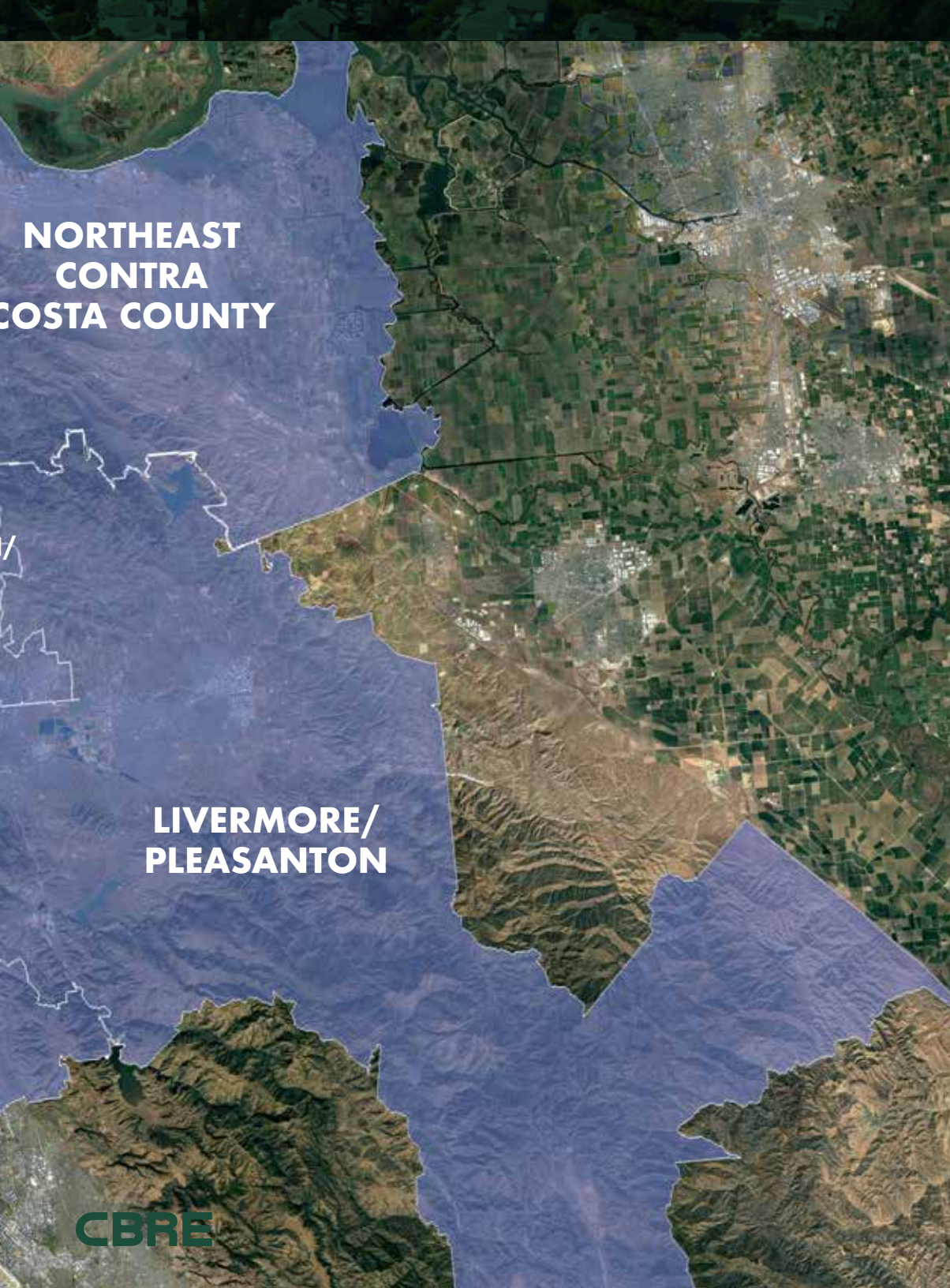
VACANCY RATE

	Submarket	Vacancy Rate			
		10 Year Avg	Q2 2023 (%)	QoQ Change (BPS)	QoQ Change (%)
1	San Ramon/Dublin	3.9%	3.7%	40	0.4%
2	Hayward/San Leandro/Union City	3.4%	4.3%	10	0.1%
3	Northeast Contra Costa County	4.2%	5.7%	10	0.1%
4	Fremont	3.6%	4.3%	20	0.2%
5	Walnut Creek/Lafayette	4.1%	5.0%	20	0.2%
6	Livermore/Pleasanton	4.1%	4.8%	-20	-0.2%
7	Concord/Martinez	3.8%	5.8%	-60	-0.6%
8	Northwest Contra Costa County	4.5%	6.8%	-10	-0.1%
9	Oakland/Berkeley	4.8%	7.0%	-10	-0.1%
TOTAL		4.0%	5.3%	0	0.0%



TAKEAWAY

- 5 of 9 Oakland submarkets have a vacancy of 5% or less
- QoQ rental rates have increased by an average of \$48 across all submarkets
- QoQ vacancy rates stayed flat on average across all East Bay submarkets



Oakland Submarket Rankings

RENTAL RATES

	Submarket	Rent per Unit			
		10 Year Avg (\$)	Q2 2023 (\$)	QoQ Change (\$)	QoQ Change (%)
1	Oakland/Berkeley	\$2,747	\$2,833	-\$39	-0.4%
2	Livermore/Pleasanton	\$2,477	\$2,834	-\$20	-0.2%
3	Fremont	\$2,024	\$2,716	\$392	3.9%
4	San Ramon/Dublin	\$2,390	\$2,680	\$54	0.5%
5	Walnut Creek/Lafayette	\$2,339	\$2,564	-\$16	-0.2%
6	Northwest Contra Costa County	\$2,159	\$2,498	\$52	0.5%
7	Hayward/San Leandro/Union City	\$2,100	\$2,432	\$11	0.1%
8	Concord/Martinez	\$1,985	\$2,322	-\$2	0.0%
9	Northeast Contra Costa County	\$1,811	\$2,176	\$4	0.0%
TOTAL		\$2,226	\$2,562	\$48	0.5%

Oakland

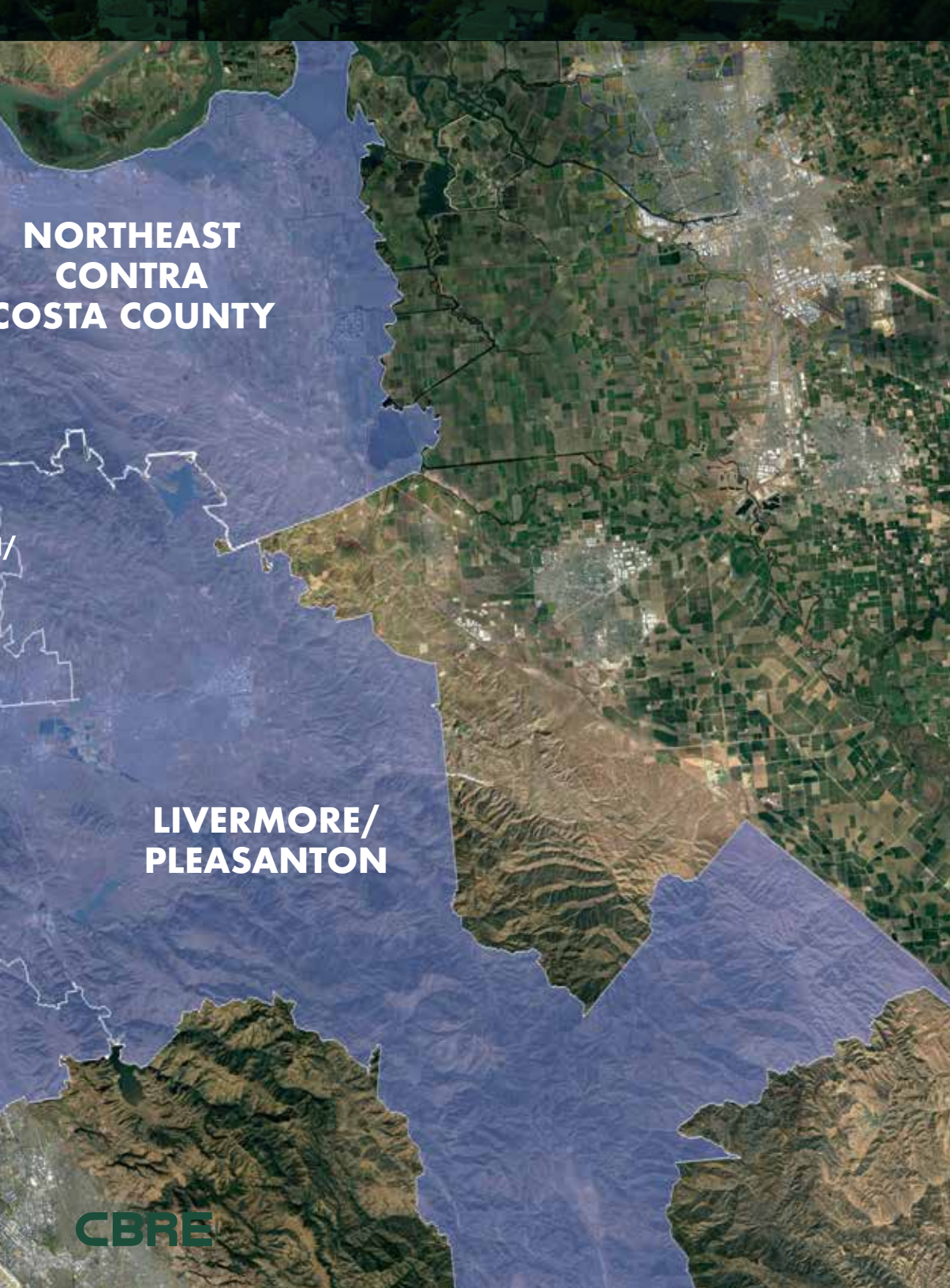
DELIVERIES

	Submarket	Deliveries			
		10 Year Average	2021	2022	YTD
1	Northeast Contra Costa County	69	20	394	-
2	Oakland/Berkeley	1,200	979	1,326	1,317
3	Walnut Creek/Lafayette	153	-	731	-
4	Hayward/San Leandro/Union City	105	62	126	-
5	Fremont	204	395	375	128
6	Livermore/Pleasanton	84	221	93	-
7	Northwest Contra Costa County	93	50	232	-
8	Concord/Martinez	16	-	228	-
9	San Ramon/Dublin	53	-	220	-
	TOTAL	220	1,727	3,725	1,445



TAKEAWAY

- Oakland/Berkeley and Fremont the only East Bay submarkets to deliver in Q2 2023
- Total East Bay deliveries were 1,260 units across all submarkets
- Only 3 of 9 East Bay submarkets recorded negative net absorption



Oakland

ABSORPTION

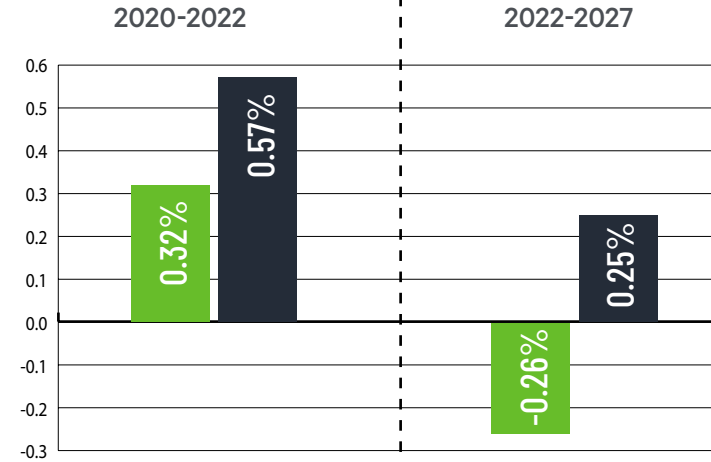
	Submarket	Absorption			
		10 Year Average	2021	2022	YTD
1	Northeast Contra Costa County	63	210	210	-205
2	Livermore/Pleasanton	75	278	2	-35
3	Walnut Creek/Lafayette	139	146	559	-82
4	Hayward/San Leandro/Union City	110	225	-73	-224
5	San Ramon/Dublin	50	177	107	-29
6	Oakland/Berkeley	1,044	3,711	-1,189	1,305
7	Fremont	183	939	-5	156
8	Concord/Martinez	3	335	-425	-10
9	Northwest Contra Costa County	72	267	-429	-93
TOTAL		193	6,288	-1,243	783

Bay Area Demographics



% ANNUAL POPULATION GROWTH

■ = Study Area
 ■ = US



INCOME

\$168,770

AVERAGE HOUSEHOLD INCOME

\$62,205

PER CAPITA INCOME

HOME OWNERSHIP

55.14%

OWNER-OCCUPIED UNITS

3,654,503

EMPLOYEES

346,641

BUSINESSES

2.4%

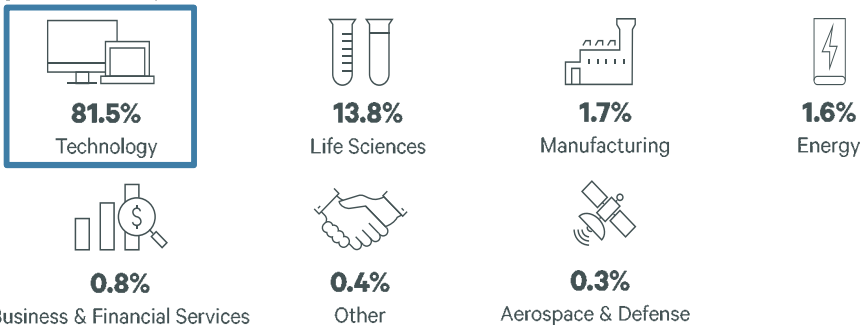
RESIDENTIAL UNEMPLOYMENT RATE

County Demographics	Bay Area	Alameda County	Contra Costa County	Napa County	Marin County	San Francisco County	San Mateo County	Santa Clara County	Sonoma County	Solano County
2022 Businesses	346,641	72,890	39,732	8,577	16,486	55,942	34,566	79,934	25,485	13,029
2022 Employees	3,654,503	745,910	379,562	83,239	124,879	612,264	382,516	980,520	205,108	140,505
2022 Population - Current Year Estimate	7,847,233	1,707,142	1,181,845	137,668	262,403	883,822	769,689	1,957,605	487,721	459,338
AGE 25-44	27.4%	28.7%	26.30%	24.80%	20.9%	36.10%	26.40%	28.30%	26.20%	28.60%
Bachelor's Degree or Higher	49.70%	51.90%	46.70%	40.10%	63.70%	62.60%	55.50%	56.70%	39.60%	30.50%
2022 Median Household Income	\$121,406	\$119,355	\$118,402	\$102,885	\$126,960	\$138,122	\$150,965	\$148,530	\$94,631	\$92,804
2022 Renter Occupied Housing Units	38.14%	43.70%	32.30%	29.10%	33.20%	56.20%	38.20%	42.70%	33.40%	34.50%

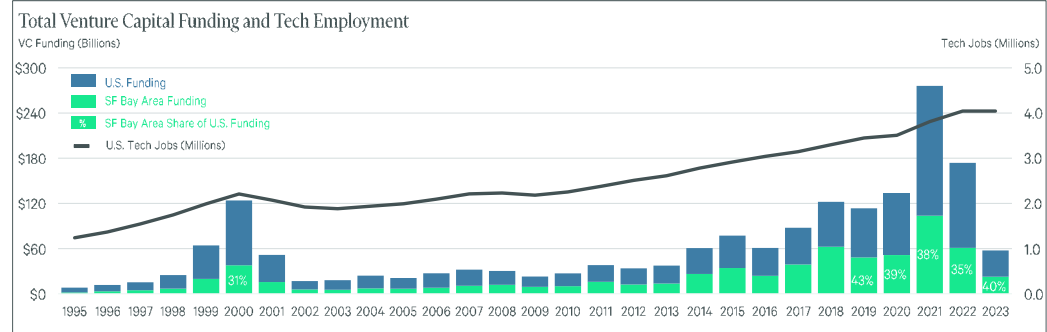
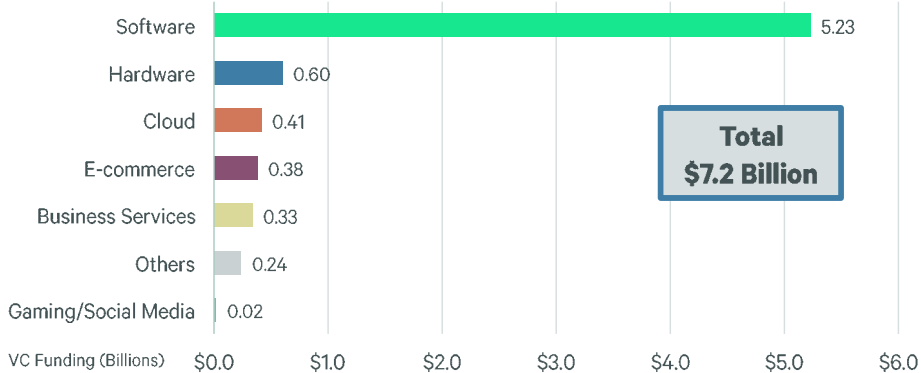
Bay Area Venture Capital Funding

Market	Total Deals		Total Funding (Billions)	
	Q2 2023	Q1 2023	Q2 2023	Q1 2023
San Francisco County	140	178	\$3.38	\$3.58
Santa Clara County	65	74	\$2.93	\$1.65
San Mateo County	41	49	\$1.55	\$7.99
East Bay (Alameda/Contra Costa County)	40	53	\$0.93	\$0.61
North Bay (Marin County)	7	3	\$0.05	\$0.02
Grand Total	293	357	\$8.84	\$13.85

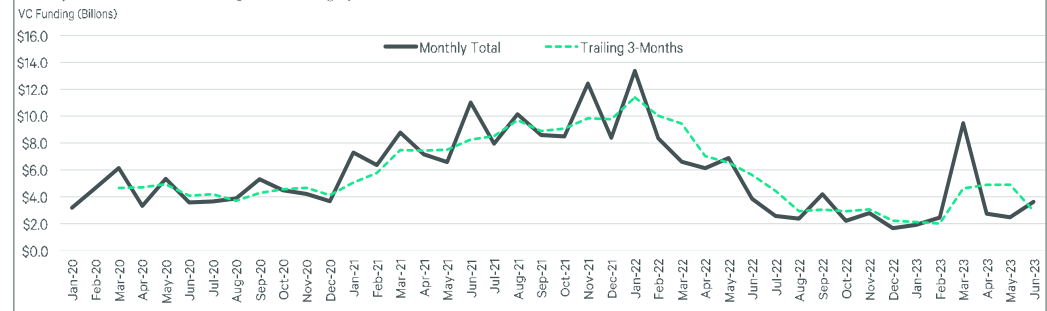
Top Industries Receiving Venture Capital Funding in SF Bay Area, Q2 2023 (\$8.84 Billion)



Technology Industry Venture Capital Funding by Subsector - SF Bay Area, Q2 2023



SF Bay Area Total Venture Capital Funding by Month



Top Five U.S. Markets for Total Venture Capital Funding in Q4 2022



CBRE Major Bay Area Multifamily Submarkets



The Comprehensive Multifamily Market Report for the Bay Area