



MARKET AT A GLANCE



OCCUPANCY RATE **96.6%**
Up **50 bps** since 1Q20



EFFECTIVE RENT **\$2,036**
Up **1.8%** since 1Q20

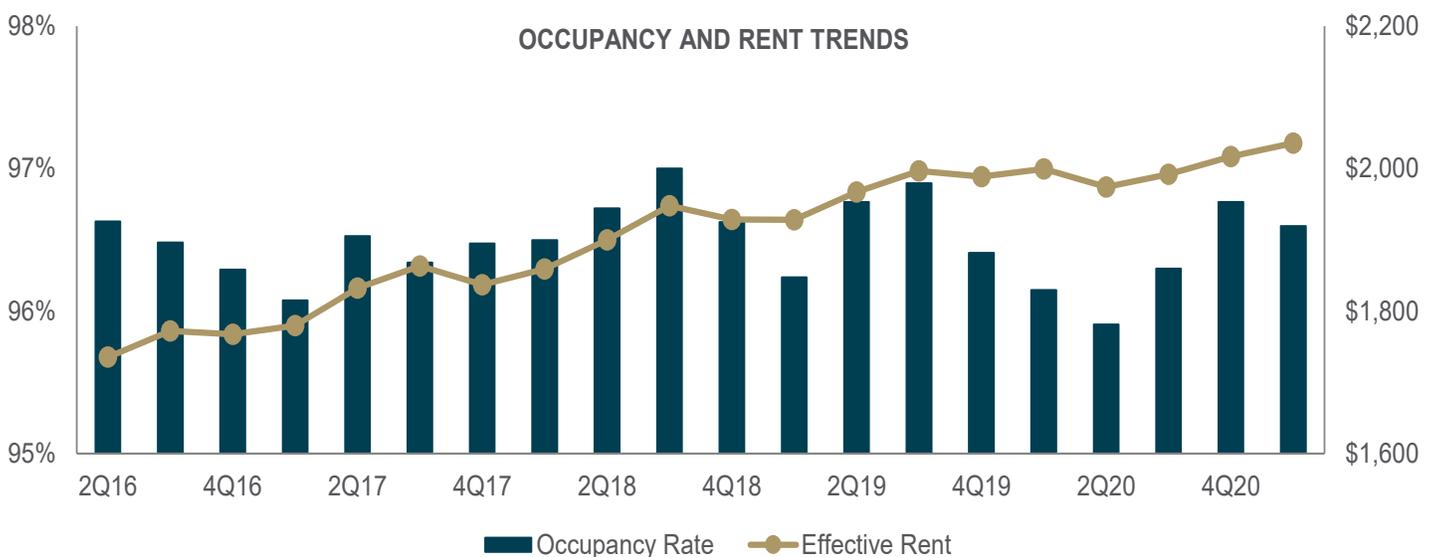


RENT PAYMENT TRACKER (APRIL 1-20) **94.2%**
Down **130 bps** YOY

OCCUPANCY AND RENT TRENDS

MULTIFAMILY MARKET RESILIENT, WELL-POSITIONED FOR A QUICK COMEBACK

A higher percentage of telework-capable occupations, coupled with San Diego's main economic engines of military and defense-related activities, helped the metro to better withstand the effects of the COVID-19 pandemic. Additionally, thanks to accelerated population growth, apartment operators recorded rising absorption over the last four quarters. Robust rental demand kept net absorption positive in the metro and across 12 of 13 submarkets in the last year. Leasing activity shifted from the urban core and La Jolla to less expensive neighborhoods like Chula Vista and San Marcos. Absorption in these submarkets helped boost metrowide occupancy to 96.6%, 50 basis points higher than one year prior. The Vista/San Marcos submarket led the metro with the highest occupancy increase, reaching 97.7% and a historical high. The average metro effective rent was \$2,036 per month in the first quarter of 2021, up 1.8% annually. While rent growth in San Diego was behind the five-year average growth, the metro's performance contrasted with the modest cuts occurring in the U.S. overall. Even with the rise, 94.2% of rental households made a full or partial rent payment from April 1 to 20, 2021. Though collections declined year over year, the metro fared better than the statewide average of 93.0%.



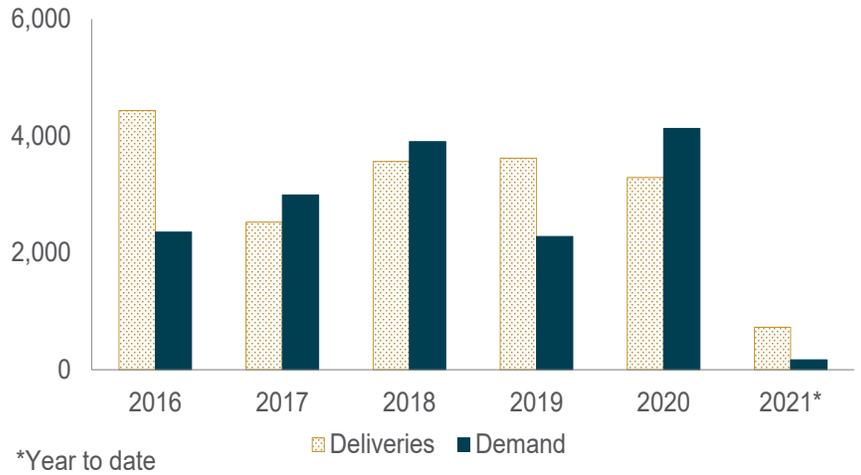
DELIVERIES AND DEMAND



DELIVERIES 726
Units YTD



NET ABSORPTION 170
Units YTD



ECONOMIC TRENDS

2020 3.4% UNEMPLOYMENT* 2021 7.1%
370 BPS CHANGE

2020 1.5m EMPLOYMENT* 2021 1.4m
-7.2% CHANGE

2020 27.3k EXISTING SFH SALES* 2021 39.9k
46.2% CHANGE

2020 3.3m POPULATION* 2021 3.4m
0.6% CHANGE

2020 0.87% 10-YEAR TREASURY* 2021 1.61%
70 BPS CHANGE

*March



SAN DIEGO

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	1Q21	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	1Q21	Q-o-Q Change	Y-o-Y Change	1Q21	Annual	1Q21	Annual
Carlsbad/Encinitas/Del Mar	97.2%	10	150	\$2,578	2.5%	1.6%	22	527	0	244
Chula Vista/Imperial Beach	97.6%	-20	140	\$1,954	0.1%	3.2%	44	909	111	442
Downtown San Diego/Coronado	92.6%	-100	-170	\$2,439	-0.2%	-1.2%	-254	318	23	810
El Cajon/Santee/Lakeside	98.3%	0	110	\$1,690	1.0%	4.7%	9	262	0	0
Escondido	98.0%	40	160	\$1,749	2.0%	4.3%	52	357	0	126
Far North San Diego	97.2%	20	60	\$2,204	1.3%	0.8%	45	325	0	228
La Jolla/University City	92.4%	-10	-320	\$2,299	1.6%	-5.0%	19	-458	39	150
La Mesa/Spring Valley	97.6%	0	120	\$1,827	0.3%	3.2%	81	304	76	105
Mid-City/National City	97.1%	-30	0	\$1,742	1.3%	2.5%	-134	23	0	24
Northeast San Diego	96.1%	-50	90	\$2,317	0.2%	1.3%	131	647	237	496
Northwest San Diego	96.3%	-60	30	\$2,053	0.4%	2.7%	-228	110	0	0
Oceanside	98.1%	10	130	\$1,937	1.8%	3.9%	24	232	0	0
Vista/San Marcos	97.7%	60	190	\$1,971	1.5%	2.8%	358	984	240	625
TOTALS	96.6%	-20	50	\$2,036	0.9%	1.8%	170	4,538	726	3,250

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