

SAN FRANCISCO-OAKLAND, CA

2023 MARKET AT A GLANCE

Occupancy Rate

96.0%



UP 20 BPS YOY

Effective Rent

\$3,095



UP 3.7% YOY

Rent Share of Wallet

24.9%



UNCHANGED YOY

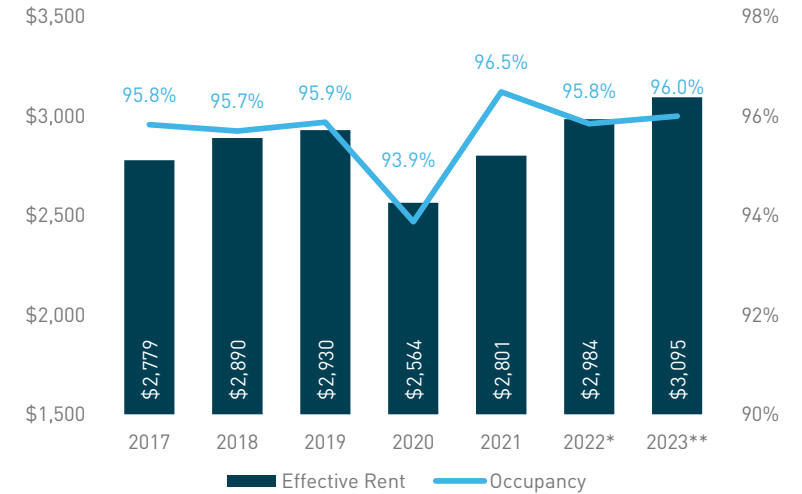
Economic Growth Inspires Increased Apartment Demand and Positive Occupancy Change

With an apartment occupancy rate forecast to rise 20 basis points to 96.0% by the end of 2023, Greater San Francisco-Oakland is one of three major markets in the nation with a positive projected change. The market's occupancy rate would outpace its five-year average of 95.6%. Within the metro, urban submarkets are projected to see the biggest rise in occupancy. The Downtown San Francisco and Oakland/Berkeley submarkets' occupancy rates are expected to each rise by 100 basis points. The increased attention returning to urban centers in the Bay Area is backed by the metro's economic growth over the past year. Over the next four quarters, Greater San Francisco-Oakland is projected to have just over 7,000 net units absorbed. This leasing activity is more than double the amount from 2022 and would outpace forecast deliveries. With increasing occupancy, the urban submarkets are the main source for the metro's projected demand. The Oakland/Berkeley submarket is accountable for 48.3% of the total forecast net absorption in 2023. Job growth has partially led to the resurgence of urban areas. In 2022, the San Francisco-Oakland Bay Area had the fastest growing economy of any urban area, with a 4.8% annual increase to \$1.38 billion, according to the Kenan Institute of Private Enterprise. Looking into 2023, the resurgence of the leisure and hospitality industry is predicted to continue, with the addition of over 13,800 jobs to lead all other sectors. Meanwhile, the education and health care sector is projected to have the second-highest growth, with nearly 5,900 new jobs.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2022 are projected values. 2023 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

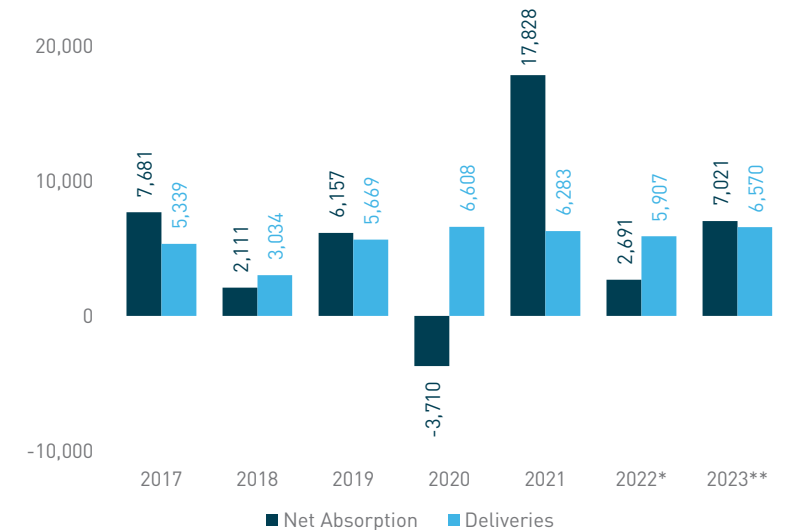
Apartment Trends

Effective Rent & Occupancy



*Projected **Forecast

Absorption & Deliveries

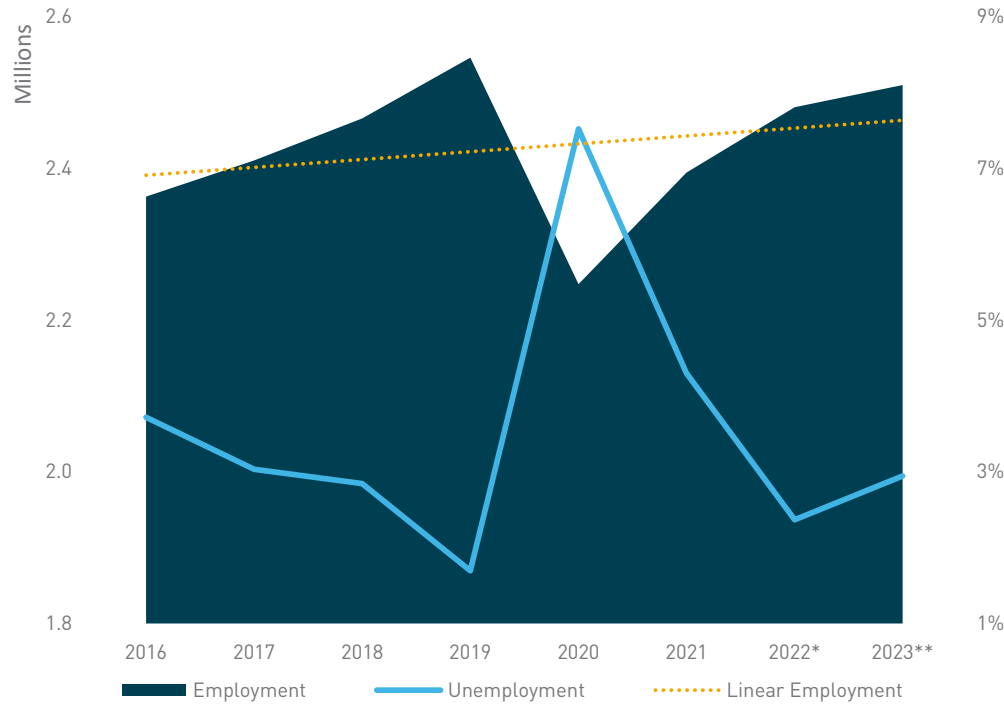


*Projected **Forecast

SAN FRANCISCO-OAKLAND, CA

Employment Trends

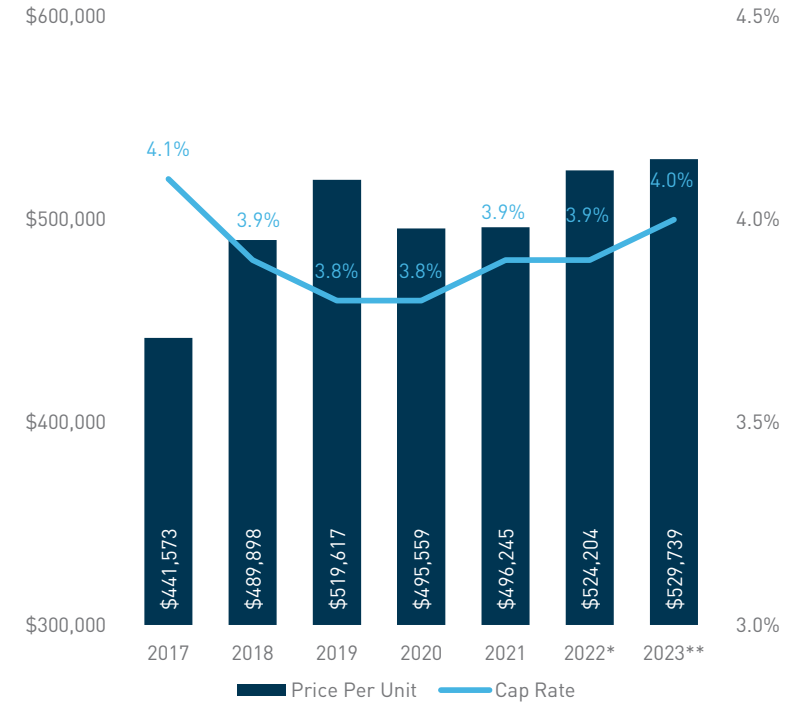
Market Employment Trends



*Projected **Forecast

Sales Trends

Price Per Unit & Cap Rate



*Projected **Forecast

Employment
2,509,400



UP 1.2% YOY

Unemployment
2.9%



UP 50 BPS YOY

Median Household Income
\$148,950



UP 3.8% YOY

Price Per Unit
\$529,739



UP 1.1% YOY

Cap Rate
4.0%



UP 10 BPS YOY