



MARKET AT A GLANCE



OCCUPANCY RATE 93.3%

Down 320 bps since 3Q19



EFFECTIVE RENT \$2,765

Down 9.8% since 3Q19



RENT PAYMENT TRACKER (Oct. 1-13) 91.2%

Down 60 bps since Sept. 1-13

OCCUPANCY AND RENT TRENDS

RENTERS SEEK OAKLAND CLASS B & C UNITS AMID DOWNTOWN SF DEPARTURE

Amid local government restrictions and remote working options by many of the top employers in the Bay Area, apartment operators are experiencing an outflow of renters. The exodus was heightened in the neighboring Downtown San Francisco and West San Francisco submarkets, where negative absorption nearly reached 5,200 units as the live-work-play appeal lessened with the closure of and the restrictions on many restaurants, shops, museums, and parks. Move-outs from the city's core dragged down metrowide leasing activity in the third quarter. The negative absorption amid the addition of 2,680 market-rate units over the last three months led to a sharp drop in market occupancy. At 93.3% in the third quarter, average apartment occupancy was down 160 basis points from mid-2020. Conversely demand for more affordable housing, led to occupancy slightly rising among Class B and C stock in the East Bay. Beyond the lower rent, apartment operators for these communities sharply increased concessions to entice new renters. This trend was reflected across the metro to lead to a drop in effective rent. At an average of \$2,765, monthly effective rent across the Bay Area decreased 5.8% in the third quarter.



SAN FRANCISCO - OAKLAND

MULTIFAMILY REPORT

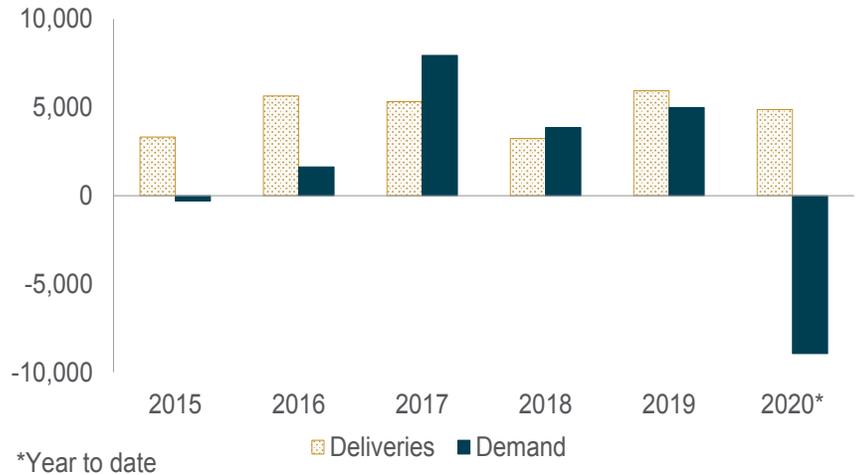
DELIVERIES AND DEMAND



DELIVERIES 4,877
Units YTD



NET ABSORPTION -8,945
Units YTD



ECONOMIC TRENDS

2019 2.5% UNEMPLOYMENT* 2020 8.8%
630 BPS CHANGE

2019 2.5m EMPLOYMENT* 2020 2.2m
-11.2% CHANGE

2019 34.6k EXISTING SFH SALES** 2020 35.1k
1.4% CHANGE

2019 4.7m POPULATION** 2020 4.8m
0.6% CHANGE

2019 1.70% 10-YEAR TREASURY** 2020 0.68%
-100 BPS CHANGE

*August; **September



SAN FRANCISCO - OAKLAND

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	3Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	3Q20	Q-o-Q Change	Y-o-Y Change	3Q20	Annual	3Q20	Annual
Central San Mateo County	94.9%	-60	-150	\$2,975	-6.6%	-11.7%	-117	-245	9	96
Concord/Martinez	96.5%	30	-20	\$2,048	1.0%	-0.1%	173	97	127	127
Downtown San Francisco	89.1%	-540	-820	\$2,893	-10.9%	-17.3%	-4,283	-6,669	303	303
Fremont	95.9%	-50	-130	\$2,314	-3.1%	-5.8%	120	465	328	833
Hayward/San Leandro/Union City	96.9%	10	-40	\$2,082	-1.4%	-3.2%	27	-137	0	0
Livermore/Pleasanton	95.2%	70	-130	\$2,413	-1.8%	-5.4%	63	-1	0	129
Marin County	95.6%	40	-100	\$2,789	-0.9%	-3.0%	74	-516	0	0
North San Mateo County	93.6%	-40	-120	\$2,667	-4.5%	-6.8%	-71	-235	0	0
Northeast Contra Costa County	95.6%	20	-10	\$1,906	1.7%	0.6%	24	-44	0	74
Northwest Contra Costa County	96.7%	30	-50	\$2,186	1.3%	0.1%	215	100	172	172
Oakland/Berkeley	93.0%	-140	-230	\$2,734	-5.7%	-9.4%	-268	134	1,037	2,287
San Ramon/Dublin	96.0%	20	-10	\$2,423	0.8%	-4.2%	20	-9	0	0
SoMa	90.9%	-200	-570	\$3,433	-8.6%	-13.9%	-286	-597	624	1,926
South San Mateo County	93.3%	-190	-310	\$3,235	-8.2%	-10.8%	-385	-648	0	0
Walnut Creek/Lafayette	95.2%	40	-110	\$2,342	-1.1%	-5.7%	132	-17	80	128
West San Francisco	94.5%	-160	-270	\$3,319	-3.6%	-5.2%	-905	-1,313	0	0
TOTALS	93.3%	-160	-320	\$2,765	-5.8%	-9.8%	-5,465	-9,636	2,680	6,075

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