



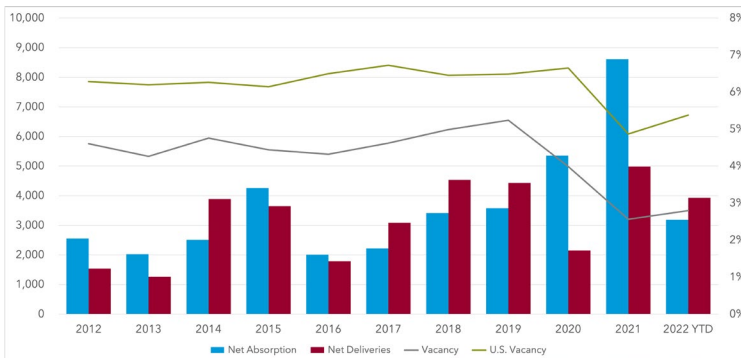
MULTIFAMILY MARKET OVERVIEW

ERIC VON BLUECHER, *Principal*

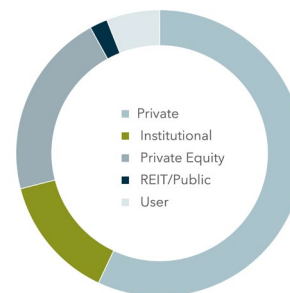
Year over year rents are up 7.3% and the vacancy rate is at 2.8% for Q3 of 2022. There's a current pipeline of 6,700 units (down 20% year over year). This won't change much regarding overall vacancy and having more units available due to the high demand to live in San Diego. It's been recognized that there's a need for more housing in California. Because of this, California passed Senate Bill 6 and Assembly Bill 2011 which allows vacant/underutilized commercial properties to have development for affordable housing. Investors are seeking higher yield due to the ever-increasing interest rates (5%-6% range) which decreased the desire for sub 4% cap rates and increased the offer cap rates for 4%-5% in San Diego County.

MARKET INDICATORS	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
▼ 12 Mo. Absorption Units	3,711	5,422	7,388	8,613	10,018
▲ Vacancy Rate	2.9%	2.7%	2.7%	2.6%	2.6%
▲ Asking Rent/Unit (\$)	\$2,350	\$2,346	\$2,254	\$2,201	\$2,177
▼ Under Construction Units	6,726	7,824	8,529	7,801	8,101
▲ Inventory Units	272,264	270,843	269,257	268,333	267,636

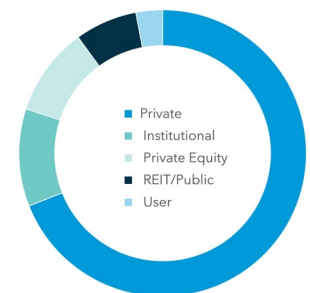
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer and Sale by Seller Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS BY SF	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
1360 E Madison Avenue El Cajon, CA	\$34,000,000 \$309,091/Unit	110	East Madison Avenue LP Clear Sky Madison, LLC
4333 Illinois Street San Diego, CA	\$27,500,000 \$625,000/Unit	44	4333 Illinois I LLC Illinois 44 LLC
111 W Pennsylvania Avenue San Diego, CA	\$23,550,000 \$420,536/Unit	56	VSSF Associates, LLC KMF Park East, LLC

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone Inc.	\$370,595,000
Holland Partner Group	\$236,624,500
Apartment Income REIT	\$229,000,000
Lyon Management Grp., Inc dba Lyon Living	\$195,000,000
CalSTRS	\$177,500,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Interstate Equities Corporation	\$240,825,000
Brookfield Asset Management, Inc.	\$236,624,500
R&V Management	\$195,000,000
RedHill Realty Investors	\$177,500,000
Bridge Investment Group	\$169,250,000

