



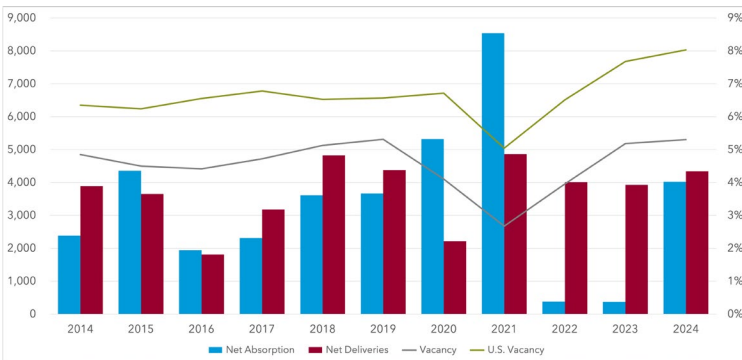
MULTIFAMILY MARKET OVERVIEW

IVAN DEL MURO-GARCIA, Associate

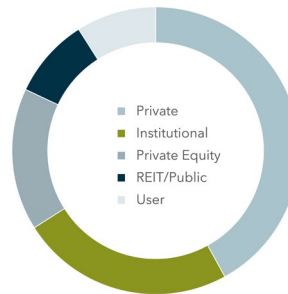
The San Diego multifamily market rebounded in 2024, with total sales reaching \$3 billion, including \$1 billion in Q4. While this marks a recovery, activity remains 40% below the last cycle's average. Cap rates range from 4.3% to 5.6%, with central and coastal properties trading at the lower end. Institutional buyers, driven by demand from life sciences, tech, and defense sectors, have accounted for over 25% of acquisitions. These industries have spurred job growth and housing demand, especially near key employment hubs. However, an increase in new units in 2024 has led to a slight decrease in rents. Despite this, high interest rates and regulatory hurdles continue to affect investor confidence.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▲ 12 Mo. Absorption Units	4,023	1,703	589	195	372
◀▶ Vacancy Rate	5.3%	5.3%	5.3%	5.1%	5.2%
▼ Asking Rent/Unit	\$2,489	\$2,502	\$2,512	\$2,493	\$2,467
▲ Sale Price/Unit	\$391,718	\$388,001	\$386,060	\$384,873	\$386,133
◀▶ Cap Rate	4.7%	4.7%	4.7%	4.7%	4.6%
▼ Under Construction Units	8,194	8,817	9,063	10,073	9,118
▲ Inventory Units	282,586	281,488	280,514	278,492	278,241

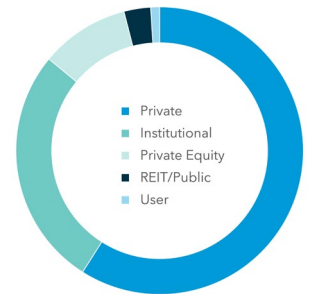
NET ABSORPTION, NET DELIVERIES, & VACANCY



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	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
1401 Union Street San Diego, CA	\$283,000,469 \$716,457 Per Unit	395	BlackRock, Inc. Trammell Crow Residential
1774 Metro Avenue Chula Vista, CA	\$210,000,000 \$437,500 Per Unit	480	LivCor LLC Ryan Companies US, Inc.
1401 N. Melrose Drive Vista, CA	\$185,000,000 \$451,220 Per Unit	410	Mesirow Financial MG Properties

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
MG Properties	\$359,000,000
The Premiere Residential Communities	\$342,800,000
JPMorgan Chase & Co.	\$300,500,000
Crow Holdings	\$283,000,469
Lennar	\$246,473,078

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Marcus & Millichap	\$522,300,000
BlackRock, Inc.	\$283,000,469
Kohlberg Kravis Roberts & Co. L.P.	\$246,473,078
MG Properties	\$241,750,000
Essex Property Trust, Inc.	\$212,141,374

