



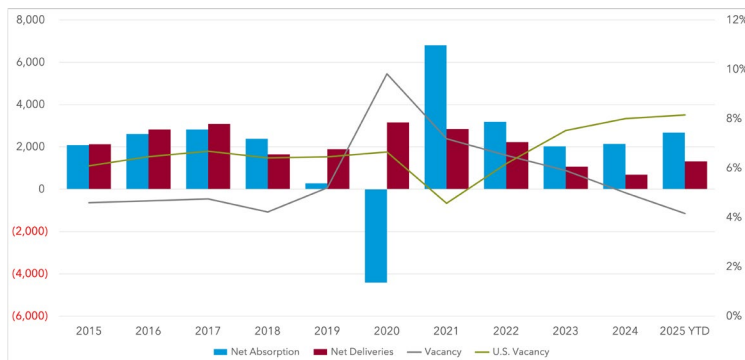
### MULTIFAMILY MARKET OVERVIEW

RYAN ABEL, Vice President

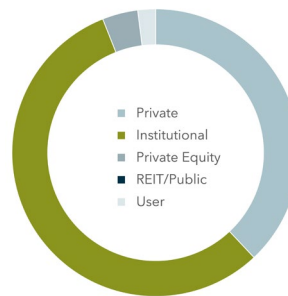
San Francisco's multifamily market remained among the tightest in the country in Q3 2025, with a 6.3% year over year increase in average asking rents leading the nation. Vacancy dropped another 24 basis points and is nearing a decade low at 4.16%, even as rents pushed back above \$3,100 per unit. Looking forward, strong rent growth should continue, as prohibitively expensive costs have slowed the pipeline of new units to a crawl even as demand rebounds with the artificial intelligence boom. Quarterly sales volume was also strong at around \$500 million, with another default from major landlord Veritas on a 1,566-unit portfolio signaling further opportunities remain on the horizon for investors to acquire distressed assets.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▲ 12 Mo. Absorption Units	3,501	2,988	2,549	2,144	1,699
▼ Vacancy Rate	4.16%	4.40%	4.51%	5.00%	5.33%
▲ Asking Rent/Unit	\$3,109.00	\$3,080.00	\$3,026.00	\$2,946.00	\$2,922.00
▲ Sale Price/Unit	\$365,339	\$324,739	\$294,610	\$369,782	\$309,857
▼ Cap Rate	5.46%	5.89%	6.23%	5.64%	6.08%
▼ Under Construction Units	1,298	1,839	2,334	2,166	2,305
▲ Inventory Units	168,828	168,287	167,511	167,511	167,220

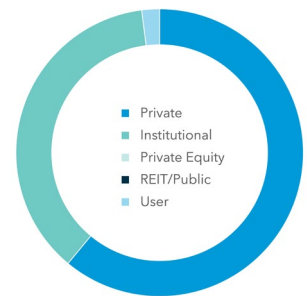
### NET ABSORPTION, NET DELIVERIES, & VACANCY



### 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
2000 Bryant Street San Francisco, CA	\$119,320,000 \$587,783 Per Unit	203	Rubicon Point Partners Nick Podell Co.
2235 3rd Street San Francisco, CA	\$76,000,000 \$387,755 Per Unit	196	Prime Residential Cityview
830 Eddy Street San Francisco, CA	\$43,300,000 \$316,068 Per Unit	137	Divco West Build/Mitsui Fudosan

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Veritas/Ivanhoe Cambridge	\$465,931,000
Brookfield	\$177,500,000
Nick Podell Co.	\$119,320,000
Cityview	\$94,875,000
Corebridge Financial	\$54,500,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
PCCP	\$465,931,000
Waterton	\$177,500,000
Rubicon Point Partners	\$119,320,000
Prime Residential	\$76,000,000
Tidewater Capital	\$56,640,000

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2025 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com