LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q1 2026
SAN LUIS OBISPO, CA

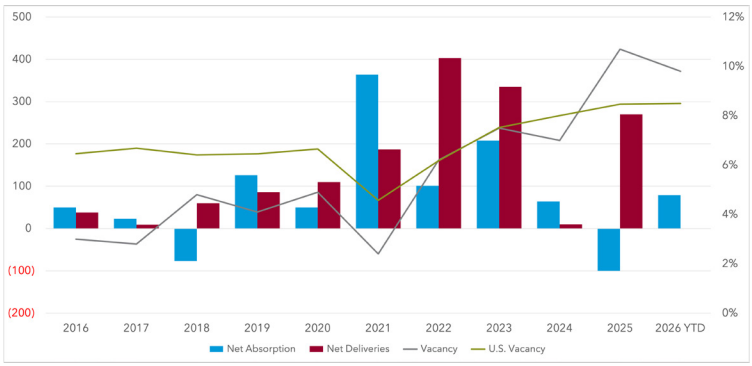
MULTIFAMILY MARKET OVERVIEW

ALEX OLSON, *Senior Vice President*

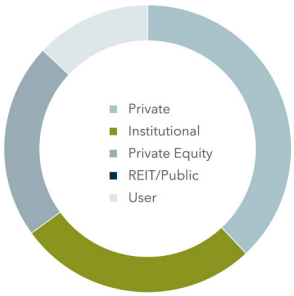
San Luis Obispo's multifamily market has softened, with vacancy rising significantly to 9.8%, well above the long-term average, following several years of steady increases. Recent supply additions, including a large 2025 delivery, have outpaced demand, contributing to higher vacancy across all asset classes. Development activity remains limited overall due to coastal constraints and modest population growth. Asking rents have declined slightly year over year, underperforming national trends, with weaker performance in higher-end properties compared to mid-tier assets. While long-term rent growth has been positive, near-term performance is expected to remain muted, with recovery likely gradual as the market works through elevated vacancy.

MARKET INDICATORS	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025
▲ 12 Mo. Absorption Units	(23)	(95)	105	17	110
▼ Vacancy Rate	9.80%	10.70%	6.82%	7.82%	6.90%
▲ Asking Rent/Unit	$2,241	$2,235	$2,228	$2,261	$2,217
▲ Sale Price/Unit	$293,222	$291,856	$290,247	$289,492	$288,000
▲ Cap Rate	5.52%	5.51%	5.41%	5.43%	5.36%
▲ Under Construction Units	118	12	226	258	36
▲ Inventory Units	8,822	8,816	8,444	8,348	8,324

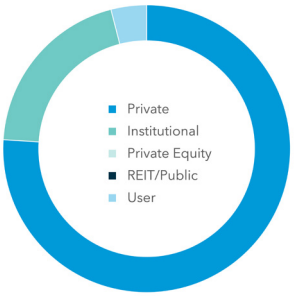
NET ABSORPTION, NET DELIVERIES, & VACANCY



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
2804 Augusta Street San Luis Obispo, CA	$7,200,000 $288,000 Per Unit	25	Abidan R. Franco Lana Lucas
1771 Johnson Avenue San Luis Obispo, CA	$3,728,600 $414,289 Per Unit	9	Jean Cane Theodore Lilly
172 Ocean View Avenue Pismo Beach, CA	$2,640,000 $330,000 Per Unit	8	Tracy Liskey-Delrio Steve Battaglia

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Diocese of Monterey	$14,150,000
Lana P. Lucas	$7,200,000
Theodore Lilly	$3,728,600
David W. Low	$3,200,000
Steve Heimler	$2,645,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Abidan R. Franco	$7,200,000
Jean Paul Crane	$3,728,600
Ashish R. Ranat	$3,200,000
Peter Hilf	$2,645,000
Tracy Liskey-Delrio	$2,640,000

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