LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q1 2026
SANTA BARBARA, CA

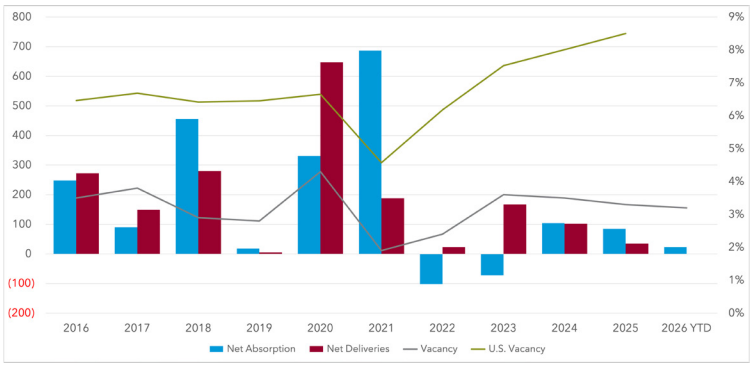
MULTIFAMILY MARKET OVERVIEW

STEVEN LEIDER, *Senior Vice President*

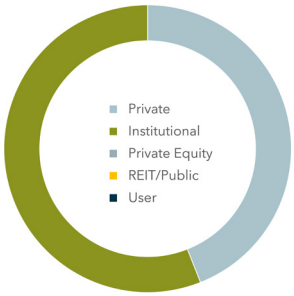
Santa Barbara's multifamily market remains tight but is beginning to face new supply pressures. Vacancy is low at approximately 3.2%, slightly below long-term averages, though a wave of new deliveries-led by a 340-unit project in Santa Maria-is expected to push vacancy higher. Development has historically been constrained by coastal barriers and community opposition, but 2026 deliveries are set to reach their highest level in several years. Demand has remained relatively modest, reflecting limited population growth. Rent growth has been solid at 1.7% annually, outperforming national trends, though recent policy changes, including a temporary rent freeze, may temper near-term growth.

MARKET INDICATORS	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025
▲ 12 Mo. Absorption Units	90	(38)	91	108	189
▼ Vacancy Rate	3.20%	3.84%	3.27%	3.32%	3.30%
▲ Asking Rent/Unit	$2,580	$2,531	$2,544	$2,540	$2,505
▲ Sale Price/Unit	$346,736	$342,615	$354,659	$350,680	$347,175
▲ Cap Rate	4.90%	4.82%	4.75%	4.78%	4.78%
▲ Under Construction Units	543	541	201	92	-
▲ Inventory Units	21,329	21,242	21,114	21,003	20,953

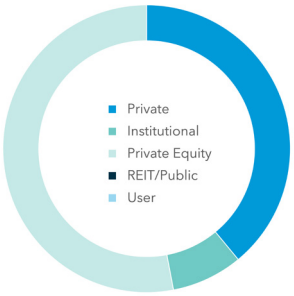
NET ABSORPTION, NET DELIVERIES, & VACANCY



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
534 E. Boone Street Santa Maria, CA	$75,000,000 $275,735 Per Unit	272	Step Up Housing The Towbes Group
23 Magnolia Avenue Goleta, CA	$5,400,000 $284,211 Per Unit	19	Dario Pini George C. Hollister
2220 Oak Park Lane Santa Barbara, CA	$4,400,000 $440,000 Per Unit	10	Anne Marie Catanzano Broida Family, LP

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
The Towbes Group	$75,000,000
Jessica Chiu	$5,850,000
George C. Hollister	$5,400,000
Paulette Renee Bermant	$4,400,000
Broida Family, LP	$4,400,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Step Up Housing	$75,000,000
Dario Pini Investments	$9,000,000
Dario Pini	$5,850,000
Anne Marie Catanzano	$4,400,000
Claudia St. George	$4,400,000

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 2026 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com