LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

# Q3 2026
# SAN LUIS OBISPO, CA

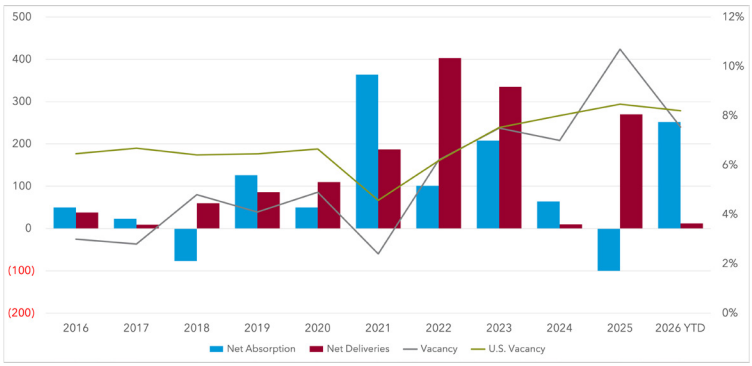
## MULTIFAMILY MARKET OVERVIEW

ALEX OLSON, *Senior Vice President*

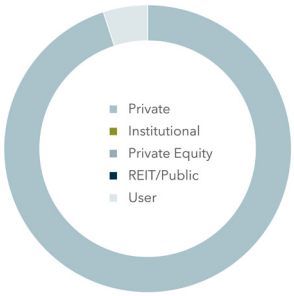
San Luis Obispo's multifamily market showed signs of stabilization through Q3 2026, with vacancy near 7.5%, remaining above historical averages following recent supply additions. Net absorption totaled approximately 200 units over the trailing 12 months, reflecting improving demand despite limited population and employment growth. Construction activity remains minimal, with just nine units underway following the completion of the 214-unit Reserve at Vinedo in Paso Robles. Average asking rents increased 2.4% year over year, outperforming national growth and aligning with long-term market trends. Looking ahead, limited new development and improving absorption are expected to support gradual vacancy reductions and continued moderate rent appreciation through year-end.

| MARKET INDICATORS | Q3 2026 | Q2 2026 | Q1 2026 | Q4 2025 | Q3 2025 |
|---|---|---|---|---|---|
| ▲ 12 Mo. Absorption Units | 198 | 44 | (23) | (95) | 105 |
| ▼ Vacancy Rate | 7.54% | 9.05% | 9.80% | 10.70% | 6.82% |
| ▲ Asking Rent/Unit | $2,263 | $2,252 | $2,241 | $2,235 | $2,228 |
| ▲ Sale Price/Unit | $284,537 | $266,416 | $293,222 | $291,856 | $290,247 |
| ▼ Cap Rate | 5.68% | 5.91% | 5.52% | 5.51% | 5.41% |
| ▼ Under Construction Units | 9 | 12 | 118 | 12 | 226 |
| ▲ Inventory Units | 8,963 | 8,889 | 8,822 | 8,816 | 8,444 |

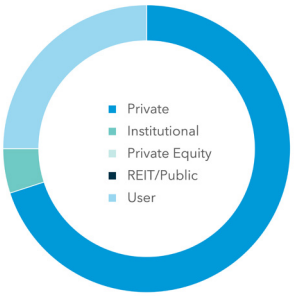
### NET ABSORPTION, NET DELIVERIES, & VACANCY




### 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 |
|---|---|---|---|
| 1249 Palm Street<br>San Luis Obispo, CA | $3,195,000<br>$456,428.57 PPU | 7 | Jonathon M Pahler<br>Doug Wetton |
| 740 Ramona Avenue<br>Grover Beach, CA | $1,995,000<br>$332,500 PPU | 6 | Joseph & Kelly Balogh<br>The Wayne P. Cali Family Trust |
| 1480 Madonna Road<br>San Luis Obispo, CA | $1,500,000<br>$375,000 PPU | 4 | Demetri Golpashin<br>Natalie C. Wall |

| TOP SELLERS (PAST 12 MONTHS) | SALES VOLUME |
|---|---|
| Diocese of Monterey | $14,150,000 |
| Lana P Lucas | $7,200,000 |
| Sharon Hamblin | $4,310,000 |
| Theodore Lilly | $3,728,600 |
| Rakesh & Manisha Panchal | $3,700,000 |

| TOP BUYERS (PAST 12 MONTHS) | SALES VOLUME |
|---|---|
| Abidan R Franco | $7,200,000 |
| James P Knapp | $4,310,000 |
| Jean Paul Cane | $3,728,600 |
| James J Keefe | $3,700,000 |
| Jonathon M Pahler | $3,195,000 |

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