



Multi-Family Market Report

San Jose - CA

PREPARED BY

INTERO

Commercial

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Founding Commercial Broker-Intero



MULTI-FAMILY MARKET REPORT

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Overview

San Jose Multi-Family

12 Mo. Delivered Units

2,892

12 Mo. Absorption Units

2,384

Vacancy Rate

5.8%

12 Mo. Asking Rent Growth

4.0%

San Jose's apartment market has largely recovered from the steep demand and rent losses that resulted from the onset of the pandemic. Renters have made their way back into the San Jose region in 2022 after a robust demand recovery in 2021, leading to the current vacancy rate of 5.8%, which has shifted from a recent peak of 9.9%.

With roughly 11,000 units underway, new developments will place upward pressure on vacancy in the coming quarters, but if demand holds up as it has since 2021, the vacancy rate should remain relatively stable.

Remote working will remain a prevalent trend for major Silicon Valley employers, but most employees will likely be required to be in an office at least a few days a week.

While hybrid working has broadened apartment residents' search for housing, San Jose remains a desirable place to live, and overarching trends support strong rental housing demand.

Until recently, high-quality and robust job growth bolstered population gains and, in turn, demand for housing. Despite recent price declines, the single-family housing market remains expensive. As a result, a significant portion of new households will continue to become renters rather than owners, creating a backstop for apartment demand.

Investors have shown confidence in the market in 2022, and 22Q3 saw the highest quarterly sales volume of the past 10 years.

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	55,945	8.5%	\$3,379	\$3,303	26	0	8,191
3 Star	41,631	4.5%	\$2,873	\$2,852	(30)	0	2,314
1 & 2 Star	58,095	4.0%	\$2,251	\$2,239	(7)	0	0
Market	155,671	5.8%	\$2,908	\$2,867	(11)	0	10,505

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.2%	5.1%	6.1%	9.9%	2020 Q4	1.8%	2000 Q1
Absorption Units	2,384	1,806	3,454	8,733	2021 Q4	(2,920)	2001 Q4
Delivered Units	2,892	2,151	4,159	4,913	2015 Q1	7	2009 Q3
Demolished Units	0	75	44	326	2021 Q1	0	2022 Q4
Asking Rent Growth (YOY)	4.0%	1.7%	3.3%	23.1%	2001 Q1	-13.8%	2002 Q3
Effective Rent Growth (YOY)	4.4%	1.7%	3.2%	22.9%	2001 Q1	-13.9%	2002 Q3
Sales Volume	\$1.6B	\$961.1M	N/A	\$2.1B	2008 Q1	\$140M	2003 Q1

San Jose outperformed the national trend in the first half of 2022, as demand remained elevated relative to pre-pandemic norms. However, demand has slowed somewhat in the second half of the year. In the past 12 months, roughly 2,300 units have been absorbed compared to the long-term average of 3,100 units. The vacancy rate is 5.8% after peaking at 9.9% earlier in the pandemic.

San Jose has long been one of the country's most expensive markets, particularly after a record run of rent increases prior to the pandemic. That hindered the market during the pandemic, but the region remains a highly desirable location to live. In 2021, as the economy reopened and the public health outlook improved, renters started to move back into the region, which has boosted occupancy rates deep into 2022.

In addition, with major employers beginning to have employees return to offices, residents who may have left for a time are returning. Remote and hybrid work arrangements have affected demand and will continue to broaden residents' housing search. But in general, it is evident that San Jose apartment communities remain attractive, leading to a robust recovery and strong forecast.

Mid- to lower-tier assets are still outperforming in terms of occupancy rates, 4.5% and 4.0%, respectively. Demand for affordable housing is robust, but supply has

not kept up with demand due to rising construction costs and a lack of public funding.

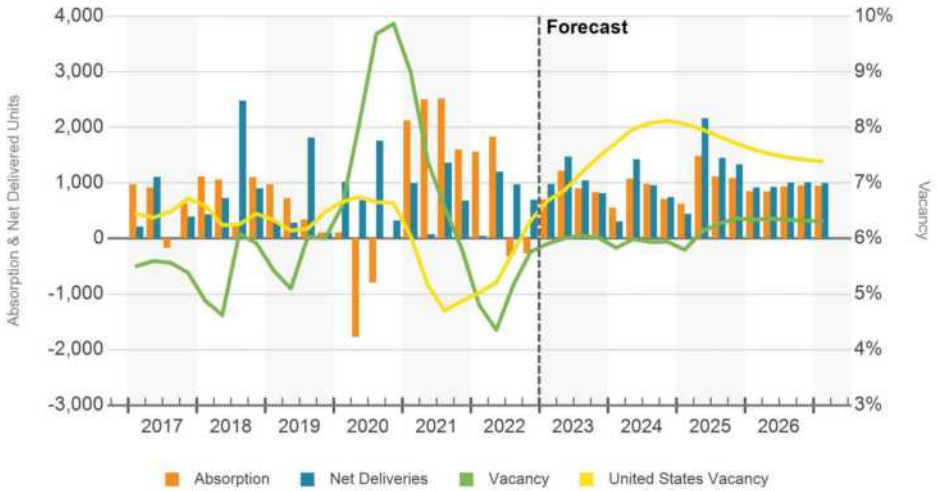
Certain submarkets have experienced a bulk of the development activity. For example, submarkets such as Sunnyvale, Mountain View, and Downtown San Jose are growing rapidly, while development has also ramped up in Santa Clara. This could apply future pressure to vacancy and rent growth in these submarkets.

Many of the new developments are located near the numerous transit options that exist in the metro. Commuters in the San Jose Metro can look to VTA light rail, AC Transit, and Caltrain to access the region's job centers. Also, BART's extension into the metro will eventually connect to Downtown San Jose. Areas around the new and future stations are receiving increased attention from developers.

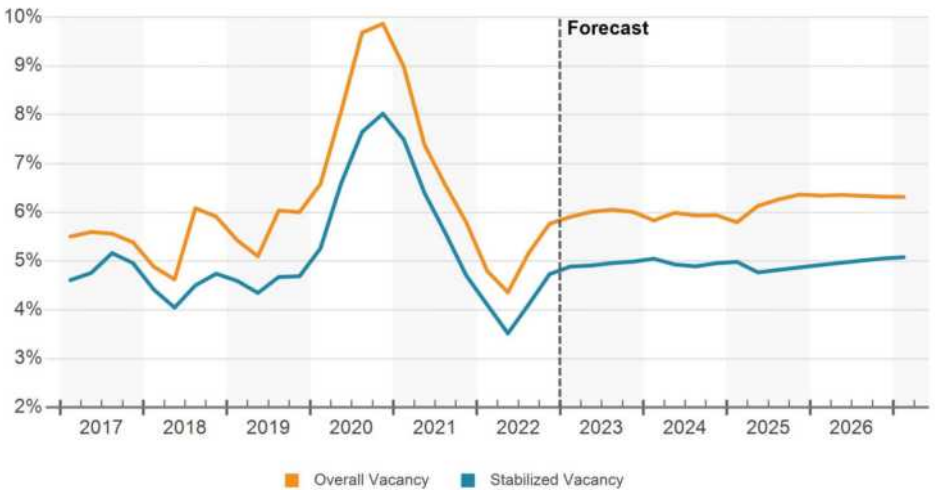
San Jose has continuously bolstered its status as one of the most saturated markets for tech employment in the country. Major tech companies and startups alike are expected to continue to grow, even if their hiring pace has slowed in the near term. Locally headquartered tech titans, including Apple and Google, continue to post substantial profit growth and expand throughout Silicon Valley, and more recently, into Downtown San Jose. Long-term employment forecasts indicate San Jose and the broader Bay Area will outperform national benchmarks.

Vacancy

ABSORPTION, NET DELIVERIES & VACANCY

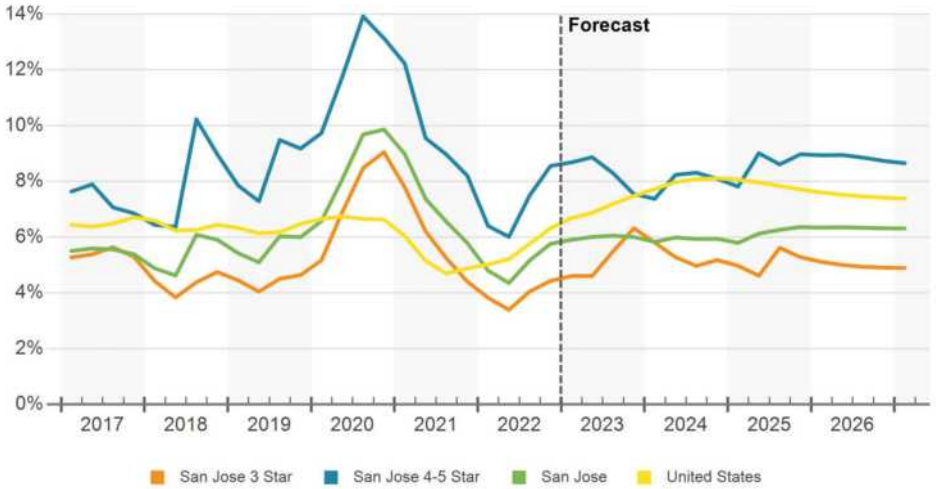


OVERALL & STABILIZED VACANCY

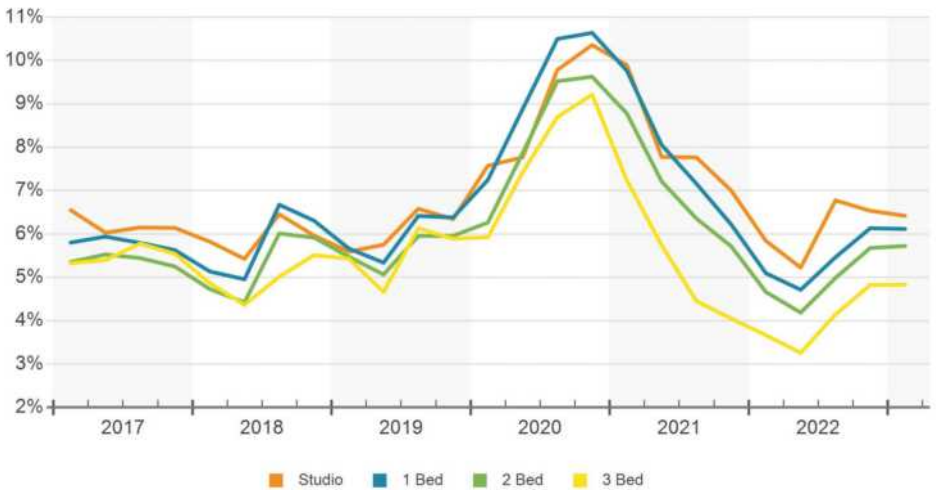


Vacancy

VACANCY RATE



VACANCY BY BEDROOM



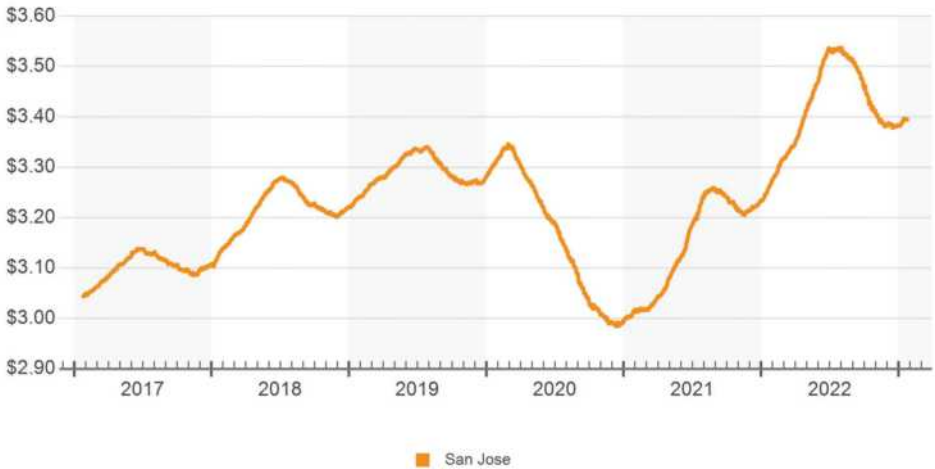
Over the trailing 12 months, rent growth has measured 4.0%. In the past decade, average annual rent growth in San Jose was 3.4% and peaked at 10.9% in 2022. That's a rapid turnaround after rents fell by as much as -8.6% on a year-over-year basis earlier in the pandemic, when rent losses extended into 2021.

Across different quality segments of the market, the response in rent growth has varied. Annual asking rent growth in 4 & 5 Star properties is now 3.3%, compared to 5.4% in 3 Star properties and 3.8% in 1 & 2 Star properties.

San Jose ranks as one of the most expensive major

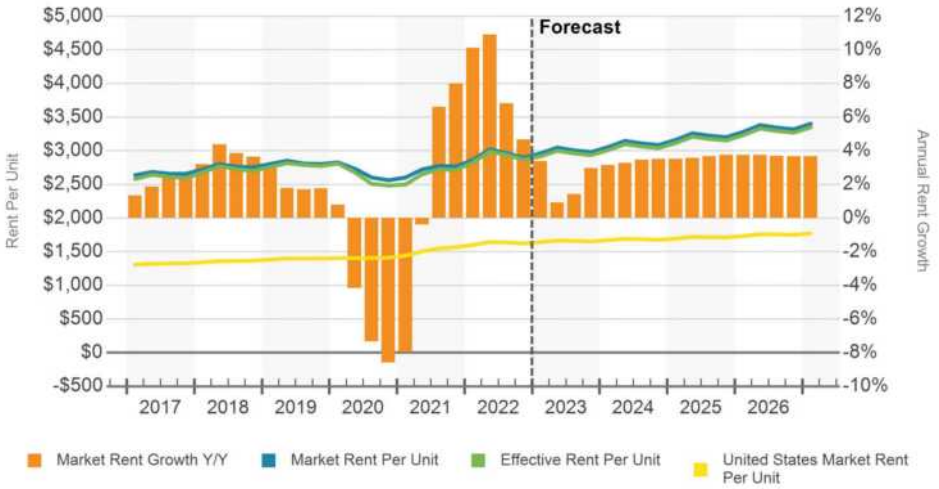
markets in the country, trailing only neighboring San Francisco and right in line with the New York metro. Metro wide, asking rents average \$2,910/month. While expensive in comparison to most other areas of the country, many renters in San Jose have few alternative options for housing. Median home prices have more than doubled over the past decade, and the monthly cost of homeownership is often more expensive than renting. As the metro is geographically constrained, commutes to areas with lower-priced homes are time-consuming and arduous. As a result, many Silicon Valley workers are willing to pay high rental rates for multifamily units near suburban office campuses.

DAILY ASKING RENT PER SF

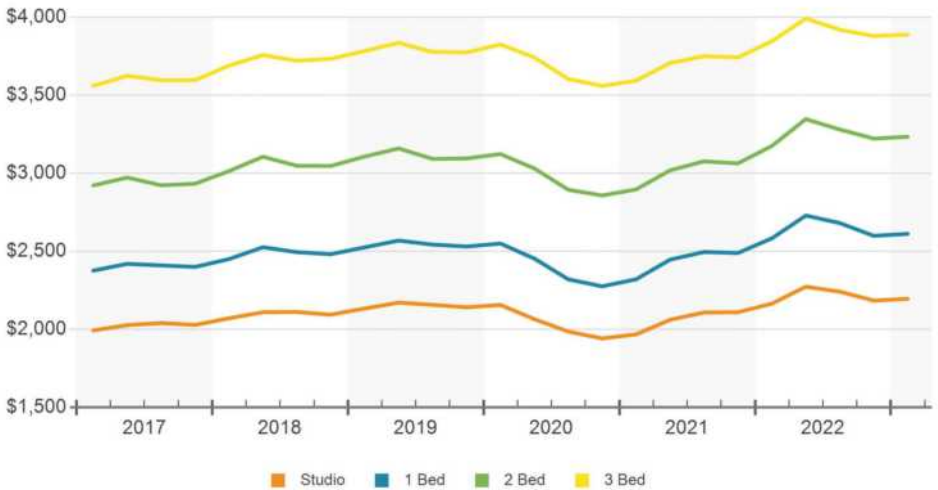


Rent

MARKET RENT PER UNIT & RENT GROWTH



MARKET RENT PER UNIT BY BEDROOM



4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
San Jose	\$0.91	\$0.74	\$0.91	\$0.48	\$0.87	\$1.22	\$0.64	\$2.83	\$0.16	\$0.69	\$0.96	\$10.41
Campbell/Los Gatos	\$0.94	\$0.73	\$0.93	\$0.49	\$0.89	\$1.21	\$0.63	\$2.65	\$0.16	\$0.66	\$0.93	\$10.22
Cupertino	\$0.90	\$0.79	\$0.87	\$0.34	\$0.72	\$0.96	\$0.45	\$2.43	\$0.12	\$0.49	\$0.78	\$8.85
Downtown San Jose	\$0.89	\$0.74	\$0.89	\$0.47	\$0.85	\$1.25	\$0.67	\$2.76	\$0.17	\$0.74	\$1.01	\$10.44
East San Jose	\$0.89	\$0.74	\$0.89	\$0.47	\$0.85	\$1.25	\$0.67	\$2.76	\$0.17	\$0.74	\$1.01	\$10.44
Midtown San Jose	\$0.89	\$0.74	\$0.89	\$0.47	\$0.85	\$1.25	\$0.67	\$2.76	\$0.17	\$0.74	\$1.01	\$10.44
Milpitas/Berryessa	\$0.89	\$0.74	\$0.89	\$0.47	\$0.85	\$1.25	\$0.67	\$2.76	\$0.17	\$0.74	\$1.01	\$10.44
Morgan Hill/Gilroy	\$0.89	\$0.74	\$0.89	\$0.47	\$0.85	\$1.25	\$0.67	\$2.76	\$0.17	\$0.74	\$1.01	\$10.44
Mountain View/Los...	\$0.84	\$0.70	\$0.88	\$0.45	\$0.83	\$1.13	\$0.56	\$2.54	\$0.14	\$0.57	\$0.86	\$9.50
North San Jose	\$0.89	\$0.74	\$0.89	\$0.47	\$0.85	\$1.25	\$0.67	\$2.76	\$0.17	\$0.74	\$1.01	\$10.44
San Benito County	\$0.89	\$0.74	\$0.89	\$0.47	\$0.85	\$1.25	\$0.67	\$2.76	\$0.17	\$0.74	\$1.01	\$10.44
Santa Clara	\$0.88	\$0.74	\$0.88	\$0.47	\$0.85	\$1.24	\$0.66	\$2.73	\$0.17	\$0.73	\$0.99	\$10.34
South San Jose	\$1	\$0.74	\$1.05	\$0.57	\$0.97	\$1.25	\$0.67	\$3.76	\$0.17	\$0.74	\$1.01	\$11.93
Sunnyvale	\$0.86	\$0.72	\$0.88	\$0.46	\$0.84	\$1.18	\$0.60	\$2.63	\$0.15	\$0.64	\$0.92	\$9.88
West Valley San Jose	\$1.06	\$0.65	\$1.02	\$0.54	\$1	\$0.93	\$0.34	\$1.88	\$0.05	\$0.07	\$0.40	\$7.94

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
San Jose	\$0.66	\$0.53	\$0.84	\$0.38	\$0.72	\$0.78	\$0.28	\$1.78	\$0.04	\$0.12	\$0.45	\$6.58
Campbell/Los Gatos	\$0.81	\$0.55	\$0.90	\$0.43	\$0.79	\$0.84	\$0.31	\$1.74	\$0.04	\$0.07	\$0.40	\$6.88
Cupertino	\$0.73	\$0.58	\$0.85	\$0.34	\$0.70	\$0.76	\$0.27	\$1.93	\$0.04	\$0.10	\$0.44	\$6.74
Downtown San Jose	\$0.42	\$0.50	\$0.73	\$0.29	\$0.61	\$0.65	\$0.23	\$1.08	\$0.04	\$0.16	\$0.48	\$5.19
East San Jose	\$0.41	\$0.50	\$0.85	\$0.29	\$0.61	\$0.64	\$0.21	\$1.04	\$0.03	\$0.14	\$0.47	\$5.19
Midtown San Jose	\$0.48	\$0.47	\$0.77	\$0.28	\$0.55	\$0.73	\$0.31	\$1.51	\$0.06	\$0.28	\$0.59	\$6.03
Milpitas/Berryessa	\$0.75	\$0.60	\$0.85	\$0.42	\$0.80	\$0.86	\$0.34	\$2.08	\$0.06	\$0.22	\$0.54	\$7.52
Morgan Hill/Gilroy	\$0.62	\$0.55	\$0.70	\$0.37	\$0.73	\$0.73	\$0.25	\$1.67	\$0.03	\$0.06	\$0.40	\$6.11
Mountain View/Los...	\$0.67	\$0.56	\$0.78	\$0.39	\$0.76	\$0.74	\$0.25	\$1.80	\$0.03	\$0.07	\$0.40	\$6.45
North San Jose	\$0.35	\$0.47	\$0.85	\$0.26	\$0.57	\$0.56	\$0.16	\$0.82	\$0.01	\$0.07	\$0.40	\$4.52
Palo Alto	\$0.71	\$0.56	\$0.85	\$0.40	\$0.79	\$0.75	\$0.25	\$1.88	\$0.03	\$0.07	\$0.40	\$6.69
San Benito County	\$0.41	\$0.53	\$0.35	\$0.30	\$0.60	\$0.71	\$0.24	\$1.19	\$0.03	\$0.06	\$0.38	\$4.80
Santa Clara	\$0.83	\$0.62	\$0.83	\$0.45	\$0.85	\$0.87	\$0.32	\$1.76	\$0.05	\$0.08	\$0.41	\$7.07
South San Jose	\$0.88	\$0.60	\$0.96	\$0.51	\$0.89	\$1.06	\$0.41	\$3.17	\$0.07	\$0.23	\$0.54	\$9.32
Sunnyvale	\$0.67	\$0.56	\$0.79	\$0.39	\$0.76	\$0.75	\$0.25	\$1.81	\$0.03	\$0.07	\$0.41	\$6.49
West Valley San Jose	\$0.67	\$0.49	\$0.84	\$0.35	\$0.67	\$0.76	\$0.27	\$1.55	\$0.04	\$0.07	\$0.40	\$6.11

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

Rent

1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
San Jose	\$0.38	\$0.48	\$0.37	\$0.27	\$0.54	\$0.69	\$0.23	\$1.07	\$0.03	\$0.06	\$0.38	\$4.50
Campbell/Los Gatos	\$0.40	\$0.56	\$0.37	\$0.28	\$0.55	\$0.82	\$0.30	\$1.20	\$0.04	\$0.06	\$0.38	\$4.96
Cupertino	\$0.44	\$0.54	\$0.39	\$0.30	\$0.60	\$0.73	\$0.25	\$1.24	\$0.03	\$0.06	\$0.38	\$4.96
Downtown San Jose	\$0.33	\$0.45	\$0.36	\$0.25	\$0.55	\$0.53	\$0.15	\$0.78	\$0.01	\$0.06	\$0.38	\$3.85
East San Jose	\$0.34	\$0.45	\$0.39	\$0.25	\$0.55	\$0.53	\$0.15	\$0.78	\$0.01	\$0.06	\$0.38	\$3.89
Midtown San Jose	\$0.28	\$0.33	\$0.35	\$0.18	\$0.39	\$0.53	\$0.17	\$0.98	\$0.02	\$0.06	\$0.38	\$3.67
Milpitas/Berryessa	\$0.49	\$0.53	\$0.49	\$0.32	\$0.64	\$0.69	\$0.23	\$1.33	\$0.03	\$0.06	\$0.39	\$5.20
Morgan Hill/Gilroy	\$0.41	\$0.53	\$0.35	\$0.30	\$0.60	\$0.71	\$0.24	\$1.19	\$0.03	\$0.06	\$0.38	\$4.80
Mountain View/Los...	\$0.41	\$0.53	\$0.35	\$0.30	\$0.60	\$0.71	\$0.24	\$1.19	\$0.03	\$0.06	\$0.38	\$4.80
North San Jose	\$0.33	\$0.44	\$0.35	\$0.25	\$0.55	\$0.53	\$0.15	\$0.78	\$0.01	\$0.06	\$0.38	\$3.83
Palo Alto	\$0.43	\$0.53	\$0.38	\$0.31	\$0.61	\$0.71	\$0.24	\$1.23	\$0.03	\$0.06	\$0.38	\$4.91
San Benito County	\$0.41	\$0.53	\$0.35	\$0.30	\$0.60	\$0.71	\$0.24	\$1.19	\$0.03	\$0.06	\$0.38	\$4.80
Santa Clara	\$0.40	\$0.56	\$0.35	\$0.29	\$0.57	\$0.80	\$0.28	\$1.18	\$0.04	\$0.06	\$0.38	\$4.91
South San Jose	\$0.42	\$0.52	\$0.38	\$0.30	\$0.60	\$0.89	\$0.30	\$1.22	\$0.04	\$0.06	\$0.38	\$5.11
Sunnyvale	\$0.43	\$0.53	\$0.37	\$0.31	\$0.61	\$0.71	\$0.24	\$1.22	\$0.03	\$0.06	\$0.38	\$4.89
West Valley San Jose	\$0.41	\$0.54	\$0.38	\$0.28	\$0.55	\$0.81	\$0.30	\$1.21	\$0.04	\$0.06	\$0.38	\$4.96

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

Developers in San Jose have been active in response to growing demand for housing metro wide. Elevated levels of new apartment construction have been well received over the past decade, with a net of roughly 32,000 market-rate apartments opening during this period, increasing inventory by 26.0%.

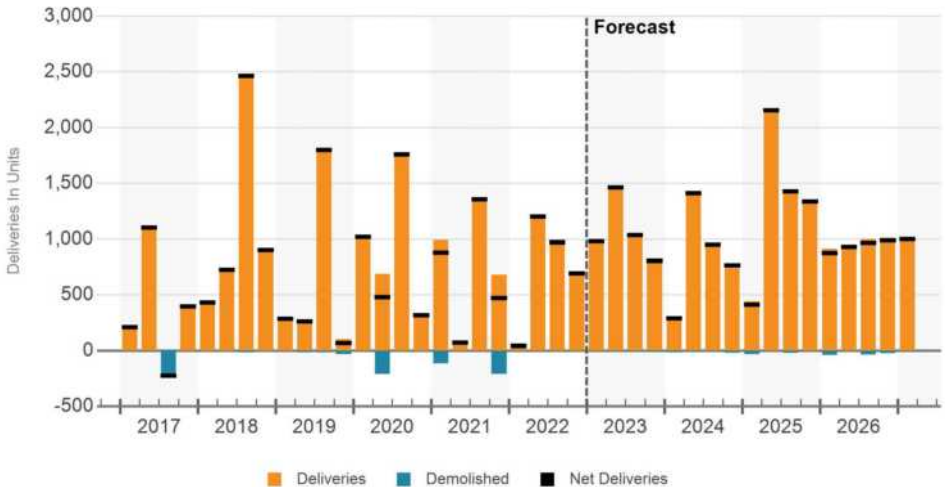
There are currently about 11,000 units under construction, representing 6.7% of the market's inventory. That compares to the 10-year average of 7,100 units actively under construction across the metro.

Submarkets experiencing the most development activity include Downtown San Jose, Santa Clara, Sunnyvale, and Mountain View. The vast majority of projects are located along the CalTrain route from the Peninsula into Downtown San Jose. Developers have continued to capitalize on the appeal of mixed-use transit areas, where easy commutes and complimentary retail and restaurant uses provide an attractive lifestyle for residents.

The Downtown San Jose Submarket has been among the most targeted submarkets by developers in recent years. One of the most recent deliveries was the 630-unit, 28-story, twin-tower high-rise project named Miro, which became the tallest building in Downtown San Jose when it was completed in 21Q3. The project consists primarily of one-bedroom units, along with some two- and three-bedroom units, and was built by Bayview Development Group. Another large project, Shea Properties' 518-unit Sixth & Jackson project, opened during 22Q3.

Among the largest projects currently underway is Gateway Crossings in Santa Clara. The sprawling development broke ground during 22Q3 and consists of more than 1,500 units. It is scheduled to open in 2025. Holland Partner Group signed a 99-year ground lease for the site. It will have direct access to the Santa Clara Caltrain Station and Santa Clara University, which is located across the street.

DELIVERIES & DEMOLITIONS



Under Construction Properties

San Jose Multi-Family

Properties	Units	Percent of Inventory	Avg. No. Units
36	10,505	6.7%	292

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 Gateway Crossings 1205 Coleman Ave	★★★★★	1,565	11	Jul 2022	Apr 2025	Holland Partner Group Hunter Properties, Inc.
2 1 AMD Place Redevelop... 1 Amd Pl	★★★★☆	1,051	1	Jun 2022	Jun 2023	- City of Sunnyvale
3 777 W Middlefield Rd	★★★★☆	716	5	Jun 2022	Jun 2025	Miramar Capital Advisors Mountain View Owner Llc
4 1255 Pear Ave	★★★★☆	635	6	Nov 2022	Jun 2024	The Sobrato Organization The Sobrato Organization
5 1410 S Bascom Ave	★★★★☆	590	6	Jul 2022	Jul 2024	Bay West Development Bay West Group
6 2300 Calle De Luna	★★★★☆	509	22	Jul 2022	Aug 2024	Related California The Related Companies
7 Block 3-S 200 S Taaffe St	★★★★☆	479	12	Jun 2022	Jun 2024	Hunter Properties, Inc. Hunter Properties, Inc.

Under Construction Properties

San Jose Multi-Family

UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
8 Vida at Morgan Hill 18125 Butterfield Blvd	★★★★☆	389	3	Jun 2022	Nov 2023	Haseko America, Inc. MBK Real Estate Companies
9 Winchester Apartments 555 S Winchester Blvd	★★★★★	368	7	Sep 2021	Mar 2023	Pulte Group Gregory P Chiste
10 504 Charles Cali Dr	★★★★☆	368	7	Jan 2022	Feb 2023	eXp Commercial Pulte Group
11 Agrihood 90 N Winchester Blvd	★★★★☆	361	5	Sep 2021	Mar 2023	The Core Companies City of Santa Clara Housing Auth...
12 Nuevo 2940 Feliz Rd	★★★★☆	331	3	Jul 2022	Jul 2023	- SummerHill Homes
13 1175 Aster Ave	★★★★★	329	5	Aug 2022	Jun 2025	Olympic Residential Group Heartstone, Inc.
14 Parcel 19 5123 Calle Del Sol	★★★★☆	310	7	Jul 2022	May 2024	Ensemble Real Estate Solutions Ensemble Real Estate Solutions
15 Cielo Apartments 3580 Rambla Pl	★★★★☆	286	6	May 2022	May 2023	SummerHill Homes -
16 Garden Gate Tower 600 S 1st St	★★★★☆	285	27	Jun 2022	Jan 2024	KT Urban, Inc. Salata 2005 Trust
17 The Tillery 1720 Villa St	★★★★☆	226	4	Jan 2021	Feb 2023	Prometheus Real Estate Group, I... Prometheus Real Estate Group, I...
18 Laguna Clara Phase II 3131 Homestead Rd	★★★★☆	225	4	Nov 2022	May 2024	Equity Residential Equity Residential
19 The Residences @ Shor... 1001 N Shoreline Blvd	★★★★☆	203	7	Nov 2022	Dec 2025	Stockbridge Capital Group, LLC Stockbridge Capital Group, LLC
20 Butcher's Corner 871 E Fremont Ave	★★★★☆	196	8	Mar 2021	Aug 2023	- De Anza-wolfe Road Homes Part...
21 Twin Oaks 2103 White Oak Dr	★★★★☆	168	1	Oct 2022	Dec 2023	MHG Builder & Consulting Inc -
22 Auzerais Ave Residential... 425-433 Auzerais Ave	★★★★☆	130	6	Jun 2022	Jun 2024	Eden Housing, Inc. Eden Housing, Inc.
23 Delmas Avenue 341-365 Delmas Ave	★★★★☆	120	5	Nov 2022	Nov 2023	- Zhen Zhen Li & David Luo
24 Monterey Gateway 18110 Monterey Rd	★★★★☆	101	3	Aug 2021	Aug 2023	City Ventures Trumark Companies
25 The Highlands at Santan... 1378 Azalea Dr	★★★★☆	94	2	Oct 2022	Dec 2023	Anderson Homes, Inc. Alta Real Estate
26 Mariposa Place 750 W San Carlos St	★★★★☆	80	6	Aug 2022	Aug 2024	The Danco Group County of Santa Clara
27 3402 El Camino Real	★★★★☆	66	4	May 2022	May 2024	De Anza Properties De Anza Properties
28 370 San Aleso Ave	★★★★☆	65	3	Jan 2022	Jun 2023	- -

San Jose's investment market is not quite as liquid as some other California markets, but it has averaged about 150 market-rate trades annually over the past five years. Investment activity has picked up in 2022, relative to the past few years, and sales volume reached a 15-year high during 22Q2. Local and national investors are the primary actors here, with little of the foreign investment that has been more common in San Francisco.

The market's average price of \$620,000/unit still ranks as the second-highest in the country among major metros, trailing only San Francisco. Average cap rates have declined to 3.5%, among the lowest in the country, with transactional cap rates often below 4%.

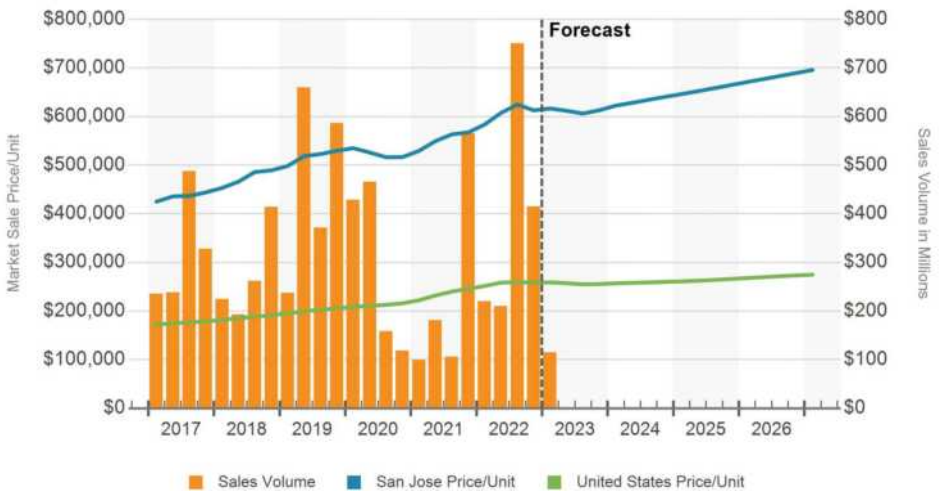
MG Properties acquired the Eleanor Apartments in Milpitas for \$193 million, or about \$580,000/unit during 22Q3. The 333-unit property was built in 2021 by the

SummerHill Housing Group, one of the sellers, along with The Resmark Companies and Kennedy Wilson. Rents averaged about \$3,200/month at the time of the sale, and the property stabilized during 22Q1.

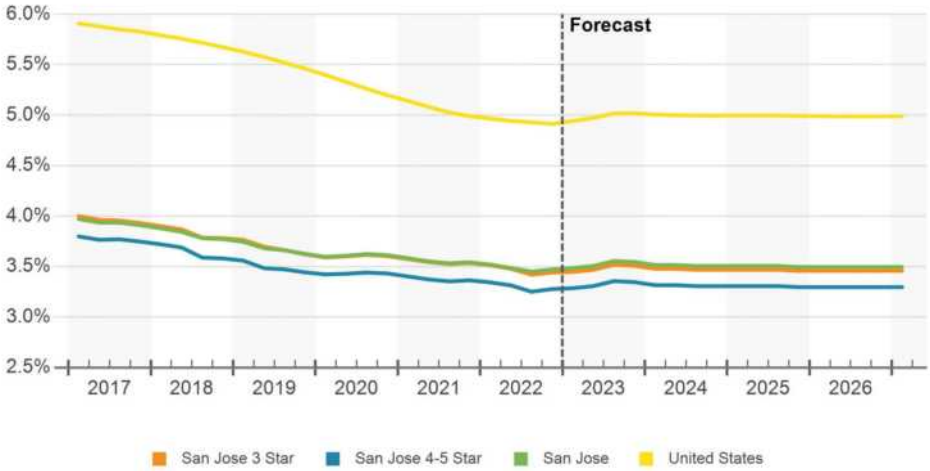
That same quarter, MG Properties joined with Oaktree Capital Management to purchase The Platform located in San Jose. The 551-unit community sold for \$320 million, or about \$581,000/unit. MG Properties has been targeting the San Jose area due to strong employment growth, which the firm expects should boost apartment demand. Western National built the property in 2019 and was the seller.

In October 2022, 3D Investments purchased the 345-unit property at 77 N Almaden Ave. in Downtown San Jose, paying \$185 million, or \$536,000/unit. The 21 story, 4 Star property was built in 2015.

SALES VOLUME & MARKET SALE PRICE PER UNIT



MARKET CAP RATE



Sales Past 12 Months

San Jose Multi-Family

Sale Comparables	Avg. Price/Unit (thous.)	Average Price (mil.)	Average Vacancy at Sale
130	\$452	\$12.9	5.4%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$1,288,000	\$12,855,473	\$4,010,000	\$320,000,000
Price/Unit	\$171,829	\$452,433	\$382,639	\$1,333,333
Cap Rate	2.3%	3.9%	4.0%	6.7%
Vacancy Rate At Sale	0%	5.4%	0%	75.0%
Time Since Sale in Months	0.2	7.1	7.2	12.0
Property Attributes	Low	Average	Median	High
Property Size in Units	5	34	9	759
Number of Floors	1	2	2	21
Average Unit SF	418	815	738	2,860
Year Built	1898	1959	1960	2021
Star Rating	★★★★★	★★★★★ 2.1	★★★★★	★★★★★

Sales Past 12 Months

San Jose Multi-Family

RECENT SIGNIFICANT SALES

Property Name/Address	Property Information				Sale Information			
	Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF
1 The Platform 1501 Berryessa Rd	★★★★☆	2019	551	9.4%	7/28/2022	\$320,000,000	\$580,762	\$1,067
2 Eleanor Apartments 312 Gates Dr	★★★★☆	2021	333	7.8%	7/28/2022	\$193,000,000	\$579,579	\$323
3 Centerra 77 N Almaden Ave	★★★★☆	2015	345	9.2%	10/26/2022	\$185,000,000	\$536,231	\$529
4 Cherryhill Apartments 902 W Remington Dr	★★★★☆	1962	244	6.2%	1/19/2023	\$106,000,000	\$434,426	\$530
5 ReNew Berryessa 1265 N Capitol	★★★★☆	1973	220	1.8%	10/11/2022	\$74,150,000	\$337,045	\$485
6 Via Reggio Apartments 1277 San Tomas Aquino Rd	★★★★☆	1988	116	0%	7/27/2022	\$53,250,000	\$459,051	\$520
7 McClellan Terrace 7954 McClellan Rd	★★★★☆	1971	94	0%	8/5/2022	\$52,000,000	\$553,191	\$518
8 Montecito 3760-3765 Tamarack Ln	★★★★☆	1970	114	5.3%	10/25/2022	\$50,700,000	\$444,736	\$354
9 ReNew Twenty50 2050 McKee Rd	★★★★☆	1972	149	2.7%	10/11/2022	\$46,200,000	\$310,067	\$330
10 El Paseo de Saratoga Manor 4899 Campbell Ave	★★★★☆	1964	55	0%	5/24/2022	\$23,500,000	\$427,272	\$471
11 Rinconada Court Apartments 236-268 Calle Marguerita	★★★★☆	1963	41	0%	4/1/2022	\$19,500,000	\$475,609	\$580
12 Carmel Park Apartments 175 E Homestead Rd	★★★★☆	1961	28	3.6%	8/10/2022	\$14,732,687	\$526,167	\$583
13 ReNew 4NinetyEight 498 Boynton Ave	★★★★☆	1973	46	0%	10/11/2022	\$14,400,000	\$313,043	\$458
14 Villa Terrace 946 Tamarack Ln	★★★★☆	1972	22	4.6%	1/27/2022	\$11,400,000	\$518,181	\$498
15 Joseph Apartments 2871-2885 Joseph Ave	★★★★☆	1968	24	4.2%	4/28/2022	\$10,500,000	\$437,500	\$263
16 Santana Apartments 2955 Neet Ave	★★★★☆	1968	24	4.2%	2/8/2022	\$10,450,000	\$435,416	\$277
17 596 La Conner Dr	★★★★☆	1964	20	5.0%	3/18/2022	\$10,328,000	\$516,400	\$417
18 Monterey Park Apartments 185 E Homestead Rd	★★★★☆	2006	28	3.6%	8/10/2022	\$10,267,313	\$366,689	\$428
19 Bascom Arms Apartments 2643 Bascom Ave	★★★★☆	1963	40	5.0%	6/21/2022	\$10,200,000	\$255,000	\$503
20 Village Apartments 576 S 5th St	★★★★☆	1963	30	3.3%	1/27/2022	\$10,050,000	\$335,000	\$406

The coronavirus pandemic abruptly halted what had been the longest economic expansion in U.S. history, thereby ending San Jose's streak of above-average job growth. Employment in the San Jose metropolitan statistical area encompassing Santa Clara and San Benito counties fell 13% immediately following the coronavirus outbreak. While stark, job losses were even more pronounced across the state of California and the nation overall. San Jose's job losses are also lighter than San Francisco's and the East Bay's, due to its concentration of employment in technology companies rather than harder hit sectors like leisure and hospitality and retail, which make up only around 20% of San Jose's employment base.

Thus, San Jose's employment losses were comparatively subdued, and as of 22Q3, employment in San Jose has moved above its pre-pandemic peak. Due to social distancing measures, the leisure and hospitality sector suffered most severely during the lockdown, and employment in that sector remains 7% below 20Q1. Employment in typical office-using categories did not fall as sharply and has rebounded well, with total employment now 4% above the pre-pandemic peak.

Reflecting the strength of the job market, the unemployment rate in San Jose registered 2.4% in August, significantly below California's statewide average of 4.1% and slightly below the national unemployment rate of 3.5%.

Moving forward, Oxford Economics projects San Jose's economic recovery will rank among the strongest across the country due to its unique industry makeup. The thriving tech industry drove San Jose's economic growth coming out of the Great Recession and is expected to do so again in the post-pandemic recovery. Software investment grew in the expansion period, while internet advertising revenue has already reattained new record levels following a temporary slump.

San Jose and, more broadly, the Bay Area, has firmly established itself as the nation's largest and most prestigious market for tech companies. Highly educated, STEM-field graduates (science, technology, engineering, and mathematics) flock to San Jose and the greater San Francisco Bay Area in pursuit of employment at one of the many leading tech companies or start-ups

headquartered in Silicon Valley. As a result, the market boasts one of the highest rates of educational attainment in the country, with over 50% of its working-age population possessing a college degree, more than 1.5 times the national rate.

Several factors led to San Jose's prominence in technology. The market is home to one of the nation's premier educational institutions, Stanford University, as well as San Jose State and several other large universities. In conjunction with the culture of innovation that Stanford and Silicon Valley foster, venture capital investment is a key component of the market's success. Technological advancements incubated locally are funded by the nation's largest collection of venture capital firms, many of which are located along Sand Hill Road in Menlo Park, next to the university. The relationship between tech and venture capitalists in San Jose is symbiotic, with between 30% and 40% of total U.S. venture capital funding typically going to Bay Area-based companies. Venture capital funding to San Jose-based businesses reached a record level in 2021, but deal count and investment value has pulled back in 2022 in response to higher interest rates and global economic uncertainty.

Despite these strengths, the market does have areas of weakness. In general, mega tech firms slowed their pace of growth during the pandemic, and some consumer-reliant startups have failed. Also, as highly educated and well-paid employees moved into the market over the past decade, many cost-sensitive renters moved out. Domestic migration has turned heavily negative, and foreign immigration has fallen, particularly from India and China, reducing the size of the available labor force.

Prohibitive living and business costs are not the only issues of concern for San Jose's economy. While the talent pool associated with the tech industry remains the market's key source of strength, remote working provides the potential for companies to adjust their operating models to comprise a more mobile and distributed workforce, thus diminishing their reliance on local talent pools. The tech industry of today is more mature and profitable than ever before, but the San Jose/Silicon Valley market could potentially experience a downturn if mobile work is adopted at scale permanently, allowing companies to spread their recruiting efforts far and wide.

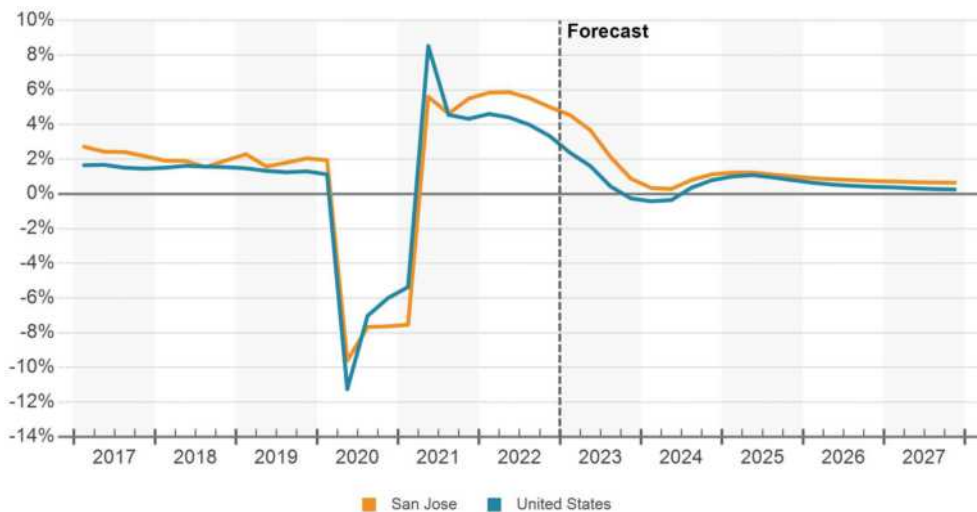
SAN JOSE EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	177	1.8	2.62%	3.18%	1.18%	0.79%	0.04%	-0.02%
Trade, Transportation and Utilities	124	0.6	2.99%	1.88%	-0.66%	1.18%	0.12%	0.08%
Retail Trade	78	0.6	3.54%	0.96%	-0.69%	0.56%	0.37%	0.08%
Financial Activities	37	0.5	-3.53%	1.63%	1.00%	1.41%	0.23%	0.10%
Government	96	0.6	2.66%	1.28%	0.60%	0.24%	0.59%	0.54%
Natural Resources, Mining and Construction	56	0.9	5.53%	3.45%	4.32%	2.49%	0.88%	0.25%
Education and Health Services	193	1.0	4.91%	3.76%	3.16%	1.73%	1.29%	0.56%
Professional and Business Services	263	1.5	4.74%	3.15%	3.26%	2.12%	0.64%	0.36%
Information	114	4.8	6.30%	5.35%	7.77%	1.36%	1.80%	0.20%
Leisure and Hospitality	104	0.8	14.31%	6.52%	1.98%	1.39%	1.93%	1.10%
Other Services	26	0.6	9.84%	3.13%	0.17%	0.57%	1.62%	0.36%
Total Employment	1,188	1.0	4.87%	3.04%	2.30%	1.30%	0.85%	0.39%

Source: Oxford Economics

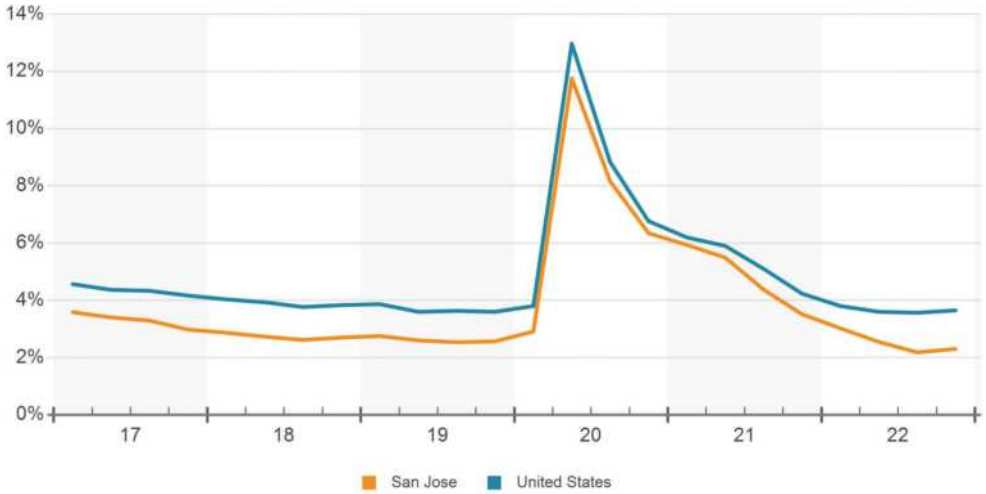
LQ = Location Quotient

JOB GROWTH (YOY)

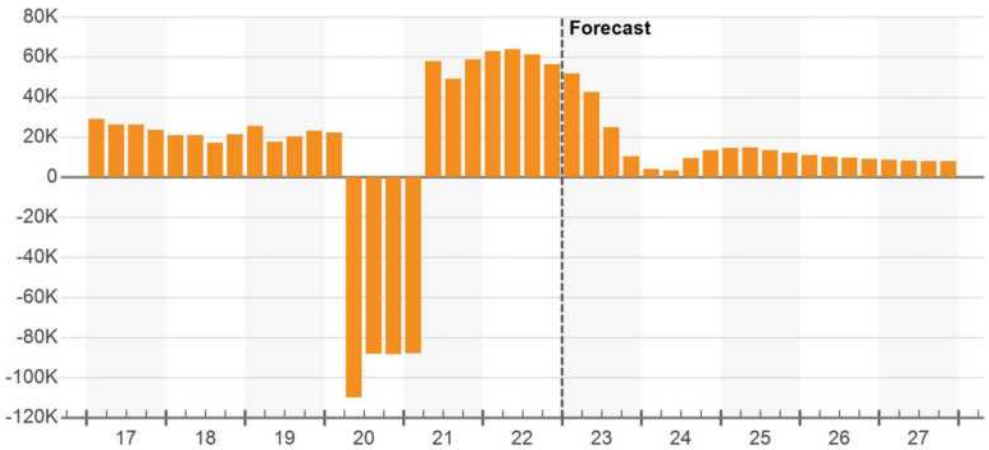


Source: Oxford Economics

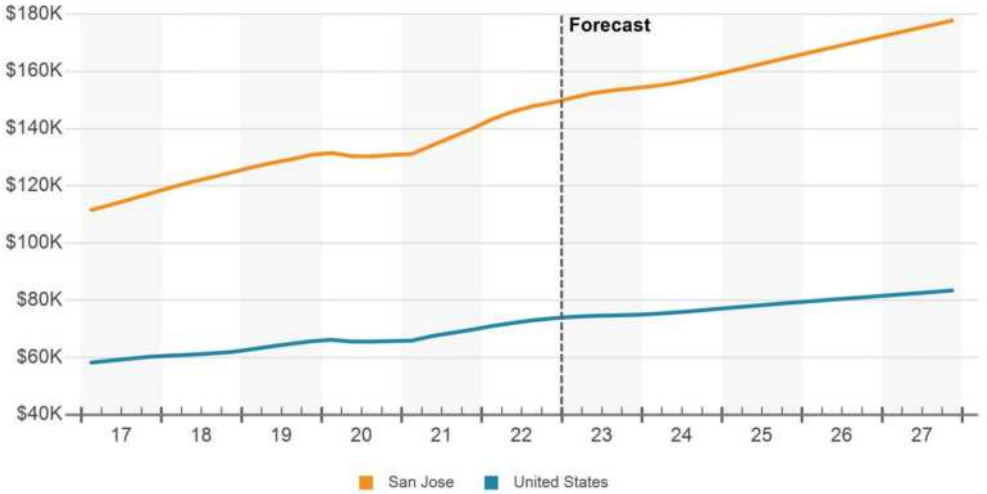
UNEMPLOYMENT RATE (%)



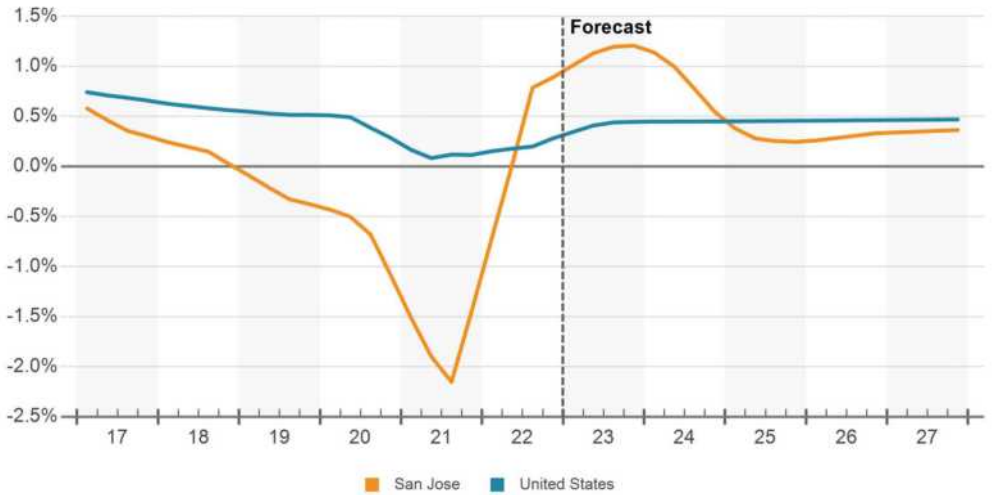
NET EMPLOYMENT CHANGE (YOY)



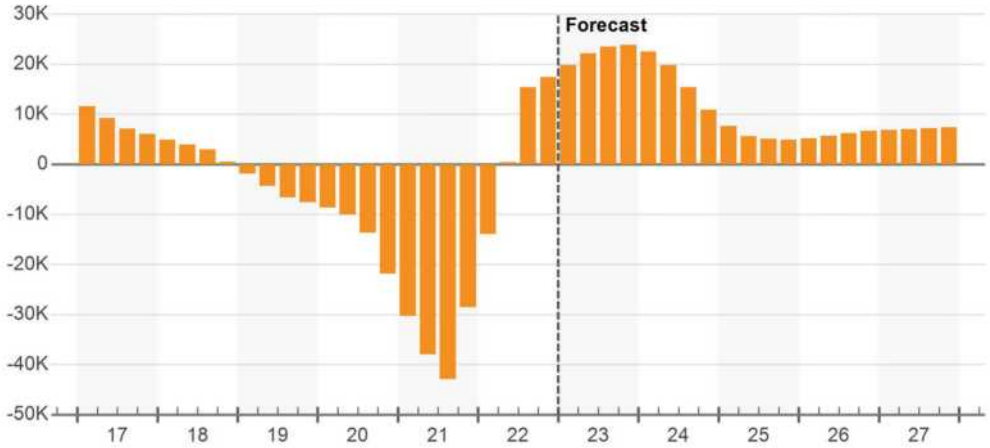
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)



DEMOGRAPHIC TRENDS

Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	1,975,097	333,042,313	0.9%	0.3%	0.3%	0.5%	0.5%	0.5%
Households	685,326	129,200,008	1.6%	1.0%	0.5%	0.8%	0.6%	0.6%
Median Household Income	\$149,574	\$73,853	6.2%	5.3%	5.1%	3.7%	3.6%	2.5%
Labor Force	1,091,043	164,938,219	2.6%	1.4%	1.0%	0.6%	0.9%	0.4%
Unemployment	2.3%	3.7%	-1.1%	-0.5%	-0.5%	-0.4%	-	-

Source: Oxford Economics

POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

Submarkets

SAN JOSE SUBMARKETS



Submarkets

San Jose Multi-Family

SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	Units	% Market	Rank	Bldgs	Units	Percent	Rank	Bldgs	Units	Percent	Rank
1	Campbell/Los Gatos	242	7,078	4.5%	10	1	5	0.1%	7	0	0	0%	-
2	Cupertino	63	5,395	3.5%	11	0	0	0%	-	0	0	0%	-
3	Downtown San Jose	580	12,673	8.1%	6	3	745	5.9%	1	3	535	4.2%	5
4	East San Jose	112	4,356	2.8%	13	1	87	2.0%	5	0	0	0%	-
5	Midtown San Jose	326	7,677	4.9%	8	0	0	0%	-	2	670	8.7%	4
6	Milpitas/Berryessa	67	8,262	5.3%	7	3	645	7.8%	4	0	0	0%	-
7	Morgan Hill/Gilroy	154	2,979	1.9%	14	0	0	0%	-	2	490	16.4%	6
8	Mountain View/Los Altos	455	14,593	9.4%	4	2	707	4.8%	2	5	1,790	12.3%	3
9	North San Jose	32	12,800	8.2%	5	0	0	0%	-	0	0	0%	-
10	Palo Alto	234	4,797	3.1%	12	1	19	0.4%	6	0	0	0%	-
11	San Benito County	49	664	0.4%	15	0	0	0%	-	4	331	49.8%	7
12	Santa Clara	497	20,753	13.3%	2	0	0	0%	-	9	3,831	18.5%	1
13	South San Jose	263	17,258	11.1%	3	0	0	0%	-	2	86	0.5%	8
14	Sunnyvale	588	28,816	18.5%	1	4	684	2.4%	3	8	2,755	9.6%	2
15	West Valley San Jose	267	7,570	4.9%	9	0	0	0%	-	1	17	0.2%	9

SUBMARKET RENT

No.	Market	Asking Rents				Effective Rents					
		Per Unit	Per SF	Rank	Yr. Growth	Per Unit	Per SF	Rank	Yr. Growth	Concession	Rank
1	Campbell/Los Gatos	\$2,665	\$3.24	9	3.5%	\$2,641	\$3.21	8	3.6%	0.9%	7
2	Cupertino	\$3,386	\$3.59	3	6.0%	\$3,358	\$3.56	3	7.6%	0.8%	8
3	Downtown San Jose	\$2,637	\$3.27	8	1.6%	\$2,588	\$3.21	9	2.3%	1.9%	4
4	East San Jose	\$2,348	\$2.96	13	6.3%	\$2,337	\$2.95	13	7.2%	0.5%	13
5	Midtown San Jose	\$2,563	\$3.08	11	2.0%	\$2,546	\$3.06	10	3.6%	0.6%	10
6	Milpitas/Berryessa	\$2,974	\$3.38	7	4.9%	\$2,893	\$3.29	7	6.8%	2.7%	2
7	Morgan Hill/Gilroy	\$2,428	\$2.78	14	3.1%	\$2,418	\$2.77	14	3.2%	0.4%	14
8	Mountain View/Los Altos	\$3,191	\$4.02	2	1.1%	\$3,138	\$3.95	2	2.1%	1.7%	5
9	North San Jose	\$3,146	\$3.41	5	5.7%	\$3,109	\$3.37	6	5.7%	1.2%	6
10	Palo Alto	\$3,369	\$4.18	1	4.9%	\$3,349	\$4.15	1	6.2%	0.6%	12
11	San Benito County	\$2,065	\$1.99	15	1.8%	\$2,056	\$1.98	15	2.5%	0.4%	15
12	Santa Clara	\$3,091	\$3.40	6	6.3%	\$3,071	\$3.38	5	7.4%	0.6%	11
13	South San Jose	\$2,691	\$3.03	12	4.4%	\$2,670	\$3	12	4.4%	0.8%	9
14	Sunnyvale	\$2,988	\$3.54	4	3.5%	\$2,923	\$3.46	4	2.8%	2.2%	3
15	West Valley San Jose	\$2,321	\$3.11	10	3.1%	\$2,254	\$3.02	11	0.5%	2.9%	1

Submarkets

SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construc. Ratio
1	Campbell/Los Gatos	275	3.9%	3	46	0.6%	10	0.1
2	Cupertino	268	5.0%	9	(11)	-0.2%	13	-
3	Downtown San Jose	1,252	9.9%	15	616	4.9%	1	1.2
4	East San Jose	203	4.6%	7	90	2.1%	7	1.0
5	Midtown San Jose	354	4.6%	6	99	1.3%	6	-
6	Milpitas/Berryessa	587	7.1%	13	572	6.9%	2	1.1
7	Morgan Hill/Gilroy	84	2.8%	2	4	0.1%	12	-
8	Mountain View/Los Altos	1,164	8.0%	14	459	3.1%	4	1.5
9	North San Jose	545	4.3%	5	(229)	-1.8%	14	-
10	Palo Alto	224	4.7%	8	75	1.6%	9	0.3
11	San Benito County	17	2.6%	1	7	1.1%	11	-
12	Santa Clara	824	4.0%	4	551	2.7%	3	-
13	South San Jose	1,016	5.9%	11	(303)	-1.8%	15	-
14	Sunnyvale	1,792	6.2%	12	263	0.9%	5	2.5
15	West Valley San Jose	381	5.0%	10	89	1.2%	8	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	176,444	4,009	2.3%	3,721	2.1%	1.1
2026	172,435	3,756	2.2%	3,593	2.1%	1.0
2025	168,679	5,323	3.3%	4,295	2.5%	1.2
2024	163,356	3,406	2.1%	3,310	2.0%	1.0
2023	159,950	4,279	2.7%	3,646	2.3%	1.2
YTD	155,671	0	0%	(11)	0%	0
2022	155,671	2,903	1.9%	2,788	1.8%	1.0
2021	152,768	2,774	1.8%	8,733	5.7%	0.3
2020	149,994	3,570	2.4%	(2,443)	-1.6%	-
2019	146,424	2,414	1.7%	2,138	1.5%	1.1
2018	144,010	4,516	3.2%	3,527	2.4%	1.3
2017	139,494	1,480	1.1%	2,328	1.7%	0.6
2016	138,014	3,761	2.8%	2,399	1.7%	1.6
2015	134,253	4,459	3.4%	3,907	2.9%	1.1
2014	129,794	4,701	3.8%	4,206	3.2%	1.1
2013	125,093	1,736	1.4%	2,073	1.7%	0.8
2012	123,357	3,579	3.0%	2,608	2.1%	1.4
2011	119,778	348	0.3%	266	0.2%	1.3

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	74,659	4,074	5.8%	3,857	5.2%	1.1
2026	70,585	3,820	5.7%	3,645	5.2%	1.0
2025	66,765	4,651	7.5%	3,690	5.5%	1.3
2024	62,114	3,218	5.5%	2,630	4.2%	1.2
2023	58,896	2,951	5.3%	3,295	5.6%	0.9
YTD	55,945	0	0%	26	0%	0
2022	55,945	2,857	5.4%	2,431	4.3%	1.2
2021	53,088	2,983	6.0%	5,212	9.8%	0.6
2020	50,105	3,553	7.6%	1,243	2.5%	2.9
2019	46,552	2,458	5.6%	2,143	4.6%	1.1
2018	44,094	4,421	11.1%	3,184	7.2%	1.4
2017	39,673	1,685	4.4%	2,276	5.7%	0.7
2016	37,988	3,523	10.2%	3,311	8.7%	1.1
2015	34,465	4,464	14.9%	4,080	11.8%	1.1
2014	30,001	4,807	19.1%	4,034	13.4%	1.2
2013	25,194	1,690	7.2%	2,052	8.1%	0.8
2012	23,504	3,610	18.1%	2,462	10.5%	1.5
2011	19,894	354	1.8%	372	1.9%	1.0

Appendix

3 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	43,945	0	0%	(3)	0%	0
2026	43,945	0	0%	164	0.4%	0
2025	43,945	716	1.7%	635	1.4%	1.1
2024	43,229	243	0.6%	719	1.7%	0.3
2023	42,986	1,355	3.3%	483	1.1%	2.8
YTD	41,631	0	0%	(30)	-0.1%	0
2022	41,631	46	0.1%	37	0.1%	1.2
2021	41,585	(225)	-0.5%	1,729	4.2%	-
2020	41,810	227	0.5%	(1,626)	-3.9%	-
2019	41,583	24	0.1%	69	0.2%	0.3
2018	41,559	112	0.3%	336	0.8%	0.3
2017	41,447	(192)	-0.5%	76	0.2%	-
2016	41,639	238	0.6%	(537)	-1.3%	-
2015	41,401	0	0%	(91)	-0.2%	0
2014	41,401	(32)	-0.1%	186	0.4%	-
2013	41,433	93	0.2%	(60)	-0.1%	-
2012	41,340	42	0.1%	220	0.5%	0.2
2011	41,298	20	0%	(72)	-0.2%	-

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	57,840	(65)	-0.1%	(133)	-0.2%	0.5
2026	57,905	(64)	-0.1%	(216)	-0.4%	0.3
2025	57,969	(44)	-0.1%	(30)	-0.1%	1.5
2024	58,013	(55)	-0.1%	(39)	-0.1%	1.4
2023	58,068	(27)	0%	(132)	-0.2%	0.2
YTD	58,095	0	0%	(7)	0%	0
2022	58,095	0	0%	320	0.6%	0
2021	58,095	16	0%	1,792	3.1%	0
2020	58,079	(210)	-0.4%	(2,060)	-3.5%	0.1
2019	58,289	(68)	-0.1%	(74)	-0.1%	0.9
2018	58,357	(17)	0%	7	0%	-
2017	58,374	(13)	0%	(24)	0%	0.5
2016	58,387	0	0%	(375)	-0.6%	0
2015	58,387	(5)	0%	(82)	-0.1%	0.1
2014	58,392	(74)	-0.1%	(14)	0%	5.3
2013	58,466	(47)	-0.1%	81	0.1%	-
2012	58,513	(73)	-0.1%	(74)	-0.1%	1.0
2011	58,586	(26)	0%	(34)	-0.1%	0.8

OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	11,186	6.3%	0	\$3,444	\$4.03	3.7%	0.1	\$3,392	\$3.97
2026	10,898	6.3%	0	\$3,320	\$3.89	3.7%	(0.1)	\$3,269	\$3.83
2025	10,735	6.4%	0.4	\$3,203	\$3.75	3.7%	0.2	\$3,153	\$3.69
2024	9,705	5.9%	(0.1)	\$3,087	\$3.61	3.5%	0.5	\$3,040	\$3.56
2023	9,612	6.0%	0.2	\$2,982	\$3.49	3.0%	(1.7)	\$2,936	\$3.44
YTD	8,986	5.8%	0	\$2,908	\$3.40	4.0%	(0.6)	\$2,867	\$3.35
2022	8,976	5.8%	0	\$2,897	\$3.38	4.7%	(3.3)	\$2,868	\$3.35
2021	8,856	5.8%	(4.1)	\$2,767	\$3.23	8.0%	16.6	\$2,714	\$3.17
2020	14,796	9.9%	3.9	\$2,563	\$2.99	-8.6%	(10.3)	\$2,485	\$2.90
2019	8,792	6.0%	0.1	\$2,804	\$3.27	1.7%	(1.9)	\$2,774	\$3.24
2018	8,513	5.9%	0.5	\$2,756	\$3.22	3.6%	1.0	\$2,701	\$3.15
2017	7,516	5.4%	(0.7)	\$2,659	\$3.10	2.7%	2.2	\$2,596	\$3.03
2016	8,370	6.1%	0.8	\$2,590	\$3.02	0.5%	(6.1)	\$2,523	\$2.94
2015	7,016	5.2%	0.2	\$2,577	\$3.01	6.5%	0.9	\$2,542	\$2.97
2014	6,460	5.0%	0.2	\$2,419	\$2.83	5.6%	(0.3)	\$2,389	\$2.79
2013	5,965	4.8%	(0.3)	\$2,290	\$2.67	6.0%	1.0	\$2,263	\$2.64
2012	6,305	5.1%	0.7	\$2,161	\$2.52	5.0%	0.9	\$2,142	\$2.50
2011	5,335	4.5%	0.1	\$2,058	\$2.40	4.1%	-	\$2,047	\$2.39

4 & 5 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	6,385	8.6%	(0.2)	\$3,972	\$4.26	3.5%	0.1	\$3,876	\$4.16
2026	6,167	8.7%	(0.2)	\$3,837	\$4.12	3.4%	(0.1)	\$3,743	\$4.02
2025	5,992	9.0%	0.9	\$3,709	\$3.98	3.6%	0.2	\$3,618	\$3.88
2024	5,030	8.1%	0.6	\$3,581	\$3.84	3.4%	0.5	\$3,493	\$3.75
2023	4,444	7.5%	(1.0)	\$3,463	\$3.72	2.9%	(1.0)	\$3,378	\$3.62
YTD	4,760	8.5%	0	\$3,379	\$3.62	3.3%	(0.6)	\$3,303	\$3.54
2022	4,787	8.6%	0.3	\$3,364	\$3.60	3.9%	(6.4)	\$3,316	\$3.55
2021	4,359	8.2%	(4.9)	\$3,238	\$3.47	10.3%	19.9	\$3,149	\$3.37
2020	6,583	13.1%	4.0	\$2,936	\$3.14	-9.6%	(11.3)	\$2,805	\$3
2019	4,273	9.2%	0.2	\$3,247	\$3.48	1.7%	(1.7)	\$3,200	\$3.43
2018	3,958	9.0%	2.1	\$3,192	\$3.42	3.4%	0.8	\$3,119	\$3.34
2017	2,721	6.9%	(1.9)	\$3,086	\$3.30	2.6%	2.2	\$3,022	\$3.24
2016	3,313	8.7%	(0.3)	\$3,006	\$3.22	0.4%	(4.8)	\$2,922	\$3.13
2015	3,100	9.0%	(0.1)	\$2,994	\$3.21	5.2%	1.2	\$2,947	\$3.16
2014	2,715	9.1%	1.3	\$2,845	\$3.05	4.1%	(1.1)	\$2,801	\$3
2013	1,942	7.7%	(2.1)	\$2,734	\$2.93	5.2%	1.7	\$2,684	\$2.88
2012	2,305	9.8%	4.0	\$2,599	\$2.78	3.5%	0.7	\$2,569	\$2.75
2011	1,157	5.8%	(0.2)	\$2,512	\$2.69	2.8%	-	\$2,499	\$2.68

3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	2,161	4.9%	0	\$3,419	\$4	3.9%	0.1	\$3,392	\$3.97
2026	2,158	4.9%	(0.4)	\$3,291	\$3.85	3.8%	0	\$3,265	\$3.82
2025	2,322	5.3%	0.1	\$3,169	\$3.71	3.8%	0.3	\$3,144	\$3.68
2024	2,241	5.2%	(1.1)	\$3,051	\$3.57	3.6%	0.4	\$3,028	\$3.54
2023	2,717	6.3%	1.9	\$2,947	\$3.45	3.2%	(3.1)	\$2,924	\$3.42
YTD	1,875	4.5%	0.1	\$2,873	\$3.36	5.4%	(0.8)	\$2,852	\$3.33
2022	1,846	4.4%	0	\$2,856	\$3.34	6.3%	(2.0)	\$2,839	\$3.32
2021	1,836	4.4%	(4.6)	\$2,688	\$3.14	8.2%	18.4	\$2,647	\$3.09
2020	3,785	9.1%	4.4	\$2,483	\$2.90	-10.2%	(12.1)	\$2,434	\$2.84
2019	1,930	4.6%	(0.1)	\$2,764	\$3.23	1.9%	(2.6)	\$2,743	\$3.20
2018	1,975	4.8%	(0.5)	\$2,712	\$3.17	4.5%	1.1	\$2,666	\$3.11
2017	2,196	5.3%	(0.6)	\$2,595	\$3.03	3.4%	4.1	\$2,513	\$2.94
2016	2,468	5.9%	1.8	\$2,509	\$2.93	-0.7%	(7.8)	\$2,434	\$2.84
2015	1,695	4.1%	0.2	\$2,527	\$2.95	7.1%	(0.1)	\$2,491	\$2.91
2014	1,600	3.9%	(0.5)	\$2,359	\$2.76	7.2%	(0.3)	\$2,333	\$2.73
2013	1,819	4.4%	0.4	\$2,201	\$2.57	7.5%	0	\$2,187	\$2.56
2012	1,667	4.0%	(0.4)	\$2,047	\$2.39	7.5%	1.5	\$2,034	\$2.38
2011	1,847	4.5%	0.2	\$1,904	\$2.23	6.0%	-	\$1,893	\$2.21

1 & 2 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	2,641	4.6%	0.1	\$2,691	\$3.62	4.0%	0	\$2,677	\$3.60
2026	2,573	4.4%	0.3	\$2,589	\$3.48	3.9%	0	\$2,575	\$3.46
2025	2,421	4.2%	0	\$2,491	\$3.35	4.0%	0.3	\$2,478	\$3.33
2024	2,435	4.2%	0	\$2,396	\$3.22	3.7%	0.9	\$2,383	\$3.20
2023	2,450	4.2%	0.2	\$2,311	\$3.11	2.7%	(1.6)	\$2,299	\$3.09
YTD	2,351	4.0%	0	\$2,251	\$3.02	3.8%	(0.5)	\$2,239	\$3
2022	2,344	4.0%	(0.5)	\$2,249	\$3.01	4.3%	1.4	\$2,237	\$3
2021	2,661	4.6%	(3.0)	\$2,156	\$2.89	2.9%	7.3	\$2,144	\$2.87
2020	4,428	7.6%	3.2	\$2,095	\$2.80	-4.3%	(5.9)	\$2,067	\$2.76
2019	2,588	4.4%	0	\$2,190	\$2.93	1.5%	(1.4)	\$2,178	\$2.92
2018	2,580	4.4%	0	\$2,157	\$2.89	2.9%	1.2	\$2,119	\$2.84
2017	2,599	4.5%	0	\$2,096	\$2.80	1.8%	(0.4)	\$2,055	\$2.75
2016	2,590	4.4%	0.6	\$2,059	\$2.76	2.2%	(6.5)	\$2,028	\$2.71
2015	2,221	3.8%	0.1	\$2,015	\$2.70	8.7%	1.5	\$1,998	\$2.67
2014	2,144	3.7%	(0.1)	\$1,854	\$2.48	7.2%	1.4	\$1,841	\$2.46
2013	2,203	3.8%	(0.2)	\$1,730	\$2.31	5.8%	0.3	\$1,721	\$2.30
2012	2,332	4.0%	0	\$1,634	\$2.18	5.5%	0.7	\$1,626	\$2.17
2011	2,331	4.0%	0	\$1,549	\$2.06	4.8%	-	\$1,541	\$2.05

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$714,896	355	3.5%
2026	-	-	-	-	-	-	\$689,360	343	3.5%
2025	-	-	-	-	-	-	\$664,490	330	3.5%
2024	-	-	-	-	-	-	\$640,300	318	3.5%
2023	-	-	-	-	-	-	\$612,834	305	3.5%
YTD	4	\$115.2M	0.2%	\$28,800,000	\$433,083	4.0%	\$619,380	308	3.5%
2022	133	\$1.6B	2.7%	\$12,177,837	\$454,112	4.0%	\$612,625	305	3.5%
2021	130	\$951.2M	1.8%	\$7,490,020	\$433,166	4.0%	\$567,286	282	3.5%
2020	73	\$1.2B	1.6%	\$16,727,960	\$489,819	4.4%	\$516,617	257	3.6%
2019	154	\$1.9B	3.8%	\$21,316,199	\$472,607	4.5%	\$529,609	263	3.6%
2018	188	\$1.1B	2.3%	\$10,311,406	\$430,658	3.8%	\$489,257	243	3.8%
2017	255	\$1.3B	3.3%	\$10,233,150	\$384,774	4.2%	\$443,822	221	3.9%
2016	199	\$1.5B	3.6%	\$13,817,864	\$361,336	4.4%	\$415,764	207	4.0%
2015	226	\$1.1B	3.3%	\$8,059,390	\$354,011	4.5%	\$391,319	195	4.1%
2014	185	\$1.5B	5.2%	\$10,285,805	\$293,470	4.5%	\$351,728	175	4.3%
2013	173	\$1.3B	5.7%	\$9,488,053	\$272,611	5.3%	\$312,540	155	4.5%
2012	251	\$1.3B	7.4%	\$8,530,860	\$244,276	5.8%	\$299,656	149	4.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$902,004	358	3.3%
2026	-	-	-	-	-	-	\$871,026	346	3.3%
2025	-	-	-	-	-	-	\$840,970	334	3.3%
2024	-	-	-	-	-	-	\$811,281	322	3.3%
2023	-	-	-	-	-	-	\$776,622	309	3.3%
YTD	-	-	-	-	-	-	\$785,701	312	3.3%
2022	3	\$698M	2.2%	\$232,666,667	\$567,941	-	\$775,615	308	3.3%
2021	3	\$166.5M	1.5%	\$83,266,750	\$568,374	-	\$712,140	283	3.4%
2020	2	\$359M	1.3%	\$179,500,000	\$572,568	-	\$649,770	258	3.4%
2019	10	\$1B	5.8%	\$168,057,479	\$559,570	4.5%	\$667,235	265	3.4%
2018	3	\$246.7M	1.1%	\$82,216,667	\$507,510	4.3%	\$615,488	245	3.6%
2017	10	\$669.3M	3.5%	\$66,928,340	\$478,401	4.0%	\$550,600	219	3.7%
2016	6	\$469.1M	2.9%	\$78,188,333	\$429,213	4.9%	\$517,634	206	3.8%
2015	2	\$195M	1.1%	\$97,500,000	\$509,138	4.3%	\$488,763	194	3.9%
2014	11	\$588.6M	8.3%	\$73,577,049	\$369,038	4.8%	\$441,086	175	4.1%
2013	7	\$225.7M	7.2%	\$56,412,500	\$296,518	5.0%	\$394,350	157	4.3%
2012	6	\$354.9M	6.4%	\$118,300,000	\$340,595	5.3%	\$381,772	152	4.3%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

Appendix

3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$666,682	367	3.5%
2026	-	-	-	-	-	-	\$642,100	353	3.5%
2025	-	-	-	-	-	-	\$618,131	340	3.5%
2024	-	-	-	-	-	-	\$595,190	327	3.5%
2023	-	-	-	-	-	-	\$569,561	313	3.5%
YTD	1	\$106M	0.6%	\$106,000,000	\$434,426	-	\$574,717	316	3.4%
2022	11	\$144.2M	0.8%	\$13,111,818	\$434,428	4.5%	\$566,929	312	3.4%
2021	7	\$237M	1.1%	\$33,851,714	\$510,694	4.1%	\$519,350	286	3.5%
2020	12	\$565.9M	2.5%	\$47,158,734	\$551,564	3.8%	\$474,002	261	3.6%
2019	9	\$522.8M	3.0%	\$58,085,556	\$417,548	5.6%	\$486,006	267	3.6%
2018	12	\$428.5M	2.4%	\$38,956,818	\$434,610	3.8%	\$445,851	245	3.8%
2017	8	\$25M	0.2%	\$4,167,340	\$301,254	3.3%	\$403,142	222	3.9%
2016	21	\$686.3M	4.5%	\$42,894,722	\$374,218	4.4%	\$376,661	207	4.0%
2015	18	\$498.3M	4.0%	\$35,591,179	\$408,423	5.1%	\$352,948	194	4.1%
2014	14	\$445.1M	4.4%	\$37,095,273	\$303,438	4.6%	\$317,264	175	4.3%
2013	23	\$820.1M	8.3%	\$41,006,335	\$313,265	5.0%	\$281,325	155	4.6%
2012	28	\$608M	8.6%	\$40,535,667	\$256,231	4.8%	\$268,385	148	4.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$544,803	341	3.7%
2026	-	-	-	-	-	-	\$524,553	328	3.7%
2025	-	-	-	-	-	-	\$504,725	316	3.7%
2024	-	-	-	-	-	-	\$485,664	304	3.8%
2023	-	-	-	-	-	-	\$464,748	291	3.8%
YTD	3	\$9.2M	0%	\$3,066,667	\$418,182	4.0%	\$469,550	294	3.7%
2022	119	\$753.1M	4.7%	\$6,436,467	\$385,792	3.9%	\$467,254	292	3.7%
2021	120	\$547.7M	2.5%	\$4,641,840	\$380,637	4.0%	\$443,629	278	3.7%
2020	59	\$245.3M	1.3%	\$4,393,793	\$333,251	4.5%	\$401,853	251	3.8%
2019	135	\$323.4M	2.8%	\$4,491,590	\$371,718	4.4%	\$410,656	257	3.8%
2018	173	\$417.8M	3.0%	\$4,541,674	\$391,964	3.8%	\$382,732	239	4.0%
2017	237	\$595.1M	5.4%	\$5,409,904	\$318,400	4.3%	\$356,712	223	4.1%
2016	172	\$392.2M	3.5%	\$4,357,280	\$289,200	4.4%	\$332,880	208	4.2%
2015	206	\$443.1M	4.0%	\$3,544,780	\$275,730	4.5%	\$312,767	196	4.3%
2014	160	\$437.1M	4.1%	\$3,553,743	\$224,159	4.5%	\$279,147	175	4.5%
2013	143	\$263.6M	3.1%	\$2,312,058	\$185,095	5.3%	\$245,836	154	4.8%
2012	217	\$367.9M	6.9%	\$2,665,791	\$180,954	5.9%	\$232,656	146	4.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2027	-	176,444	6.3%	-	4,059	-	4,008	-	-
2026	-	172,436	6.3%	-	3,850	-	3,755	-	-
2025	-	168,681	6.4%	-	5,381	-	5,324	-	-
2024	-	163,357	5.9%	-	3,423	-	3,406	-	-
2023	-	159,951	6.0%	-	4,306	-	4,280	-	-
YTD	3,929	155,671	5.8%	0	0	0	0	36	10,505
2022	3,929	155,671	5.8%	15	2,903	15	2,903	36	10,505
2021	3,914	152,768	5.8%	14	3,098	12	2,774	24	4,259
2020	3,902	149,994	9.9%	18	3,780	15	3,570	22	4,743
2019	3,887	146,424	6.0%	10	2,482	7	2,414	35	8,316
2018	3,880	144,010	5.9%	16	4,533	15	4,516	30	7,487
2017	3,865	139,494	5.4%	8	1,709	5	1,480	30	7,840
2016	3,860	138,014	6.1%	14	3,761	14	3,761	24	6,420
2015	3,846	134,253	5.2%	18	4,464	17	4,459	23	5,841
2014	3,829	129,794	5.0%	13	4,807	10	4,700	28	6,774
2013	3,819	125,093	4.8%	6	1,783	0	1,736	25	7,884
2012	3,819	123,357	5.1%	8	3,652	5	3,579	17	6,126
2011	3,814	119,778	4.5%	3	374	(1)	348	15	6,177