

Real Estate Market Review

San Diego Multifamily

Top Transactions for 1Q 2018

| Property | Submarket | # of Units | Sale Price | Price/ Unit | Buyer | Seller |
|----------------------------|---------------|------------|--------------|-------------|---------------------------------|---|
| Sierra Vista Apartments | San Marcos | 192 | \$27,311,000 | \$149,244 | National Community Renaissance | Southern California Housing Development Corporation of Orange |
| Rancho del Sol | Spring Valley | 74 | \$17,900,000 | \$241,891 | New Standard Equities | Fowler Property Acquisitions |
| Terra Oceanside Apartments | Oceanside | 62 | \$15,800,000 | \$254,838 | Wallace Trust | Pacific Urban Residential |
| Southridge Apartments | La Mesa | 68 | \$12,877,000 | \$189,367 | F&F Income Properties | Shigeru Tanioka |
| Plaza Apartments | Escondido | 62 | \$11,000,000 | \$177,419 | Green Harvest Enterprises, Inc. | The Healy Family Living Trust |




Top Under Construction

| Property | Address | Submarket | # of Units | Owner | Est. Delivery Date |
|------------------------|-------------------------------|---------------|------------|---------------------------|--------------------|
| Park 12 The Collection | 101 Park Plz | East Village | 718 | JMI Realty Inc. | June 2018 |
| One Paseo | 3289-3361 Del Mar Heights Rd. | Carmel Valley | 608 | Kilroy Realty Corporation | October 2019 |
| Casa Mira View | 9800 Mira Lee Way | Mira Mesa | 600 | Garden Homes | August 2019 |
| Pinnacle on the Park | 424 15th St. | East Village | 472 | East Village | April 2019 |
| Park + Market | 601 11th Ave. | East Village | 426 | East Village | July 2020 |

Top Completed Construction

| Property | Address | Submarket | # of Units | Owner | Delivery Date |
|------------------------------|----------------------|--------------------|------------|-------------------------|---------------|
| Hanover Mission Gorge | 4440 Twain Ave. | Grantville | 374 | The Carlyle Group | January 2018 |
| LaTerra Select Stone Creek | 3875 Main St. | Otay Town | 97 | LaTerra Development | March 2018 |
| Mission Terrace | 316 W Mission Rd. | San Marcos | 93 | Integral Communities | March 2018 |
| LakeView 88 | 2760 Lake Pointe Dr. | Spring Valley | 88 | Floit Properties, Inc. | March 2018 |
| North Park Senior Apartments | 4200 Arizona St. | University Heights | 76 | Community Housing Works | February 2018 |

Market Forecast Trends

| | |
|---|---|
|  VACANCY |  UNEMPLOYMENT |
|  RENTAL RATES |  NEW CONSTRUCTION |

Market Snapshot

| | 1Q 2018 | 4Q 2017 | 1Q 2017 | Annual % Change |
|----------------------|-----------|-----------|-----------|-----------------|
| New Construction | 887 | 1142 | 1035 | -14.30% |
| Under Construction | 10,089 | 9,848 | 11,205 | -9.96% |
| Vacancy Rate | 4.00% | 4.00% | 3.90% | 2.56% |
| Average Asking Rents | \$1,615 | \$1,595 | \$1,563 | 3.33% |
| Average Sales Price | \$222,570 | \$245,140 | \$195,087 | 14.09% |
| Cap Rates | 4.56% | 4.25% | 4.32% | 5.56% |
| Net Absorption | 714 | 861 | 898 | N/A |

Average Rent

| Unit Size | Monthly Rent |
|-----------|--------------|
| Studio | \$1,229 |
| 1 Bedroom | \$1,434 |
| 2 Bedroom | \$1,759 |
| 3 Bedroom | \$1,967 |

kiddermathews.com

Offices

Seattle
206.296.9600

Bellevue
425.454.7040

South Seattle
206.248.7300

Tacoma
253.722.1400

Olympia
360.705.2800

Portland
503.221.9900

San Francisco
415.229.8888

Redwood Shores
650.769.3600

Silicon Valley
408.970.9400

Sacramento
916.970.9700

Roseville
916.751.3600

Los Angeles
213.880.5250

Commerce
323.727.1144

El Segundo
310.807.0880

Long Beach
562.472.0071

Orange County
949.557.5000

Inland Empire
909.764.6500

San Diego
858.509.1200

Carlsbad
760.430.1000

Reno
775.301.1300

Phoenix
602.513.5200

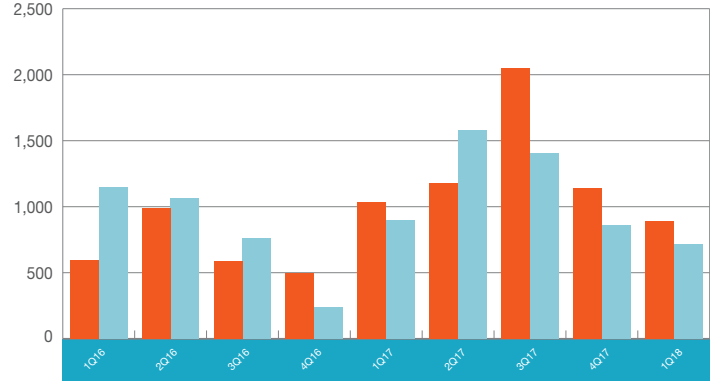
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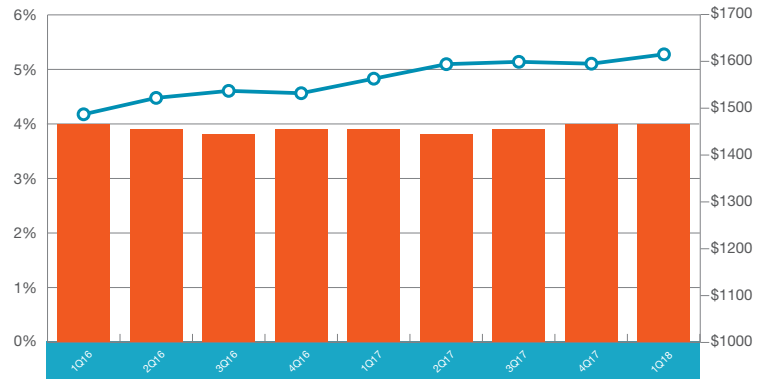
NEW UNIT CONSTRUCTION & ABSORPTION

■ New Construction
■ Absorption



AVERAGE ASKING RENT/UNIT & VACANCY RATE*

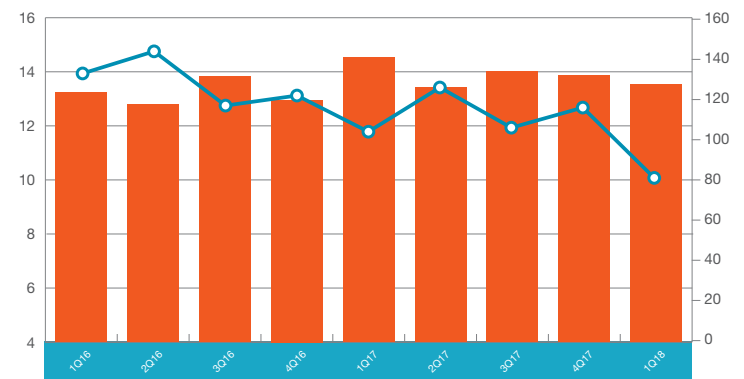
■ Vacancy Rate
○ Asking Rent/Unit



*Based on monthly rate

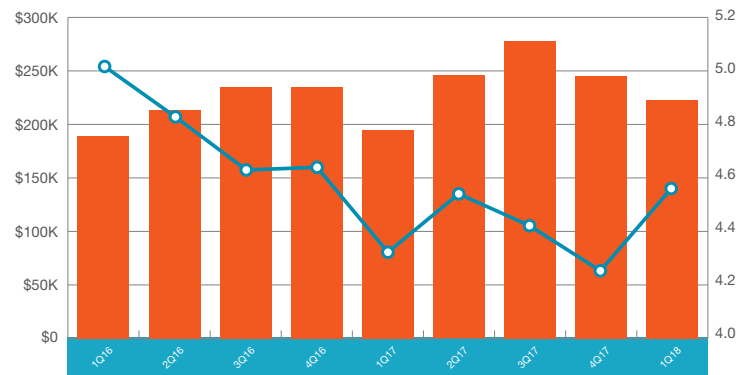
GROSS RENT MULTIPLIER (GRM) & NUMBER OF SALE TRANSACTIONS

■ GRM
○ Number of Transactions



AVERAGE SALES PRICE/UNIT AND CAP RATES

■ Average Sales Price/Unit
○ Cap Rate



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