

Real Estate Market Review

Silicon Valley Multifamily

Top Sale Transactions for 2017

Property	Submarket	# of Units	Sale Price	Price/Unit	Cap Rate	Buyer	Seller
360 Residences	Downtown San Jose	213	\$133,500,000	\$626,760	4.50%	Essex Property Trust, Inc	Capri Investment Group
Colonnade	North Los Altos	167	\$130,500,000	\$781,437	-	Stanford University	Sares-Regis Group of Northern CA
Revere Campbell Apartments	Campbell	134	\$118,900,000	\$707,738	-	Land and Houses USA, Inc	Bay West Development
Avana SunnyVale	Lawrence Station	192	\$107,000,000	\$557,291	4.50%	Greystar Real Estate Partners	AvalonBay Communities, Inc
Loft House	Heritage District	133	\$104,000,000	\$781,954	3.90%	Shorenstein Properties, LLC	Carmel Partners

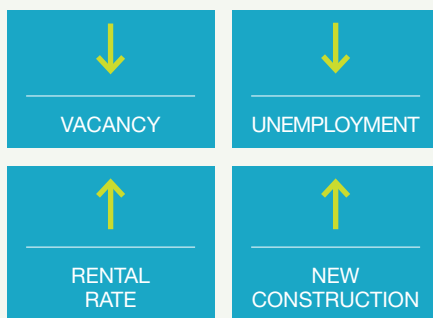
Top Under Construction

Property	Address	Submarket	# of Units	Owner	Est Delivery Date
Santa Clara Square Apartments	3255 Scott Boulevard	Santa Clara	2,000	The Irvine Company	March 2018
Silvery Towers	115-187 N San Pedro Street	Downtown San Jose	640	Full Power Properties, LLC	April 2018
The Dean	400 San Antonio Road	Mountain View	583	Prometheus Real Estate Group, Inc	September 2020
Anton Milpitas	730-750 E Capitol Avenue	Milpitas	582	RWL Investment, Inc	May 2020
Gateway Village	3610-3700 El Camino Real	Birdland Neighbors	476	Capstone Investments	November 2018

Top Completed Construction for 2017

Property	Address	Submarket	# of Units	Owner	Delivery Date
Lex Apartments	5560 Lexington Avenue	Santa Teresa	387	ROEM Development Corp	May 2017
Century Towers	1729-1731 N 1st Street	North San Jose	376	Essex Property Trust, Inc	May 2017
Villas at Metro	1183 Merry Loop	Milpitas	314	PulteGroup, Inc	May 2017
6tenEAST	610 E. Weddell Drive	Sunnyvale	205	Sares-Regis Group	November 2017
The Standard	515 Lincoln Avenue	Buena Vista	190	The Sobrato Organization	December 2017

Market Forecast Trends



Market Snapshot

	2015	2016	2017	Annual % Change
New Construction	5,868	4,163	2,156	-48.21%
Under Construction	7,679	8,963	10,035	11.96%
Vacancy Rate	4.8%	5.4%	4.9%	-9.26%
Average Asking Rents	\$2,259	\$2,260	\$2,312	2.30%
Average Sales Price	\$346,884	\$303,506	\$353,010	16.31%
Cap Rate	4.43%	4.22%	3.87%	-8.29%
Net Absorption	4,624	2,785	2,441	N/A

Average Rent

Unit Type	Monthly Rent
Studio	\$1,662
1 Bedroom	\$2,106
2 Bedroom	\$2,609
3 Bedroom	\$2,668

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

El Segundo
310.807.0880

Commerce
323.727.1144

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

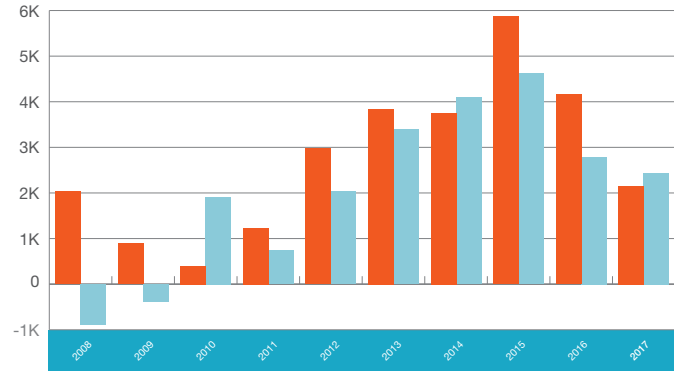
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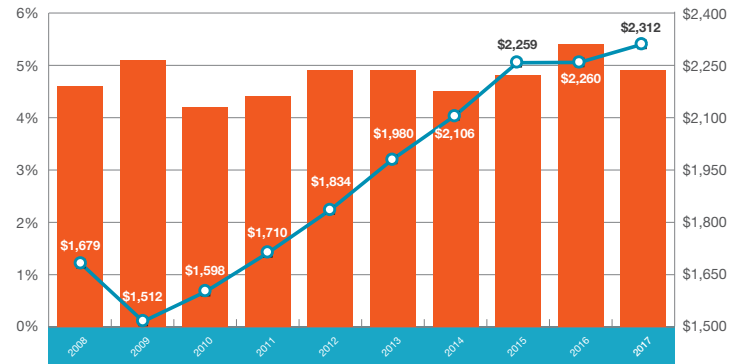
NEW UNIT CONSTRUCTION & ABSORPTION

■ New Construction
■ Absorption



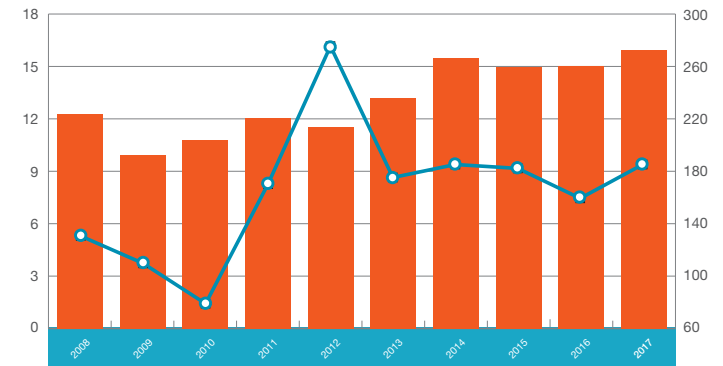
AVERAGE ASKING RENT/UNIT & VACANCY RATE*

■ Vacancy Rate
○ Asking Rent/Unit



GROSS RENT MULTIPLIER (GRM) & NUMBER OF SALE TRANSACTIONS

■ GRM
○ # of Transactions



AVERAGE SALES PRICE/UNIT AND CAP RATES

■ Average Sales Price/Unit
○ Cap Rate

