

YARDI **MATRIX**
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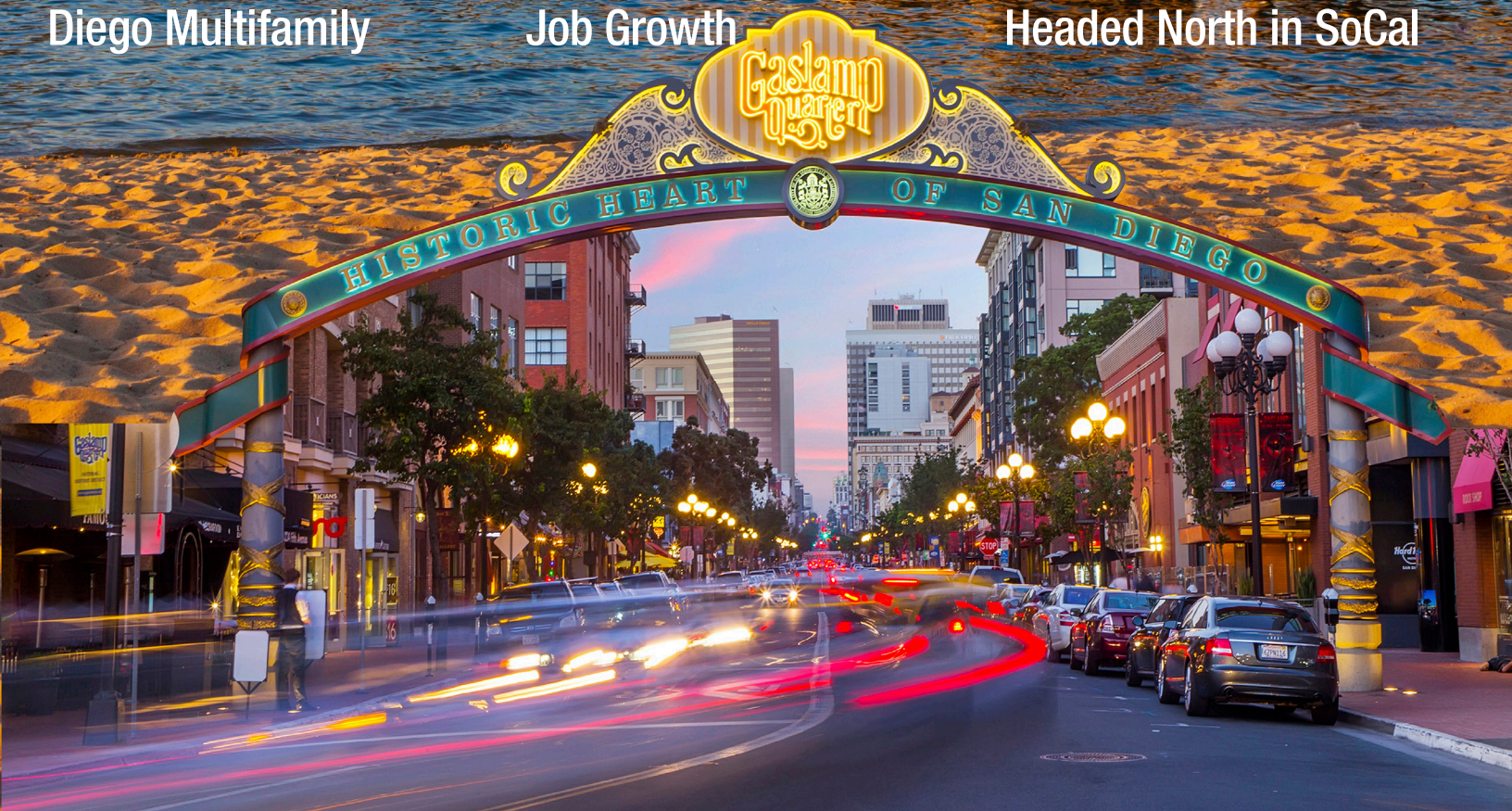
San Diego

Multifamily Summer Report 2015

Sunny Outlook for San
Diego Multifamily

Biotech, Leisure Lead
Job Growth

Property Values
Headed North in SoCal



SAN DIEGO MULTIFAMILY

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Market Analysis

Summer, 2015

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Prices Going North in Southern California

San Diego is poised to continue a fruitful period in economic and multifamily sector growth. The metro's economy is experiencing healthy gains, with employment and population growth above national averages. The job gains are broad-based, with business services, healthcare and biotechnology and leisure and hospitality the sectors with the most substantial amount of activity.

Leisure and hospitality played an important role. The San Diego Zoo and SeaWorld are international attractions, while a newly inked agreement to keep Comic Con in the city through 2018 also provides continued national exposure and preserves San Diego's image as a convention city. San Diego is also in the process of strengthening its bond with Tijuana through The Cross Border Xpress project, a binational transportation undertaking that aims to ease transit relations with the Tijuana International Airport.

With population growing at a rapid rate and development only just starting to pick up, vacancy is compressing in secondary areas, expanding investor interest and transaction volumes. We're projecting continued rent growth in the metro as core submarkets continue to climb, while areas located on the fringe are being tapped for investment. The start of 2016 will most likely find metro rents at around 5.5% over January 2015 levels, continuing a solid cycle.

Recent San Diego Transactions

CasaLago Eastlake



City: Chula Vista, CA
Buyer: John Hancock Real Estate
Purchase Price: \$143 MM
Price per Unit \$333,724

The Villages at Bonita Glen



City: Chula Vista, CA
Buyer: Resrouce Real Estate
Purchase Price: \$49 MM
Price per Unit: \$166,271

Park Grove



City: San Diego, CA
Buyer: Trion Properties
Purchase Price: \$10 MM
Price per Unit: \$98,469

Coronado Terrace



City: San Diego, CA
Buyer: Eden Housing
Purchase Price: \$60 MM
Price per Unit: \$192,308