



## MULTIFAMILY REPORT

# San Diego Slows Down

November 2025

Asking Rents Slide in Q3

Occupancy Inches Up

Employment Gains Momentum



# SAN DIEGO MULTIFAMILY



## Supply Holds Steady, Rents Contract

The San Diego multifamily market ended the third quarter with a mixed performance, as economic uncertainty pressured fundamentals. Average advertised asking rents ticked down 0.2%, on a trailing three-month basis through September, to \$2,732, 10 basis points below the national figure. Despite 2023 and 2024 being decade peaks for San Diego deliveries, overall occupancy continued to climb. It inched up 10 basis points year-over-year, to 96.3% as of August, a sizable 160 basis points above the U.S. average.

Employment growth clocked in at 0.7% as of July, just 10 basis points below the national rate. San Diego continued to close the gap, as job additions have steadily recovered since the start of the year. Unemployment reached 5.0% in August, in line with seasonal trends, according to preliminary data from the Bureau of Labor Statistics. In the 12 months ending in July, San Diego gained 6,300 net jobs, mostly due to additions in education and health services and government. Major projects expected to impact the job market in the long term include an upcoming redevelopment of the U.S. Navy's 70-acre campus in Point Loma, as well as UC San Diego Health's ongoing multibillion-dollar Hillcrest campus rebuild.

Construction slowed down, but remained relatively healthy, with 12,474 units underway as of September. Meanwhile, nearly \$1.2 billion in multifamily assets traded in the first three quarters of 2025.

## Market Analysis | November 2025

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### Recent San Diego Transactions

#### Folia



City: San Diego  
Buyer: Property Reserve  
Purchase Price: \$238 MM  
Price per Unit: \$695,906

#### Canyon Villas



City: Chula Vista, Calif.  
Buyer: Post Investment Group  
Purchase Price: \$74 MM  
Price per Unit: \$403,005

#### Terre at Creekside



City: Santee, Calif.  
Buyer: CARV Properties  
Purchase Price: \$17 MM  
Price per Unit: \$278,226

#### Terre at Ballantyne



City: El Cajon, Calif.  
Buyer: TC Management  
Purchase Price: \$14 MM  
Price per Unit: \$240,000