



MULTIFAMILY REPORT

San Jose Holds Its Own

December 2025

Occupancy Outperforms US

Investment Hits Decade Peak

Rent Gains Decelerate

SAN JOSE MULTIFAMILY



Investment Hits Peak, Supply Slows

San Jose entered the fourth quarter of 2025 with multifamily fundamentals holding up relatively well considering the wider economic climate. Average advertised asking rents slid 0.1%, on a trailing three-month basis through October, to \$3,310—10 basis points ahead of the nation—following a six-month period of slowing gains. Year-over-year, however, San Jose asking rents were up 3.7% through October, ahead of both the nation (0.5%) and all other major California markets, including San Francisco (3.4%), Los Angeles (0.3%), Sacramento (-0.1%) and San Diego (-0.5%). Further, occupancy in stabilized assets climbed 40 basis points, to 96.7%, once again outpacing the 94.7% U.S. figure.

Silicon Valley employment slid 0.2% through August 2025, down to 100 basis points behind the U.S. and continuing an eight-month streak of contractions. In the 12 months ending in August, the metro lost a net 2,000 jobs, with education and health services standing out as a strong performer (up 8,600 positions), while professional and business services lost the most jobs (-8,100). Several ongoing projects promise to boost the health-care sector, including a new, \$422 million inpatient psychiatric facility.

Completions slowed down across metro San Jose, with developers adding 3,769 units in 2025 through October. Meanwhile, investment activity picked up, with \$1.5 billion trading—already exceeding every other year since at least 2015.

Market Analysis | December 2025

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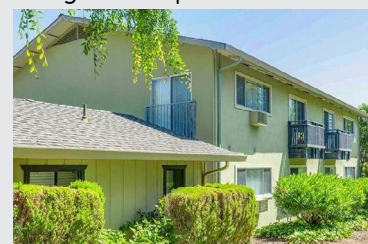
Recent San Jose Transactions

The Park Kiely



City: San Jose, Calif.
Buyer: Standard Communities
Purchase Price: \$370 MM
Price per Unit: \$390,295

Villages at Cupertino



City: Cupertino, Calif.
Buyer: Rockpoint Group
Purchase Price: \$207 MM
Price per Unit: \$442,735

Parc at Pruneyard



City: Campbell, Calif.
Buyer: Essex Property Trust
Purchase Price: \$123 MM
Price per Unit: \$486,111

ViO



City: San Jose, Calif.
Buyer: Essex Property Trust
Purchase Price: \$100 MM
Price per Unit: \$427,350