

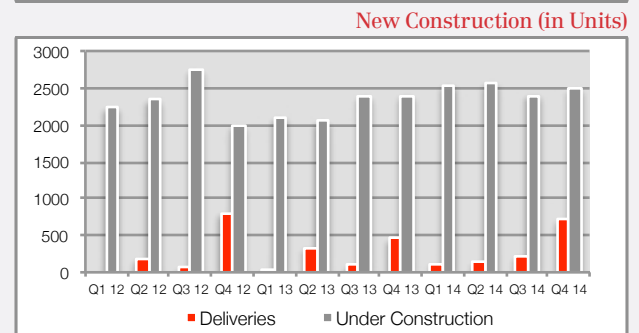
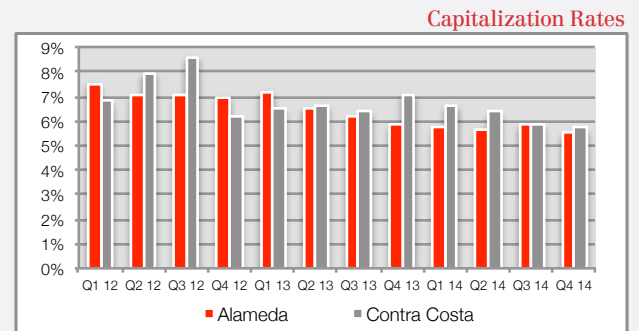
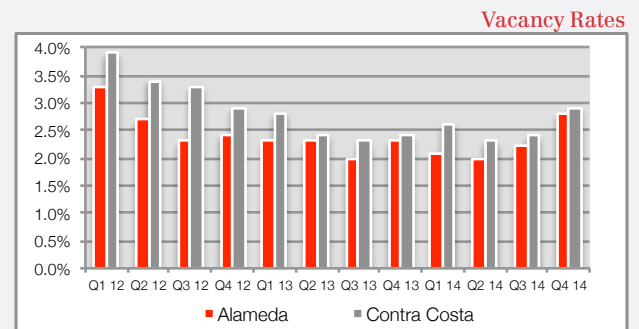
## East Bay 4Q14 Multifamily Report

The East Bay multifamily housing market has shown an increase in effective rents of 9.47% in the last year; the effective rent per unit in the East Bay in the fourth quarter was \$1,604.12. This rent is much lower than the effective rent in San Francisco being \$2,535.28. In the fourth quarter of 2014, Oakland had 7 multifamily projects under construction, totaling 358 units.

In the fourth quarter, the East Bay market had three major deals: 100-260 Park Lake Cir. in Walnut Creek for \$61,209,000, 5643 Charlotte Way in Livermore for \$55,750,000, and 7100 San Ramon Rd. in Dublin for \$54,000,000.

In the fourth quarter, NAI Northern California had two major deals in the East Bay: 265 Vernon St. in Oakland sold in November for \$8,070,000 and 616 O St. in Antioch sold in December for \$4,380,500. 600-712 O St. is a Class C building that sold at \$84,240/ unit, a capitalization rate of 5.97%, and a gross rent multiplier of 8.39. Ethan Berger represented the buyer, this property was never publicly advertised. This property sold below replacement cost. James Kilpatrick added, "This is a good example of a continued trend we're seeing where deliverable multifamily assets with upside potential in secondary markets are seeing increasingly competitive Buyer demand."

Buyers will continue to utilize the East Bay as a safe haven for investing by using current 1031-exchange capital. This will give them time to wait for market volatility to calm and interest rates to level out. Residents who are priced out of the market are forced to choose renting as their primary option.



### Trends for 4Q14



# East Bay 4Q14

## Multifamily Report

### Market Overview:

Submarket Name	Cap Rate	Price/ Unit	Effective Rent	Vacancy (%)	Absorption (Units)	Deliveries (Units)	Under Const.
680 North Corridor	5.89%	\$192,118	\$1,622.61	3.0%	27	172	634
680 South Corridor	-	-	\$2,010.64	3.5%	19	251	0
80 Corridor	5.30%	\$195,327	\$1,667.33	3.3%	21	190	903
880 Corridor	5.63%	\$179,587	\$1,660.31	1.9%	-134	0	195
Highway 4	5.75%	\$125,462	\$1,227.05	3.5%	-69	0	0
Oakland	5.55%	-	\$1,320.01	3.8%	31	100	458

### Significant Alameda Sales Transactions:

Address	Price	Size	Units	City
5643 Charlotte Way	\$55,750,000	184,112	240	Livermore
7100 San Ramon Rd	\$54,000,000	138,776	176	Dublin
901 Jefferson St	\$24,700,000	96,385	83	Oakland
37057 Magnolia St	\$23,500,000	77,088	96	Newark
3761-3773 High St	\$10,550,000	50,810	54	Oakland
1425 Harrison St	\$9,600,000	47,875	61	Oakland
20353 Park Way	\$8,700,000	42,900	51	Castro Valley
<b>265 Vernon St</b>	<b>\$8,070,000</b>	<b>27,629</b>	<b>44</b>	<b>Oakland</b>

### Significant Contra Costa Sales Transactions:

Address	Price	Size	Units	City
100-260 Park Lake Cir	\$61,209,000	168,437	184	Walnut Creek
2205 E Leland Rd	\$32,500,000	207,262	242	Pittsburg
1756 Carmel Dr	\$11,000,001	89,880	107	Walnut Creek
1300 Creekside Dr	\$8,825,000	58,075	68	Walnut Creek
1136 Virginia Ln	\$8,825,000	39,552	48	Concord
3713 Mt Diablo Blvd	\$7,050,000	29,025	46	Lafayette
1239 Liberty St	\$4,400,000	20,004	26	El Cerrito
<b>600-712 O St</b>	<b>\$4,380,500</b>	<b>52,109</b>	<b>52</b>	<b>Antioch</b>
1501 Monument Blvd	\$3,150,000	18,112	22	Concord

**Bold Text=NAI Northern California Transaction**

# 4Q'14

## East Bay Multifamily Market Report

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