

2008
Rent and Vacancy Survey
Presented by:
**Rental Housing Association
of Northern Alameda County**

510-893-9873

www.rhanac.org

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Special thanks to our sponsors:
Oakland Housing Authority and Alameda Housing Authority

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About RHANAC

- ◆ Represent Rental Property Owners in the cities of Alameda, Albany, Berkeley, Emeryville, Oakland and Piedmont
- ◆ Promote High Professional Standards and Business Practices
- ◆ Provide Education and Advocacy
- ◆ Chapter of the California Apartment Association and National Apartment Association

Survey

- ◆ 6th Year
- ◆ Approximately 3% of units in marketplace surveyed
- ◆ Homes to over 100-unit buildings
- ◆ PURPOSE: To understand market trends

Survey Size

<u>City</u>	<u>Units</u>	<u>% of Total Survey</u>
Alameda	246	7.5%
Albany*	107	3.3%
Berkeley	642	19.6%
Emeryville*	33	1.0%
Oakland	2,245	68.5%
Piedmont*	5	0.2%
Total	3,279	

* Inadequate sample size

Turnover Increases

Alameda	2.6%
Albany	2.0%
Berkeley	8.4%
Emeryville	1.2%
Oakland	5.9%
Piedmont	18.5%
Total	6.1%

**Percentage difference of rent increase that participants stated that they would charge at turn-over compared to their average rent reported.

Avg. Rent & Vacancy by City

Average Rent	2008	2007	%Change
◆ Alameda	\$1,191	\$1,316	-9.5%
◆ Berkeley	\$1,324	\$1,180	12.2%
◆ Oakland	\$1,040	\$1,062	-2.1%
◆ Total	\$1,108	\$1,121	-1.2%

Vacancy

◆ Alameda	1.6%	0.4%
◆ Berkeley	1.3%	1.6%
◆ Oakland	2.1%	2.8%
◆ Total	1.8%	2.1%

By Zip Code – Average Rent

Alameda, Albany, Emeryville & Piedmont

Alameda	Studio	1 Bed	2 Bed	3 Bed	4 Bed	Total
94501	\$825	\$988	\$1,279	\$1,951	\$2,133	\$1,191

Albany *	Studio	1 Bed	2 Bed	3 Bed	4 Bed	Total
94706	\$940	\$963	\$1,068	\$1,417	N/A	\$987

Emeryville *	Studio	1 Bed	2 Bed	3 Bed	4 Bed	Total
94608	\$500	\$1,038	\$1,363	\$1,782	N/A	\$1,324

Piedmont *	Studio	1 Bed	2 Bed	3 Bed	4 Bed	Total
94611	\$1,028	\$1,126	\$1,599	N/A	N/A	\$2,260

*Inadequate Sample Size

By Zip Code – Average Rent Berkeley

Berkeley	Studio	1 Bed	2 Bed	3 Bed	4 Bed	Total
94702	\$885	\$1,158	\$1,454	\$2,106	N/A	\$1,001
94703	\$1,121	\$1,122	\$1,310	\$1,878	\$2,317	\$1,278
94704	\$1,072	\$1,322	\$1,610	\$1,851	\$1,498	\$1,375
94705	\$1,109	\$1,114	\$2,146	\$2,175	\$3,125	\$1,349
94707	\$975	\$1,145	\$1,890	\$1,800	\$2,900	\$1,564
94709	\$968	\$1,316	\$1,504	\$2,296	N/A	\$1,342
94710	N/A	\$800	\$790	N/A	N/A	\$798

By Zip Code – Average Rents Oakland

Oakland	Studio	1 Bed	2 Bed	3 Bed	4 Bed	Total
94601	\$650	\$811	\$991	\$1,503	N/A	\$880
94602	\$774	\$875	\$1,219	\$1,732	N/A	\$1,120
94603	\$600	\$713	\$990	\$1,258	\$1,600	\$926
94605	\$925	\$750	\$1,111	\$1,418	N/A	\$945
94606	\$775	\$910	\$1,221	\$1,702	\$1,350	\$985
94607	\$649	\$621	\$1,150	\$1,550	\$2,000	\$765
94608	\$913	\$909	\$1,034	\$1,755	\$1,850	\$1,139
94609	\$833	\$972	\$1,590	\$2,000	N/A	\$1,111
94610	\$829	\$1,149	\$1,406	\$1,664	\$1,800	\$1,207
94611	\$899	\$1,106	\$1,434	\$1,654	\$2,428	\$1,249
94612	\$671	\$919	\$1,190	N/A	\$1,300	\$778
94618	\$794	\$950	\$1,609	\$1,675	N/A	\$1,079
94619	\$662	\$957	\$1,124	\$1,650	N/A	\$896
94621	\$620	\$651	\$1,035	\$1,350	\$1,595	\$860

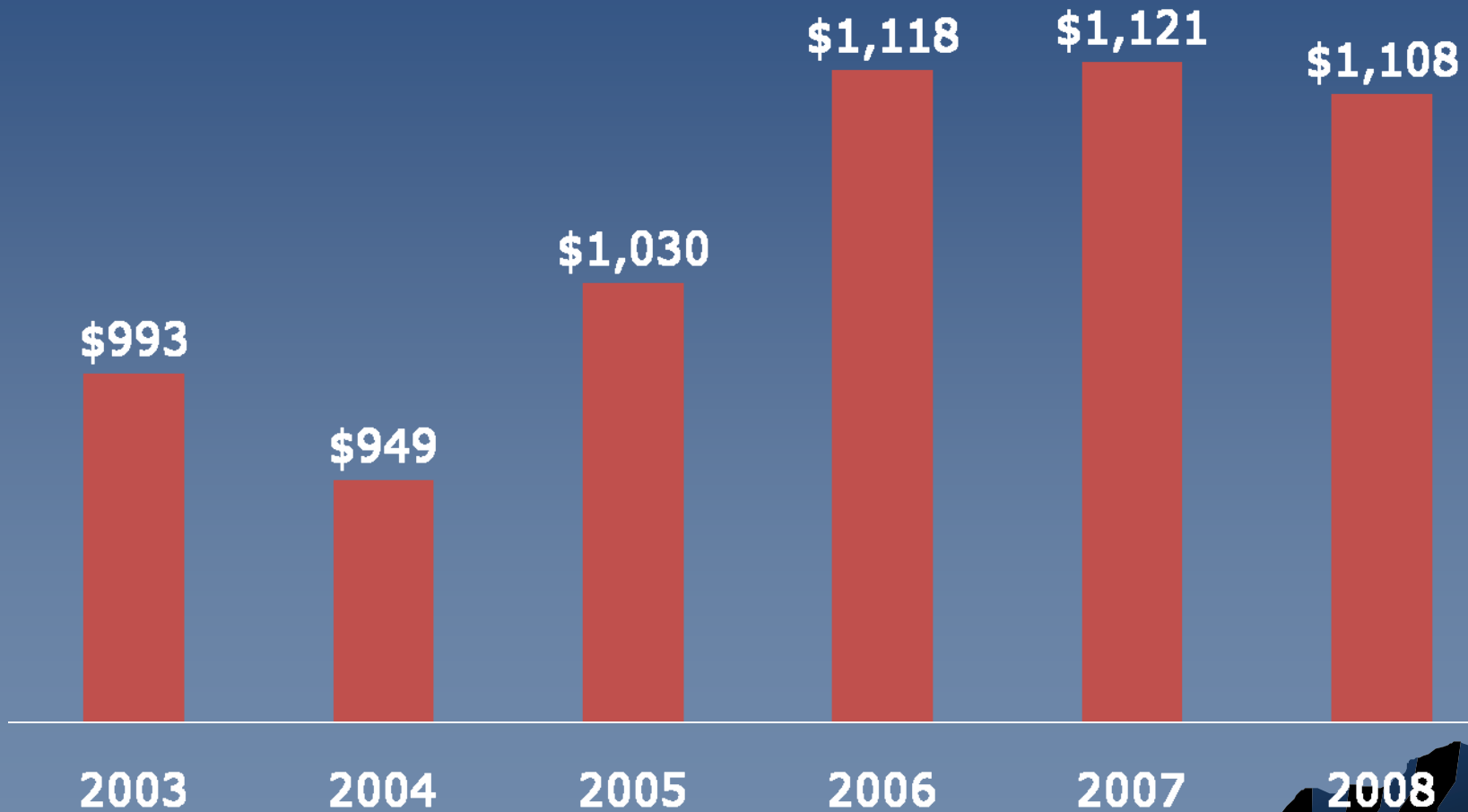
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Then and Now

	2003	2004	2005	2006	2007	2008
Average Rent	\$993	\$949	\$1,030	\$1,118	\$1,121	\$1,108
% Change		-4.4%	8.5%	8.5%	0.3%	-1.2%
Vacancy	7.0%	7.4%	5.1%	4.0%	2.1%	1.8%
% Change		6%	-31%	-22%	-48%	-14%
Units Sampled	2,151	3,896	4,102	4,082	4,449	3,279

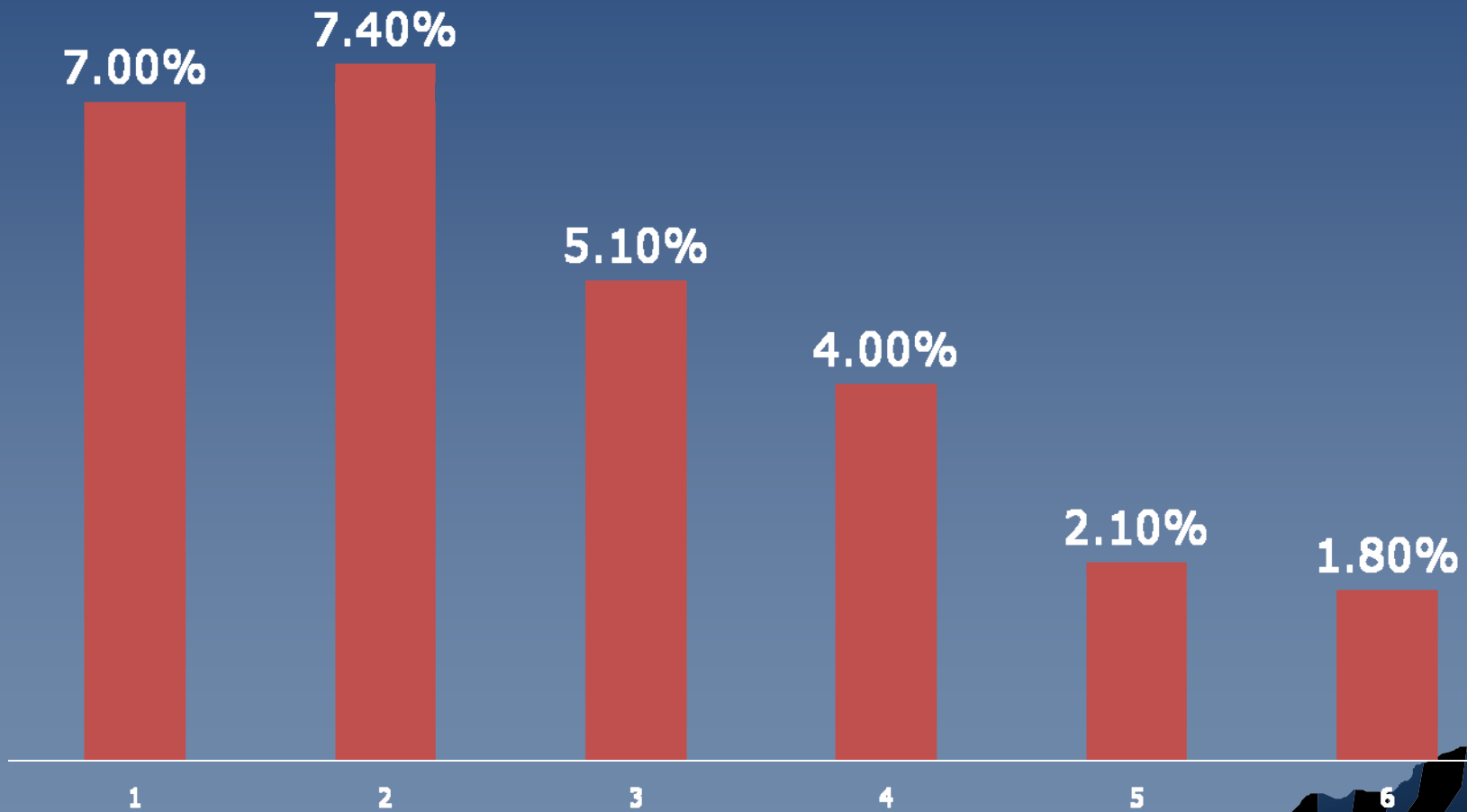
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Average Rent



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Vacancy Rate



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Average Rents by City

<u>City</u>	<u>Bed</u>	<u>Std</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Total</u>
Alameda		\$825	\$988	\$1,279	\$1,951	\$2,133	\$1,191
Albany*		\$940	\$963	\$1,068	\$1,417	N/A	\$987
Berkeley		\$1,001	\$1,260	\$1,582	\$2,073	\$2,562	\$1,324
Emeryville*		\$500	\$1,038	\$1,363	\$1,782	N/A	\$1,324
Oakland		\$743	\$956	\$1,286	\$1,628	\$1,817	\$1,040
Piedmont*		\$1,028	\$1,126	\$1,599	N/A	N/A	\$1,172

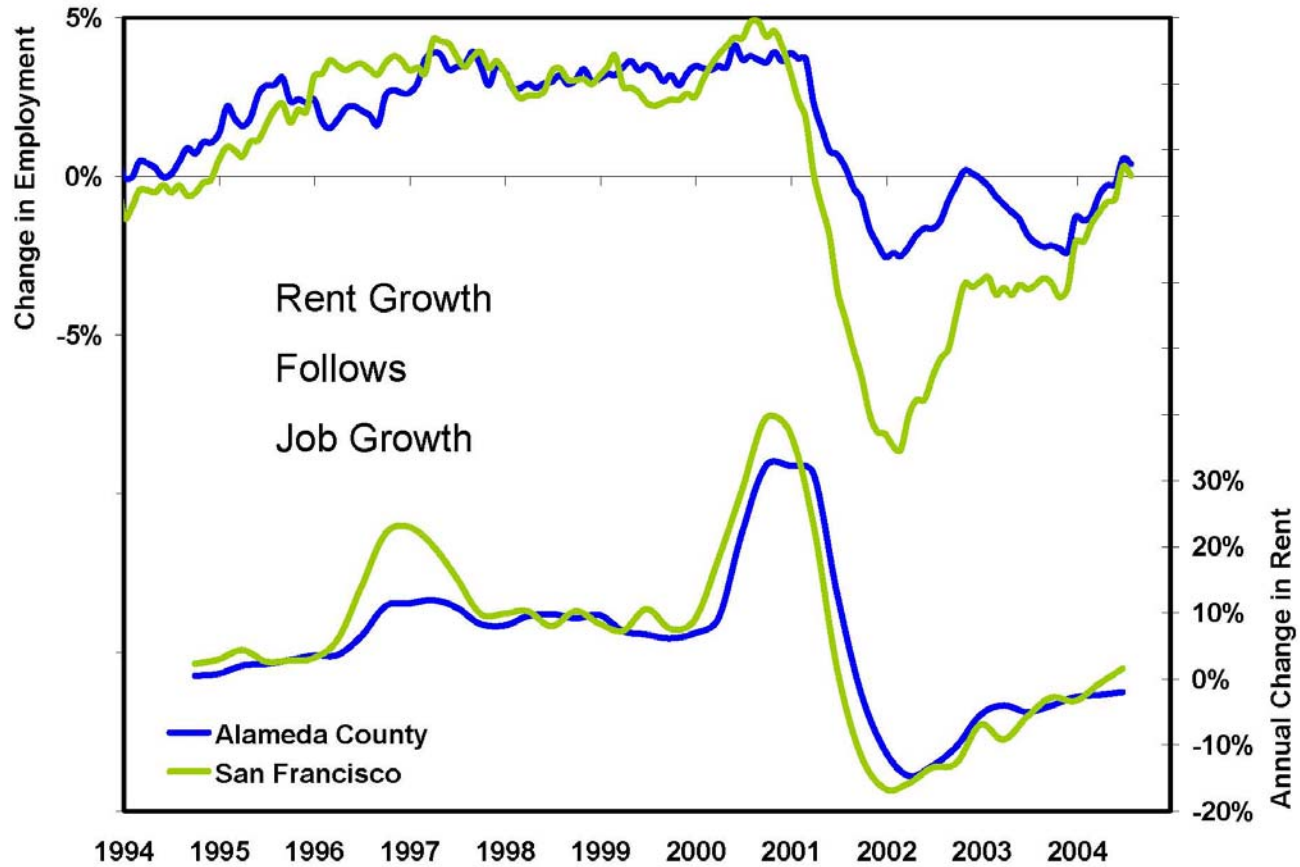
*Inadequate sample size

Average Rent by Unit Type

<u>Year</u>	<u>Std</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Overall</u>
2008	\$827	\$1,009	\$1,339	\$1,753	\$2,159	\$1,108
2007	\$904	\$1,015	\$1,285	\$1,409	\$1,687	\$1,121
% Change	-9.3%	-0.5%	4.0%	19.6%	21.9%	-1.2%
Distribution	18.3%	47.9%	29.4%	3.7%	0.7%	100%
Vacancy Rate	2.5%	1.9%	1.3%	0.8%	0%	1.8%

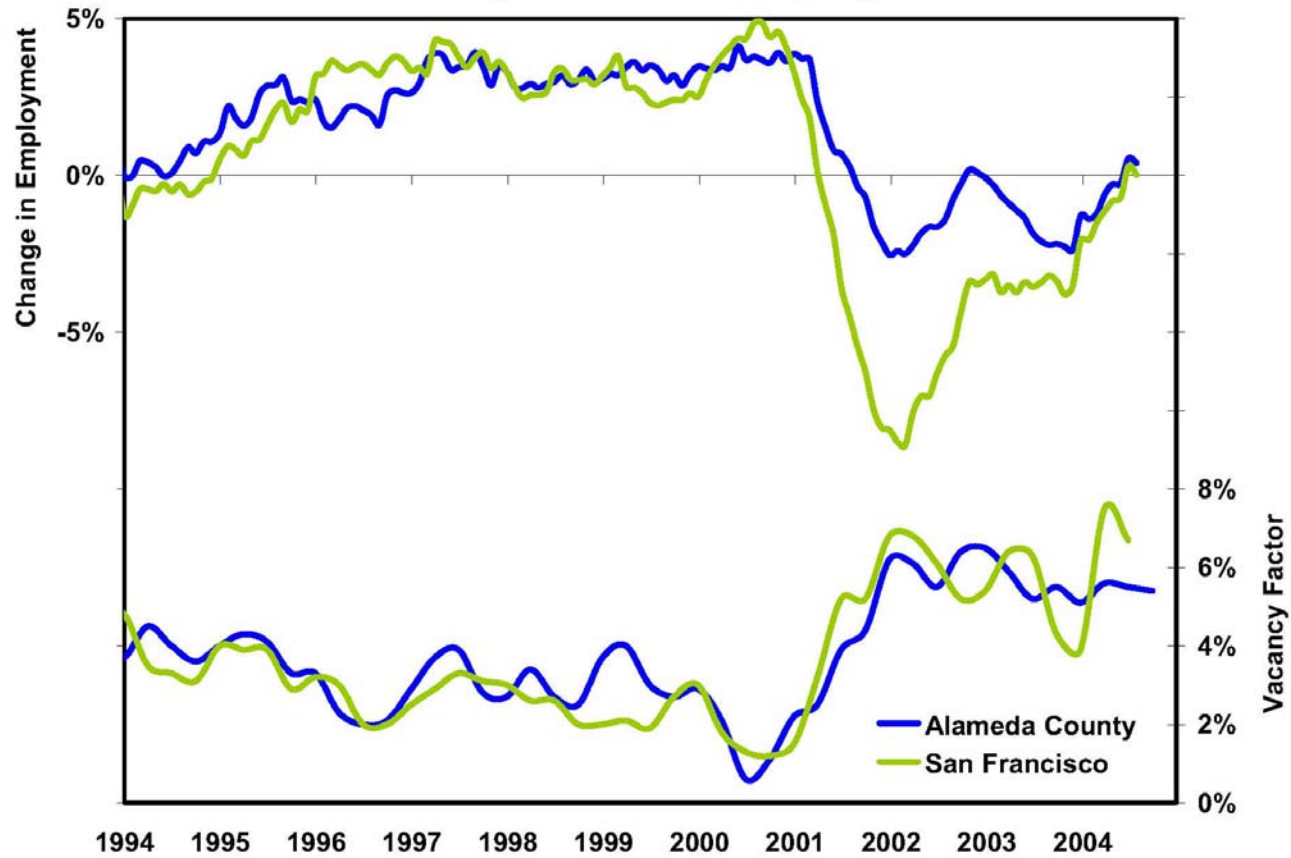
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Change in Rents vs. Employment



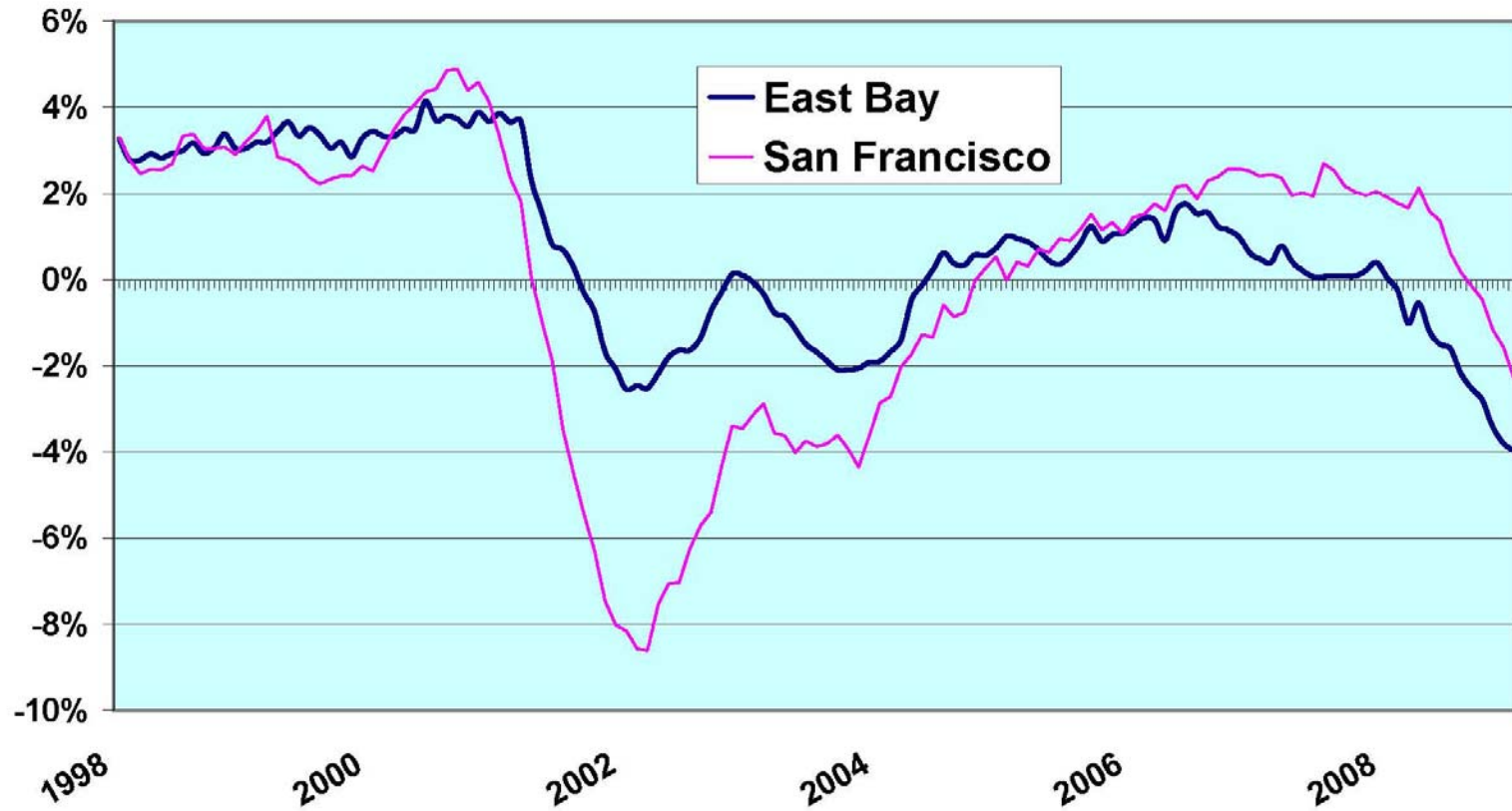
Source: RealFacts, BLS

Vacancy Factor vs. Employment



Source: RealFacts, BLS

Bay Area Job Growth January 1998 through January 2009



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Factors impacting rental market?

Factors

- ◆ Plunging job growth
- ◆ Full economic recession
- ◆ Foreclosures propping up rental market
- ◆ New units entering market
- ◆ Doubling up as tenants share larger units

Bottom Line

- ◆ Average Rents are Down - Slightly
- ◆ Vacancy Factor Down – Slightly
- ◆ Negative rent growth when adjusted for inflation
- ◆ Negative job growth on BOTH sides of Bay

Market Predictions

- ◆ Future higher vacancies and lower rents mainly due to plunging job growth
- ◆ Higher supply as unsold condos and foreclosed homes turn into rentals
- ◆ Higher vacancy rates and lower rents in studios and 1 bedrooms vs. 2 bedrooms due to doubling up caused by recession and job losses

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