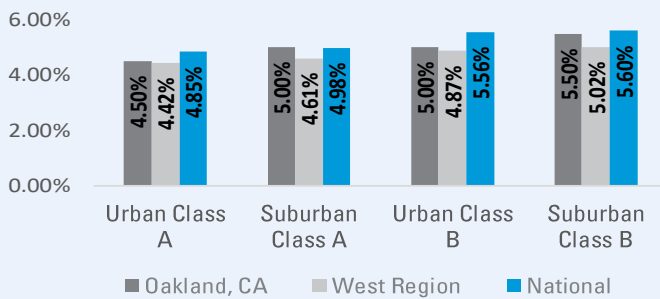


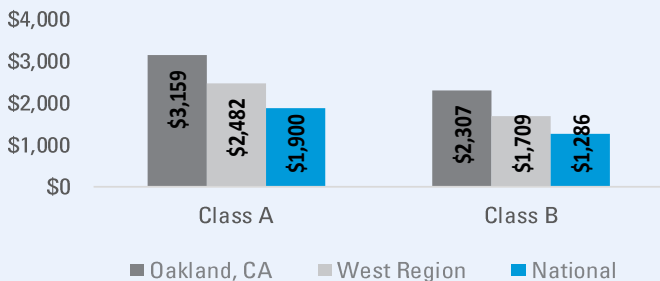
Market Rate Indicators (Y/Y)

Categories	Class A	Class B
Going In Cap Rate (%)	▼	▼
Asking Rent (\$/Unit)	▲	▲
Vacancy Rate (%)	▼	▼

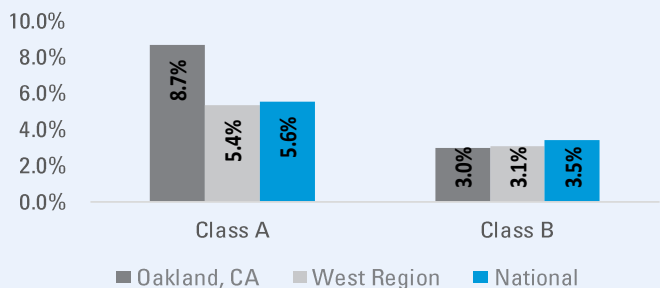
Going In Cap Rate Comparisons (%)



Asking Rents (\$/Unit)



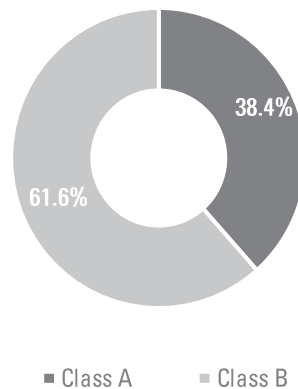
Vacancy Rates (%)



Oakland, CA Multifamily Market Overview

The East Bay multifamily market experienced a brief slowdown during the height of the pandemic, but activity resumed during 2021 as renters increasingly sought out the market due to its greater affordability compared to San Francisco and the Silicon Valley. The growth in demand over the past two years has largely been the result of the widespread work from home environment. As employees relocated into the region, the suburbs in Alameda and Contra Costa counties experienced higher occupancy gains and rent growth than the urban core centers in Oakland and Berkeley. While improvement continued through the first half of 2022, the second half has begun to stabilize. Vacancy rates have ticked upward with the significant amount of new inventory added to the market. More new construction is still in progress with activity outpacing all other Bay Area markets; new construction is highest in the urban cores of Oakland and Berkeley, as well as the Hayward/Fremont area, but more recently, activity has intensified in various suburban submarkets. Generally, new projects target higher-income renters, but still remain more affordable than other markets in the Bay Area, drawing population growth. Asking rental rates have been on an upward trend since late 2020 with many submarkets reaching their pre-pandemic levels. While growth has continued in 2022, the rate has likewise moderated in the latter half of the year. Investor demand for properties in the East Bay over the past two years has been strong, with significant improvement recorded in sales activity, including increases in the number of transactions, the total dollar sales volume as well as the average price per unit. However, the market is seeing pricing corrections and a slowdown in sales after the succession of interest rate increases in 2022. Much of the increase was implemented in the second half of 2022, with the possibility of further increases in 2023; as such, the full effect on investment activity has yet to be realized. The East Bay/Oakland market is expected to continue a gradual recovery, though conditions may be impacted in the short-term by the significant supply to be delivered over the next 1-2 years. Lingering uncertainty with regard to future remote working policies and their impact on commuter patterns may also temper conditions. However, demand is expected to remain steady given the region's locational and affordability advantages.

Distribution of Total Inventory



163,245 Units
Multifamily Inventory

1.18% - 12 Mo. Proj.
Construction/Inventory

Change In Value Next 12 Months



+/- 0%

Urban Class A

+/- 0%

Urban Class B



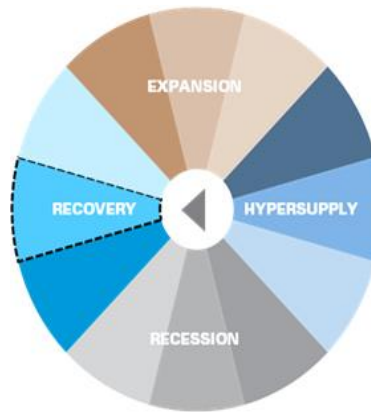
+/- 0%

Suburban Class A

+/- 0%

Suburban Class B

Market Cycle: Recovery Stage 2



- Moderate Absorption
- Decreasing Vacancy Rates
- Low/Moderate Employment Growth
- Neg/Low Rental Rate Growth
- Low New Construction

Forecasts

Oakland, CA 12-Month Multifamily Forecasts

Categories	Urban Class A	Urban Class B	Suburban Class A	Suburban Class B
Going-In Cap Rates	Remain Steady - no change	Remain Steady - no change	Remain Steady - no change	Remain Steady - no change
Discount Rate	Remain Steady - no change	Remain Steady - no change	Remain Steady - no change	Remain Steady - no change
Reversion Rate	Remain Steady - no change	Remain Steady - no change	Remain Steady - no change	Remain Steady - no change
Construction (Units)	1,929			
Market Rent Change	+1.00%	+1.00%	+1.00%	+1.00%
Expense Rate Change	+4.00%	+4.00%	+4.00%	+4.00%
Years to Balance	In Balance			

Oakland, CA 36-Month Multifamily Forecasts

Categories	Urban Class A	Urban Class B	Suburban Class A	Suburban Class B
Market Rent Change	+20.36%			
Change in Value	Increase 1%-1.9%	Increase 1%-1.9%	Increase 1%-1.9%	Increase 1%-1.9%

Integra Realty Resources (IRR) is the largest independent commercial real estate valuation and consulting firm in North America, with over 165 MAI-designated members of the Appraisal Institute among 600+ professionals based in our 50+ offices throughout the United States and the Caribbean. Founded in 1999, the firm specializes in real estate appraisals, feasibility and market studies, expert testimony, and related property consulting services across all local and national markets. Our valuation and counseling services span all commercial property types and locations, from individual properties to large portfolio assignments.

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