



MULTIFAMILY REPORT

# San Francisco Reemerges

July 2024

**Advertised Rents Begin Recovery**

**Supply Volume Stabilizes**

**Unemployment Ticks Up**

# SAN FRANCISCO MULTIFAMILY



## Job Growth, Occupancy Steady

San Francisco started 2024 with a modest recovery following several months of contractions. Advertised asking rents were up 0.5% on a trailing three-month basis through May, to \$2,799, outpacing the nation's 0.3%. The metro's average outpaced the U.S. for the first time in more than a year. Occupancy remained steady, at 95.3% in stabilized properties as of April, unchanged from last year, unlike several other major markets where rates have been declining. Meanwhile, the national average was down 60 basis points, to 94.5%.

Unemployment increased 90 basis points year-over-year, to 3.9% as of April, according to preliminary data from the Bureau of Labor Statistics. This was on par with the nation, but significantly below California's 5.3%. The metro added 14,800 jobs over the 12-month period ending in March, accounting for a 0.3% expansion, 110 basis points below the U.S. rate of growth. Education and health services gained the most jobs (26,000), while the information sector recorded the most significant losses (-14,700). The metro's second-largest sector is sustained by ongoing major projects, such as the \$4.3 billion expansion of UCSF Parnassus Heights Hospital.

San Francisco's existing multifamily stock expanded 1.0% in the first five months of the year, slightly above the U.S. by 10 basis points. However, the 77.7% decline in construction starts indicates that development is slowing down.

## Market Analysis | July 2024

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### Recent San Francisco Transactions

#### The Rise at Walnut Creek



City: Walnut Creek, Calif.  
Buyer: Hines Interests  
Purchase Price: \$57 MM  
Price per Unit: \$740,259

#### Creekside Park



City: Napa, Calif.  
Buyer: Browman Development Co.  
Purchase Price: \$47 MM  
Price per Unit: \$249,734