
NEWS

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San Diego's Rental Market Making History

For the first time in the 21 years that MarketPointeTM Realty Advisors, Inc. has been auditing San Diego County's institutional grade rental complexes, the aggregated weighed average rent in the county went down, according to MarketPointe's *Rental Trends*TM Publication. The March 2009 average rental rate dropped 1.5 percent from the per month average seen six months ago. From a year over year perspective, the news is slightly better as the current rental rate average is 0.9% higher than the average seen in March 2008.

"With more doubling up and some young adults boomeranging home, the overall vacancy rate topped 5% for the first time since the mid-1990's," said Russ Valone, President, MarketPointeTM Realty Advisors. Part of the countywide vacancy rate increase comes from a 702 unit influx of new units to the market, but mostly, it's just lower levels of occupancy at existing rental communities. The 702 new rental units released over the past six months represent a mixture of seven newly opened projects totaling 587 units and the addition of 115 rental units from "for sale" condominium projects struggling with sales.

Back in March of 2003, the total number of units surveyed in **Rental Trends**TM maxed out at 120,776 units. Over the next several years, the number of units in the survey declined as more and more units were converted to condominiums than new units were added to the base. That trend started to reverse itself in the March 2007 audit as a slowing in the "for sale" market resulted in fewer units being converted to condominiums and the number of new units released to the marketplace began to increase. The South County continues to be home to the greatest number of complexes and units surveyed, but the North County continues to be the more expensive rental market commanding \$128 more per month on average.

MarketPointeTM Realty Advisors provides new housing market statistics throughout California via its **Residential Trends**TM new-home database and its **Land Tracker**TM proposed development database, as well as site specific, tailored housing market research and consulting services. Comprehensive "Housing Market Overviews" providing new home sales, pricing, housing inventory trends, future housing supply, and new and leading developments are available for regions across California by going to www.marketpointe.com/landing. Phone San Diego at 619-233-3781, Orange County at 714-528-2554, Sacramento at 916-710-1396; url:www.marketpointe.com.