

Apartment rents up, vacancies steady, survey shows

By [Roger Showley](#) noon June 4, 2013 Updated 12:17 p.m.

Apartment vacancies are holding steady, according to the latest survey of the San Diego County Apartment Association.

The group reported a 4.5 percent rate, unchanged from its spring and fall 2012 findings.

But rental rates have crept up over the last year to \$1,330, compared with \$1,232 a year ago and \$1,288 last fall.

Executive Director Alan Pentico said rising vacancies and falling rents would be expected from the rising interest in buying rather than renting as the ownership market recovers from the six-year housing slump

"But in spite of that, rental vacancies have held steady," Pentico said. "That's impressive."

The survey is based on the responses from 6,000 owners and managers, responsible for nearly 27,000 units.

There were rental monthly rate variations in type and location.

- Studio: \$908, compared with \$910 in spring 2012.
- 1 bedroom: \$1,133, compared with \$1,068..
- 2 bedroom: \$1,428, compared with \$1,309.
- 3 bedroom: \$1,819, compared with \$1,677.
- North County vacancy: 3.8 percent.
- San Diego city: 4.8 percent.
- South Bay 4.6 percent.

Russ Valone, president of MarketPointe Realty Advisors, which conducts a wider survey encompassing many large apartment complexes, said his March survey of 125,097 units showed an increase in the vacancy rate to 4.7 percent from 4.45 percent in spring 2012 and 4.5 percent last fall.

The average rent rose over that same period from \$1,361 to \$1,388.

One key factor may lie behind the vacancy increase, which Valone called temporary: More construction leads to more units vacant through the rentup period.

But he predicted the rate will fall again as investor-owned homes are sold to owner-occupants and as renters move to apartments.

"I think rental rates will continue to go up," he said. "There's been sort of a balance. They were growing at a little bit of a faster rate in 2011 and 2012, but then started slowing" in response to rising buying trends. "As rents started moving up and competing with the ability to buy, it had an impact and put a little pressure on the rental market.

San Diego County apartment vacancies, spring 2013

2004 3.7

2005 3.9

2006 3.4

2007 5.1

2008 4.8

2009 5.4

2010 4.9

2011 3.9

2012 4.5

2013 4.5

Source: San Diego County Apartment Association, based on survey of 6,000 owners and managers for nearly 27,000 units.