

# County Vacancy Rate Drops to Lowest Point in More Than a Decade

*Tighter market emphasizes need for additional multi-family housing*

**SAN DIEGO – June 10, 2014:** The countywide vacancy rate for rental units has plunged to 2.8 percent, down from 4.5 percent a year ago, according to the [San Diego County Apartment Association's](#) (SDCAA) latest analysis.

The 2.8 percent rate mirrors numbers not seen in more than a decade, and confirms that rental units are in high demand throughout San Diego County. Vacancy rates are the number of units available for rent.

“This is an unbelievably low vacancy rate for our region,” SDCAA Executive Director Alan Pentico said. “The last time we saw numbers this low was in 2002, when the overall vacancy rate was 2.5 percent. The demand for rental housing just keeps getting stronger.”

SDCAA has seen a surge in rental property ownership as more people throughout the region invest in single-family homes rented as one or two units. SDCAA also has seen an increase in permitting and construction for multifamily housing. But the demand for housing still outpaces supply.

“This clearly points to the need for government policies that embrace additional urban-infill and multi-family developments on a regional, state and national level,” Pentico said.

Local apartment broker Robert Vallera, a Senior Vice President with Voit Real Estate Services, said: “In San Diego County, we are gradually seeing the emergence of a more sophisticated style of multi-family housing that frequently contains a vibrant mix of retail and restaurant space. These new developments are helping to create a renewed sense of vitality within our older neighborhoods.”

The SDCAA Spring 2014 Vacancy and Rental Rate Survey also broke down vacancy rates by region. The vacancy rate in the City of San Diego is slightly lower at 2.7 percent, down from 3.4 percent a year ago. The South Bay is experiencing the highest vacancy rate at 2.9 percent, with East County and North County each at 2.8 percent. In spring 2013, the vacancy rate for East County was the highest at 5.1 percent, with the South Bay at 4.6 percent and North County at 3.8 percent.

The survey found that the countywide average rent on all types of units this spring dropped 5 percent, from \$1,330 last spring to \$1,260 today. The spring 2014 survey found that the weighted average rent for studio units was \$901; \$1,092 for one-

bedroom units; \$1,347 for two-bedroom units; and \$1,716 for units with three or more bedrooms.

Varying levels of responses in some ZIP codes make it difficult to pinpoint exactly what caused the overall rent drop. SDCAA recommends reviewing rents at the individual ZIP code levels when analyzing the survey data for trends.

SDCAA's Vacancy and Rental Rate Survey is a bi-annual analysis of thousands of rental properties, including apartment complexes and single-family homes, throughout San Diego County.

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**About SDCAA's Vacancy and Rental Rate Survey:** Done twice a year to provide a snapshot of industry conditions, it is the oldest and most comprehensive rental analysis of its kind in the San Diego region. The Spring 2014 survey was mailed in March to nearly 6,000 rental property owners and managers throughout San Diego County. More than 12,600 units are represented in the responses. Survey responses are solicited from a range of property sizes, ages and amenity levels in order to more closely reflect the wide variety of rental housing available to area residents. Because of the fluctuating response levels of this methodology, comparisons among survey periods do not necessarily reflect the performance of a particular sample of rental units over time.

**About SDCAA:** The Apartment Association is a member of the largest and most influential rental housing coalition in California. A non-profit organization that has served the rental housing industry since 1919, SDCAA's 2,200 members are rental property owners, rental property managers and suppliers of goods and services to the rental housing industry. The overall improvement of the rental housing industry is a primary focus of SDCAA, which represents single-family rental homes to the largest multi-family rental communities. SDCAA provides a wide range of services to its members, including legislative advocacy, education and resident screening. You can follow SDCAA on [Twitter](#) and [Facebook](#).