

Rent Stabilization Board

DATE: June 19, 2017

TO: Honorable Members of the Rent Stabilization Board

FROM: Jay Kelekian, Executive Director

By: Lief Bursell, Associate Management Analyst

Jen Fabish, Community Services Specialist

SUBJECT: Market Medians: January 1999 through March 2017

The attached Market Medians Report for the 1st Quarter of 2017 updates the numbers from the 4th quarter of 2016 report submitted to the Board on April 24, 2017.

Continuing a trend from the last several quarters, there were approximately 12% fewer new tenancies reported during the 1st Quarter of 2017 (335 new tenancies) than were reported during the 1st Quarter of 2016 (382 new tenancies).

Compared to the 1st Quarter of 2016, market median rents for studio, one-bedroom, and two-bedroom units have increased, while rents for three-bedroom units decreased slightly:

Unit Size	Q1 2016 Median Rent	Q1 2017 Median Rent	% Change
Studio	\$1,450	\$1,500	3.45%
1 BR	\$1,795	\$1,995	11.14%
2 BR	\$2,395	\$2,600	8.56%
3 BR	\$3,300	\$3,240	-1.82%

Going back two years, however, increases in market median rents are pronounced for all unit types:

Unit Size	Q1 2015 Median Rent	Q1 2017 Median Rent	% Change
Studio	\$1,295	\$1,500	13.67%
1 BR	\$1,695	\$1,995	15.04%
2 BR	\$2,150	\$2,600	17.31%
3 BR	\$2,588	\$3,240	20.12%

Although the benefits of rent control have been constrained at the state level by vacancy decontrol, it is clear that rent control provides tenants with stability as market rate rents continue to rise.

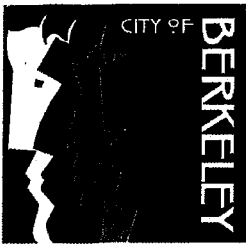
The final table below, which compares current market medians to current lawful rent ceiling medians for rent controlled units where the tenancy began in the 1st Quarter of 2012, illustrates that rent control does not just benefit long-term tenants (i.e., those whose tenancies began before 1999).

Unit Size	Q1 2017 Market Median Rent	Current Lawful Rent Ceiling Median for Tenancies Started in Q1 of 2012	% Difference
Studio	\$1,500	\$992	33.85%
1 BR	\$1,995	\$1277	36.01%
2 BR	\$2,600	\$1576	39.40%
3 BR	\$3,240	\$1956	39.63%

Tenants who began their tenancies even just five years ago experience significant rent savings in addition to the predictability provided by limiting rent increases to the Annual General Adjustment. These factors combined promote housing stability and prevent the displacement of those tenants who could not afford current market rate rents.

Attachments:

1. Market Medians: January 1999 through March 2017



Rent Stabilization Board

MEMORANDUM

DATE: June 19, 2017

TO: Jay Kelekian, Executive Director

FROM: Lief Bursell, Associate Management Analyst
Jen Fabish, Community Services Specialist

SUBJECT: Market Medians: January 1999 through March 2017

The tables below update and supplement medians provided for the fourth quarter of 2016. Medians reported in the first section (Medians by Calendar Quarter) are derived from only those units which have had a new tenancy recorded in the Rent Tracking System (RTS) during the reported period.

We have updated the "Citywide" medians (includes all "rented" units regardless of tenancy date by number of bedrooms) and "All Units" medians (reflective of neither the unit size or tenancy date) to include medians as of March 31, 2017. For comparison purposes, December 31, 1998 medians are included below. Changes to previously reported figures are denoted by an asterisk (*).

Medians for 12/31/1998

# BR	Rent	# Units
Studio	\$527	3,725
1 BR	\$624	8,075
2 BR	\$777	5,651
3 BR	\$1,083	915

Medians by Calendar Quarter (new tenancies only)

#BR	1999 (new tenancies)									
	1 st Q 1999		2 nd Q 1999		3 rd Q 1999		4 th Q 1999		12/31/1999 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$689	297	\$715	360	\$745	489	\$725	167	\$715	1,145
1 BR	\$880	487	\$970	601	\$950	683	\$950	326	\$950	1,927
2 BR	\$1,150	303	\$1,350	456	\$1,350	401	\$1450	161	\$1,300	1,245
3 BR	\$1,500	41	\$1,800	69	\$1,700	57	\$1745	21	\$1,650	172

Jay Kelekian, Executive Director

June 19, 2017

Market Medians: January 1999 through March 2017 – Page 2

2000 (new tenancies)										
#BR	1 st Q 2000		2 nd Q 2000		3 rd Q 2000		4 th Q 2000		12/31/2000 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$750	262	\$800	344	\$850	466	\$850	130	\$800	1,073
1 BR	\$975	415	\$1,100	644	\$1,150	681	\$1,195	292	\$1,100	1,861
2 BR	\$1,300	233	\$1,500	454	\$1,500	408	\$1,500	146	\$1,500	1,173
3 BR	\$1,650	28	\$2,000	76	\$2,000	56	\$1,900	21	\$1,980	171

2001 (new tenancies)										
#BR	1 st Q 2001		2 nd Q 2001		3 rd Q 2001		4 th Q 2001		12/31/2001 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$875	159	\$900	302	\$900	479	\$880	157	\$900	1,002
1 BR	\$1,195	322	\$1,200	557	\$1,200	607	\$1,200	289	\$1,200	1,647
2 BR	\$1,550	144	\$1,775	395	\$1,685	357	\$1,500	165	\$1,650	1,007
3 BR	\$2,000	21	\$2,400	71	\$2,100	36	\$1,500	12	\$2,100	133

2002 (new tenancies)										
#BR	1 st Q 2002		2 nd Q 2002		3 rd Q 2002		4 th Q 2002		12/31/2002 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$875	230	\$875	409	\$875	544	\$800	170	\$850	1,251
1 BR	\$1,100	341	\$1,195	722	\$1,195	661	\$1,100	313	\$1,150	1,932
2 BR	\$1,500	193	\$1,765	526	\$1,600	416	\$1,450	170	\$1,600	1,253
3 BR	\$1,900	22	\$2,250	87	\$2,200	51	\$1,800	27	\$2,150	182

2003 (new tenancies)										
#BR	1 st Q 2003		2 nd Q 2003		3 rd Q 2003		4 th Q 2003		12/31/2003 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$820	231	\$850	365	\$875	478	\$850	130	\$850	1,142
1 BR	\$1,100	321	\$1,150	645	\$1,100	747	\$1,050	262	\$1,100	1,892
2 BR	\$1,400	200	\$1,645	506	\$1,495	463	\$1,350	176	\$1,500	1,326
3 BR	\$1,850	25	\$2,000	84	\$2,100	52	\$1,800	17	\$1,999	185

2004 (new tenancies)										
#BR	1 st Q 2004		2 nd Q 2004		3 rd Q 2004		4 th Q 2004		12/31/2004 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$800	205	\$825	357	\$825	528	\$800	140	\$800	1,129
1 BR	\$1,000	313	\$1,100	596	\$1,050	804	\$1,000	272	\$1,050	1,896
2 BR	\$1,300	194	\$1,500	521	\$1,449	485	\$1,295	149	\$1,400	1,294
3 BR	\$1,650	19	\$2,150	77	\$2,000	68	\$1,550	17	\$2,020	174

2005 (new tenancies)										
#BR	1 st Q 2005		2 nd Q 2005		3 rd Q 2005		4 th Q 2005		12/31/2005 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$825	225	\$850	322	\$850	545	\$830	117	\$850	1,132
1 BR	\$1,050	282	\$1,100	594	\$1,100	800	\$1,050	226	\$1,095	1,832
2 BR	\$1,300	188	\$1,545	527	\$1,476	560	\$1,350	110	\$1,450	1,383
3 BR	\$1,650	15	\$2,030	71	\$2,000	59	\$1,900	7	\$2,000	160

2006 (new tenancies)										
#BR	1 st Q 2006		2 nd Q 2006		3 rd Q 2006		4 th Q 2006		12/31/2006 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$825	186	\$890	332	\$875	554	\$850	90	\$875	1,159
1 BR	\$1,060	298	\$1,150	664	\$1,150	784	\$1,100	176	\$1,100	1,944
2 BR	\$1,400	188	\$1,650	550	\$1,500	537	\$1,445	108	\$1,550	1,430
3 BR	\$1,700	19	\$2,240	77	\$2,000	80	\$2,000	9	\$2,100	191

2007 (new tenancies)										
#BR	1 st Q 2007		2 nd Q 2007		3 rd Q 2007		4 th Q 2007		12/31/2007 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$900	190	\$925	371	\$920	496	\$885	130	\$900	1,099
1 BR	\$1,100	301	\$1,200	698	\$1,200	826	\$1,175	196	\$1,200	1,930
2 BR	\$1,495	166	\$1,700	649	\$1,600	525	\$1,490	122	\$1,600	1,421
3 BR	\$2,400	17	\$2,300	80	\$2,200	98	\$2,250	19	\$2,250	210

2008 (new tenancies)										
#BR	1 st Q 2008		2 nd Q 2008		3 rd Q 2008		4 th Q 2008		12/31/08 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$925	195	\$990	375	\$995	506	\$950	128	\$980	1,116
1 BR	\$1,185	308	\$1,300	704	\$1,290	860	\$1,200	201	\$1,275	1,980
2 BR	\$1,570	202	\$1,898	632	\$1,750	522	\$1,650	102	\$1,775	1,412
3 BR	\$2,200	24	\$2,590	83	\$2,400	113	\$2,400	15	\$2,450	230

2009 (new tenancies)										
#BR	1 st Q 2009		2 nd Q 2009		3 rd Q 2009		4 th Q 2009		12/31/09 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$925	164	\$985	352	\$975	447	\$845	124	\$950	1,081
1 BR	\$1,150	277	\$1,350	633	\$1,250	757	\$1,175	222	\$1,250	1,887
2 BR	\$1,585	138	\$1,900	638	\$1,675	462	\$1,450	143	\$1,700	1,406
3 BR	\$2,450	21	\$2,500	112	\$2,395	86	\$2,100	24	\$2,400	254

2010 (new tenancies)										
#BR	1 st Q 2010		2 nd Q 2010		3 rd Q 2010		4 th Q 2010		12/31/2010 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$925	173	\$985	337	\$950	518	\$900	98	\$950	1,038
1 BR	\$1,195	244	\$1,295	648	\$1,195	787	\$1,200	189	\$1,225	1,828
2 BR	\$1,500	142	\$1,900	580	\$1,600	523	\$1,500	115	\$1,660	1,365
3 BR	\$1,850	16	\$2,500	113	\$2,395	98	\$2,000	16	\$2,395	241

2011 (new tenancies)										
#BR	1 st Q 2011		2 nd Q 2011		3 rd Q 2011		4 th Q 2011		12/31/2011 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$895	122	\$975	403	\$995	454	\$955	98	\$970	1,105
1 BR	\$1,175	235	\$1,285	662	\$1,250	722	\$1,250	220	\$1,250	1,899
2 BR	\$1,495	139	\$1,900	621	\$1,650	544	\$1,595	116	\$1,700	1,472
3 BR	\$2,050	21	\$2,570	106	\$2,400	96	\$2,400	12	\$2,400	248

2012 (new tenancies)										
#BR	1 st Q 2012		2 nd Q 2012		3 rd Q 2012		4 th Q 2012		12/31/2012 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$900	152	\$1,025	427	\$1,050	408	\$1,095	87	\$1,050	1050
1 BR	\$1,200	226	\$1,395	578	\$1,345	701	\$1,300	162	\$1,325	1689
2 BR	\$1,600	123	\$2,095	641	\$1,750	501	\$1,700	99	\$1,850	1431
3 BR	\$2,300	16	\$2,700	113	\$2,595	93	\$2,600	12	\$2,595	247

2013 (new tenancies)										
#BR	1 st Q 2013		2 nd Q 2013		3 rd Q 2013		4 th Q 2013		12/31/2013 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$1,000	132	\$1,100	419	\$1,150	384	\$1,100	96	\$1,100	1139
1 BR	\$1,300	226	\$1,495	664	\$1,450	611	\$1,500	207	\$1,460	1906
2 BR	\$1,750	100	\$2,195	611	\$1,995	480	\$1,950	105	\$2,046	1522
3 BR	\$2,500	15	\$2,900	147	\$2,895	77	\$2,700	16	\$2,895	280

2014 (new tenancies)										
#BR	1 st Q 2014		2 nd Q 2014		3 rd Q 2014		4 th Q 2014		12/31/2014 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$1,050	147	\$1,249	465	\$1,275	446	\$1,263	124	\$1,250	1098
1 BR	\$1,400	232	\$1,595	721	\$1,620	634	\$1,650	177	\$1,595	1720
2 BR	\$1,900	113	\$2,395	623	\$2,248	457	\$2,000	86	\$2,250	1279
3 BR	\$2,850	16	\$3,250	112	\$3,000	79	\$2896	13	\$3,000	235

2015 (new tenancies)										
#BR	1 st Q 2015		2 nd Q 2015		3 rd Q 2015		4 th Q 2015		12/31/2015 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$1,295	160	\$1,495	350	\$1,495	358	\$1,548	86	\$1,475	966
1 BR	\$1,695	235	\$1,795	612	\$1,860	520	\$1,900	142	\$1,800	1520
2 BR	\$2,150	125	\$2,695	582	\$2,600	383	\$2,300	97	\$2,600	1194
3 BR	\$2,588	18	\$3,500	112	\$3,498	62	\$3,000	9	\$3,450	213

2016 (new tenancies)										
#BR	1 st Q 2016		2 nd Q 2016		3 rd Q 2016		4 th Q 2016		12/31/2016 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$1,450	105	\$1,695	279	\$1,600	369	\$1,633	90	\$1,600	912
1 BR	\$1,795	171	\$2,000	480	\$2,050	491	\$1,925	125	\$1,995	1387
2 BR	\$2,395	90	\$2,800	444	\$2,800	282	\$2,500	84	\$2,750	957
3 BR	\$3,300	13	\$3,750	101	\$3,495	51	\$3,150	11	\$3,595	190

2017 (new tenancies)										
#BR	1 st Q 2017		2 nd Q 2017		3 rd Q 2017		4 th Q 2017		03/31/2017 (Year)	
	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units	Rent	#Units
Studio	\$1,500	79							\$1,500	79
1 BR	\$1,995	169							\$1,995	169
2 BR	\$2,600	75							\$2,600	75
3 BR	\$3,240	10							\$3,240	10

Annual Citywide Medians By Number of Bedrooms
(All Units)

Through	12/31/98		12/31/99		12/31/2000		12/31/2001		12/31/2002		12/31/2003	
	#BR	Rent	Units	Rent	Units	Rent	Units	Rent	Units	Rent	Units	Rent
Studio	\$527	3,725	\$560	3,840	\$596	3,895	\$650	3,871	\$719	3,854	\$731	3,910
1 BR	\$624	8,075	\$662	8,145	\$714	8,185	\$773	8,184	\$858	8,097	\$900	7,983
2 BR	\$777	5,651	\$835	5,659	\$900	5,693	\$975	5,643	\$1,100	5,562	\$1,200	5,500
3 BR	\$1,083	915	\$1,140	831	\$1,245	816	\$1,350	807	\$1,538	784	\$1,662	765

Through	12/31/2004		12/31/2005		12/31/2006		12/31/2007		12/31/08		12/31/2009	
	#BR	Rent	Units	Rent	Units	Rent	Units	Rent	Units	Rent	Units	Rent
Studio	\$750	3,905	\$775	3,928	\$795	3,919	\$825	3,834	\$865	3,762	\$895	3,740
1 BR	\$939	7,941	\$950	7,899	\$982	7,906	\$1,026	7,911	\$1,075	7,951	\$1,100	7,945
2 BR	\$1,250	5,442	\$1,280	5,430	\$1,321	5,451	\$1,395	5,571	\$1,450	5,667	\$1,500	5,721
3 BR	\$1,750	753	\$1,799	733	\$1,820	733	\$1,930	780	\$2,044	853	\$2,100	887

Through	12/31/2010		12/31/2011		12/31/2012		12/31/2013		12/31/2014		12/31/2015	
	#BR	Rent	Units	Rent	Units	Rent	Units	Rent	Units	Rent	Units	Rent
Studio	\$895	3,703	\$900	3,813	\$935	3,729	\$975	3,668	\$1,012	3,858	\$1,081	3,899
1 BR	\$1,101	7,895	\$1,129	7,906	\$1,177	7,855	\$1,225	7,893	\$1,293	7,928	\$1,350	7,950
2 BR	\$1,500	5,734	\$1,525	5,804	\$1,587	5,900	\$1,650	5,975	\$1,746	6,004	\$1,846	6,036
3 BR	\$2,150	890	\$2,150	934	\$2,241	987	\$2,350	1,026	\$2,450	1,027	\$2,595	1,034

Through	12/31/2016		3/31/2017	
	#BR	Rent	Units	Rent
Studio	\$1,178	4,002	\$1,208	3,996
1 BR	\$1,439	7,995	\$1,472	8,013
2 BR	\$1,957	6,046	\$2,002	6,055
3 BR	\$2,700	1,044	\$2,790	1,044

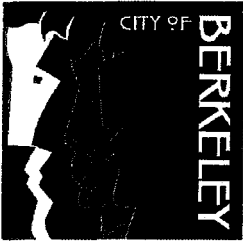
**Annual Citywide Medians and Averages
(All Units—includes units with 4+ bedrooms)**

12/31/1998			12/31/1999			12/31/2000			12/31/2001			12/31/2002		
Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units
\$643	\$720	19,253	\$690	\$787	18,788	\$750	\$865	19,178	\$810	\$943	18,767	\$882	\$1,008	18,784

12/31/2003			12/31/2004			12/31/2005			12/31/2006			12/31/2007		
Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units
\$900	\$1,028	18,617	\$932	\$1,046	18,652	\$950	\$1,062	18,418	\$994	\$1,092	18,534	\$1,042	\$1,147	18,545

12/31/2008			12/31/2009			12/31/2010			12/31/2011			12/31/2012		
Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units
\$1,100	\$1,213	18,798	\$1,150	\$1,260	18,893	\$1,159	\$1,274	18,797	\$1,195	\$1,297	19,027	\$1,236	\$1,345	19,030

12/31/2013			12/31/2014			12/31/2015			12/31/2016			3/31/2017		
Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units	Med	Avg	#Units
\$1,300	\$1,419	19,093	\$1,375	\$1,498	19,087	\$1,474	\$1,606	19,252	\$1,572	\$1,710	19,411	\$1,601	\$1,749	19,436



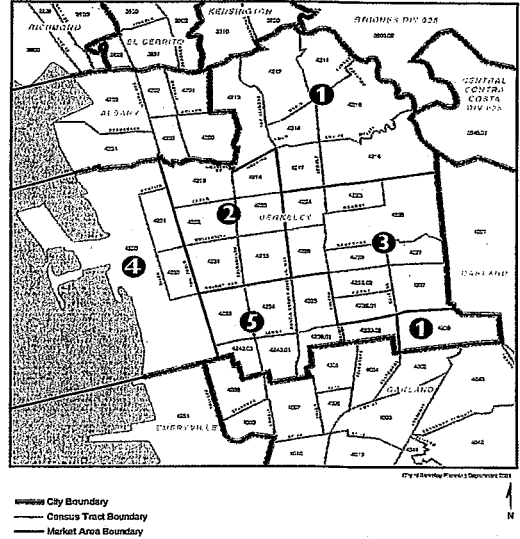
Rent Stabilization Board

City of Berkeley
Number of Reported Qualifying Vacancy Registrations
By Submarket Area through 03/31/2017
(As of 5/30/2017)
(Excludes exempt units)

Housing Tracts by Area:

- Area 1, tract nos. 11, 12, 13, 14, 15, 16, 17, 38
- Area 2, tract nos. 18, 19, 22, 23, 30, 31
- Area 3, tract nos. 24, 25, 27, 28, 29, 36, 37
- Area 4, tract nos. 20, 21, 32
- Area 5, tract nos. 33, 34, 35, 39, 40

City of Berkeley and Surrounding Cities
 Census Tract Map and Market Areas



Total Number of Registered ("Rented") Units by Submarket Area

	No. Units	% of total units	03/31/2017 Avg. Rent Ceiling
North Berkeley (Area 1)	1,473	7.58%	\$1,909.28
Central Berkeley (Area 2)	3,518	18.10%	\$1,581.15
University Area (Area 3)	10,061	51.76%	\$1,843.16
West Berkeley (Area 4)	818	4.21%	\$1,444.33
South Berkeley (Area 5)	3,422	17.61%	\$1,600.12
Total	19,436		\$1,748.71

Submarket Area No. Units % of Submarket 03/31/2017 Avg. LRC

Tenancies Starting Before 1999
2,244 units (11.55% of all units)

	1	209	14.19%	\$936.85
	2	535	15.21%	\$826.49
Avg. Rent Ceiling	3	991	9.85%	\$866.35
All units = \$851.53	4	117	14.30%	\$753.88
1 BR = \$778.34 (1,043 units)	5	384	11.22%	\$830.19

Tenancies Starting 1/1/99 – 03/31/2017

17,192 units (88.45% of all units)	1	1,264	85.81%	\$2,070.07
	2	2,983	84.79%	\$1,716.54
Avg. Rent Ceiling	3	9,070	90.15%	\$1,949.88
All Units = \$1,865.83	4	701	85.70%	\$1,559.56
1 BR = \$1,624.79 (6,970 units)	5	3,038	88.78%	\$1,697.47

2125 Milvia Street, Berkeley, California 94704

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