



Rent Stabilization Board

DATE: March 20, 2017

TO: Honorable Members of the Rent Stabilization Board

FROM: Jay Kelekian, Executive Director

By: Lief Bursell, Associate Management Analyst
Jeannie Wong, Assistant Management Analyst

SUBJECT: Market Medians: January 1999 through December 2016

The attached Market Medians Report for the 4th quarter of 2016 updates the numbers from the 3rd quarter of 2016 report submitted to the Board on December 19, 2016.

Continuing a trend from last quarter, there were approximately 6% fewer new tenancies reported during the 4th quarter of 2016 (313 new tenancies) than were reported during the 4th quarter of 2015 (334 new tenancies). Overall, there were 456 fewer tenancies reported in calendar year 2016 than were reported in 2015.

From a year-to-year comparison, our data indicates that residential rents in Berkeley (subject to rent stabilization) continued to reach new all-time highs in 2016. The average monthly rent for tenancies that began after the start of full vacancy decontrol in 1999 is now just over \$1,825 a month.

The following tables compare the median rent for new tenancies during 2016 with median rents for new tenancies first in 2015 and then in 2011.

2015-16 Annual Market Rent Comparison

Unit Size	2015 Median Rent	2016 Median Rent	% increase
Studio	\$1,475	\$1,600	8.47%
1 BR	\$1,800	\$1,995	10.83%
2 BR	\$2,600	\$2,750	5.77%
3 BR	\$3,450	\$3,595	4.20%

Market rents have increase by between 8% and 11% since 2015.

2012-16 Annual Market Rent Comparison

Unit Size	2011 Median Rent	2016 Median Rent	% increase
Studio	\$970	\$1,600	65%
1 BR	\$1,250	\$1,995	60%
2 BR	\$1,700	\$2,750	62%
3 BR	\$2,400	\$3,595	50%

Market rents have increase by between 50% and 65% since 2011. Additionally, please note that staff has provided a table on 2016 new tenancies by market area and a chart the average rent for post 1999 tenancies on the last page of the 4th quarter report.

Attachments:

1. 2016 Market Medians Report



Rent Stabilization Board

M E M O R A N D U M

DATE: March 20, 2017

TO: Jay Kelekian, Executive Director

FROM: Lief Bursell, Associate Management Analyst
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SUBJECT: Market Medians: January 1999 through December 2016

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 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 December 31, 2016. 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

March 20, 2017

Market Medians: January 1999 through December 2016 – 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

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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

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Market Medians: January 1999 through December 2016 – Page 4

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

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Annual Citywide Medians By Number of Bedrooms
(All Units)

As of	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	Units
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

As of	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	Units
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

As of	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	Units
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

As of	12/31/2016	
#BR	Rent	Units
Studio	\$1,178	4,002
1 BR	\$1,439	7,995
2 BR	\$1,957	6,046
3 BR	\$2,700	1,044

Jay Kelekian, Executive Director

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Market Medians: January 1999 through December 2016 – Page 6

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		
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

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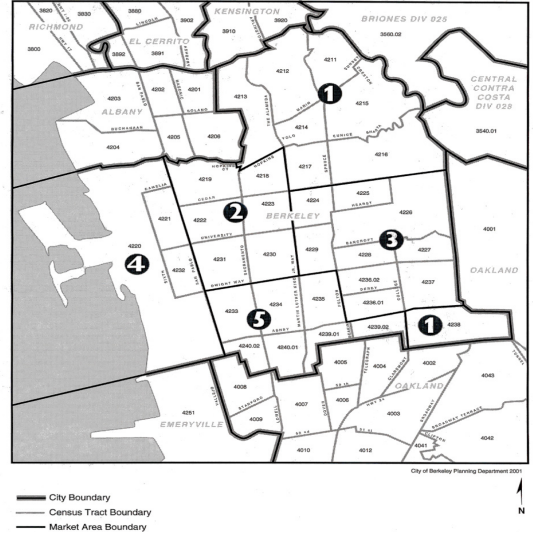
Rent Stabilization Board

City of Berkeley
Number of Reported Qualifying Vacancy Registrations
By Submarket Area through 12/31/2016
(As of 3/14/2017)
(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

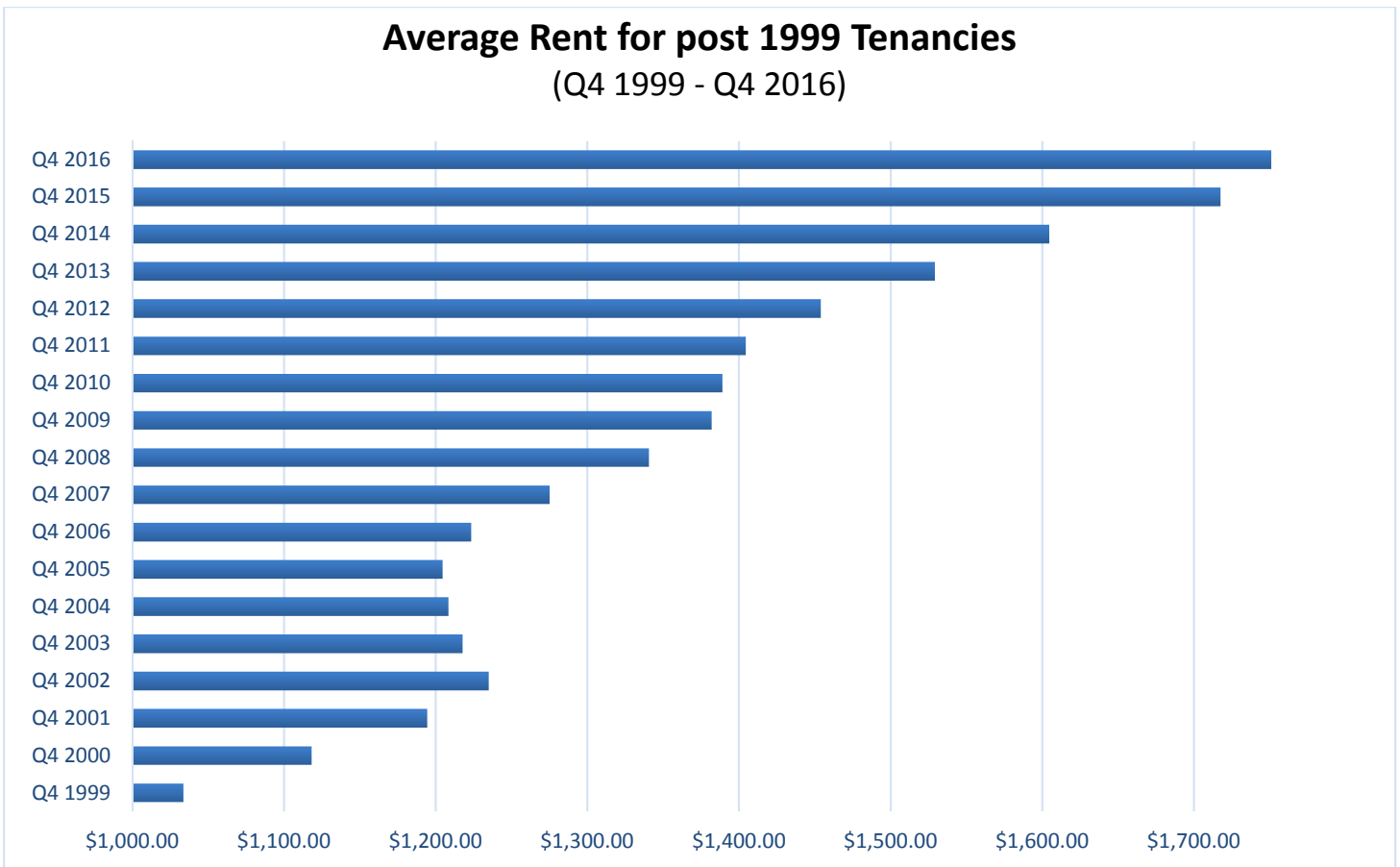
	No. Units	% of total units	12/31/2016 Avg. Rent Ceiling
North Berkeley (Area 1)	1,467	7.56%	\$1,867.36
Central Berkeley (Area 2)	3,503	18.05%	\$1,543.82
University Area (Area 3)	10,082	51.94%	\$1,809.48
West Berkeley (Area 4)	818	4.21%	\$1,412.60
South Berkeley (Area 5)	3,410	17.57%	\$1,561.86
Total	19,411		\$1,710.06

Submarket Area	No. Units	% of Submarket	12/31/2016 Avg. LRC	
Tenancies Starting Before 1999				
2,257 units (11.63% of all units)	1	211	14.38%	\$919.32
	2	539	15.39%	\$812.10
Avg. Rent Ceiling	3	997	9.89%	\$850.50
All units = \$836.28	4	119	14.55%	\$746.75
1 BR = \$764.59 (1,052 units)	5	394	11.55%	\$816.01

Tenancies Starting 1/1/99 – 12/31/2016				
17,144 units (88.32% of all units)	1	1,256	85.62%	\$2,026.62
	2	2,964	84.61%	\$1,676.88
Avg. Rent Ceiling	3	9,085	90.11%	\$1,914.72
All Units = \$1,825.32	4	699	85.45%	\$1,525.96
1 BR = \$1,592.93 (6,943 units)	5	3,016	88.28%	\$1,659.29

2016 New Tenancies by Market Area												
(All Units—includes units with 4+ bedrooms)												
Bedrooms	Market 1		Market 2		Market 3		Market 4		Market 5		All Markets	
	Median Rent	Units	Median Rent	Units	Median Rent	Units	Median Rent	Units	Median Rent	Units	Median Rent	Units
0	\$1,583	30	\$1,595	71	\$1,600	709	\$1,350	12	\$1,585	68	\$1,600	890
1	\$2,200	83	\$1,950	192	\$2,025	906	\$1,800	34	\$1,800	169	\$1,995	1,384
2	\$2,998	60	\$2,500	132	\$2,895	576	\$2,500	26	\$2,400	153	\$2,750	947
3	\$3,584	26	\$3,345	14	\$3,670	122	\$3,100	5	\$3,200	19	\$3,598	186
All units	\$2,495	203	\$2,000	412	\$2,100	2,356	\$2,050	77	\$2,000	414	\$2,100	3,462

(See previous page for map of market areas)



(Note: the table and chart on this page are only produced for the 4th Quarter report)