higher rentals are being demanded upon renewals. The amount of advance is by no
means uniform, nor is there indication of any concerted action in the matter. It
is understood that rentals to satisfactory tenants who renew their leases are very
much more moderate than when it is a case of a new tenant and a new lease. While
there is seemingly no concerted effort to raise rentals, there is a universal ten­
dency to do so, the raises on a percentage basis being relatively the same in all of
the areas.

In view of the very general demand for rental residential property, it is
hard to designate any particular areas in which the demand is greatest and rentals
higher. However, it is the impression that properties located in the following sec­
tions are somewhat more popular than in the others:

All the districts in Piedmont.

The better districts in Albany and Berkeley, including what is known
as the Elmwood District which extends beyond the borders of Berkeley.

Areas B-34, B-35, B-36, and B-39 in what is known as the Elmhurst
District of Oakland.

Areas B-40 and B-42 in the City of San Leandro.

The areas in which demand is least urgent are in the "D" districts west of
San Pablo Avenue and south of Fourteenth Street, not including D-19 in San Leandro
and D-20 in Alameda.

In order that these designations will not prove to be misleading, it should
be stated that there is an excellent demand for habitable houses in all the areas.

3. Need for Housing.

It would seem that 2\%\% per annum would be a minimum requirement to cover
obsolescence, depreciation, and other destructive elements. According to the 1937
occupancy survey shown on Appendix Page 17-A, there are, roughly, 143,000 dwelling
units in the East Bay cities. Upon the hypothesis that 2\%\% per annum is a minimum
requirement to cover obsolescence, depreciation, and other destructive elements,
3600 dwelling units would have to be constructed each year to offset the inevitable fac­
tors mentioned. This would mean that in the last seven and one-half years there should
have been constructed at least 20,000 more dwelling units than the records show were
built during that period. It might be said, therefore, that this amount of new
housing is necessary to "catch up."