

Multifamily Market Outlook

Inland Empire Q4 2025



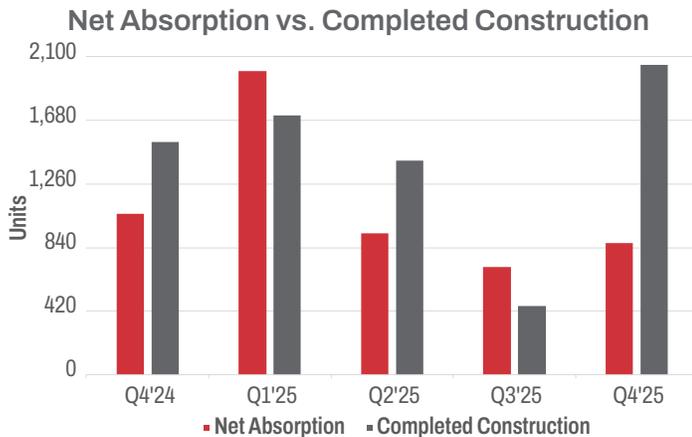
MARKET STATISTICS*

Submarket	Existing Inventory (Units)	Under Construction (Units)	Total Vacancy (%)	Average Asking Rent (\$/Unit)	YTD Units Sold	YTD Sales Volume (\$/Unit)	Average Sale Price (\$/Unit)	Average Cap Rate (%)
West	35,302	730	5.9%	\$2,368	503	\$175,403,500	\$240,929	4.4%
Riverside	62,933	1,177	6.9%	\$2,162	1,456	\$336,518,000	\$187,702	5.0%
Airport	32,801	341	4.7%	\$2,341	544	\$163,424,000	\$267,857	6.4%
San Bernardino	42,616	50	4.9%	\$1,813	1,117	\$300,297,000	\$207,510	5.9%
South	22,426	622	9.5%	\$2,220	90	\$21,788,000	\$286,250	6.7%
High Desert	18,595	0	5.2%	\$1,432	583	\$50,858,000	\$135,294	7.1%
Coachella Valley	28,327	95	6.5%	\$1,569	142	\$27,442,900	\$236,645	5.0%
Inland Empire	243,000	3,015	6.2%	\$2,111	4,435	\$1,075,731,400	\$200,828	5.8%

* Inventory includes all multifamily buildings. Rents reflect all market rate units.

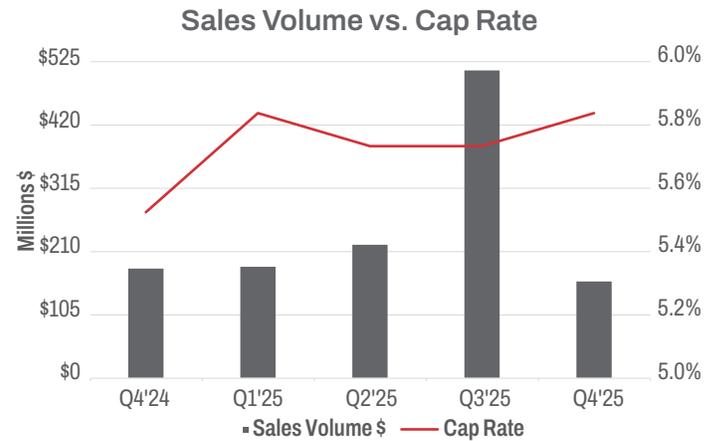
LEASING TRENDS

In 2025, 5,623 new multifamily housing units were added to the market, while 4,519 units were absorbed, highlighting a widening gap between supply and demand. Year-to-date, newly completed units increased 15.1% compared to the same period last year, reflecting a continued rise in new supply entering the market.



SALES TRENDS

Following a strong third quarter, sales volume trended downward, influenced by the Fed's more gradual-than-expected pace of interest rate cuts. Despite the slowdown, year-to-date sales volume in 2025 surpassed \$1 billion, representing a 9.7% increase over 2024. Meanwhile, the average cap rate for investment sales rose 30 basis points year-over-year to 5.8%.



SELECT SALES TRANSACTIONS

Address : Building Name	City	Submarket	Units	Sale Price
1100 N Orange St - Springbrook Park Apartments	Riverside	Riverside	120	\$27.3M
2665 Clark Ave - Heritage Park Senior Apartments	Norco	Riverside	86	\$13.95M
345 W 41st St - Mayfield Park	San Bernardino	San Bernardino	84	\$13.8M
509 S Highland Dr	Palm Springs	Coachella Valley	44	\$3.19M
255 Sherman Ave	Corana	Riverside	28	\$1.26M
236 E 48th St - North Sierra Apartments	San Bernardino	San Bernardino	20	\$2.7M
24271 Webster Ave - Casa Buena	Moreno Valley	Riverside	19	\$3.15M
145 W Grove St - Colonial Manor Apartments	Rialto	Airport	15	\$3.9M
1040 May Ln - May Lane Apartments	Barstow	High Desert	14	\$1.67M
280 E Mel Ave	Palm Springs	Coachella Valley	12	\$1.7M
19170 Highway 18 - Greystone Apartments	Apple Valley	High Desert	11	\$1.53M
22850-22862 Allies Pl	Moreno Valley	Riverside	8	\$1.79M