

Multifamily Market Outlook

Inland Empire Q3 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	34,750	1,080	4.9%	\$2,382	489	\$172,030,500	\$421,192	5.1%
Riverside	62,100	1,784	5.9%	\$2,166	1,190	\$283,650,000	\$253,155	5.5%
Airport	32,706	340	4.9%	\$2,347	505	\$152,994,000	\$258,679	5.9%
San Bernardino	42,605	61	4.6%	\$1,800	712	\$219,783,000	\$386,079	5.9%
South	21,972	924	9.4%	\$2,250	86	\$20,643,000	\$215,481	6.9%
High Desert	18,587	0	5.1%	\$1,427	532	\$43,958,000	\$121,503	7.0%
Coachella Valley	28,037	347	5.8%	\$1,558	111	\$20,106,900	\$214,138	4.8%
Inland Empire	240,757	4,536	5.6%	\$2,117	3,625	\$913,165,400	\$289,829	6.0%

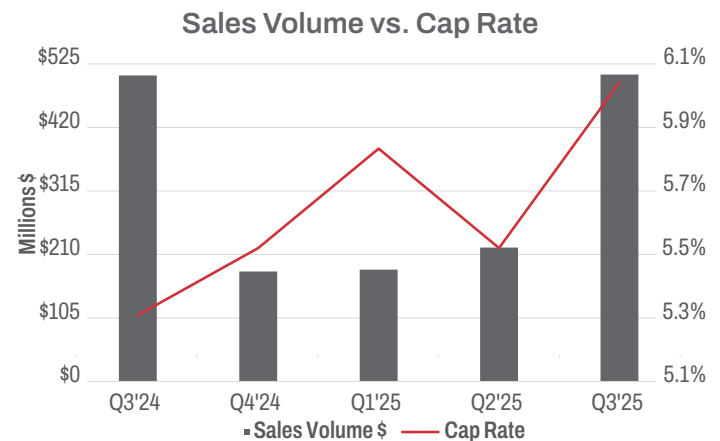
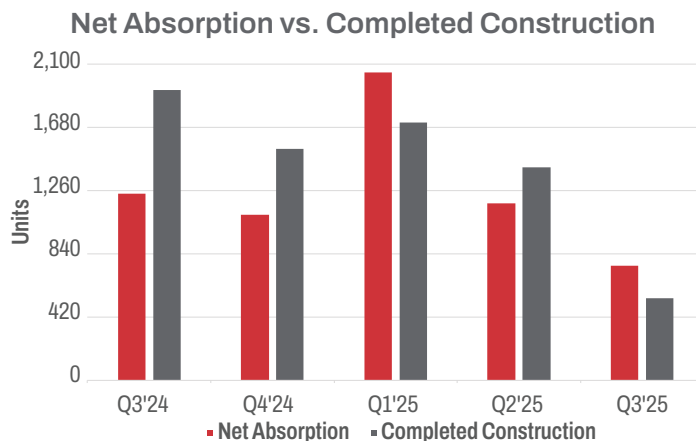
* Inventory includes all multifamily buildings. Rents reflect all market rate units.

LEASING TRENDS

During the past five quarters, 7,138 new units were added to the market, while 6,325 were absorbed, reflecting a growing imbalance between supply and demand. Year-to-date through Q3, completions were up 9.5% from the same period last year, signaling continued construction momentum despite moderating tenant demand.

SALES TRENDS

Third-quarter data revealed an uptick in sales volume, supported by the Fed's interest rate cut. Year-to-date through Q3 2025, sales volume reached approximately \$913 million, up 14.2% from 2024. Meanwhile, the average cap rate for investment sales increased 70 basis points year-over-year, reaching 6.0%.



SELECT SALES TRANSACTIONS

Address : Building Name	City	Submarket	Units	Sale Price
1610 Orange Ave - The Venue at Orange	Redlands	San Bernardino	328	\$148.4M
11350 Lee Ave - Oasis Village	Adelanto	High Desert	81	\$6.33M
4641-4645 Arlington Ave - Casa Granada Apartments	Riverside	Riverside	44	\$8.35M
505 E Rialto Ave - Echo Apartments	San Bernardino	San Bernardino	38	\$12.3M
2250-2296 Valencia Ave - Woodside Village Apartments	San Bernardino	San Bernardino	28	\$4.2M
6673-6675 Palm Ave - Concorde Apartments	Riverside	Riverside	24	\$4.8M
675 W Williams St - Bonita Apartments	Banning	Riverside	21	\$3.6M
28465 Felix Valdez St - Willowbrook Apartments	Temecula	South	20	\$5.3M
18411 Reiman St	Adelanto	High Desert	19	\$2.5M
817 Riverside Pl - Olive Tree Apartments	Palm Springs	Coachella Valley	16	\$2.8M
73675 Shadow Mountain Dr	Palm Desert	Coachella Valley	18	\$1.85M
22869-22877 Adrienne Ave	Moreno Valley	Riverside	12	\$2.1M