

Multifamily Market Outlook

Inland Empire Q4 2024



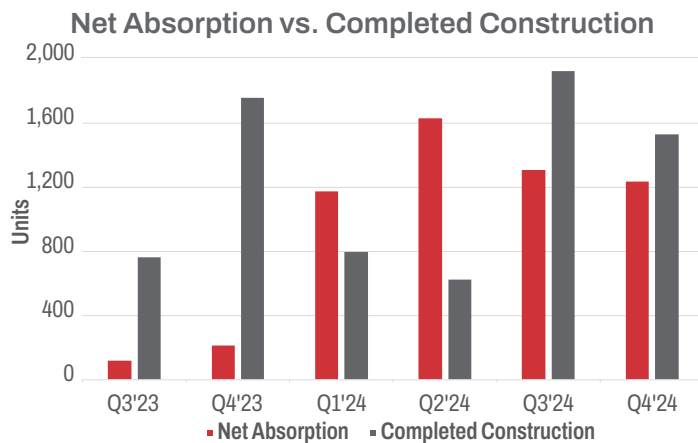
MARKET STATISTICS*

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	34,849	494	5.6%	\$2,334	173	\$21,594,000	\$213,594	4.1%
Riverside	61,742	1,492	5.8%	\$2,117	1,899	\$514,378,499	\$300,084	4.2%
Airport	32,182	1,542	4.8%	\$2,313	200	\$30,896,000	\$245,353	5.4%
San Bernardino	42,485	324	4.4%	\$1,768	478	\$64,332,999	\$193,209	5.7%
South	21,225	1,282	10.7%	\$2,213	624	\$155,301,000	\$173,100	9.2%
High Desert	18,668	0	5.6%	\$1,387	325	\$47,886,900	\$117,609	6.7%
Coachella Valley	27,256	459	5.1%	\$1,515	651	\$127,812,190	\$231,455	5.3%
Inland Empire	238,407	5,593	5.7%	\$2,077	4,350	\$962,201,588	\$245,296	5.5%

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

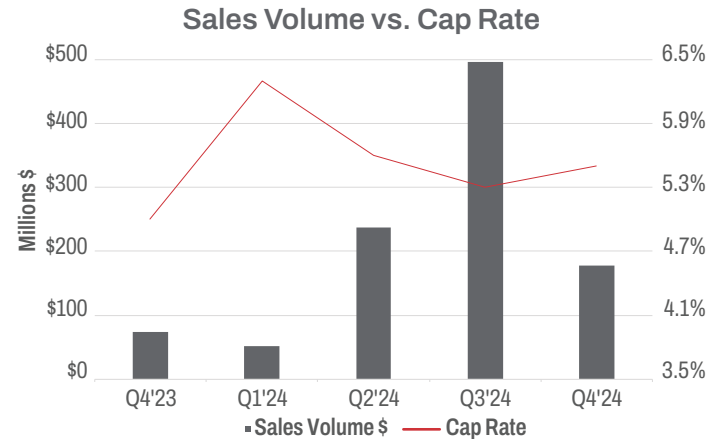
LEASING TRENDS

In 2024, 4,878 new multifamily housing units were added to the market, while 5,353 units were absorbed, highlighting a shifting gap between supply and demand. Year-to-date, newly completed units increased by 34.4% compared to the same period last year, reflecting a rise in new supply to meet multifamily housing demand.



SALES TRENDS

After a strong third quarter, data reveals a downward trend in sales volume, driven by the Fed's decision to maintain elevated interest rates. However, year-to-date sales volume in 2024 reached approximately \$962.2 million, marking a 52.2% increase from 2023. Meanwhile, the average cap rate for investment sales rose by 50 basis points year-over-year, settling at 5.5%.



SELECT SALES TRANSACTIONS

Address : Building Name	City	Submarket	Units	Sale Price
40445 Portola Ave - Everleigh Palm Desert	Palm Desert	Coachella Valley	161	\$43.5M
5880 Lochmoor Dr - Vista Imperio Apartments	Riverside	Riverside	158	\$49.85M
4680 Mitchell Ave - Westbrook Apartments	Riverside	Riverside	56	\$18.58M
1400 E Palm Canyon Dr - Tennis Court Apartments	Palm Springs	Coachella Valley	41	\$7.3M
40235-40255 Harris Ln - Shadow Hills Townhomes	Palm Desert	Coachella Valley	24	\$5.5M
8421-8427 Oleander Ave	Fontana	Airport	18	\$5M
73170 Tumbleweed Ln - The Pines Apartments	Palm Desert	Coachella Valley	16	\$2.75M
116 Iowa Ave	Riverside	Riverside	15	\$650K
540 W Arrow Hwy	Upland	West	14	\$2.1M
1134 N Mayfield Ave	San Bernardino	San Bernardino	14	\$1.86M
10325 Lehigh Ave - Lehigh Apartments	Montclair	West	13	\$3.55M
1670 7th	Coachella	Coachella Valley	12	\$1.3M