

Multifamily Market Outlook

Los Angeles County Q1 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 (%)
Central	234,499	7,859	5.4%	\$2,082	735	\$123,348,636	\$165,569	6.1%
East	197,851	3,390	3.5%	\$2,068	939	\$274,177,000	\$297,372	5.0%
West	314,580	7,336	5.9%	\$2,712	1,037	\$382,656,926	\$373,926	5.1%
North	271,594	5,577	3.8%	\$2,162	1,059	\$273,397,000	\$257,922	5.4%
South Bay	218,103	3,637	3.9%	\$2,001	1,094	\$352,679,271	\$333,345	5.2%
Los Angeles County	1,236,627	27,799	4.6%	\$2,253	4,864	\$1,406,258,833	\$292,371	5.3%

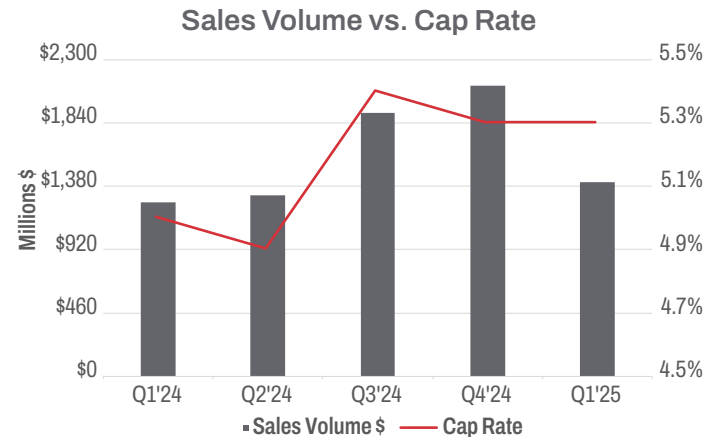
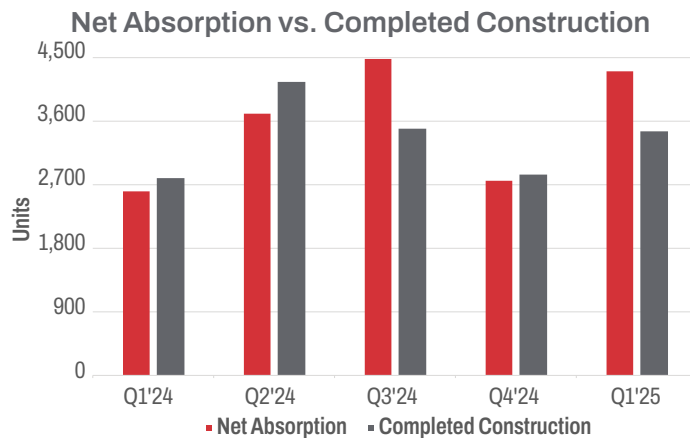
* Inventory includes all multifamily buildings. Rents reflect all market rate units.

LEASING TRENDS

In Q1 2025, 4,310 units were absorbed, underscoring shifting demand and supply dynamics. Meanwhile, new construction lagged at 3,462 units, highlighting the ongoing alignment between the pace of multifamily housing demand and new completions.

SALES TRENDS

Although higher than in Q1 2024, sales volume in the first quarter of 2025 reflects a downward trend, driven by the Fed's high-interest rate environment. At the start of 2025, sales volume reached approximately \$1.4 billion, marking a 33.3% decline from Q4 2024. Additionally, the average cap rate on investment sales rose by 30 basis points from Q1 2024 to 5.3%.



SELECT SALES TRANSACTIONS

Address : Building Name	City	Submarket	Units	Sale Price
38441 5th St W - Chaparral Apartments	Palmdale	North	296	\$71M
28125 Peacock Ridge Dr - Highridge Apartments	Rancho Palos Verdes	South Bay	257	\$127M
6138 Franklin Ave - La Belle Hollywood Tower	Los Angeles	West	146	\$52.15M
950 S Fairfax Ave - Vinz on Fairfax	Los Angeles	West	144	\$68.42M
290 N Hudson Ave - Pasadena Gateway Villas	Pasadena	East	140	\$60M
5415 Newcastle Ave - Newcastle Towers Apartments	Encino	North	66	\$14.75M
1275-1285 N San Gabriel Ave - Vogue Manor Apartments	Azusa	East	56	\$12.38M
24065 Ocean Ave - Ocean Villas Apartments	Torrance	South Bay	54	\$17.67M
10020 Zelzah Ave - Granada Apartments	Northridge	North	50	\$15.7M
13870 Ramona Blvd - Ramona Park	Baldwin Park	East	49	\$23.3M
520 S Hobart Blvd	Los Angeles	Central	40	\$4.35M
724 S Mariposa Ave - Ambassador West Apartments	Los Angeles	Central	40	\$4.33M