



MULTIFAMILY REPORT

L.A.'s Sustained Progress

Fall 2021

RBN Rent Growth Outpaces Lifestyle

State's Monthly Job Gain Triples U.S. Rate

YTD Deal Volume Exceeds Overall 2020 Sales

LOS ANGELES MULTIFAMILY



Rent Evolution Reflects Primary Markets' Trend

As recovery continues at a relatively steady pace and the multifamily industry remains strong, positive rent movement, although slowly softening nationwide, still persists. As of September, rents in metro Los Angeles appreciated 1.1% to \$2,328 on a trailing three-month basis, well above the \$1,558 U.S. average. Year-over-year, Los Angeles rates increased by 7.2% as of September, a welcome improvement among primary markets where growth is still trailing Southeast and Southwest rent expansion.

In the 12 months ending in July, Los Angeles gained 242,900 net jobs, for a 0.2% expansion. July marked the first month of year-over-year gains in the market since last March. According to the California Employment Development Department, the state's monthly job growth in August was three times the national average of 0.2%, at 0.6%. However, the state had recovered only 62% of the 2.7 million jobs it lost in March and April 2020.

Metro Los Angeles had 28,479 units under construction as of September, 83% of them aimed at high-income renters. Yardi Matrix expects 11,761 units to come online across the metro this year, surpassing both 2020 deliveries and the 11,203-unit decade high of 2016. Meanwhile, investment sales amounted to nearly \$2.8 billion year-to-date through September, more than double the sales volume recorded in the same time frame last year.

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Recent Los Angeles Transactions

The Retreat



City: Santa Clarita, Calif.
Buyer: Grankol
Purchase Price: \$54 MM
Price per Unit: \$365,541

Channel Island Village



City: Oxnard, Calif.
Buyer: Pacific Urban Residential
Purchase Price: \$58 MM
Price per Unit: \$268,519

Bristol Garden



City: Los Angeles
Buyer: MC Investment Partners
Purchase Price: \$26 MM
Price per Unit: \$255,000

Casa de las Hermanitas



City: Los Angeles
Buyer: Peak Capital Partners
Purchase Price: \$28 MM
Price per Unit: \$234,667