



MULTIFAMILY REPORT

# Inland Empire: Bounce Back

March 2022

**Rent Growth Tempers Following Hot Streak**

**Employment Market Strengthens**

**Investment Surging After Slow Spell**

# INLAND EMPIRE MULTIFAMILY



## Tight Inventory Pushes Rents, Occupancy Up

The Inland Empire's multifamily market performed well in 2021, displaying a significant rebound in activity compared to the first year of the health crisis. With year-over-year rent growth at 18.4%, some moderation was likely, as improvement on a trailing three-month basis stood at 0.6% as of January. The overall average rent in San Bernardino and Riverside counties was \$2,024, roughly \$400 higher than the national figure but still well below neighboring Southern California metros.

Job market recovery is underway in the two counties, with unemployment at 5.4% as of November 2021, significantly lower than the state's 7.0% rate. The Inland Empire's 62,000 new positions during the previous 12 months paint the picture of a recovering market, with only the public sector recording employment contraction, losing 600 jobs. With proximity to the country's largest shipping complex—the ports of L.A. and Long Beach—the market's economy is anchored by the trade, transportation and utilities sector, which added the most jobs through the same interval.

Following a visible slowdown in deal velocity and volume in 2020, the Inland Empire's investment market has bounced back, recording a new decade-high in sales, at \$2.2 billion. Development activity, already notoriously tepid in the two counties, marked just 1,803 units under construction as of January.

## Market Analysis | March 2022

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### Recent Inland Empire Transactions

#### Artesa at Menifee Town Center



City: Menifee, Calif.  
Buyer: MG Properties Group  
Purchase Price: \$156 MM  
Price per Unit: \$472,727

#### The BelAire Apartment Homes



City: Rancho Cucamonga, Calif.  
Buyer: R.W. Selby & Co.  
Purchase Price: \$92 MM  
Price per Unit: \$351,145

#### Sorelle



City: Moreno Valley, Calif.  
Buyer: Tower 16 Capital Partners  
Purchase Price: \$85 MM  
Price per Unit: \$257,575

#### The Benson



City: Upland, Calif.  
Buyer: New Standard Equities  
Purchase Price: \$81 MM  
Price per Unit: \$343,617