



MULTIFAMILY REPORT

LA Awaits Sunnier Skies

November 2025

Asking Rents Stay Nearly Flat YoY

Occupancy Tops US Figure

New Starts Slow Down



LOS ANGELES MULTIFAMILY



Slowing Economy, Pipeline in SoCal

At the start of the fourth quarter, Los Angeles fundamentals proved to be a mixed bag. The average advertised asking rent was flat, on a trailing three-month basis through September, at \$2,646. Meanwhile, the U.S. figure contracted 0.1%, to \$1,750. L.A. occupancy also remained unchanged year-over-year as of August, at 96.0%. The figure stayed above the U.S. average of 94.7%.

Los Angeles employment growth stood at just 0.3% as of July, 50 basis points behind the U.S. figure. The metro gained 33,500 net jobs during the 12 months ending in July. All in all, the 56,000 positions added in education and health services made up for 33,700 jobs lost by six other sectors. Meanwhile, the unemployment rate was 5.9% in August, according to preliminary data from the Bureau of Labor Statistics, 40 basis points behind California's figure. Several large-scale infrastructure projects are underway across the metro, including a Skanska and Flatiron Dragados joint venture heading roadway and utility upgrades at LAX as part of the \$1.5 billion Airfield and Terminal Modernization Program. The program is just a piece of the airport's \$30 billion transformation in preparation for the 2026 FIFA World Cup and the 2028 Olympics.

Deliveries totaled 9,168 units year-to-date through September, with another 25,700 apartments under construction. Meanwhile, investors traded \$1.4 billion in assets, with most of the sales targeting the working-class Renter-by-Necessity segment.

Market Analysis | November 2025

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Recent Los Angeles Transactions

Cypress Point



City: Ventura, Calif.
Buyer: Raintree Partners
Purchase Price: \$100 MM
Price per Unit: \$373,134

The Piedmont Luxury Senior



City: North Hollywood, Calif.
Buyers: Foundation for Affordable
Housing, GHC Housing Partners
Purchase Price: \$46 MM
Price per Unit: \$232,859

Fountain View



City: Los Angeles
Buyer: Wilshire Capital Partners
Purchase Price: \$34 MM
Price per Unit: \$276,639

Maia Avira at Glendale

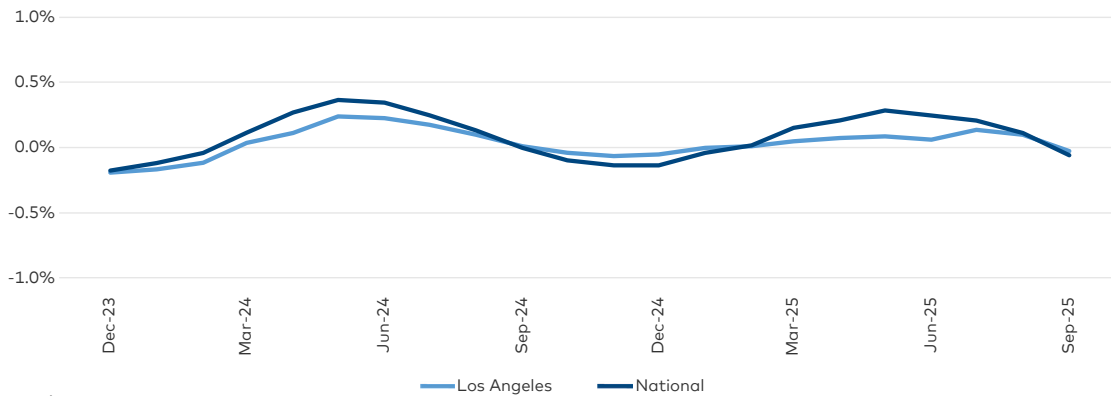


City: Glendale, Calif.
Buyer: Regent Properties
Purchase Price: \$34 MM
Price per Unit: \$507,576

RENT TRENDS

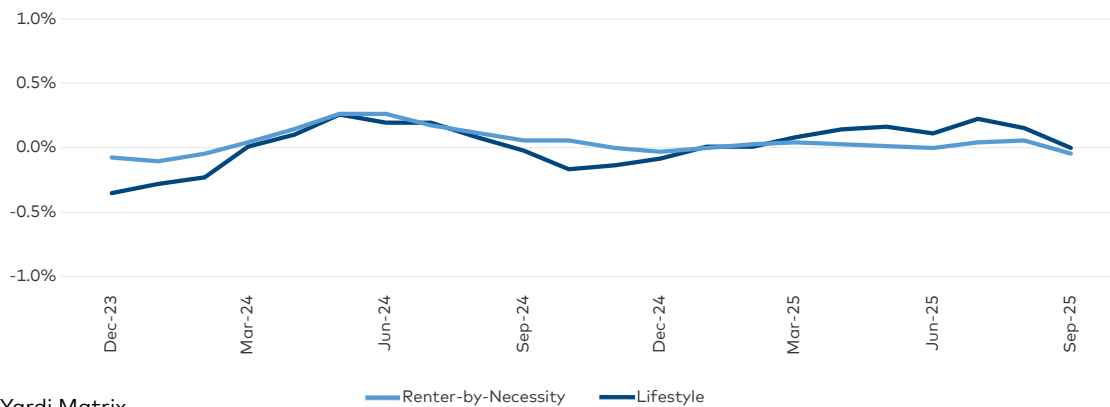
- ▶ Los Angeles average advertised asking rents were flat on a trailing three-month (T3) basis through September, at \$2,646. The national average recorded a 0.1% decline, to \$1,750. Year-over-year, the metro's average asking rent increased 0.1%, slightly behind the U.S. average, which recorded a 0.6% improvement.
- ▶ Advertisd asking rents were flat for both property segments on a T3 basis. Year-over-year through September, the average for Lifestyle assets increased 0.3%, to \$3,246. Working-class Renter-by-Necessity rates recorded a 0.1% slide over 12 months, to \$2,285.
- ▶ The occupancy rate in stabilized properties was also flat year-over-year, at 96.0% as of August. Property segments diverged, however, with Lifestyle occupancy increasing 30 basis points to 95.7% and RBN occupancy dropping 20 basis points to 96.2%. Meanwhile, the national average clocked in at 94.7%, unchanged year-over-year.
- ▶ Year-over-year, advertised asking rents were up in 66 of Greater Los Angeles' 103 submarkets. Inglewood (10.2% to \$2,480) and Silverlake (10.0% to \$2,536) led gains. At the other end of the spectrum, Sylmar (-6.1% to \$2,030) and Central Hollywood (-6.9% to \$3,274) recorded the largest contractions. Marina Del Rey remained the priciest area (2.8% to \$4,166).
- ▶ Greater L.A. had 11 submarkets surpassing the \$3,000 mark for average rents as of September and another 11 below the \$2,000 threshold.

Los Angeles vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Los Angeles Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- Los Angeles unemployment was 5.9% in August, according to preliminary Bureau of Labor Statistics data. The figure marked a 30-basis-point improvement year-over-year. The metro's average was well above the national rate of 4.3%, as well as above California's 5.5%.
- Greater Los Angeles gained 33,500 net jobs in the 12 months ending in July. Education and health services drove gains almost singlehandedly, adding 56,000 jobs. Information, government and leisure and hospitality added another 11,200 jobs, with six other sectors losing a combined 33,700 jobs. Manufacturing recorded the most losses (-13,000). All in all, employment growth was at 0.3%, trailing the U.S. by 50 basis points.
- Several infrastructure projects have advanced across Greater L.A. The first section of the D Line extension was completed. The next two sections will extend the subway connection up to Century City and Westwood. Skanska and FlatironDragados have secured a \$604 million contract for major roadway and utility upgrades at LAX, as part of its \$1.5 billion Airfield and Terminal Modernization Program. International Transportation Service had started a \$365 million expansion project at the Port of Long Beach. The project, which will add 19 acres of land and a 3,400-foot wharf, is expected to be completed by late 2028.

Los Angeles Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	1,008.4	22.1%
50	Information	189.5	4.1%
90	Government	570	12.5%
70	Leisure and Hospitality	544.3	11.9%
80	Other Services	157.6	3.4%
40	Trade, Transportation and Utilities	804.7	17.6%
60	Professional and Business Services	645	14.1%
55	Financial Activities	203.5	4.5%
15	Mining, Logging and Construction	148.1	3.2%
30	Manufacturing	298.6	6.5%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- Los Angeles lost 90,641 residents in 2022 alone, a 0.7% decline. Meanwhile, the U.S. figure was up 0.4%.
- Since then, however, population has been on the mend, with one of the latest gains being the 41,214 residents added between mid-2023 and mid-2024.

Los Angeles vs. National Population

	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Los Angeles	13,249,614	13,211,027	13,202,558	13,111,917

Source: U.S. Census

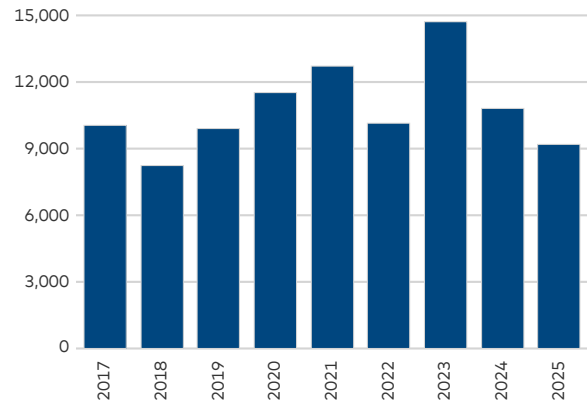
SUPPLY

- ▶ Year-to-date through September, developers delivered 9,168 units across Greater Los Angeles. These accounted for 1.8% of existing inventory, 40 basis points below the U.S. average. Most units were concentrated in Lifestyle assets, with a little more than one-third of apartments in fully affordable projects. Only a small fraction, just over 5%, made up RBN developments. Overall, Yardi Matrix expects the metro will gain a total of 12,100 new units for the year, followed by another 9,000 in 2026.
- ▶ Developers had 25,724 units under construction and another 187,000 apartments in the planning and permitting stages as of September. Echoing recent deliveries, Lifestyle made up most of the underway pipeline. Likewise, units in fully affordable communities accounted for nearly one-third of the pipeline, with RBN projects at just 6.8%.
- ▶ Developers kicked off construction on 4,413 units in the first nine months of 2025, down from 6,428 units during the same period of 2024. Between 2020 and 2024, the annual average was approximately 4,600 units a year.
- ▶ Los Angeles had five submarkets that surpassed the 1,000-unit mark for units

underway as of September. Silverlake led with 1,530 units under construction, followed by Westlake North (1,276), Adams-Normandie-Hoover (1,275), Van Nuys (1,232) and Santa Monica-Brentwood (1,063).

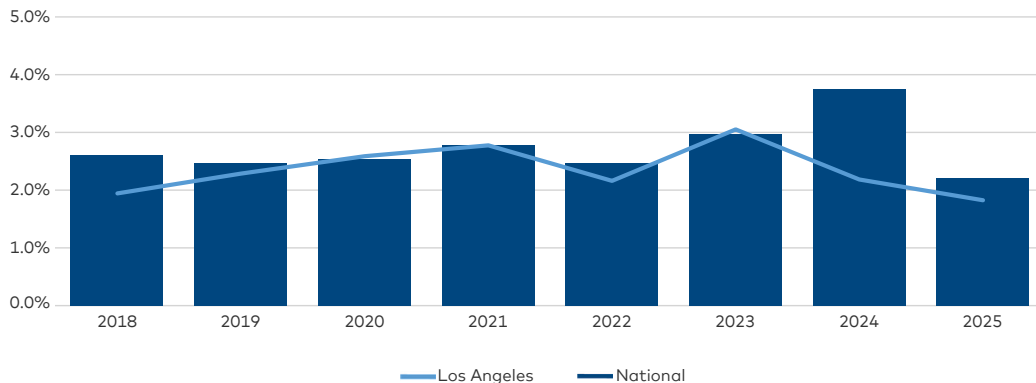
- ▶ American Commercial Equities' 5420 Sunset, a 735-unit project in Silverlake, is one of the largest developments underway. Designed by TCA Architects, the six-story building is expected to come online in the fall of 2026.

Los Angeles Completions (as of September 2025)



Source: Yardi Matrix

Los Angeles vs. National Completions as a Percentage of Total Stock (as of September 2025)



Source: Yardi Matrix

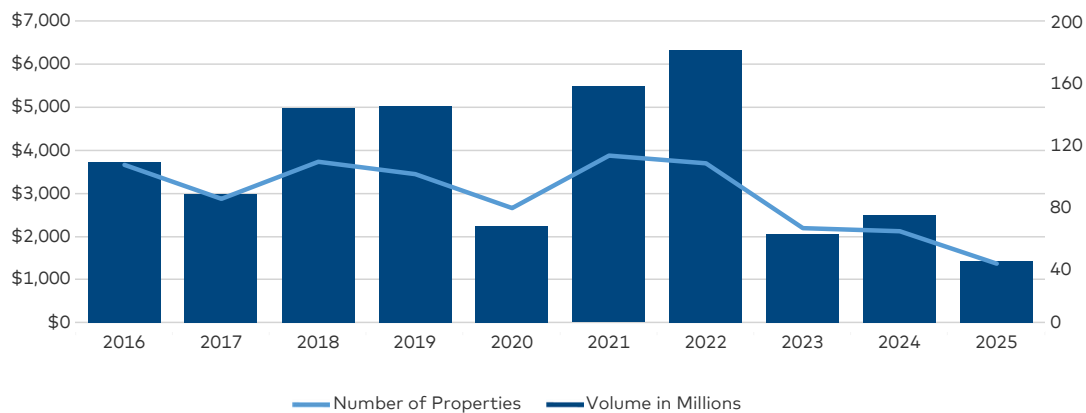
TRANSACTIONS

- ▶ Investors traded \$1.4 billion in L.A.-area assets during the first three quarters. This marked a significant slide from the same period of 2024, when sales totaled \$2 billion. Yet there's some room for catch-up in the last quarter. The five-year average now stands at \$3.7 billion.
- ▶ The sales composition through September was heavily skewed toward RBN assets, as 33 of the 44 transactions involved this segment. The metro's average price per unit was \$303,659.

The figure was well above the \$209,188 U.S. average, but a step down from the \$311,884 figure for 2024, as well as the \$356,079 average of the past five years.

- ▶ The \$100 million acquisition of Cypress Point, totaling 268 units, boosted the sales totals for the Ventura submarket in late summer. Rain-tree Partners paid \$373,134 per unit to Towbes Group for the garden-style asset, which was completed in 1989.

Los Angeles Sales Volume and Number of Properties Sold (as of September 2025)



Source: Yardi Matrix

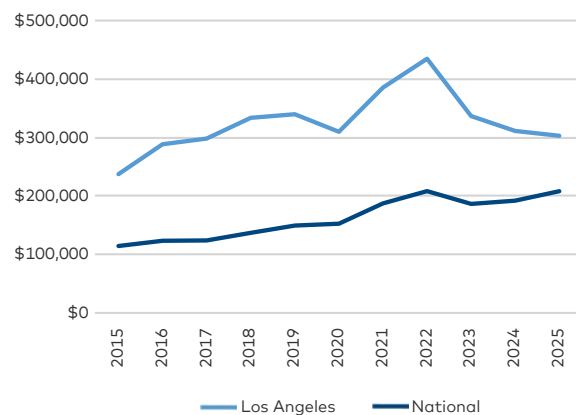
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
Ventura	188
Silverlake	162
Glendale	160
Woodland Hills	142
Rolling Hills–Palos Verdes	136
Los Feliz–Griffith Park	121
Pomona	115

Source: Yardi Matrix

¹ From October 2024 to September 2025

Los Angeles vs. National Sales Price per Unit



Source: Yardi Matrix

Top 10 Markets for Multifamily Transactions in H1 2025

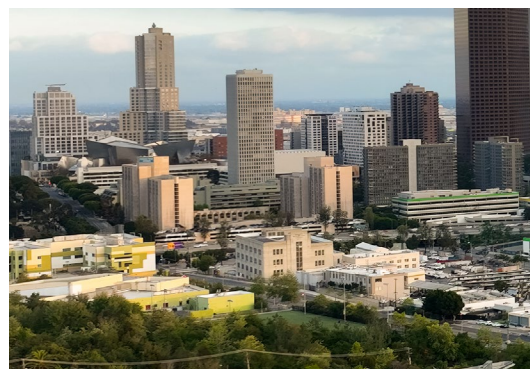
By Vicentiu Fusea

The U.S. multifamily sector saw a slight uptick in transaction and investment volume in the first half of 2025, following a sluggish performance in 2024. Although figures haven't significantly improved, investor sentiment is becoming more optimistic due to a drop in interest rates and signs of stabilization in the sector. Here are the top 10 markets for multifamily investment in the country in the first half of 2025.

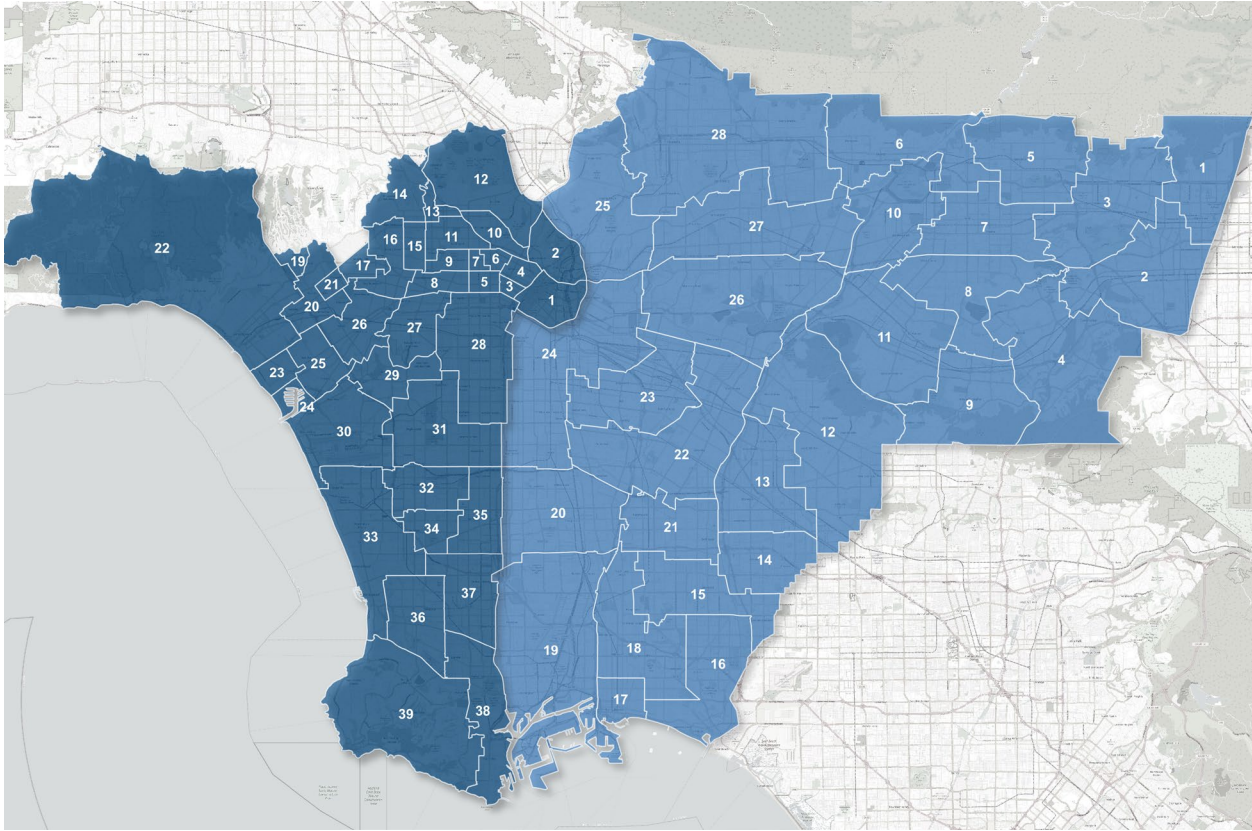
Rank	Market	Sales Volume H1 2025 (Millions)	Sales Volume H1 2024 (Millions)	Properties Traded H1 2025
1	Phoenix	\$1,853	\$1,789	31
2	Seattle	\$1,776	\$602.0	23
3	Atlanta	\$1,657	\$1,491	44
4	Dallas	\$1,608	\$1,219	91
5	Chicago	\$1,362	\$785.3	39
6	Denver	\$1,170	25	19
7	Los Angeles	\$970.7	\$932.7	24
8	Houston	\$960.0	\$1,004	63
9	Portland, Ore.	\$644.8	\$295.2	23
10	Kansas City, Mo.	\$304.8	\$135.1	22

Los Angeles

Los Angeles' multifamily investment volume reached \$970.7 million, with 24 properties—2,997 units—trading. This represents a modest increase in transactions compared to the same time frame of 2024, when 18 assets totaling 2,791 apartments were sold for \$932.7 million. However, the average price per unit saw a slight decrease year-over-year. Apartments were sold for \$339,052 on average in the first six months of 2025.



LOS ANGELES SUBMARKETS



Area No.	Submarket
1	Downtown Los Angeles
2	Chinatown
3	Westlake South
4	Westlake North
5	Koreatown
6	Mid Wilshire East
7	Mid Wilshire West
8	Park La Brea South
9	Park La Brea North
10	Silverlake
11	East Hollywood
12	Los Feliz–Griffith Park
13	Hollywood Hills East
14	Hollywood Hills West
15	Central Hollywood
16	West Hollywood
17	Beverly Hills South
19	Bel Air
20	Westwood
21	Century City
22	Santa Monica–Brentwood

Area No.	Submarket
23	Venice
24	Marina Del Ray
25	Mar Vista
26	Culver City
27	Hyde Park
28	Adams–Normandie–Hoover
29	Ladera Heights
30	El Segundo–Playa del Rey
31	Inglewood
32	Hawthorne
33	Beach Cities
34	Lawndale
35	Gardena
36	West Torrance
37	East Torrance
38	San Pedro
39	Rolling Hills–Palos Verdes
40	Catalina Island

Area No.	Submarket
1	Claremont
2	Pomona
3	San Dimas/La Verne
4	Walnut/Diamond Bar
5	Glendora
6	Azusa/Monrovia
7	Covina
8	West Covina
9	Rowland Heights
10	Baldwin Park
11	City of Industry/Hacienda Heights
12	Whittier/La Mirada
13	Sante Fe Springs/Norwalk
14	Artesia
15	Lakewood/Hawaiian Gardens
16	East Long Beach
17	SW Long Beach
18	NW Long Beach
19	West Long Beach
20	Compton
21	Bellflower/Paramount
22	Downey/Southgate
23	Maywood/Bell/Montebello
24	East Los Angeles South
25	East Los Angeles North
26	S El Monte/Rosemead
27	Alhambra/San Gabriel/El Monte
28	Pasadena/Arcadia

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

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