



MARKET AT A GLANCE



OCCUPANCY RATE **96.4%**
Down **40 bps** since 2Q19



EFFECTIVE RENT **\$1,539**
Up **2.5%** since 2Q19



RENT PAYMENT TRACKER (July 1-13) **93.8%**
Down **70 bps** since June 1-13

OCCUPANCY AND RENT TRENDS

INLAND EMPIRE APARTMENT MARKET EXHIBITS STABILITY DURING PANDEMIC

Like the rest of the U.S., the Inland Empire apartment market has been disrupted by the coronavirus and related containment measures. But by nearly every metric, the local apartment market has fared better than many other parts of the U.S. Examining rent collections data from July 1 to 13, 2020, 93.8% of apartment renters in the metro area paid part or all their rent. Only four major metro areas in the U.S. had a higher rate of on-time rent. Metrowide monthly effective rent averaged \$1,539 in the second quarter of 2020, down just 0.3% from the first quarter. While apartment leasing activity diminished in many metro areas from March 2020 to June, net absorption increased in eight of the 12 submarkets in the Inland Empire during that time. In seven of those submarkets, apartment occupancy increased. Average occupancy across the metro area was 96.4% in June 2020, unchanged from March 2020. Additionally, apartment deliveries are expected to decelerate to 580 units in the last half of this year, down from 1,222 units completed in the last half of 2019. This reduction in deliveries suggests that a near-term supply imbalance is unlikely.



INLAND EMPIRE

MULTIFAMILY REPORT

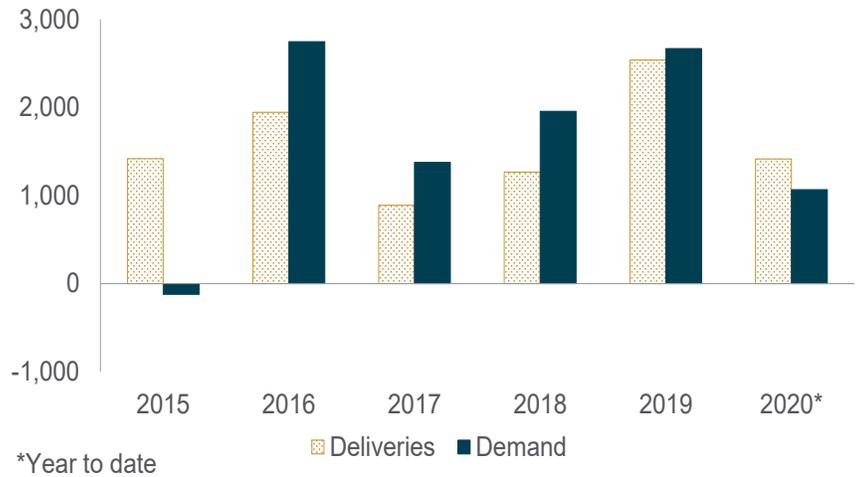
DELIVERIES AND DEMAND



DELIVERIES 1,416
Units YTD



NET ABSORPTION 1,066
Units YTD



ECONOMIC TRENDS

2019 4.1% UNEMPLOYMENT* 1,150 BPS CHANGE 2020 15.6%

2019 1.5m EMPLOYMENT** -9.7% CHANGE 2020 1.4m

2019 55.3k EXISTING SFH SALES** -15.9% CHANGE 2020 46.5k

2019 4.7m POPULATION** 0.9% CHANGE 2020 4.7m

2019 2.07% 10-YEAR TREASURY** -130 BPS CHANGE 2020 0.73%

*May; **June



INLAND EMPIRE

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	2Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	2Q20	Q-o-Q Change	Y-o-Y Change	2Q20	Annual	2Q20	Annual
Coachella Valley	96.5%	-170	-130	\$1,283	-1.3%	3.6%	-431	-332	0	0
Corona	95.3%	30	-90	\$1,786	-0.8%	0.9%	169	341	148	442
Fontana/Rialto/Colton	98.1%	40	30	\$1,364	0.4%	5.4%	62	133	0	86
Hemet/Perris/Lake Elsinore	96.7%	80	-50	\$1,449	1.6%	3.3%	194	35	99	99
Ontario/Chino	96.2%	10	-30	\$1,833	-1.0%	0.3%	211	443	200	530
Rancho Cucamonga/Upland	96.6%	10	40	\$1,864	-1.3%	0.7%	17	503	0	445
Redlands	94.9%	-30	-160	\$1,614	0.2%	2.8%	88	364	127	563
Riverside	96.7%	30	-40	\$1,622	0.0%	3.4%	83	23	25	98
San Bernardino	96.6%	-20	-30	\$1,267	-0.5%	4.0%	-36	-51	0	0
Temecula/Murrieta	95.9%	20	-20	\$1,719	0.3%	0.4%	26	151	0	184
University City/Moreno Valley	95.8%	10	-10	\$1,565	-0.1%	3.1%	45	445	22	482
Victorville/Outer San Bernardino	96.8%	120	10	\$1,141	1.1%	2.3%	161	16	0	0
TOTALS	96.4%	0	-40	\$1,539	-0.3%	2.5%	588	2,071	621	2,929



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