



MARKET AT A GLANCE



OCCUPANCY RATE 97.4%

Up 60 bps since 3Q19



EFFECTIVE RENT \$1,598

Up 4.8% since 3Q19



RENT PAYMENT TRACKER (Oct. 1-13) 93.3%

Up 100 bps since Sept. 1-13

OCCUPANCY AND RENT TRENDS

APARTMENT RENT & OCCUPANCY RISE SHARPLY IN 3Q

Continued economic recovery in the Inland Empire, rising home prices, and renters retreating from coastal areas propelled apartment demand in the two-county metro area in the third quarter of 2020. By August, 74,700 of the 203,900 jobs lost from February to April 2020 were created or restored. August 2020 payrolls in four employment sectors reached pre-quarantine levels in the Inland Empire. In the local single-family home market, the median home price rose 11.0% year over year in September 2020, leaving an increasing number of households priced out of homeownership. Additionally, year-to-date net migration to the Inland Empire totaled more than 10,000 new residents, many fleeing from higher-cost areas in the Southland. These events fueled net absorption of 2,348 apartments in the third quarter of 2020, resulting in a 100-basis-point, quarter-over-quarter increase in occupancy to 97.4%. At the same time, average effective rent rose 3.8% to \$1,598 per month. Over the next four quarters, apartment deliveries are projected to fall 31.6% from the prior four-quarter period. The reduction will intensify the local housing shortage if employment and household formation ramp up during that time.



INLAND EMPIRE

MULTIFAMILY REPORT

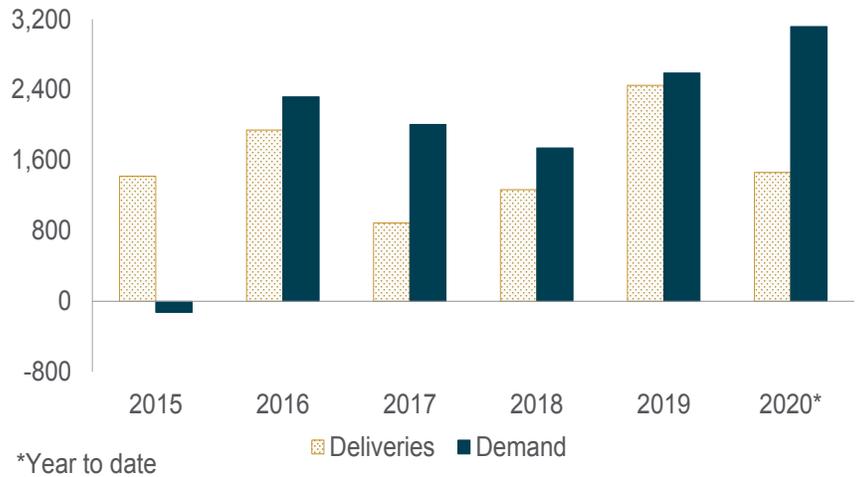
DELIVERIES AND DEMAND



DELIVERIES 1,462
Units YTD



NET ABSORPTION 3,117
Units YTD



ECONOMIC TRENDS

2019 3.9% UNEMPLOYMENT* 2020 10.6%
670 BPS CHANGE

2019 1.6m EMPLOYMENT* 2020 1.4m
-8.6% CHANGE

2019 56.0k EXISTING SFH SALES** 2020 56.7k
1.3% CHANGE

2019 4.7m POPULATION** 2020 4.7m
1.2% CHANGE

2019 1.70% 10-YEAR TREASURY** 2020 0.68%
-100 BPS CHANGE

*August; **September



INLAND EMPIRE

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	3Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	3Q20	Q-o-Q Change	Y-o-Y Change	3Q20	Annual	3Q20	Annual
Coachella Valley	97.1%	60	-80	\$1,317	1.7%	4.0%	148	-214	0	0
Corona	96.9%	170	210	\$1,854	3.8%	5.0%	241	397	87	203
Fontana/Rialto/Colton	98.0%	-10	80	\$1,401	2.9%	6.2%	-18	193	0	77
Hemet/Perris/Lake Elsinore	98.1%	140	80	\$1,498	3.4%	5.5%	279	312	111	219
Ontario/Chino	97.7%	160	120	\$1,942	5.7%	5.0%	407	740	85	507
Rancho Cucamonga/Upland	97.5%	100	130	\$1,967	5.8%	5.5%	201	384	0	112
Redlands	96.9%	200	-40	\$1,652	2.5%	3.6%	284	472	65	535
Riverside	97.3%	60	30	\$1,669	3.2%	4.0%	125	154	0	98
San Bernardino	97.9%	140	90	\$1,323	3.6%	4.3%	226	154	0	0
Temecula/Murrieta	97.0%	100	50	\$1,798	4.1%	4.0%	117	98	0	46
University City/Moreno Valley	97.0%	120	150	\$1,611	3.6%	5.2%	198	543	0	305
Victorville/Outer San Bernardino	97.9%	100	80	\$1,173	2.7%	3.7%	140	101	0	0
TOTALS	97.4%	100	60	\$1,598	3.8%	4.8%	2,348	3,333	348	2,102

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