



MARKET AT A GLANCE



OCCUPANCY RATE **95.2%**

Down **170 bps** since 3Q19



EFFECTIVE RENT **\$2,219**

Down **4.8%** since 3Q19



RENT PAYMENT TRACKER (Oct. 1-6) **81.8%**

Up **440 bps** since Sept. 1-6

OCCUPANCY AND RENT TRENDS

UNEVEN RECOVERY MARKS LOCAL ECONOMY & APARTMENT MARKET

Approximately 235,000 workers were added to payrolls in Los Angeles County from April to August 2020. Since April, significant hiring occurred in the education and health services sector and blue-collar trades. Information sector recovery is mixed. Streaming services are exhibiting resilience, aided by local expansion at Netflix Inc., HBO, Amazon.com Inc., and Apple Inc. At the opposite end, the motion picture and sound recording industries are languishing because of the limited resumption of production. The county's outsized dependence on foreign tourism and the continued closure of bars, nightclubs, and most restaurants have hindered recovery in the leisure and hospitality segment. In the local apartment market, occupancy dipped 20 basis points since June 2020 to 95.2% in September, while average monthly effective rent fell 1.9% to \$2,219. Apartment absorption thinned out in the urban core as entertainment destinations, a vital draw for upscale renters, remained closed. If economic recovery remains slow, the surge of nearly 18,400 new apartments expected in the county in the next four quarters may result in slow lease-up but in the long term will be helpful in alleviating the perpetual housing shortage.



LOS ANGELES COUNTY

MULTIFAMILY REPORT

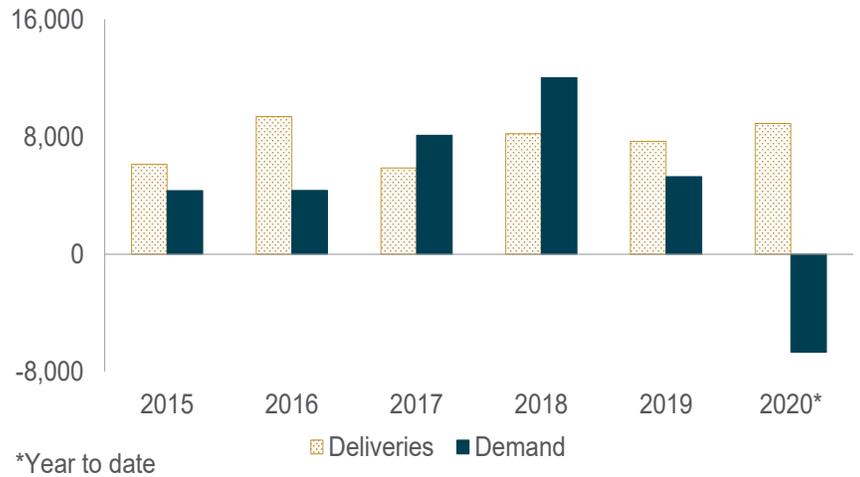
DELIVERIES AND DEMAND



DELIVERIES 8,912
Units YTD



NET ABSORPTION -6,667
Units YTD



ECONOMIC TRENDS

2019 4.3% **UNEMPLOYMENT*** 1,180 BPS CHANGE 2020 16.1%

2019 4.6m **EMPLOYMENT*** -9.5% CHANGE 2020 4.1m

2019 61.8k **EXISTING SFH SALES**** -4.5% CHANGE 2020 59.0k

2019 10.0m **POPULATION**** 0.2% CHANGE 2020 10.1m

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

*August; **September



LOS ANGELES COUNTY

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 |
| Antelope Valley | 98.6% | 170 | 110 | \$1,432 | 2.6% | 4.4% | 230 | 149 | 0 | 0 |
| Brentwood/Westwood/Beverly Hills | 92.6% | -30 | -360 | \$3,226 | -5.9% | -9.1% | -190 | -1,831 | 0 | 194 |
| Burbank/Glendale/Pasadena | 94.4% | -50 | -220 | \$2,323 | -2.1% | -5.6% | -392 | -1,873 | 143 | 376 |
| Downtown Los Angeles | 91.8% | -70 | -310 | \$2,365 | -4.1% | -10.2% | -54 | 819 | 355 | 2,604 |
| East Los Angeles | 97.3% | 10 | -10 | \$1,643 | -0.1% | -1.0% | 54 | -44 | 0 | 0 |
| Hollywood | 93.9% | -20 | -230 | \$2,490 | -2.7% | -8.3% | 146 | -909 | 350 | 1,209 |
| Long Beach | 96.2% | 50 | -40 | \$2,028 | 1.5% | 0.7% | 617 | 430 | 262 | 720 |
| Mid-Wilshire | 94.6% | -70 | -240 | \$2,255 | -2.5% | -9.0% | -709 | -1,972 | 101 | 832 |
| North San Gabriel Valley | 96.2% | -20 | -20 | \$1,807 | 1.3% | 2.0% | -523 | -526 | 0 | 0 |
| Northridge/Northwest San Fernando Valley | 95.9% | 50 | -120 | \$1,942 | 0.4% | -1.6% | 428 | 7 | 273 | 469 |
| Palms/Mar Vista | 93.6% | -140 | -360 | \$2,622 | -4.5% | -7.2% | -612 | -730 | 19 | 860 |
| Santa Clarita Valley | 96.8% | 90 | 90 | \$2,137 | 1.9% | 1.1% | 136 | 145 | 0 | 0 |
| Santa Monica/Marina del Rey | 94.3% | -50 | -220 | \$3,291 | -3.4% | -5.6% | -29 | -160 | 201 | 942 |
| Sherman Oaks/North Hollywood/Encino | 95.1% | -50 | -190 | \$2,259 | -1.2% | -4.4% | -104 | 117 | 120 | 1,057 |
| South Bay | 95.0% | 20 | -200 | \$2,475 | -2.2% | -6.7% | 353 | -896 | 225 | 413 |
| South Los Angeles | 97.2% | -20 | -90 | \$1,717 | -1.3% | -0.2% | -177 | -940 | 29 | 201 |
| South San Gabriel Valley | 96.0% | 0 | -140 | \$1,808 | 2.2% | 2.1% | -2 | -152 | 0 | 0 |
| Southeast Los Angeles | 97.0% | 50 | -50 | \$1,889 | 0.9% | 2.0% | 192 | -180 | 0 | 0 |
| Van Nuys/Northeast San Fernando Valley | 96.7% | 10 | -110 | \$1,816 | -0.4% | -0.8% | 243 | -830 | 160 | 160 |
| Woodland Hills | 96.6% | 90 | 40 | \$2,212 | 0.5% | -5.1% | 299 | 839 | 139 | 786 |
| TOTALS | 95.2% | -20 | -170 | \$2,219 | -1.9% | -4.8% | -96 | -8,538 | 2,377 | 10,823 |

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