LOS ANGELES, CA

2024 MARKET AT A GLANCE

OCCUPANCY RATE (Q4 2024)	EFFECTIVE RENT (Q4 2024)	RENT SHARE OF WALLET (Q4 2024)
95.6%	$2,907	38.5%
UP 30 BPS YOY	UP 2.9% YOY	UP 10 BPS YOY

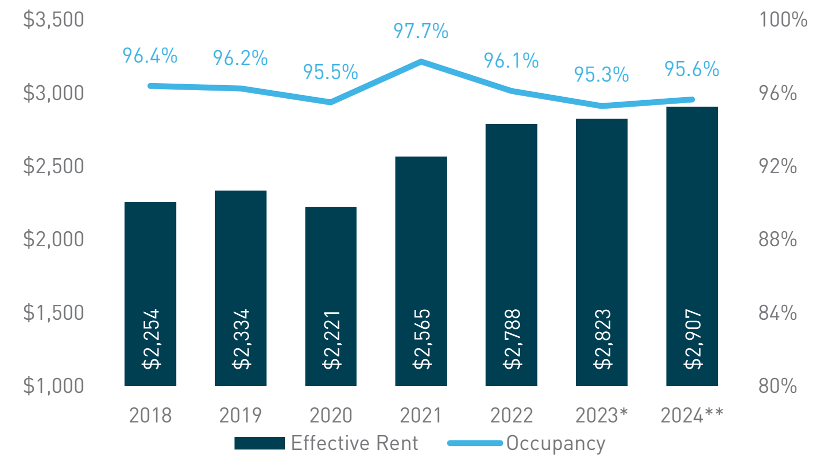
Robust Apartment Demand Projected to Outpace Heightened Deliveries in 2024

Builders are expected to complete 22,055 apartment units in Los Angeles County in 2024. The new apartments, representing 1.9% of existing units, will be welcome this year, as 21,600 newly formed households are anticipated, and homeownership in the county will remain out of reach for many renters. Approximately 25% of the new apartments will be in the Mid-Wilshire submarket, an area developers target because of its convenience to major employers and entertainment attractions in the urban core. In the next few years, residents in the Mid-Wilshire submarket will have easy access to the expanded Fox Future Studios and the new Apple Inc. campus, which together will support thousands of new jobs. Many of those residing in the Downtown Los Angeles and Mid-Wilshire submarkets will enjoy shorter commutes when the Metro Purple Line extension is completed in phases starting in 2024 and culminating in time for the 2028 Summer Olympics. Vibrant apartment demand is anticipated this year in the historically mundane South Los Angeles submarket. Renters are increasingly appreciating the submarket's central location between employment hubs in Downtown Los Angeles and the South Bay communities, its more affordable rents, and its proximity to major attractions, like Sofi Stadium. Robust leasing activity across the county is expected to outpace deliveries in 2024, spurring a projected 30-basis-point annual rise in occupancy to 95.6% by the fourth quarter. The heightened demand will enable a 2.9% annual increase in average effective rent by year-end.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2023 are projected values. 2024 figures are forecast projections.

APARTMENT TRENDS

Effective Rent & Occupancy

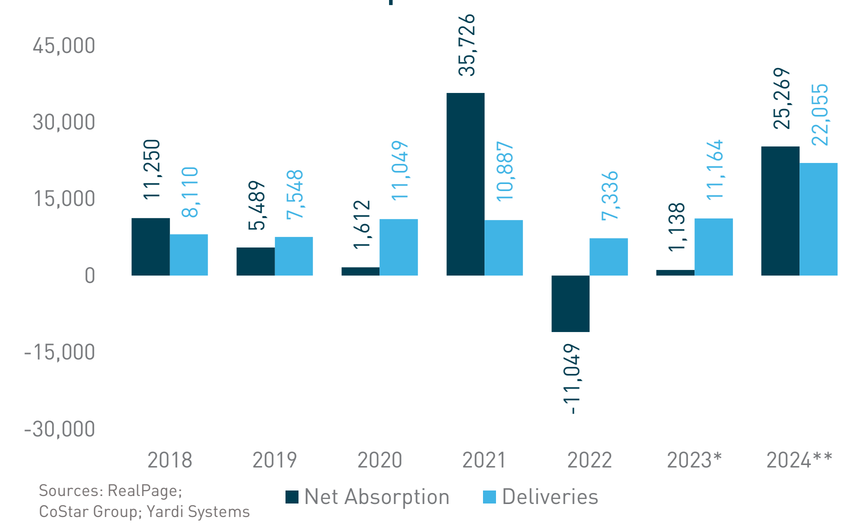


Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.

Absorption & Deliveries



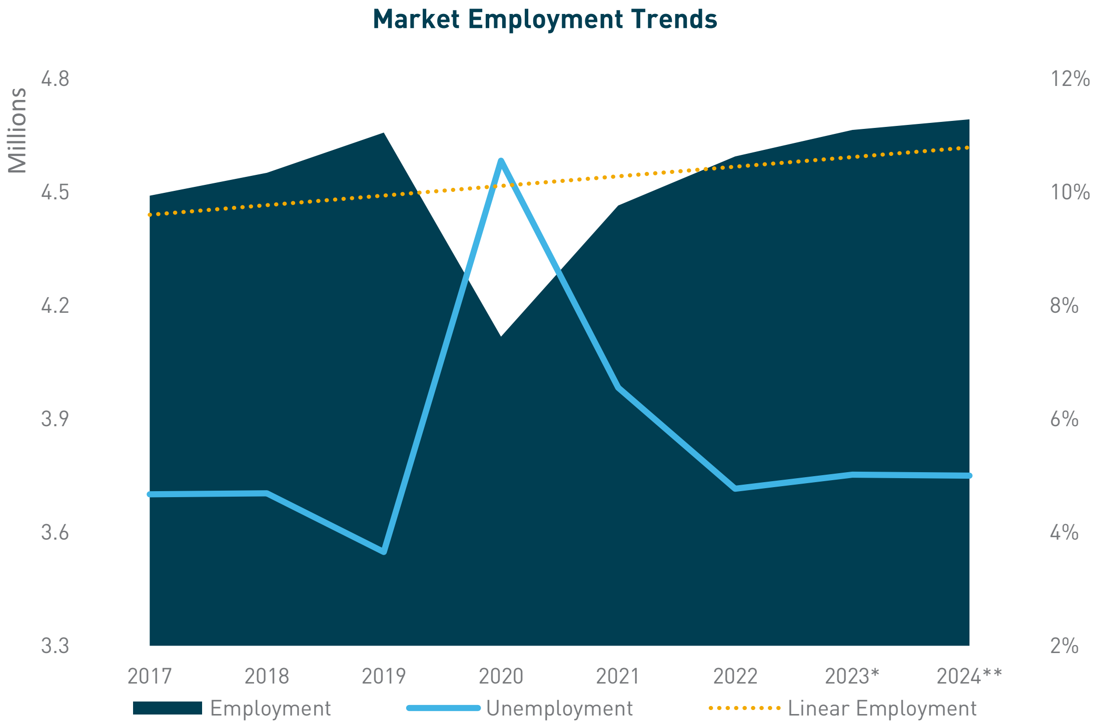
Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

LOS ANGELES, CA

BERKADIA

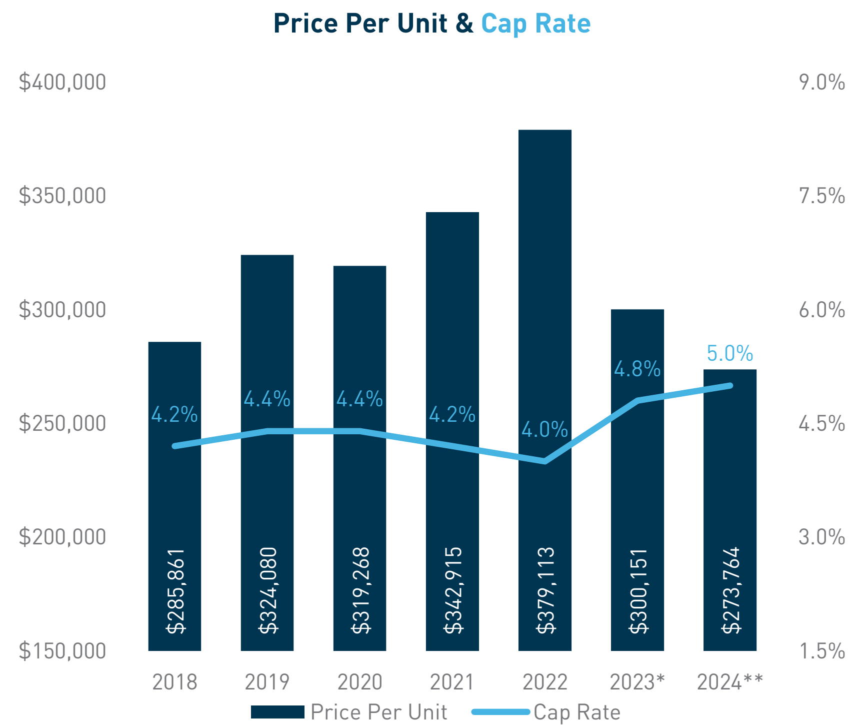
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

SALES TRENDS



Sources: Berkadia; CoStar Group; MSCI

*Projected **Forecast

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT (DEC. 2024)	UNEMPLOYMENT (DEC. 2024)	MEDIAN HOUSEHOLD INCOME (DEC. 2024 SAAR)	PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
4,693,000	5.0%	$90,700	$273,764	5.0%
UP 0.6% YOY	UNCHANGED YOY	UP 2.7% YOY	DOWN 8.8% YOY	UP 20 BPS YOY