LOS ANGELES, CA

2025 MARKET AT A GLANCE

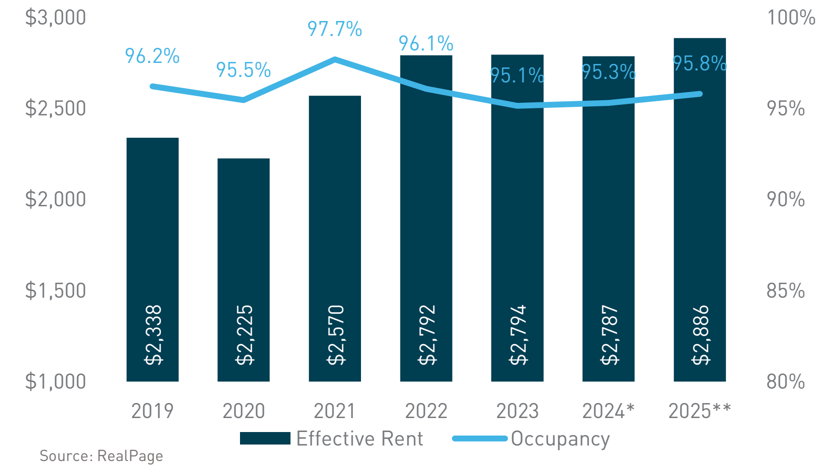
OCCUPANCY RATE (Q4 2025)	EFFECTIVE RENT (Q4 2025)	RENT SHARE OF WALLET (Q4 2025)
95.8%	$2,886	39.3%
UP 50 BPS YOY	UP 3.6% YOY	UP 30 BPS YOY

New Apartments and Urban Amenities to Drive Inner-Core Demand

The apartment market in Los Angeles County continues to provide vital housing options for households, particularly since many cannot overcome the barriers to homeownership. As in 2024, Downtown Los Angeles and the adjacent Mid-Wilshire apartment submarket will remain key recipients of new apartment stock in 2025. In these areas, residents and local leaders are more amenable to high-density residential development than in most of the rest of the county. While development costs in the two submarkets can be lofty, easy renter access to the urban core amenities allows higher rents. The appeal of living near world-renowned attractions draws many white-collar professionals. These workers often form small households: 66% of the households in the Downtown Los Angeles and Mid-Wilshire submarkets have only one or two persons, compared to 52% countywide. These professionals earn an average annual wage exceeding $120,000, making the two submarkets ideal for owners of upscale apartment communities. Class A apartments also offer excellent value, with effective rent in the Downtown Los Angeles and Mid-Wilshire submarkets averaging $3,540 per month by the fourth quarter, 46% less than a single-family mortgage originating in late 2024. When examining the countywide apartment market, a wave of apartment deliveries is expected in 2025—and fortunately for owners, net apartment absorption is projected to exceed deliveries. This vibrant demand should drive higher occupancy, fueling rising rent, which is forecast to increase 3.6% in 2025.

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 2024 are projected values. 2025 figures are forecast projections.

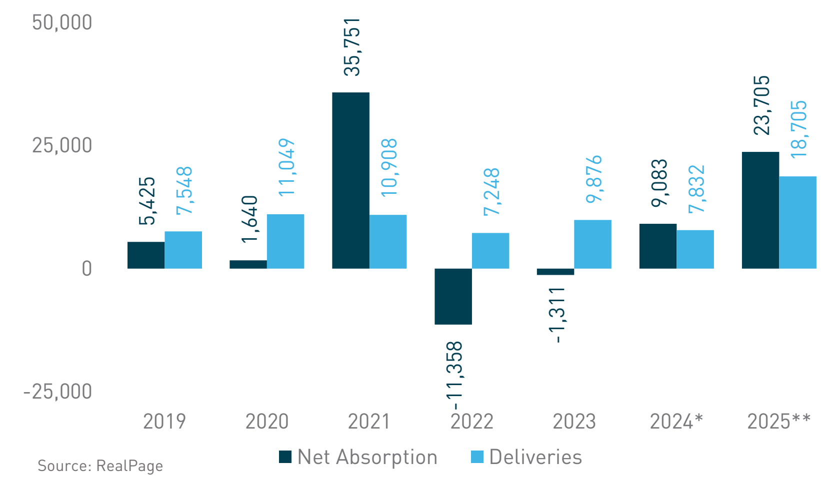
APARTMENT TRENDS



Source: RealPage

*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.



Source: RealPage

*Projected **Forecast

LOS ANGELES, CA

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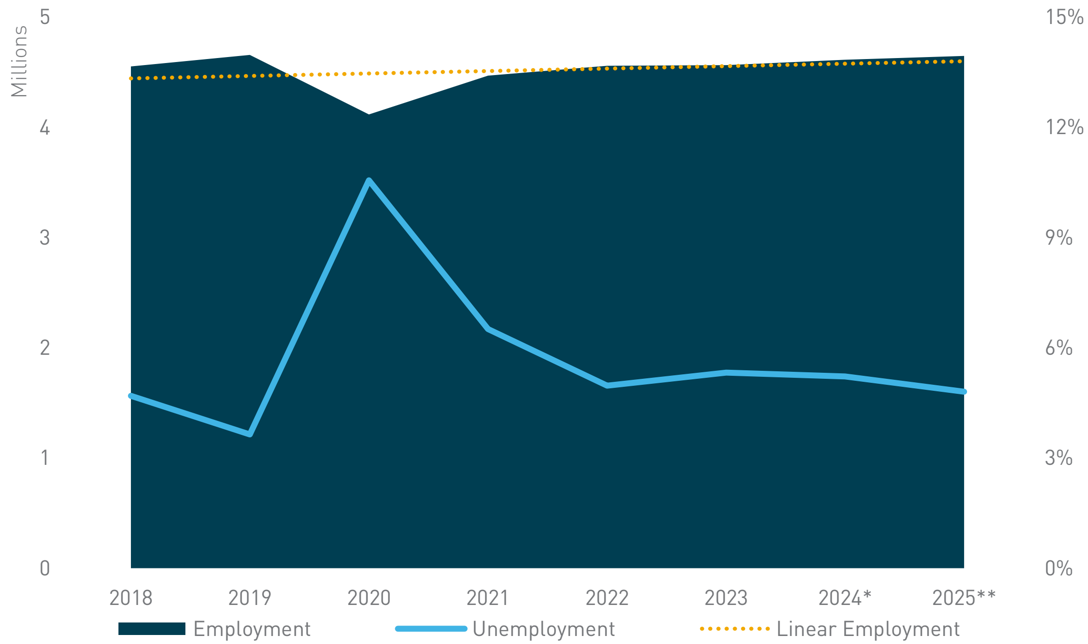
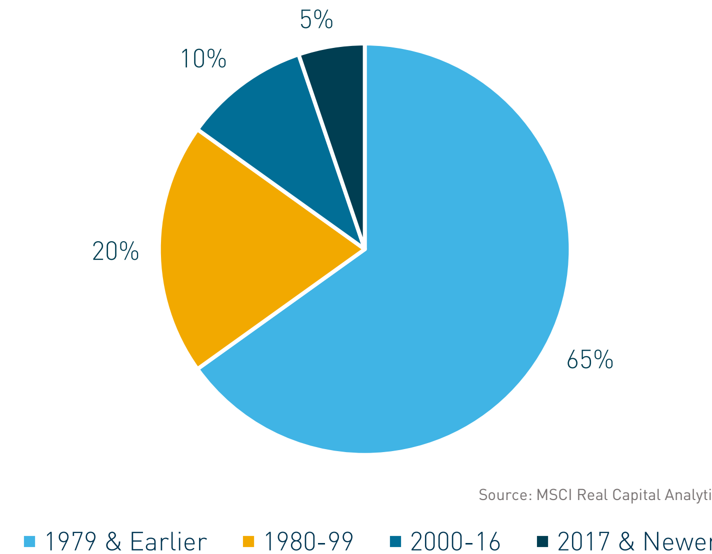
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

2024 SALES TRENDS*



Source: MSCI Real Capital Analytics

*YTD through Oct.

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

EMPLOYMENT (DEC. 2025)	UNEMPLOYMENT (DEC. 2025)	MEDIAN HOUSEHOLD INCOME (DEC. 2025 SAAR)	PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
4,646,300	4.8%	$88,119	$302,506	5.0%
UP 0.7% YOY	DOWN 40 BPS YOY	UP 2.9% YOY	DOWN 13.4% YOY	UP 40 BPS YOY