



MULTIFAMILY REPORT

# Inland Empire Expansion Endures

Winter 2021

**Rent Growth Leads the Nation**

**Per-Unit Pricing Surges**

**Development Picks Up**

# INLAND EMPIRE MULTIFAMILY



## Playing to Its Strengths

The Inland Empire's multifamily market is showing signs of strength, despite economic headwinds. Rent expansion remained positive through 2020 and surpassed the nation. Rates increased by 0.6% on a trailing three-month basis as of January, with Lifestyle figures outperforming the working-class Renter-by-Necessity segment. As more and more people are shifting inland from expensive coastal metros—a factor that is offsetting the area's economic volatility—rent growth is expected to endure in 2021.

The market has not been immune to stress during the past year, with employers shedding 108,000 jobs during the 12 months ending in November. Unemployment in the metro was 9.1% in December, exceeding the 6.7% national rate. However, the Inland Empire benefits from one of the country's largest industrial markets, bolstered by major growth in e-commerce demand, as well as Los Angeles' spillover effect.

Transactions totaled \$1 billion in 2020; despite being a 40% drop from the previous year, this did not equate a cycle low. Meanwhile, per-unit prices improved considerably. Despite delays in most metros, the Inland Empire's construction activity picked up last year, with 2,735 units under construction as of January. The economic situation did not slow activity: In the second half of 2020, projects totaling more than 1,000 units broke ground.

## Market Analysis | Winter 2021

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### Recent Inland Empire Transactions

#### The Crossings of Chino Hills



City: Chino Hills, Calif.  
Buyer: Advanced Real Estate Services  
Purchase Price: \$128 MM  
Price per Unit: \$369,942

#### Country Hills



City: Corona, Calif.  
Buyer: Abacus Capital Group  
Purchase Price: \$94 MM  
Price per Unit: \$227,549

#### Mitchell Place



City: Murrieta, Calif.  
Buyer: MG Properties Group  
Purchase Price: \$78 MM  
Price per Unit: \$340,217

#### Creekside



City: San Bernardino, Calif.  
Buyer: Reuven Gradon Acquisitions  
Purchase Price: \$52 MM  
Price per Unit: \$171,382