



MULTIFAMILY REPORT

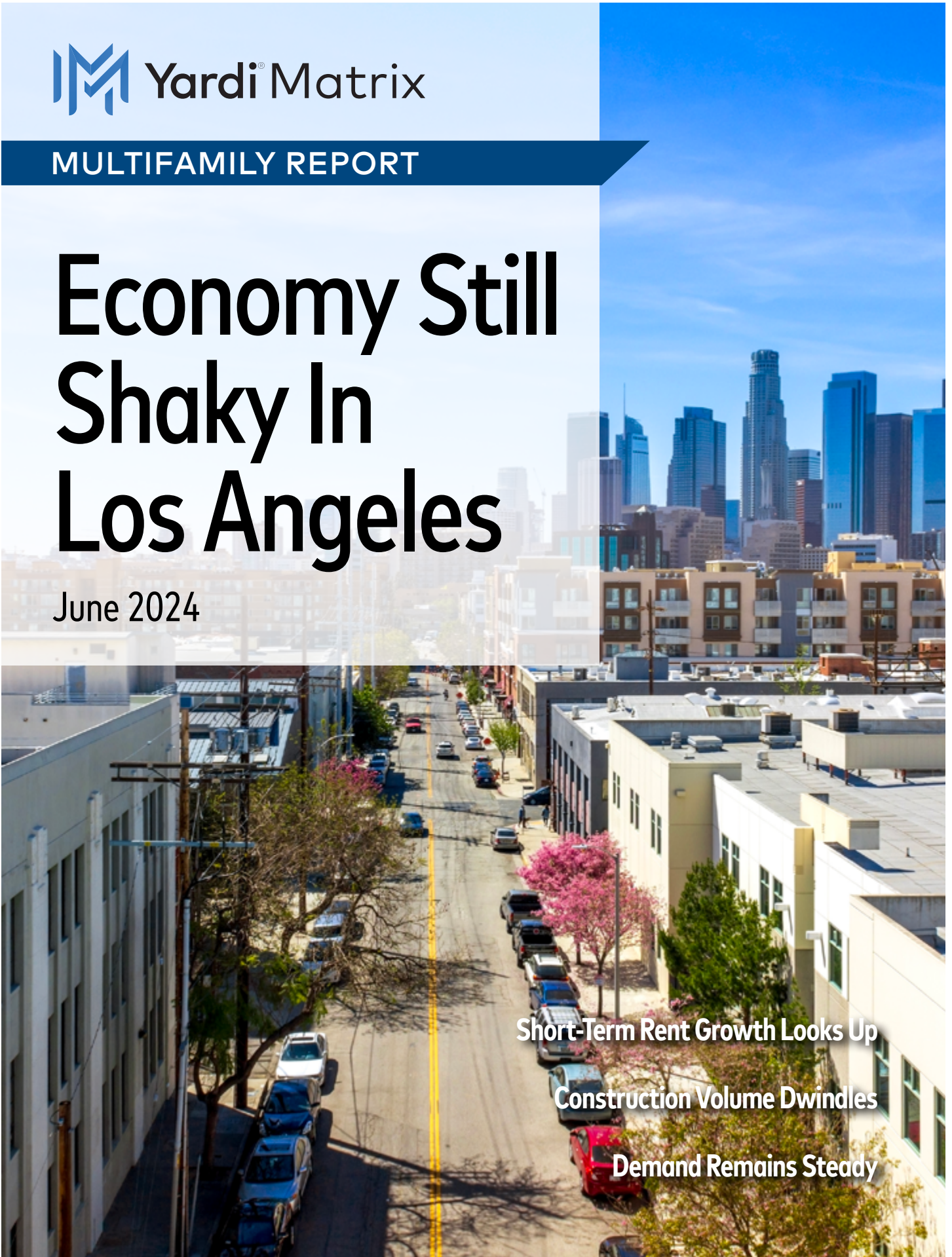
Economy Still Shaky In Los Angeles

June 2024

Short-Term Rent Growth Looks Up

Construction Volume Dwindles

Demand Remains Steady



LOS ANGELES MULTIFAMILY



Employment Market Contracts

Los Angeles multifamily fundamentals were sluggish at the start of the second quarter of 2024. Short-term rent growth emerged from negative territory, up 0.1%, to \$2,584, on a trailing three-month basis through April. Meanwhile, year-over-year movement slid further, down 0.5%. However, demand remained steady. Despite last year's decade-high supply expansion, the occupancy rate in stabilized properties declined just 50 basis points to 95.8%.

In the 12 months ending in February, the Los Angeles employment market contracted 0.1%, marking the sixth consecutive month of job losses, while the U.S. rate was up 1.5%. The information sector lost the most jobs (-36,000), mainly due to the writers' and actors' strikes, which ended in November. Professional and business services followed with 16,000 jobs lost. Meanwhile, job gains were led by education and health services (45,100 jobs) and government (11,000 jobs). The former has good prospects, sustained by the county's \$1.7 billion Harbor-UCLA Medical Center Replacement Program.

Developers delivered 1,728 units through April. While new starts are dwindling, there were 31,423 units underway. Investment activity remained tepid, with \$616 million traded through April, for an average per-unit price of \$368,240.

Market Analysis | June 2024

Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x2404

Doug Ressler

Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

Author

Anca Gagiuc

Senior Associate Editor

Recent Los Angeles Transactions

888 at Grand Hope Park



City: Los Angeles
Buyer: FPA Multifamily
Purchase Price: \$186 MM
Price per Unit: \$354,286

The Ranch at Moorpark



City: Moorpark, Calif.
Buyer: AEW Capital Management
Purchase Price: \$133 MM
Price per Unit: \$360,000

Cobalt



City: Los Angeles
Buyer: Robhana Group
Purchase Price: \$68 MM
Price per Unit: \$501,481

The LP by CLG



City: Los Angeles
Buyer: HACLA
Purchase Price: \$43 MM
Price per Unit: \$362,000