

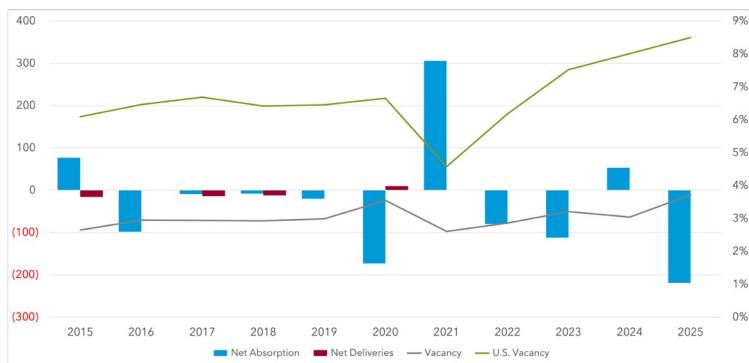
MULTIFAMILY MARKET OVERVIEW

ROBERT LEVEEN, Senior Vice President

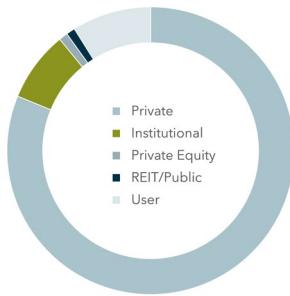
The Federal Reserve has responded to the slowing labor market and lowered the key interest rate by 50 bps in the last quarter, despite the target inflation rate of 2% not yet being reached. As of this writing, the 10 Year Treasury Note is at 4.174%, essentially no change since the last report. Locally, transactions continue due to the critical housing shortage and readily available capital and debt. There are many more apartment properties on the market than a year ago, causing acquisition CAP rates to push above 6% in certain areas of the Tri-Cities which include Burbank, Glendale, and Pasadena. This is due to the rising cost of ownership as a result of more stringent rent control, skyrocketing insurance premiums, and increased utility costs. Additionally, the city of Burbank, has implemented an annual rent cap for properties delivered prior to 1995. All the factors are present for a great long-term buying opportunity.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▲ 12 Mo. Absorption Units	95	39	(43)	220	64
▲ Vacancy Rate	4.70%	4.30%	4.00%	3.90%	3.90%
▼ Asking Rent/Unit	\$2,548.00	\$2,564	\$2,569	\$2,565	\$2,528
▼ Sale Price/Unit	\$401,000	\$408,000	\$444,488	\$417,727	\$313,040
▲ Cap Rate	4.80%	4.70%	5.15%	4.94%	4.74%
▼ Under Construction Units	630	654	1,238	1,238	1,490
▼ Inventory Units	59,803	60,024	59,579	59,579	59,327

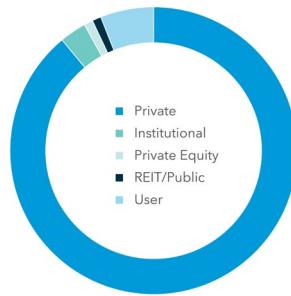
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
420 W. Windsor Road Glendale, CA	\$8,225,000 \$329,000 Per Unit	25	Loren Properties LLC Harry Ayvazian
1241 Boynton Street Glendale, CA	\$6,675,000 \$238,393 Per Unit	28	William S. Brody Michael and Charles Cusumano
700 Palm Drive Glendale, CA	\$6,350,000 \$453,571 Per Unit	14	Garnik Hovsepyan Michael H. Saperstein Trust

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Benedict Canyon Equities, Inc.	\$22,000,000	Amoroso Companies	\$22,000,000
Michael H. Saperstein Trust	\$10,370,000	Donna Thagard	\$10,130,000
PARKS JOHN R GST TRUST	\$10,130,000	Lawrence A. Snyder	\$9,250,000
St Will David M. Separate Prop Trust	\$9,250,000	Winstar Properties	\$8,750,000
Michael Cusumano	\$8,750,000	Jonathan Hotchkin	\$8,750,000



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