



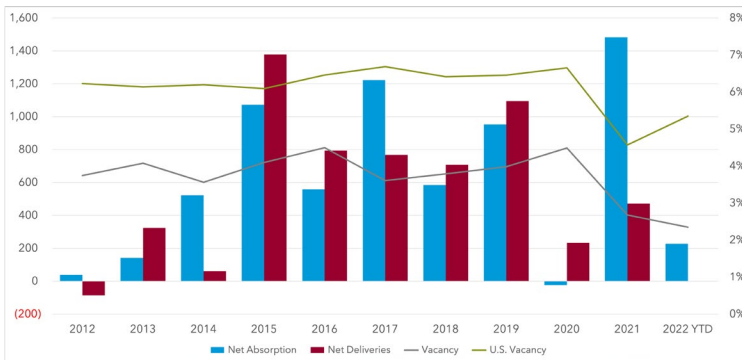
MULTIFAMILY MARKET OVERVIEW

ROBERT LEVEEN, *Senior Vice President*

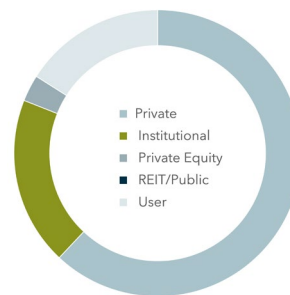
Rents continue to increase; vacancy numbers remain tight, as demand for rental housing continues to outstrip supply. Larger acquisitions driven by lower cost of capital allow for acquisition cap rates to continue to be sub 4%. Conversely, on the many smaller transactions, cap rates are starting to adjust higher as a reaction to higher interest rates. As of this writing, the 10-Year Treasury note is 3.86%, more than double the rate back in early January, 2022. The belief a recession is imminent, along with this year's significant inflation, it is widely anticipated the headwinds will increase on tenants' ability to pay rent.

| MARKET INDICATORS | Q3 2022 | Q2 2022 | Q1 2022 | Q4 2021 | Q3 2021 |
|----------------------------|---------|---------|---------|---------|---------|
| ▲ 12 Mo. Absorption Units | 77 | 37 | 114 | 105 | 462 |
| ▼ Vacancy Rate | 2.3% | 2.5% | 2.5% | 2.7% | 2.9% |
| ▲ Asking Rent/Unit (\$) | \$2,350 | \$2,330 | \$2,295 | \$2,263 | \$2,236 |
| ▲ Under Construction Units | 1,710 | 1,616 | 1,388 | 1,307 | 1,307 |
| ◀▶ Inventory Units | 56,854 | 56,854 | 56,854 | 56,854 | 56,854 |

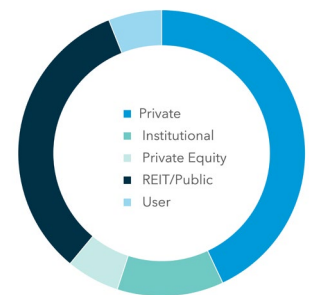
NET ABSORPTION, NET DELIVERIES, & VACANCY



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 BY SF | SALE PRICE | NUMBER OF UNITS | BUYER / SELLER |
|---------------------------------------|---------------------------------|-----------------|--|
| 265-275 S. Arroyo Pky Pasadena, CA | \$172,300,000 \$496,542/Unit | 347 | Fairfield AvalonBay Communities, Inc. |
| 254 Madison Avenue Pasadena, CA | \$9,975,000 \$356,250/Unit | 28 | Mandy Wang Greco Family Trust |
| 275 Oakland Avenue Pasadena, CA | \$10,500,000 \$437,500/Unit | 24 | Sirott Investments Properties International |

| TOP SELLERS (PAST 12 MONTHS) | SALES VOLUME |
|---|---------------|
| Equity Residential | \$280,000,000 |
| AHDC Inc | \$223,000,000 |
| AvalonBay Communities, Inc | \$172,300,000 |
| Teachers Ins and Annuity Assoc of America | \$161,100,000 |
| Interstate Equities Corporation | \$79,742,270 |

| TOP BUYERS (PAST 12 MONTHS) | SALES VOLUME |
|-----------------------------------|---------------|
| Jonathan Rose Companies | \$223,000,000 |
| CA Statewide Comm. Dev. Authority | \$213,371,135 |
| Waterford Property Company | \$173,500,000 |
| CalSTRS | \$172,300,000 |
| Clarion Partners | \$80,550,000 |

