LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q2 2026
LOS ANGELES, CA

MULTIFAMILY MARKET OVERVIEW

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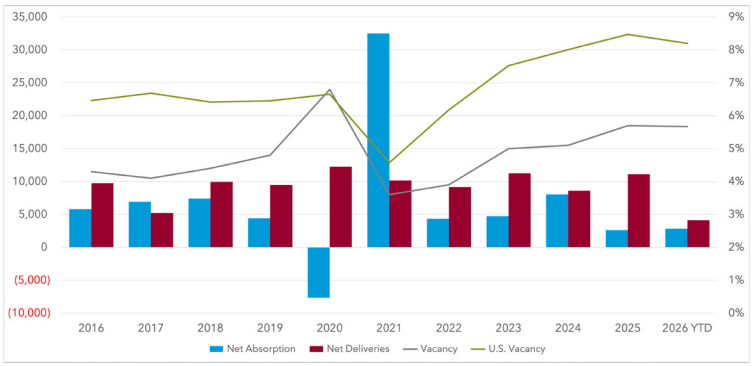
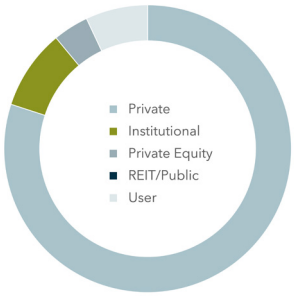
The Los Angeles multifamily market remained stable during the second quarter as demand continued to keep pace with new supply. Vacancy held essentially flat at 5.7%, while positive net absorption accelerated over the past quarter, signaling healthy leasing activity across the region. Rent growth remained modest as elevated construction activity continued to temper pricing power, with more than 18,000 units still under construction. Investment activity has remained selective as higher cap rates and financing costs continue to influence underwriting, though well-located assets in supply-constrained submarkets continue to attract investor interest. Overall, market fundamentals remain balanced, supported by steady renter demand despite an active development pipeline.

MARKET INDICATORS	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
▲ 12 Mo. Absorption Units	4,445	2,527	2,606	7,073	10,197
▼ Vacancy Rate	5.67%	5.70%	5.70%	5.30%	4.92%
▲ Asking Rent/Unit	$2,361	$2,345	$2,325	$2,333	$2,332
▲ Sale Price/Unit	$351,866	$351,333	$354,466	$363,892	$363,185
▲ Cap Rate	5.80%	5.10%	5.00%	4.97%	4.94%
▼ Under Construction Units	18,168	18,878	17,542	18,609	18,915
▲ Inventory Units	1,064,003	1,060,995	1,057,615	1,054,703	1,050,482

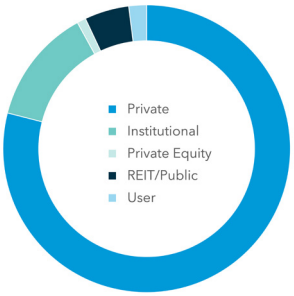
NET ABSORPTION, NET DELIVERIES, & VACANCY



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
15446 Sherman Way Van Nuys, CA	$69,000,000 $176,923 Per Unit	390	Post Inv Group & Foothill Affordable Hsng Found San Regis, LLC
620 S. Virgil Avenue Los Angeles, CA	$139,000,000 $349,246 Per Unit	398	Pacific Urban Investors, LLC Equity Residential
1550 N. El Centro Avenue Los Angeles, CA	$99,000,000 $495,000 Per Unit	200	Advanced Real Estate Kilroy Realty Corporation

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Invesco Ltd.	$283,652,219
Equity Residential	$253,000,000
Kilroy Realty Corporation	$202,000,000
Morgan Stanley & Co., LLC	$179,881,000
Falcone Group	$159,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Waterton	$336,131,000
Hines	$283,652,219
Advanced Real Estate	$268,004,500
Pacific Urban Investors, LLC	$215,000,000
AEW Capital Management	$159,000,000

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