



MARKET AT A GLANCE



OCCUPANCY RATE **96.0%**
Up **20 bps** since 3Q16



ASKING RENT **\$2,808**
Up **3.6%** since 3Q16

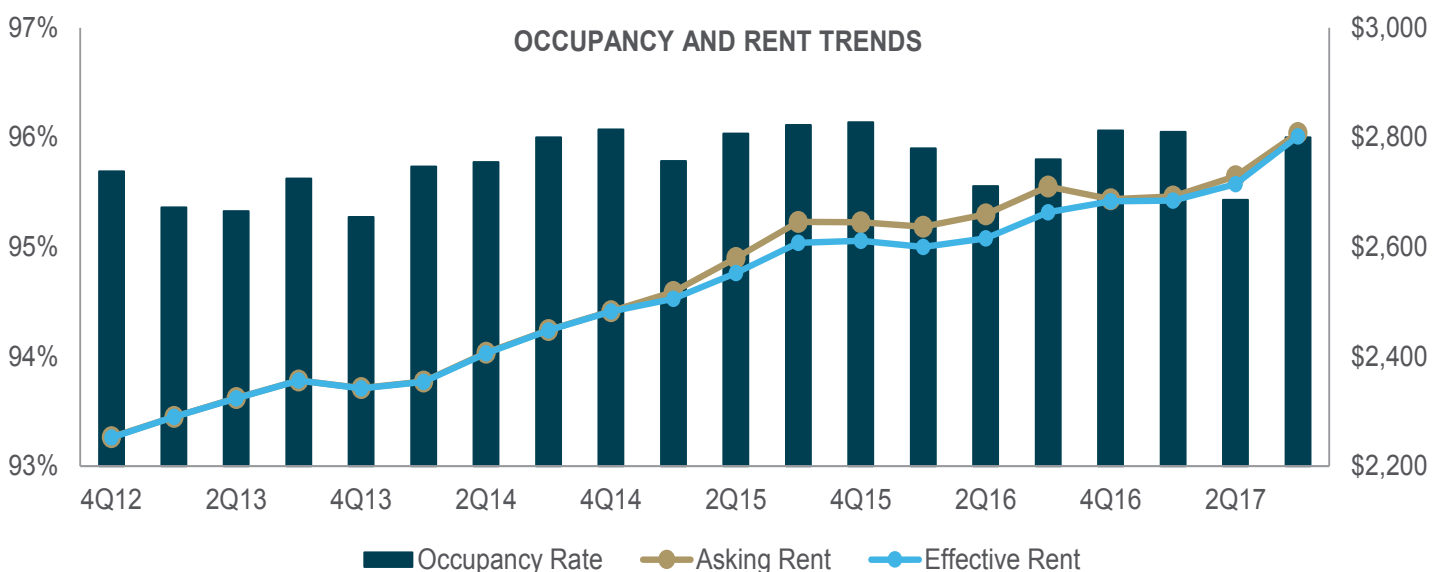


CONCESSIONS **0.2%**
Unchanged since 3Q16

OCCUPANCY AND RENT TRENDS

ASKING RENT RISES 3.6% ANNUALLY AMID HEALTHY APARTMENT ABSORPTION

Job growth and continually rising home prices were catalysts for a healthy multifamily market in Los Angeles West. Apartment occupancy increased 20 basis points year over year to 96.0% in September as renters committed to lease 8,283 additional apartments in the last 12 months. The elevated absorption was 32% greater than apartment demand in the prior 12-month period. More than half of the absorption in Los Angeles West was in the neighboring Central L.A. and Westlake/Downtown/Silver Lake submarkets. The two areas also accounted for more than 60% of the deliveries in the region. Another 3,981 apartments were scheduled for delivery in Los Angeles West by year-end, with 28% of those completions distributed among 10 apartment communities in the Wilshire District submarket. Home to some of the highest-rent areas in the county, asking rent appreciated in all submarkets in Los Angeles West since the third quarter of 2016. Average asking rent rose 3.6% to \$2,808 per month, 20.4% higher than average rent countywide. Operators kept the average concession at 0.2% of asking rent, the same as one year ago.



LOS ANGELES WEST

MULTIFAMILY REPORT

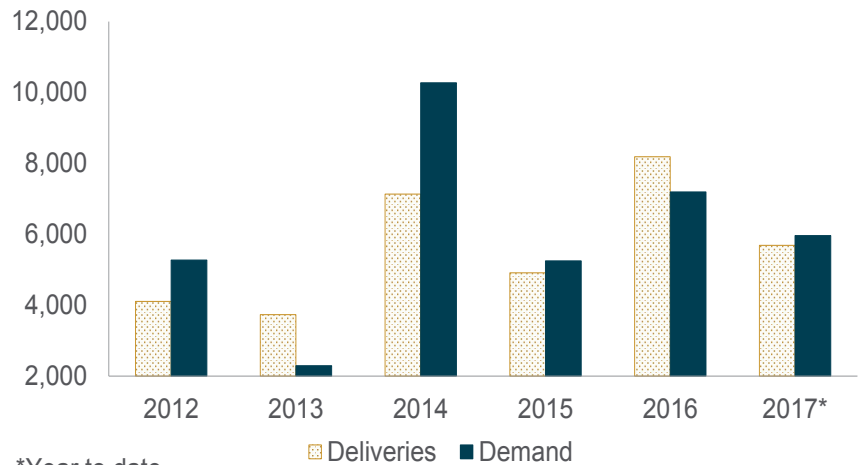
DELIVERIES AND DEMAND



DELIVERIES 5,686
Units YTD



NET ABSORPTION 5,961
Units YTD



*Year to date

■ Deliveries ■ Demand

ECONOMIC TRENDS

2016 **UNEMPLOYMENT*** 2017
5.2% **-40 BPS** 4.8%
CHANGE

2016 **EMPLOYMENT*** 2017
4.41m **0.9%** 4.44m
CHANGE

2016 **EXISTING SFH SALES**** 2017
68.6k **0.4%** 68.9k
CHANGE

2016 **MEDIAN SFH PRICE**** 2017
\$494.8k **9.4%** \$541.2k
CHANGE

2016 **10-YEAR TREASURY**** 2017
1.63% **60 BPS** 2.20%
CHANGE

*August; **September

Job growth in the education and health services and the construction sectors propelled overall expansion in Los Angeles County since the third quarter of 2016. Education and health care institutions hired 22,300 workers in the 12-month period ending in August of this year, a 2.9% annual gain. Employment surged 8.1% in the construction sector as 10,900 jobs were created. The industry was boosted by large-scale projects recently completed, including the 15-acre USC Village, the Wilshire Grand Center, and the Waldorf Astoria Beverly Hills. Overall year-over-year job growth of 0.9% was recorded with the addition of 38,400 workers through August. Several massive developments will underpin the construction industry for the next few years and add jobs in multiple employment sectors upon completion. These projects include the \$14 billion Los Angeles International Airport modernization program, the \$2.5 billion Century Plaza redevelopment, the \$1 billion Metropolis mixed-use project, and the \$1 billion Oceanwide Plaza development.



LOS ANGELES WEST

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY		AVG RENT INCREASE		AVG RENT		NET ABSORPTION		DELIVERED UNITS	
	3Q16	3Q17	3Q16	3Q17	3Q16	3Q17	3Q17	ANNUAL	3Q17	ANNUAL
Beverly Hills/W Hollywood/Park La Brea	95.8%	96.3%	-2.7%	2.2%	\$2,842	\$2,904	17	642	75	420
Central LA	94.7%	95.1%	-8.2%	2.1%	\$2,607	\$2,661	529	2,359	220	2,210
Hollywood/Los Feliz	94.4%	94.6%	8.0%	3.6%	\$2,587	\$2,680	519	1,082	96	983
Mar Vista/Palms/Culver City	96.9%	96.4%	-0.6%	5.9%	\$2,315	\$2,451	422	-182	0	0
Marina Del Rey/Venice/Westchester	95.4%	96.3%	-1.0%	4.8%	\$3,048	\$3,196	197	712	0	391
Mid-City/West Adams/Pico Heights	97.7%	97.2%	1.2%	3.3%	\$2,181	\$2,253	242	-168	0	68
Santa Monica	95.4%	95.5%	2.4%	2.1%	\$3,556	\$3,631	180	141	0	112
West LA/Westwood/Brentwood	96.0%	97.3%	3.5%	4.5%	\$3,133	\$3,273	63	1,070	0	478
Westlake/Downtown/Silver Lake	95.9%	96.1%	6.5%	4.0%	\$2,330	\$2,423	1,327	2,309	724	2,276
Wilshire District	95.5%	95.3%	10.9%	4.1%	\$2,162	\$2,250	627	317	100	430
TOTALS	95.8%	96.0%	2.4%	3.6%	\$2,710	\$2,808	4,124	8,283	1,215	7,368



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