



20414 Kenwood Avenue

a 5-unit multifamily asset with major ADU potential
in Torrance, California

Marcus & Millichap
THE BOGIE GROUP

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INVESTMENT ANALYSIS

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Executive Summary

PRICING INFORMATION

Offering Price	\$975,000
Price/Unit	\$195,000
Price/SF	\$516
Cap Rate (Current)	5.29%
Cap Rate (Market)	7.74%

PROPERTY DETAILS

Address	20414 Kenwood Avenue, Torrance, CA 90502
Units	5
Building SF	1,889
Year Built	1925
Lot SF	7,642
APN	7350-013-035
Zoning	LCR2*

UTILITIES

Electricity	Separately Metered
Gas	Master Metered
Water	Master Metered





Investment Description

Marcus & Millichap is pleased to present to market 20414 Kenwood Avenue, a five-unit multifamily asset in Torrance, California. This offering is an excellent acquisition opportunity for any investor seeking both short and long-term upside potential in the desirable inland South Bay rental market. Current rents present 30 percent rental upside, and the property's underutilized corner lot may offer the potential to develop five one-bedroom ADU's, effectively doubling the property's unit count and massively growing income potential (buyer to verify).

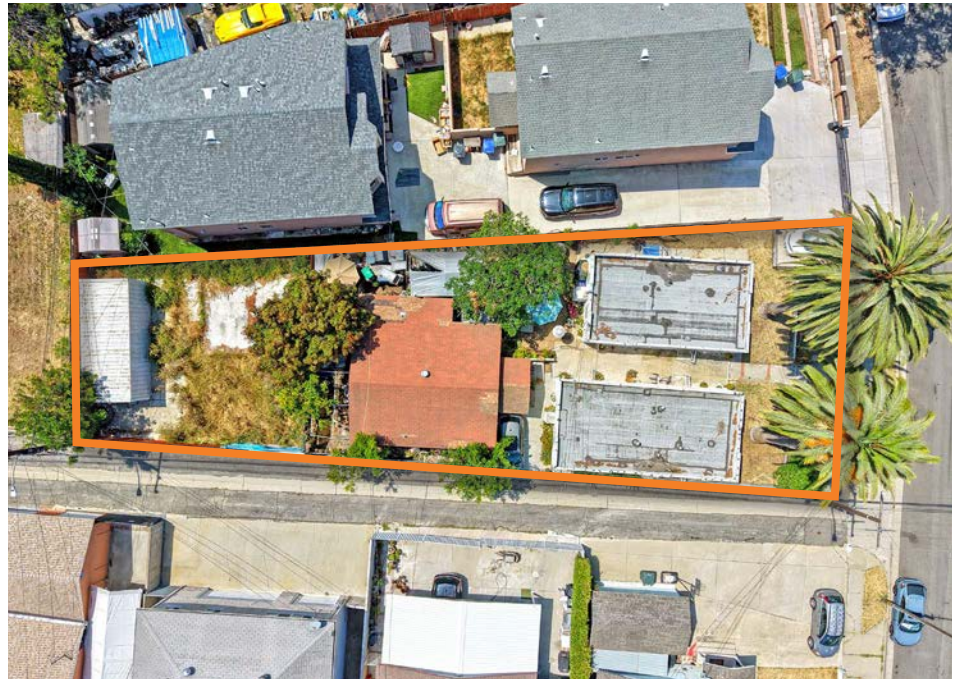
20414 Kenwood Avenue currently consists of three single-story buildings with a diverse mix of three studios, one one-bed/one-bath and one two-bed/one-bath unit. The fenced lot features yard and patio space, as well as two parking spaces, and the rear section of the lot is undeveloped. The property has been well-maintained and boasts new siding, windows, and doors. A new investor could explore adding laundry facilities to further increase tenant demand and income potential.

The property is located in the Harbor-Gateway area of Torrance and considered part of unincorporated Los Angeles County. This location is conveniently near freeways, major employers, and retailers, with easy access to beach cities; within just one mile tenants can access the 110 and 405 Freeways, Harbor-UCLA Medical Center (major employer), and Carson Towne Center. This area retains a strong tenant base, with an average household income within one mile over \$107,000.

Investment Highlights

- Five-Unit Multifamily Asset With Major ADU Potential: A new investor may explore doubling unit count by constructing five one-bedroom ADU's (buyer to verify)
- Diverse Mix of All Single-Story Floor Plans: Property currently features three buildings with a mix of three studios, one one-bedroom, and one two-bedroom
- Current Rents Offer Upside Potential: Capture 30 percent potential upside
- Well-Maintained Asset: Buildings boast newer exterior siding, windows and doors
- Strong Inland South Bay Rental Market: Easy access to beaches, retail, and freeways







Carson Towne Center

Van Deene Elementary

Wishing Tree Park

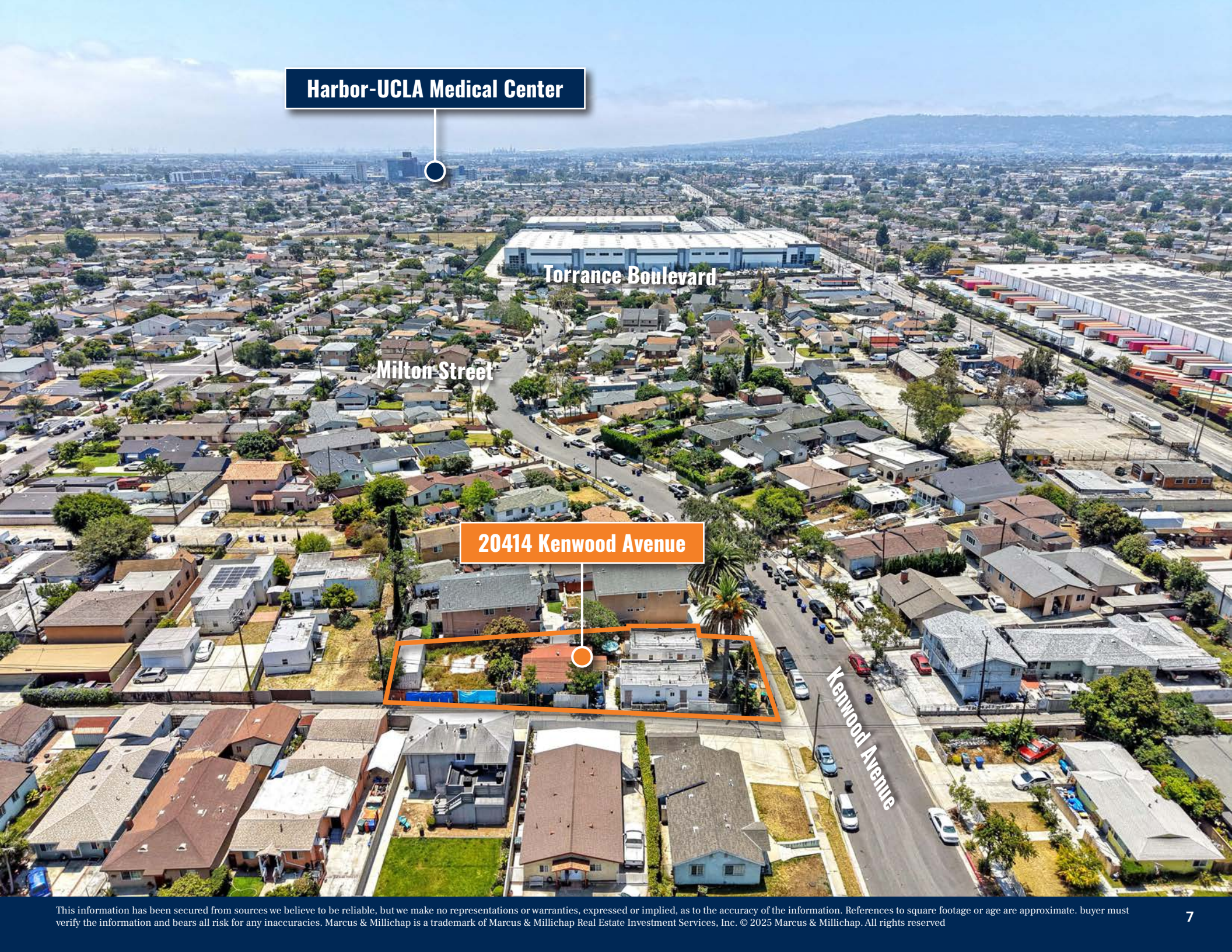
20414 Kenwood Avenue

Milton Street

204th Street

Kenwood Avenue

Harbor-UCLA Medical Center



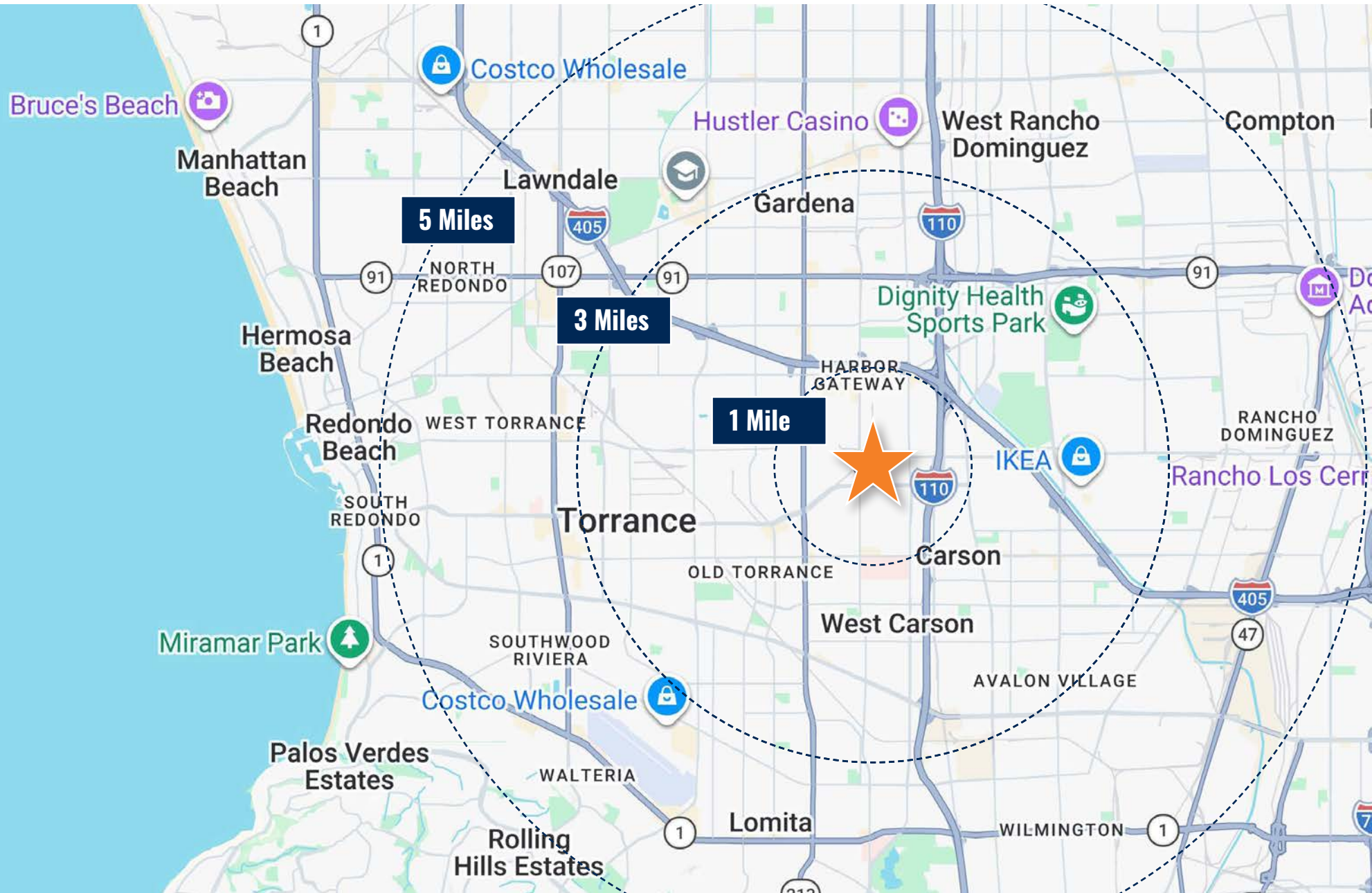
Torrance Boulevard

Milton Street

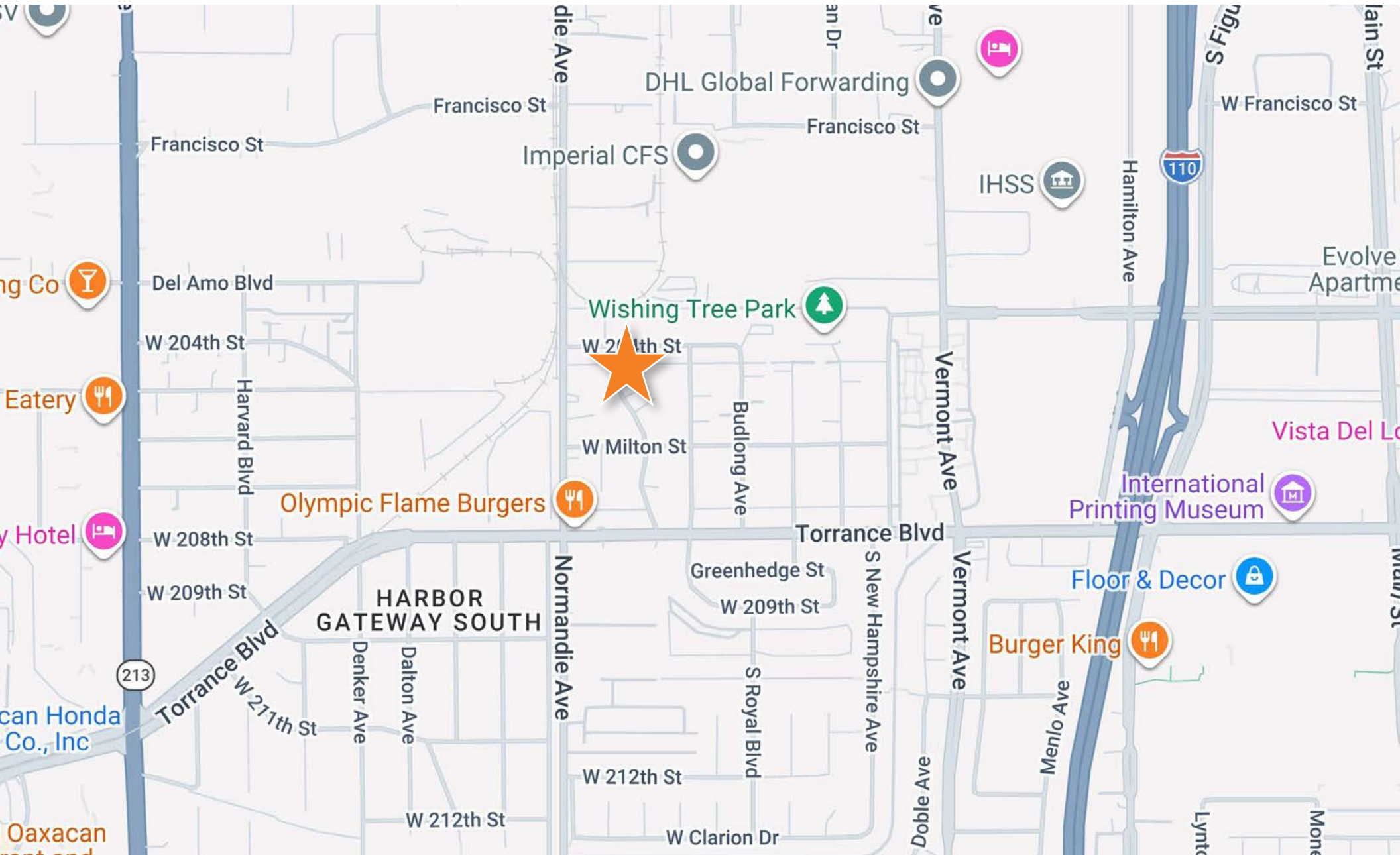
20414 Kenwood Avenue

Kenwood Avenue

Property Location



Property Location



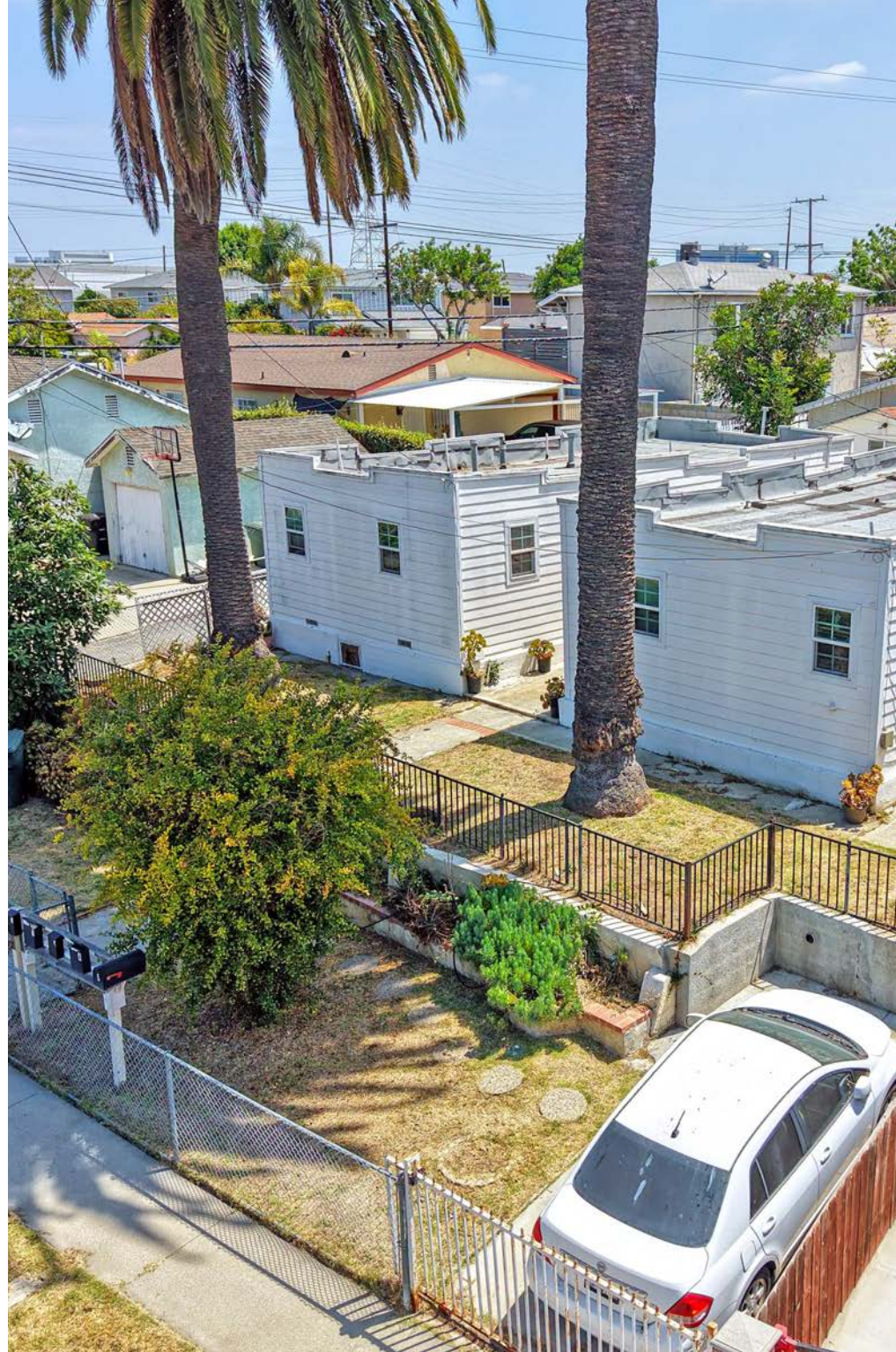
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Pricing Summary

PRICING & PROPERTY DETAILS

Address	20414 Kenwood Avenue
	Torrance, CA 90502
List Price	\$975,000
No. of Units	5
Rentable SF	1,889
Price/Unit	\$195,000
Price/SF	\$516
Lot Size (SF)	7,642
Year Built	1925

VITAL DATA	CURRENT	PRO FORMA	+5 ADU'S
NOI	\$51,565	\$75,472	\$163,060
Cap Rate	5.29%	7.74%	10.87%
GRM	11.23	8.65	6.59



Income & Expenses

MONTHLY SCHEDULED INCOME

Existing # of Units

No. of Units	Unit Type	% Mix	Avg. Current Rent	Total Monthly Rent	Pro Forma Rent	Total Monthly Rent
3	Studio	60%	\$1,289	\$3,868	\$1,500	\$4,500
1	1 BR / 1 BA	20%	\$1,645	\$1,645	\$1,895	\$1,895
1	2 BR / 1 BA	20%	\$1,720	\$1,720	\$3,000	\$3,000
5	Existing Total			\$7,233		\$9,395
+5 ADU's						
5	1 BR / 1 BA	100%	\$1,895	\$9,475	\$1,895	\$9,475
10	Total With ADU's			\$16,708		\$18,970

ANNUALIZED EXPENSES

	CURRENT	PRO FORMA	+5 ADU'S
Real Estate Taxes	\$13,549	\$13,549	\$19,718
Insurance	\$4,154	\$4,154	\$5,277
Utilities*	\$6,000	\$6,000	\$12,000
Repairs & Maint.*	\$3,000	\$3,000	\$6,000
Management Fee*	\$4,225	\$5,483	\$11,056
Contract Services*	\$750	\$750	\$1,500
Turnover Costs*	\$1,250	\$1,250	\$2,500
Total	\$32,927	\$34,186	\$58,050
Per Unit	\$6,585	\$6,837	\$5,805
Per SF	\$17.43	\$18.10	\$15.95
% EGI	38.97%	31.17%	26.25%

ANNUALIZED OPERATING DATA

	CURRENT	PRO FORMA	+5 ADU'S
All Units at Market Rent	\$112,740	\$112,740	\$227,640
Less: Loss to Lease	\$25,944	\$0	\$0
Gross Potential Rent	\$86,796	\$112,740	\$227,640
Less: Vacancy	\$2,604	\$3,382	\$6,829
Other Income	\$300	\$300	\$300
Effective Gross Income	\$84,492	\$109,658	\$221,111
Less: Expenses	\$32,927	\$34,186	\$58,050
Net Operating Income	\$51,565	\$75,472	\$163,060

Rent Roll

UNIT NO.	UNIT TYPE	CURRENT RENT	PRO FORMA RENT
1	Studio	\$1,270	\$1,500
2*	1 BR / 1 BA	\$1,645	\$1,895
3	Studio	\$1,212	\$1,500
4	Studio	\$1,386	\$1,500
5	2 BR / 1 BA	\$1,720	\$3,000
5	Total	\$7,233	\$9,395

*Unit 2 slated to become vacant in September 2026.

10-Year Cash Flow

	JUN-27	JUN-28	JUN-29	JUN-30	JUN-31	JUN-32	JUN-33	JUN-34	JUN-35	JUN-36
Income										
All Units at Market Rent	\$117,250	\$121,940	\$126,817	\$131,890	\$137,165	\$142,652	\$148,358	\$154,292	\$160,464	\$166,883
Gain (Loss)-to-Lease	(\$25,184)	(\$24,446)	(\$23,730)	(\$23,034)	(\$22,359)	(\$21,704)	(\$21,068)	(\$20,451)	(\$19,852)	(\$19,270)
Gross Potential Rent	\$92,066	\$97,494	\$103,087	\$108,855	\$114,806	\$120,948	\$127,290	\$133,841	\$140,612	\$147,612
Vacancy Allowance	(\$2,762)	(\$2,925)	(\$3,093)	(\$3,266)	(\$3,444)	(\$3,628)	(\$3,819)	(\$4,015)	(\$4,218)	(\$4,428)
Other Income	\$309	\$318	\$328	\$338	\$348	\$358	\$369	\$380	\$391	\$403
Effective Gross Income	\$89,613	\$94,887	\$100,323	\$105,927	\$111,710	\$117,677	\$123,840	\$130,206	\$136,785	\$143,587
Expenses										
Real Estate Taxes	\$13,820	\$14,096	\$14,378	\$14,666	\$14,959	\$15,258	\$15,563	\$15,875	\$16,192	\$16,516
Insurance	\$4,154	\$4,279	\$4,407	\$4,539	\$4,675	\$4,816	\$4,960	\$5,109	\$5,262	\$5,420
Utilities	\$6,000	\$6,180	\$6,365	\$6,556	\$6,753	\$6,956	\$7,164	\$7,379	\$7,601	\$7,829
Repairs & Maint.	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377	\$3,478	\$3,582	\$3,690	\$3,800	\$3,914
Management Fee	\$4,481	\$4,744	\$5,016	\$5,296	\$5,585	\$5,884	\$6,192	\$6,510	\$6,839	\$7,179
Contract Services	\$750	\$773	\$796	\$820	\$844	\$869	\$896	\$922	\$950	\$979
Turnover Costs	\$1,250	\$1,288	\$1,326	\$1,366	\$1,407	\$1,449	\$1,493	\$1,537	\$1,583	\$1,631
Total Expenses	\$33,454	\$34,449	\$35,471	\$36,521	\$37,600	\$38,710	\$39,850	\$41,022	\$42,228	\$43,468
Net Operating Income	\$56,158	\$60,438	\$64,852	\$69,406	\$74,109	\$78,968	\$83,990	\$89,184	\$94,557	\$100,119

Income & Expense Notes

Pro forma rents represent all units at adjusted market rents. Market rents are underwritten using comparable market rents and assume that the buyer will continue to upgrade the units to market levels, with similar features, upgrades, and amenities as surrounding area properties.

Pro forma vacancy loss is underwritten at 3%, which is common for an asset located in this area. Loss-to-lease is underwritten as market rents, less the properties current rent roll.

Real estate taxes are calculated on proposed pricing at an ad valorem rate of 1.175148% on the full value of the land and improvements and \$2091.10 for special assessments which was obtained from the LA County Tax Assessor's Office.

Pro forma insurance is underwritten as provided from historical operations.

Pro forma utilities is estimated at industry standards at \$1200 per unit.

Pro forma repairs and maintenance expense is estimated at \$600 per unit. A standard amount for a building of this size, age, and condition.

Pro forma general and administrative expense is underwritten at \$100 per unit.

Pro forma management fee expense is underwritten at 5% of gross operating income.

Pro forma pest control expense is underwritten at \$0 per unit, pro forma landscaping expense is underwritten at \$150 per unit, and both are rolled into contract services.

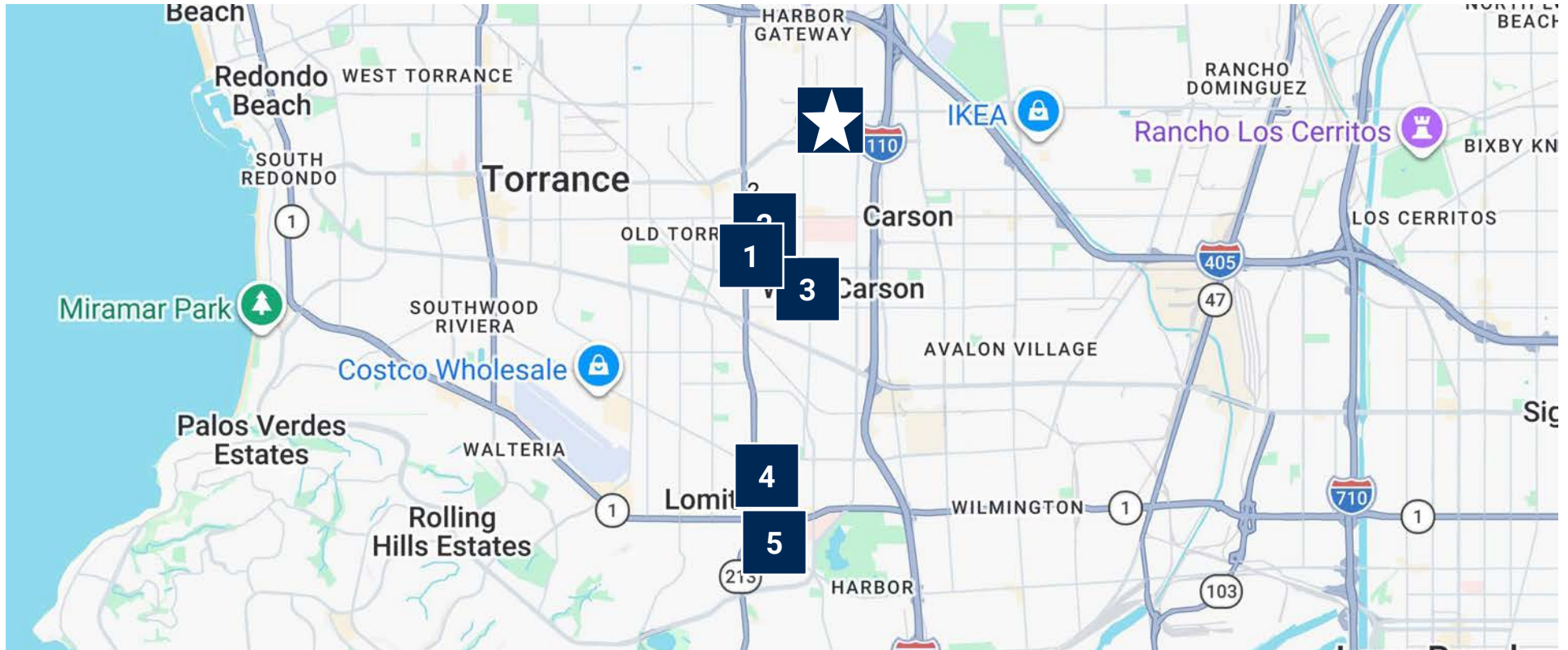
Pro forma turnover cost is underwritten at \$250 per unit.



**SALES
COMPARABLES**

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Sales Comparables



NO.	ADDRESS	PRICE	UNITS	PRICE/UNIT	PRICE/SF	CAP RATE	GRM	SALE DATE
1	1636 W 219th St	\$1,600,000	7	\$228,571	\$319	3.77%	16.46	12/15/2025
2	1633 W 218th St	\$1,093,000	5	\$218,600	\$228	4.26%	14.55	11/4/2025
3	1312 W 225th St	\$3,000,000	14	\$214,286	\$303	5.46%	10.44	5/30/2025
4	1666 Lomita Blvd	\$2,650,000	14	\$189,286	\$342	4.98%	12.48	2/24/2026
5	1642 259th Pl	\$1,150,000	5	\$230,000	\$300	-	-	10/8/2025
Comparables Average				\$216,149	\$298	4.62%	13.48	
Subject	20414 Kenwood Avenue	\$975,000	5	\$195,000	\$516	5.29%	11.23	

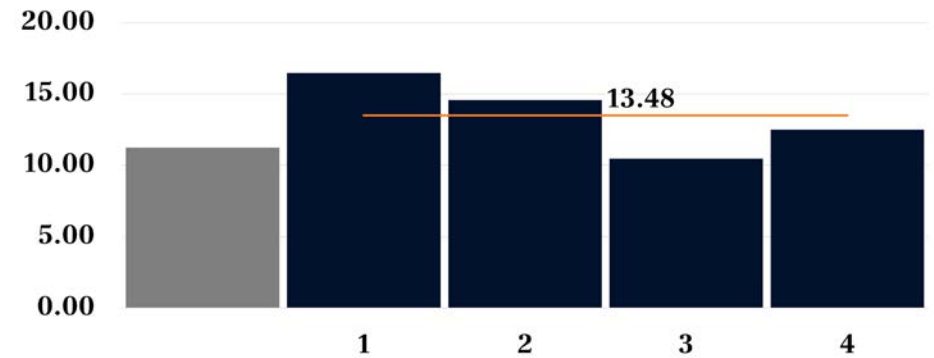
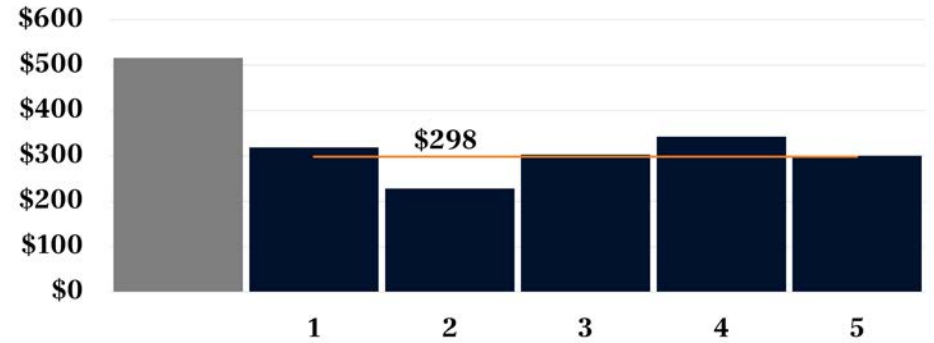
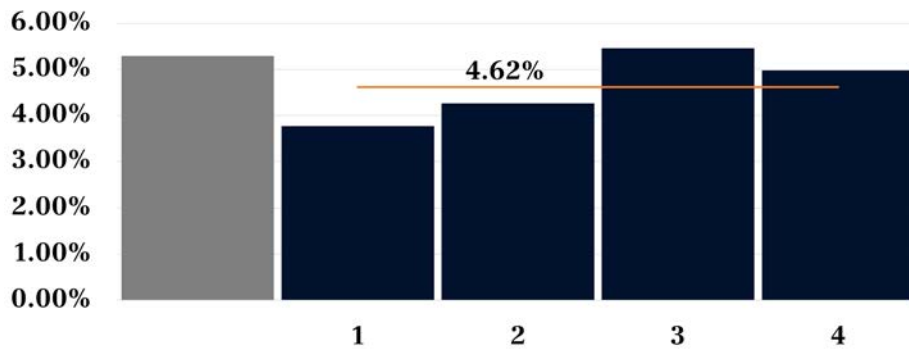
Sales Comparables

Price Per Unit

Price Per SF

Cap Rate

GRM



Sales Comparables



1636 W 219th St
Torrance, CA 90501-3814

Sale Date	12/15/2025
Price	\$1,600,000
Units	7
Price/Unit	\$228,571
Price/SF	\$318.79
Estimated Cap Rate	3.77%
GRM	16.46
Year Built	1962
Original List Price	-
Days on Market	-
Unit Mix	
1	One-Bedroom
4	Two-Bedroom
2	Three-Bedroom



1633 W 218th St
Torrance, CA 90501-3804

Sale Date	11/4/2025
Price	\$1,093,000
Units	5
Price/Unit	\$218,600
Price/SF	\$227.76
Cap Rate	4.26%
Estimated GRM	14.55
Year Built	1962
Original List Price	\$1,200,000
Days on Market	63
Unit Mix	
4	Two-Bedroom
1	Three-Bedroom



1312 W 225th St
Torrance, CA 90501-4807

Sale Date	5/30/2025
Price	\$3,000,000
Units	14
Price/Unit	\$214,286
Price/SF	\$302.85
Cap Rate	5.46%
GRM	10.44
Year Built	1962
Original List Price	\$3,499,000
Days on Market	80
Unit Mix	
14	Two-Bedroom

Sales Comparables



1666 Lomita Blvd
Harbor City, CA 90710

Sale Date	2/24/2026
Price	\$2,650,000
Units	14
Price/Unit	\$189,286
Price/SF	\$342.29
Cap Rate	4.98%
GRM	12.48
Year Built	1962
Original List Price	-
Days on Market	-
Unit Mix	
14	One-Bedroom



1642 259th Pl
Harbor City, CA 90710

Sale Date	10/8/2025
Price	\$1,150,000
Units	5
Price/Unit	\$230,000
Price/SF	\$300.10
Cap Rate	-
GRM	-
Year Built	1961
Original List Price	\$1,200,000
Days on Market	104
Unit Mix	
5	Two-Bedroom

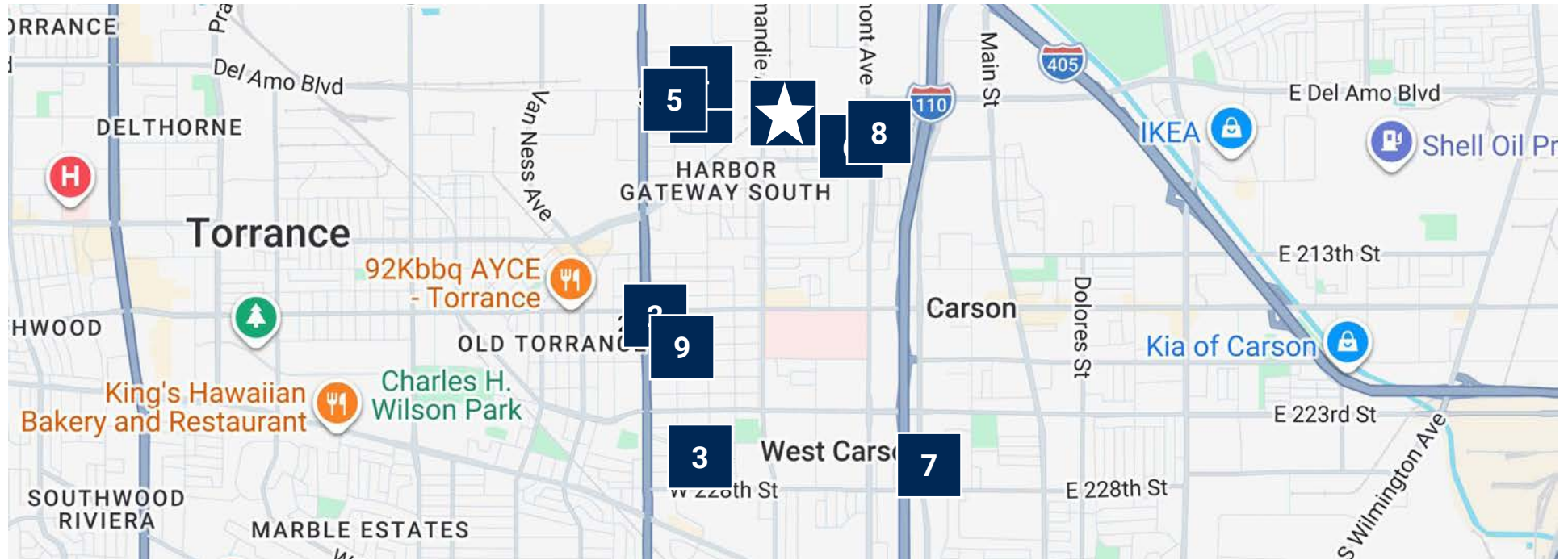




RENT
COMPARABLES

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Rent Comparables



NO.	ADDRESS	UNIT TYPE	UNIT SQFT	MONTHLY RENT	RENT PER SF
1	20335 Denker Ave	Studio	350	\$1,450	\$4.14
2	21724 S Western Ave	Studio	450	\$1,645	\$3.66
3	1544 W 226th St	Studio	650	\$1,499	\$2.31
4	1510 Del Amo Blvd	1 BR / 1 BA	-	\$2,200	-
5	20341 Harvard Blvd	1 BR / 1 BA	600	\$2,095	\$3.49
6	20543 S Vermont Ave	1 BR / 1 BA	740	\$2,400	\$3.24
7	22633 Figueroa St	2 BR / 1 BA	816	\$3,000	\$3.68
8	20541 S Vermont Ave	2 BR / 2 BA	968	\$3,300	\$3.41
9	1606 W 219th St	2 BR / 2 BA	1,012	\$3,100	\$3.06

Rent Comparables



20335 Denker Ave

Studio \$1,450



21724 S Western Ave

Studio \$1,645



1544 W 226th St

Studio \$1,499



1510 Del Amo Blvd

1 BR / 1 BA \$2,200



20341 Harvard Blvd

1 BR / 1 BA \$2,095



20543 S Vermont Ave

1 BR / 1 BA \$2,400

Rent Comparables

7



22633 Figueroa St

2 BR / 1 BA

\$3,000

8



20541 S Vermont Ave

2 BR / 2 BA

\$3,300

9



1606 W 219th St

2 BR / 2 BA

\$3,100



MARKET OVERVIEW

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Market Overview

South Bay - Long Beach

The South Bay-Long Beach area of southwestern Los Angeles County contains 21 miles of coastline between Long Beach and El Segundo, and includes Los Angeles International Airport, the Port of Los Angeles and the Port of Long Beach. The region boasts a population of more than 1.3 million and is projected to add roughly 20,000 residents over the next five years. Less than half of the area's households own their home, generating a large rental market. Entering 2024, local apartment vacancy was 5.0 percent.



Population
1.3M

Growth 2023-2028*
1.8%



Households
489K

Growth 2023-2028*
2.1%



Median Age
39.5

U.S. Median
38.7



Median HH Income
\$87,900

U.S. Median
\$68,500

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

Metro Highlights

- **Port Activity:** The Port of Los Angeles in San Pedro and the adjacent Port of Long Beach are the nation's busiest ports, underpinning employment in the transportation and warehousing sector.
- **Educated Labor Pool:** Educational attainment supports business services and health care-related hiring. The number of residents ages 25 and older with a bachelor's degree exceeds the U.S. mean.
- **Los Angeles International Airport:** The Inglewood-adjacent LAX Airport is undergoing a \$15 billion modernization program to improve operations and capacity. While some upgrades are already complete, the full project is expected to extend to 2030.

Economy Highlights

- Torrance and Hawthorne in the South Bay are hubs for the aerospace and defense technology industries, highlighted by the presence of Boeing, SpaceX, Honeywell Aerospace and Raytheon.
- A number of corporate headquarters are located in the area. Significant operations are held by American Honda Motor Co. in Torrance and Mattel in El Segundo, while auto parts manufacturer United Pacific and Molina Healthcare call Long Beach home. Several other Fortune 500 firms are based in the area — A-Mark Precious Metals in El Segundo and Skechers USA in Manhattan Beach.
- Major universities in the area include Long Beach State University and California State University, Dominguez Hills in Carson, which have a combined enrollment of more than 50,000 students.

Local Demographics

POPULATION	1 Mile	3 Miles	5 Miles
2030 Projection			
Total Population	16,652	203,052	594,089
2025 Estimate			
Total Population	16,594	201,116	588,603
2020 Census			
Total Population	17,277	207,175	606,329
2010 Census			
Total Population	17,374	199,255	588,889
Daytime Population			
2025 Estimate	34,013	248,263	615,721
HOUSEHOLDS			
2030 Projection			
Total Households	5,540	71,894	210,144
2025 Estimate			
Total Households	5,494	70,917	207,500
Average (Mean) Household Size	3.0	2.9	2.9
2020 Census			
Total Households	5,411	69,127	202,648
2010 Census			
Total Households	5,157	65,302	194,060
Growth 2025-2030	0.8%	1.4%	1.3%
HOUSING UNITS			
Occupied Units			
2030 Projection	5,739	74,243	217,212
2025 Estimate	5,692	73,230	214,469
Owner Occupied	2,585	41,117	108,953
Renter Occupied	2,934	29,845	98,645
Vacant	198	2,313	6,969
Persons in Units			
2025 Estimate Total Occupied Units	5,494	70,917	207,500
1 Person Units	21.7%	23.6%	24.0%
2 Person Units	26.8%	29.7%	28.5%
3 Person Units	18.2%	17.5%	17.6%
4 Person Units	16.6%	15.4%	15.3%
5 Person Units	8.5%	7.7%	8.0%
6+ Person Units	8.2%	6.2%	6.5%

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2025 Estimate			
\$200,000 or More	9.9%	14.9%	15.2%
\$150,000-\$199,999	14.1%	13.1%	11.6%
\$100,000-\$149,999	20.8%	21.7%	20.1%
\$75,000-\$99,999	10.4%	12.2%	12.8%
\$50,000-\$74,999	13.5%	13.5%	14.0%
\$35,000-\$49,999	10.0%	8.1%	8.9%
\$25,000-\$34,999	8.5%	5.0%	5.7%
\$15,000-\$24,999	5.9%	4.6%	5.1%
Under \$15,000	7.1%	6.9%	6.8%
Average Household Income	\$107,226	\$124,330	\$120,172
Median Household Income	\$87,229	\$101,923	\$97,667
Per Capita Income	\$36,679	\$44,095	\$43,083
POPULATION PROFILE			
Population By Age			
2025 Estimate Total Population	16,594	201,116	588,603
Under 20	23.6%	20.6%	22.9%
20 to 34 Years	20.8%	18.8%	19.5%
35 to 39 Years	7.3%	6.5%	7.0%
40 to 49 Years	13.0%	12.9%	13.3%
50 to 64 Years	20.0%	21.3%	20.4%
Age 65+	15.3%	19.9%	17.0%
Median Age	39.0	42.0	40.0
Population 25+ by Education Level			
2025 Estimate Population Age 25+	11,684	148,441	420,186
Elementary (0-8)	11.7%	7.0%	9.1%
Some High School (9-11)	9.7%	6.3%	7.2%
High School Graduate (12)	24.4%	21.0%	21.1%
Some College (13-15)	19.3%	20.2%	19.5%
Associate Degree Only	5.5%	8.2%	8.2%
Bachelor's Degree Only	23.2%	26.5%	23.8%
Graduate Degree	6.3%	10.7%	11.1%
Population by Gender			
2025 Estimate Total Population	16,594	201,116	588,603
Male Population	50.0%	48.9%	49.1%
Female Population	50.0%	51.1%	50.9%

Investment Forecast

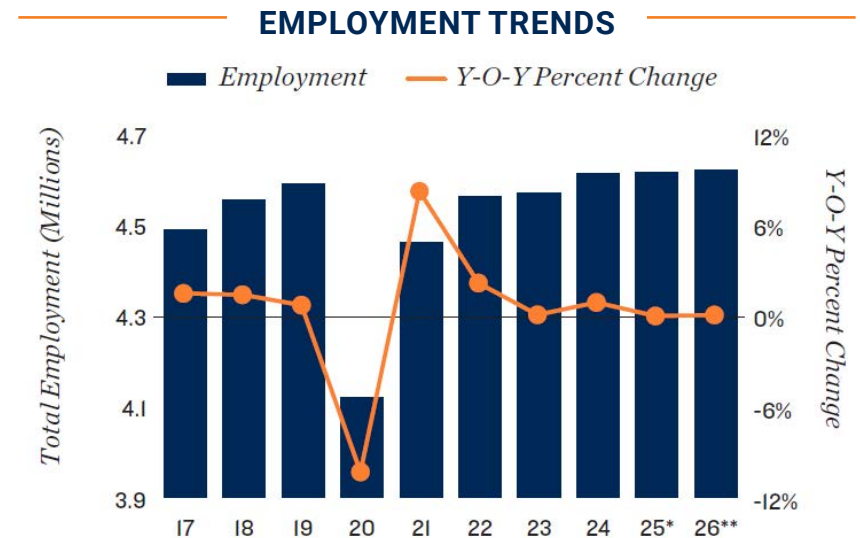
Los Angeles Metro 2026

Rental Demand Proves Steadfast, but Metro Faces Heightened Exposure to Broader Headwinds

Emerging and longstanding tailwinds limit the impact of near-term hurdles. After two years of moderate vacancy compression, Los Angeles' rental market will face several challenges in 2026 that could alter the trajectory of local demand. Home to the nation's fourth-largest immigrant population — more than 4 million people as of 2023 — the market will continue to be acutely affected by stricter immigration policies, which reduced the number of individuals arriving to the U.S. legally last year. The ongoing decline in local film- and entertainment-related jobs may also affect the metro's renter pool. Over the past three years, the number of Los Angelenos employed in the motion picture industry has declined by at least 40,000. Fortunately, the market will face limited supply pressure in 2026, as approximately 6,200 units are slated for delivery — the lowest total since 2015. This, along with the metro's longstanding barriers to homeownership, will counter the headwinds affecting the renter pool, keeping the metro in a low-vacancy state over the near term.

Private investor interest apparent. Los Angeles tallied the most transactions among major markets last year, with sub-\$5 million sales accounting for nearly 90 percent of deal flow. Home to below-average rent and Class C vacancy in the 3 percent to 4 percent range, Greater Inglewood, Long Beach, and other parts of South Bay should continue to attract upside-seeking buyers targeting assets that command similar capital infusions. Exhibiting comparable fundamentals, the San Gabriel and San Fernando valleys will represent additional centers of Class C trading in 2026, with investors often acquiring assets via 1031

exchange. In Los Angeles proper, investor demand for these assets will be impacted by recent changes to the city's rent stabilization ordinance, which now caps rent increases for apartments built before 1978 at 4 percent or 90 percent of CPI.



* Estimate; ** Forecast

Sources: CoStar Group, Inc.; Real Capital Analytics; RealPage, Inc.

2026 Market Forecast



+0.1%
employment
increase

EMPLOYMENT

Aided by healthcare hiring, Los Angeles registers a second straight year of modest job creation that translates to the addition of 6,000 positions.



6,200
units
will be completed

CONSTRUCTION

For the fifth consecutive year, local apartment inventory expands by less than 1 percent. Deliveries in Los Angeles proper account for nearly half the units added metrowide.



10
basis point
increase in vacancy

VACANCY

Supply and demand remain aligned despite the metro's exposure to several significant headwinds. As such, vacancy dips slightly to 4.3 percent — on par with the market's long-term average.

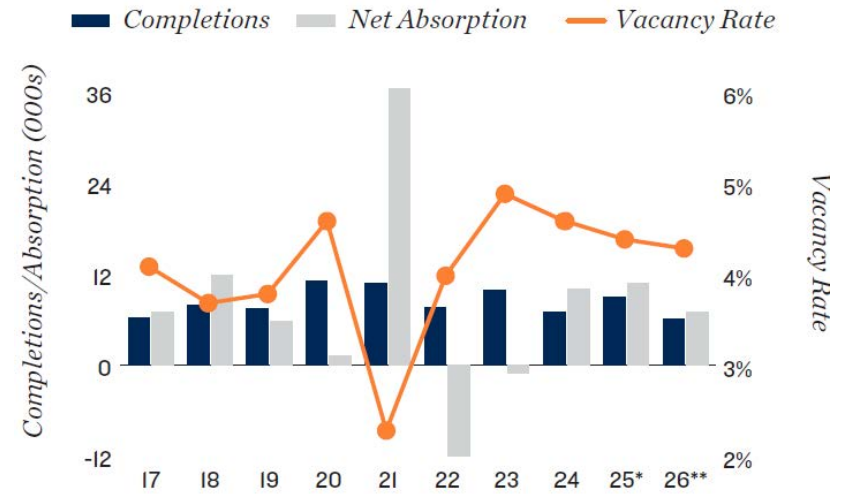


1.7%
increase in
effective rent

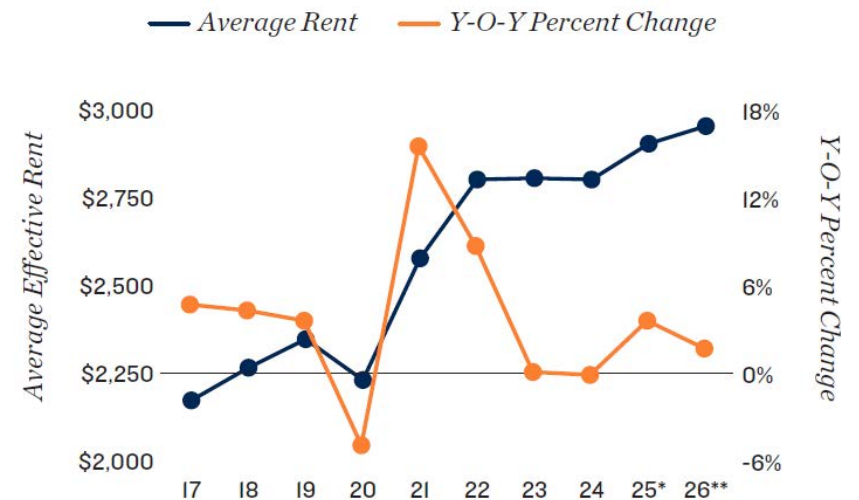
RENT

Four-year-low vacancy, fueled partially by encouraging renewal activity, supports moderate rent growth in 2026. The metro's average effective rate ends this year at \$2,950 per month.

SUPPLY & DEMAND



RENT TRENDS



* Estimate; ** Forecast

Sources: CoStar Group, Inc.; Real Capital Analytics; RealPage, Inc.

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