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Market Deep Dive:
Los Angeles

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Key Takeaways

- In May 2024, LA's YoY rent growth (-4.1%) underperformed the U.S. (-2.7%).

- Markerr forecasts LA's 1-year rent growth to be +2.8%. The 5-year rent growth CAGR forecast is 2.5%, which ranks 55/100.

- Demand side indicators for LA like job growth outperformed the broader US, while population growth, and income growth underperformed the broader United States.

- LA's supply pipeline for next twelve months is ~30,000 units.

- Markerr's quantitative rent forecast model has identified the top ten zipcodes with the largest projected 5-year CAGR for rent growth on page 5.
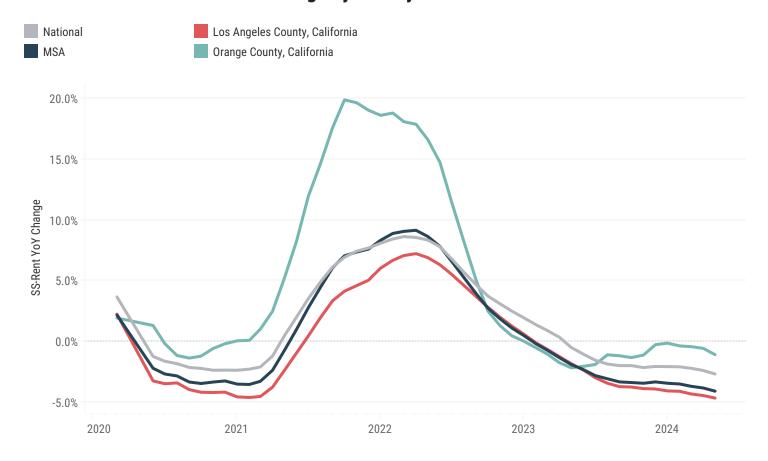
MSA Forecast *as of May 2024*

Year 1	Year 2	Year 3	Year 4	Year 5	5Y CAGR	MSA Rank
2.8%	4.0%	0.0%	0.7%	5.3%	2.5%	55

Key Metrics	MSA Nominal	MSA 1 Year % Growth	Total U.S. Nominal	Total U.S. 1 Year % Growth
Average MF Rent	$2,633	-4.1%	$1,996	-2.7%
Employees (Job Growth)	5,687,839	2.4%	132,357,269	1.9%
Population	12,707,013	-0.8%	336,550,000	0.5%
Median Household Income	$93,088	2.6%	$80,383	3.6%
Median Gross Income	$53,670	2.6%	$55,586	3.6%
Age 25-34 Year Olds	26.8%	-0.2%	24.8%	-0.1%
Six-Figure Earners	23.5%	0.8%	21.1%	1.0%
College Education	36.6%	0.0%	35.1%	0.0%

RENT TRENDS & RENT FORECAST
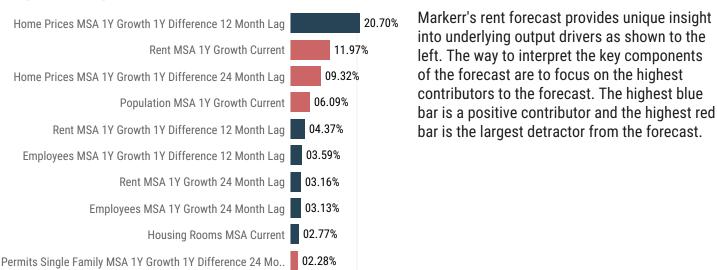
Same-Store Year-Over-Year Change by County

- National
- MSA
- Los Angeles County, California
- Orange County, California

MSA Forecast *as of May 2024*

Year 1	Year 2	Year 3	Year 4	Year 5	5Y CAGR	MSA Rank
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Top 10 Components as % of Year 1 Forecast

Component	Value
Home Prices MSA 1Y Growth 1Y Difference 12 Month Lag	20.70%
Rent MSA 1Y Growth Current	11.97%
Home Prices MSA 1Y Growth 1Y Difference 24 Month Lag	09.32%
Population MSA 1Y Growth Current	06.09%
Rent MSA 1Y Growth 1Y Difference 12 Month Lag	04.37%
Employees MSA 1Y Growth 1Y Difference 12 Month Lag	03.59%
Rent MSA 1Y Growth 24 Month Lag	03.16%
Employees MSA 1Y Growth 24 Month Lag	03.13%
Housing Rooms MSA Current	02.77%
Permits Single Family MSA 1Y Growth 1Y Difference 24 Mo..	02.28%

Markerr's rent forecast provides unique insight into underlying output drivers as shown to the left. The way to interpret the key components of the forecast are to focus on the highest contributors to the forecast. The highest blue bar is a positive contributor and the highest red bar is the largest detractor from the forecast.

ZIPCODE CURRENT RENT TRENDS

Zipcode 1Y Rent Growth

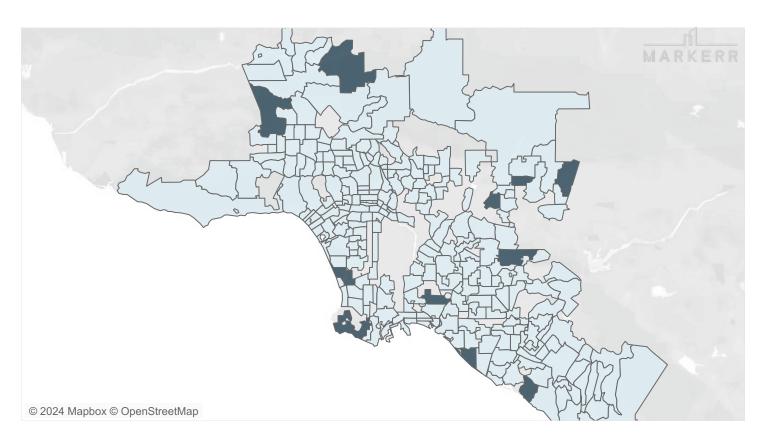© 2024 Mapbox © OpenStreetMap

-15.0%   15.0%

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Markerr's 5 Year Forecast for Zipcodes in Los Angeles MSA

Top 10 Zipcode Forecast *as of May 2024*
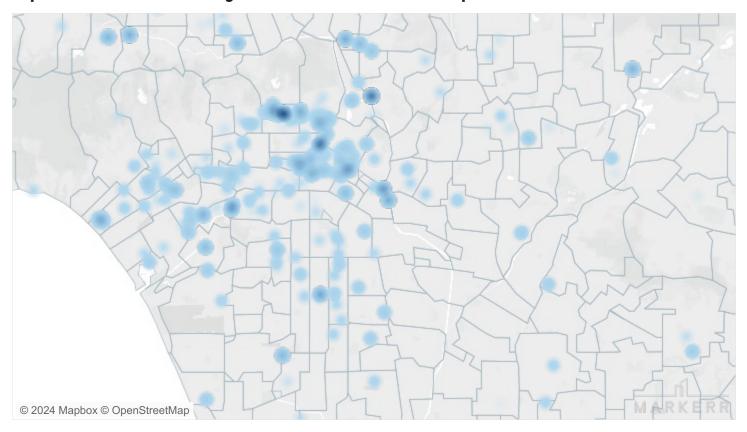
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	Year 1	Year 2	Year 3	Year 4	Year 5	5Y CAGR
90278	3.0%	4.0%	2.3%	4.0%	6.8%	4.0%
90275	3.3%	4.6%	2.0%	4.6%	5.4%	4.0%
90808	3.0%	4.9%	2.1%	4.7%	5.0%	4.0%
92821	3.5%	4.5%	2.3%	4.8%	4.7%	3.9%
92657	3.5%	4.7%	1.9%	4.2%	5.4%	3.9%
91790	3.0%	5.0%	1.4%	4.0%	6.3%	3.9%
91711	3.4%	4.8%	2.8%	3.6%	5.1%	3.9%
91387	3.6%	4.9%	2.4%	4.2%	4.5%	3.9%
92648	3.3%	4.5%	2.6%	3.8%	5.3%	3.9%
91740	3.5%	4.8%	2.9%	4.1%	4.2%	3.9%
91311	3.6%	4.1%	2.9%	3.7%	5.3%	3.9%
90266	3.2%	4.7%	2.7%	3.7%	5.2%	3.9%

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Source: Markerr's RealRent Multi-Family Forecast Dataset

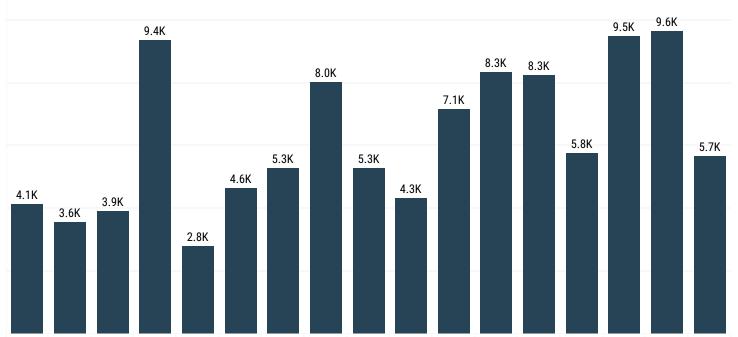**Supply Map of the Next 12 Months of Deliveries in Los Angeles. Larger and darker circles represents areas where a higher amount of MF units are expected to be delivered.**

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Previous & Expected MF Unit Deliveries by Quarter

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Quarter	Value
2021 Q1	4.1K
2021 Q2	3.6K
2021 Q3	3.9K
2021 Q4	9.4K
2022 Q1	2.8K
2022 Q2	4.6K
2022 Q3	5.3K
2022 Q4	8.0K
2023 Q1	5.3K
2023 Q2	4.3K
2023 Q3	7.1K
2023 Q4	8.3K
2024 Q1	8.3K
2024 Q2	5.8K
2024 Q3	9.5K
2024 Q4	9.6K
2025 Q1	5.7K
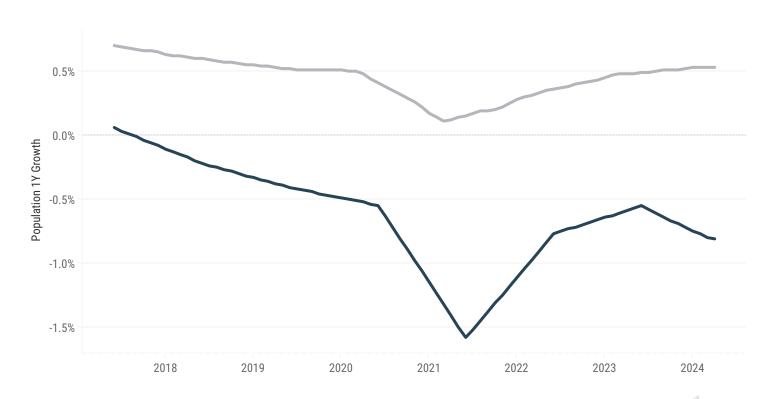
Source: Markerr's New Construction Dataset

POPULATION TRENDS

Population 1 Year Growth Comparsion

■ MSA
■ National

Population 1Y Growth

0.5%

0.0%

-0.5%

-1.0%

-1.5%

2018   2019   2020   2021   2022   2023   2024

Population Indexed to 2017

Population Indexed to 2017

102

100

98

96

2018   2019   2020   2021   2022   2023   2024
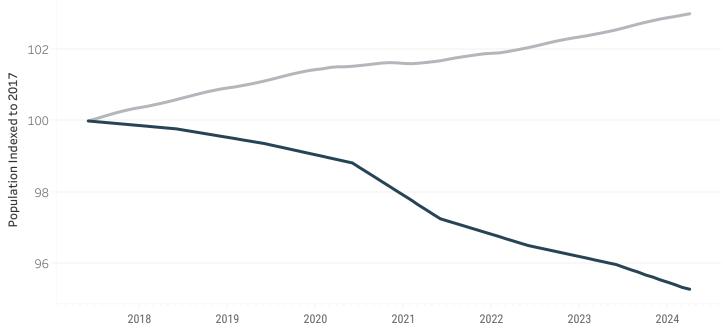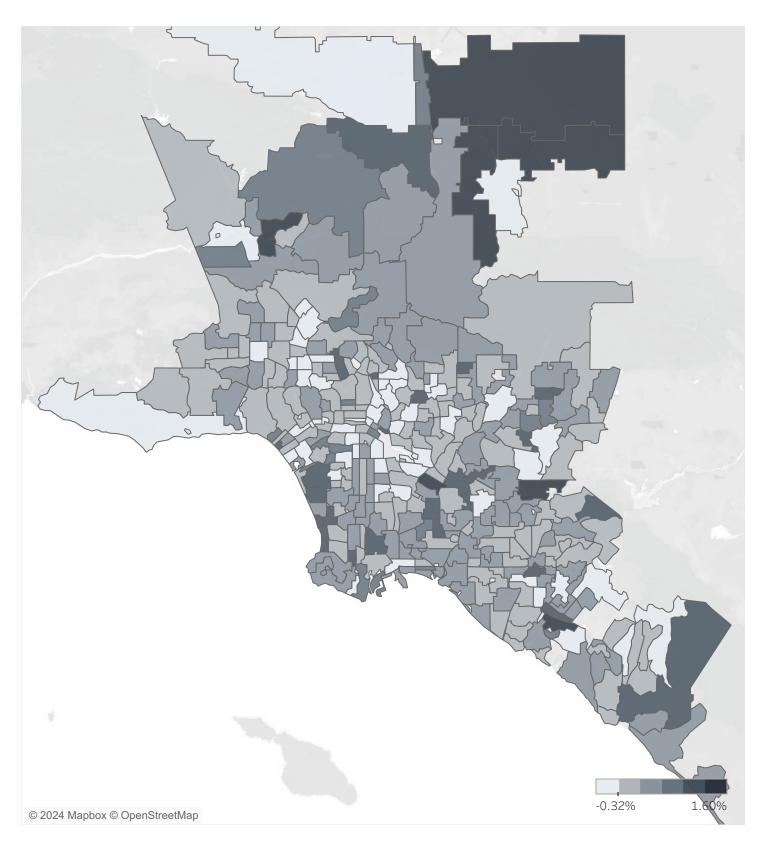
Source: Markerr's Population Dataset

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POPULATION TRENDS

Population 1 Year Growth Zipcode Map

-0.32%   1.60%

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EMPLOYMENT TRENDS
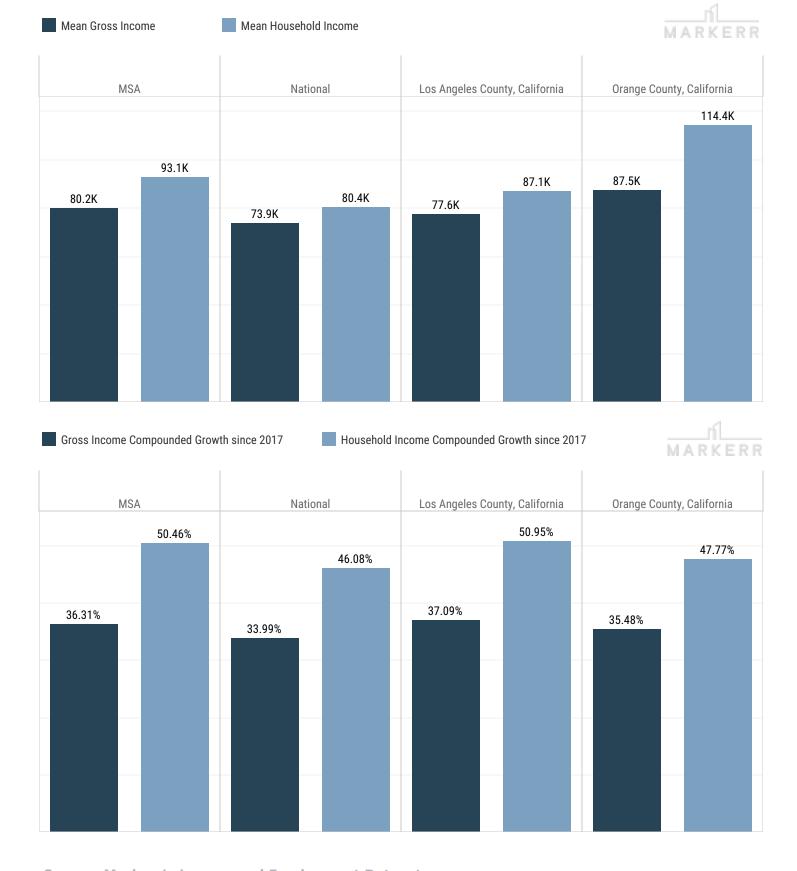
Comparsion of Counties, MSA and National's Employment Growth Indexed to 2017

- **MSA**
- **National**
- **Los Angeles County, California**
- **Orange County, California**

Employee Count Indexed to 2017

COVID-19 Pandemic

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INCOME TRENDS

Comparsion of Individual & Household Income across Counties, MSA, and National

■ Mean Gross Income   ■ Mean Household Income

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	MSA	National	Los Angeles County, California	Orange County, California
Mean Gross Income	80.2K	73.9K	77.6K	87.5K
Mean Household Income	93.1K	80.4K	87.1K	114.4K

■ Gross Income Compounded Growth since 2017   ■ Household Income Compounded Growth since 2017

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	MSA	National	Los Angeles County, California	Orange County, California
Gross Income Compounded Growth since 2017	36.31%	33.99%	37.09%	35.48%
Household Income Compounded Growth since 2017	50.46%	46.08%	50.95%	47.77%

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SOURCES:

Markerr Income & Employment (I&E) Dataset *[Data Through: March 2024]*
Payroll records for 8M workers and 80K employers in the U.S. gives insight into employment, income, and demographics trends from the MSA level to below the zip code level.

Markerr Population & Migration Dataset *[Data Through: April 2024]*
Nowcasted U.S. population data from the Census to present day based on transformed USPS data.

Markerr RealRent Forecast *[Data Through: May 2029]*
A machine learning based prediction model that predicts rent price growth (as a YoY %) one year into the future at the MSA and zip code level. The forecast uses a variety of supply and demand metrics from the last ten years as predictors for the model.

Markerr RealRent Monthly MFR Index Dataset *[Data Through: May 2024]*
Historical market and effective rents from listings, surveys and sale transactions across 300+ MSAs

Markerr New Construction Dataset *[Data Through: June 2025]*
New Construction data sourced from both publicly available data and data from a leading human-verified construction intelligence platform.

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