

Robust construction deliveries drive vacancy up in the Inland Empire Multifamily Market

▼ 95.4% Occupancy Rate ▲ 132 Net Absorption (Units) ▲ 260 Completed Units ▲ \$2,320 Avg. Rent Per Unit Per Month

Note: Arrows indicate change from previous quarter.
Source: CBRE Econometric Advisors, Q1 2026.

MARKET HIGHLIGHTS

-The Inland Empire multifamily market recorded its third consecutive quarterly decline in occupancy, closing Q1 2026 at 95.4%, down 10 basis points from the prior quarter and 50 basis points from Q2 2025, driven by elevated supply following the delivery of more than 3,700 units over the past year.

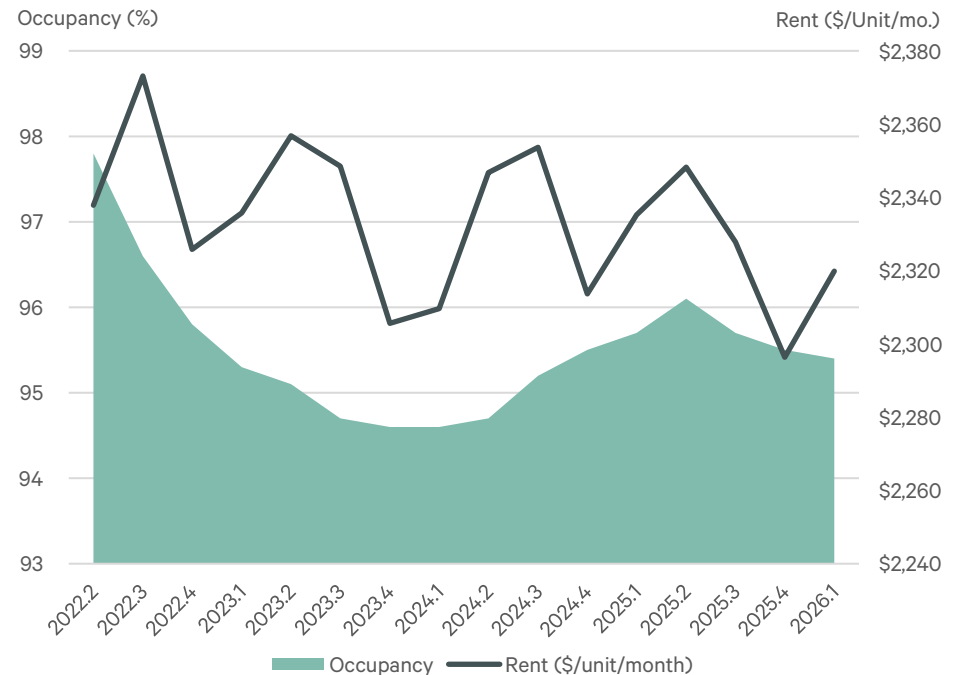
-Net absorption totaled positive 132 units in Q1 2026, reversing the negative 202 units recorded in Q4 2025. The improvement reflected resilient underlying demand, supported by continued population growth and in migration from neighboring coastal markets, even as elevated supply persisted.

-A total of 260 units delivered in Q1 2026, modestly above the 235 units completed last quarter, with development deliveries largely concentrated in the Ontario/Chino submarket, which accounted for 210 units this quarter.

-The overall average rent per unit increased 1.0% quarter-over-quarter to \$2,320 in Q1 2026. Rent growth was concentrated in older assets, where demand remained focused on affordability and less exposed to competition from newly delivered, high-end communities.

-Multifamily investment sales totaled \$108.7 million in Q1 2026, down from \$127.2 million in Q4 2025. Despite lower transaction volume, pricing per unit increased to \$262,000, largely supported by the sale of The Hawthorne, a newly built 178 unit community in Riverside acquired by an institutional investor.

FIGURE 1: Occupancy and Average Rent Per Unit Per Month



Source: CBRE Econometric Advisors, Q1 2026.

Market Overview

FIGURE 2: Market Statistics by Submarket

Market	Inventory (Units)	Rent Per Unit Per Month	Completions (Units)	Completions Last 12 mos	Net Absorption (Units)	Net Absorption Last 12 mos	Vacancy Rate (%)
Total Market	190,188	\$2,320	260	3,706	132	3,039	4.6
Coachella Valley	28,131	\$2,056	0	403	(67)	6	6.6
Corona	9,272	\$2,400	50	50	55	(12)	3.9
Fontana/Rialto/Colton	16,849	\$2,037	0	810	61	678	4.2
Hemet/Perris/Lake Elsinore	11,032	\$2,165	0	288	(27)	124	5.2
Ontario/Chino	21,279	\$2,619	210	382	157	224	4.3
Rancho Cucamonga/Upland	18,419	\$2,544	0	291	(6)	429	3.7
Redlands	12,280	\$2,277	0	330	(4)	158	4.5
Riverside	18,435	\$2,348	0	644	(118)	432	5.5
San Bernardino	16,516	\$1,961	0	0	103	88	4.3
Temecula/Murrieta	10,385	\$2,299	0	324	20	267	5.5
University City/Moreno Valley	15,464	\$2,190	0	184	(3)	338	4.2
Victorville/Outer San Bernardino	12,126	\$1,809	0	0	(8)	60	4.3

FIGURE 3: Market Statistics by Building Vintage

Year Built	Avg Rent	% Rent Growth (Y-o-Y)	Occupancy Rate (%)	Occupancy Change (Y-o-Y)
Built 1960s	\$1,958	11.9%	95.2	-1.3%
Built 1970s	\$2,058	4.8%	95.8	0.4%
Built 1980s	\$2,135	1.8%	96	0.2%
Built 1990s	\$2,266	-0.6%	96.1	-0.2%
Built 2000s	\$2,499	1.6%	95.9	-0.3%
Built 2010s	\$2,634	0.7%	95.9	0.7%

Source: CBRE Econometric Advisors, Q1 2026.

FIGURE 4: Market Statistics by Unit Type

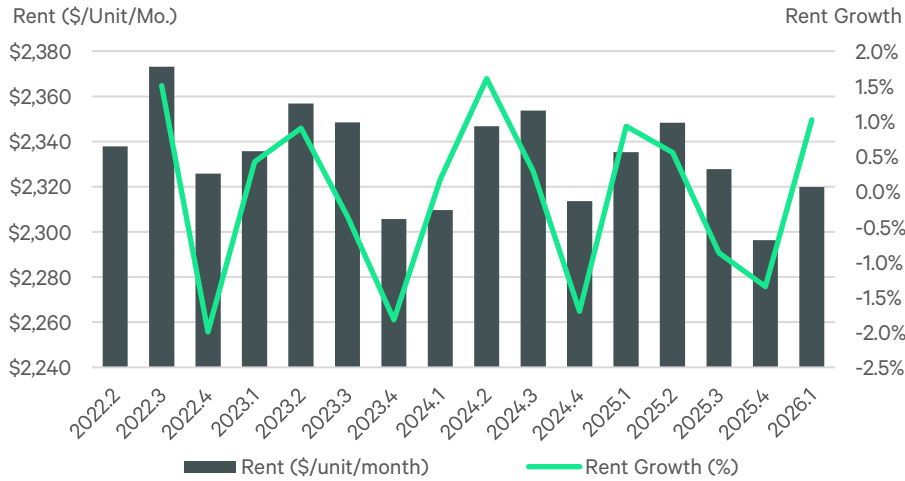
Unit Type	Avg. Rent	% Rent Growth (Y-o-Y)
Studio	\$1,788	7.2%
1 Bedroom	\$2,037	3.6%
2 Bedroom	\$2,413	3.0%
3 Bedroom	\$3,075	4.9%

Source: CBRE Econometric Advisors, Q1 2026.

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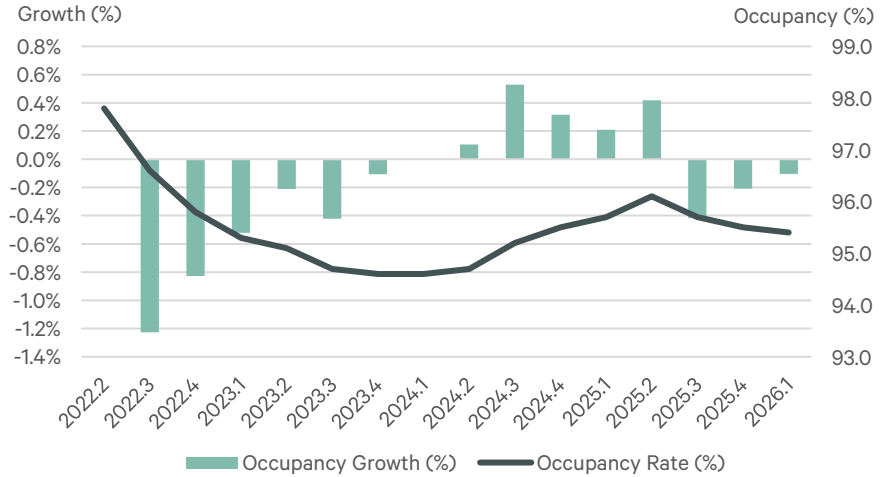
Average Rents and Occupancy

FIGURE 5: Rent Change Q-o-Q and Average Rent Trend



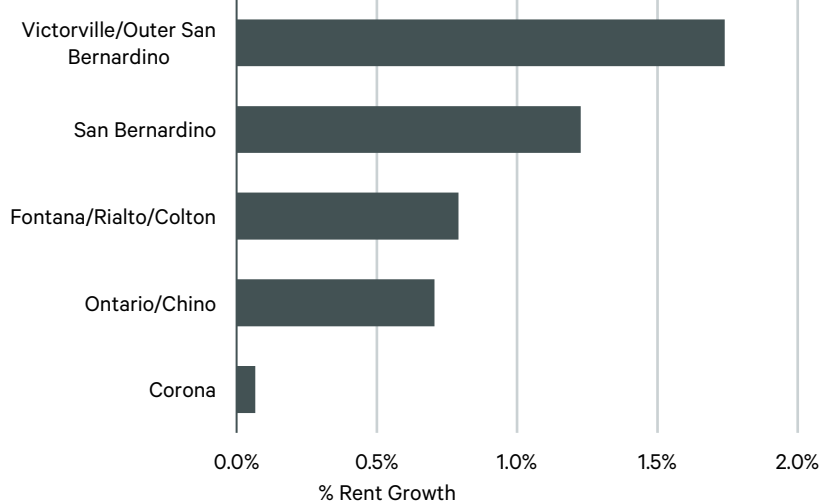
Source: CBRE Econometric Advisors, Q1 2026.

FIGURE 6: Occupancy Change Q-o-Q and Occupancy Rate Trend



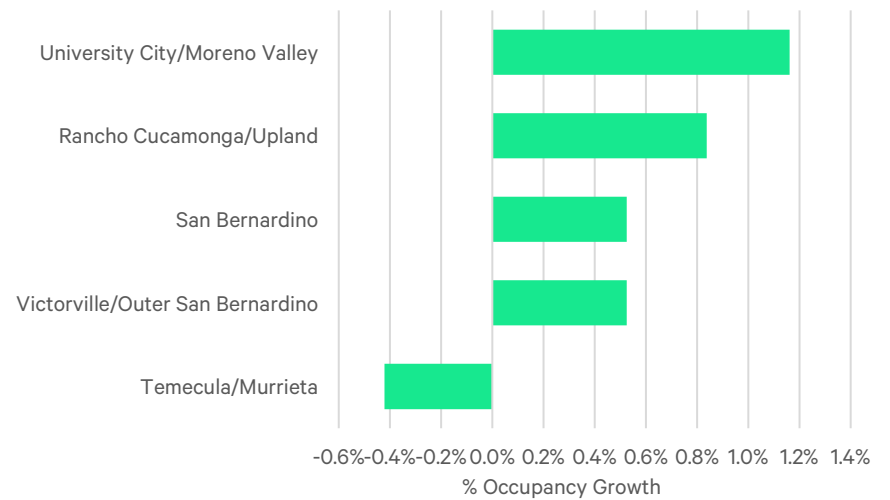
Source: CBRE Econometric Advisors, Q1 2026.

FIGURE 7: Top Submarkets by Rent Growth Y-o-Y



Source: CBRE Econometric Advisors, Q1 2026.

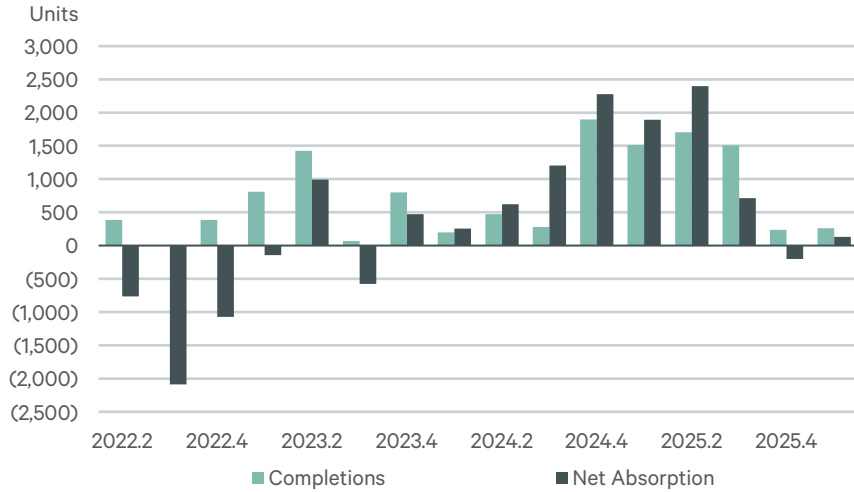
FIGURE 8: Top Submarkets by Occupancy Growth Y-o-Y



Source: CBRE Econometric Advisors, Q1 2026.

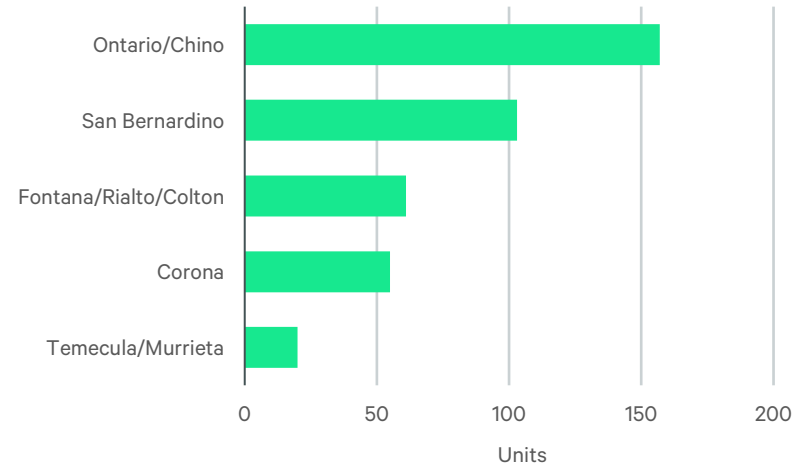
Construction, Net Absorption, and Detail by Inventory Type

FIGURE 9: Completions and Net Absorption



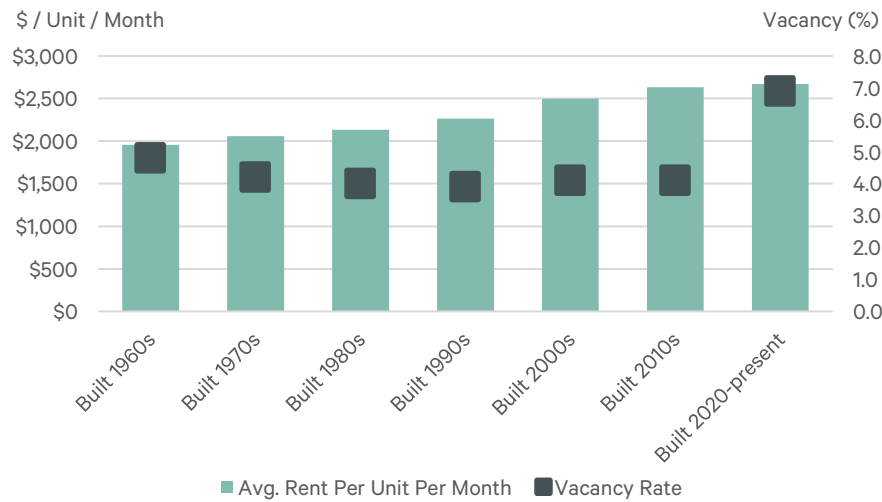
Source: CBRE Econometric Advisors, Q1 2026.

FIGURE 10: Top Submarkets by Net Absorption



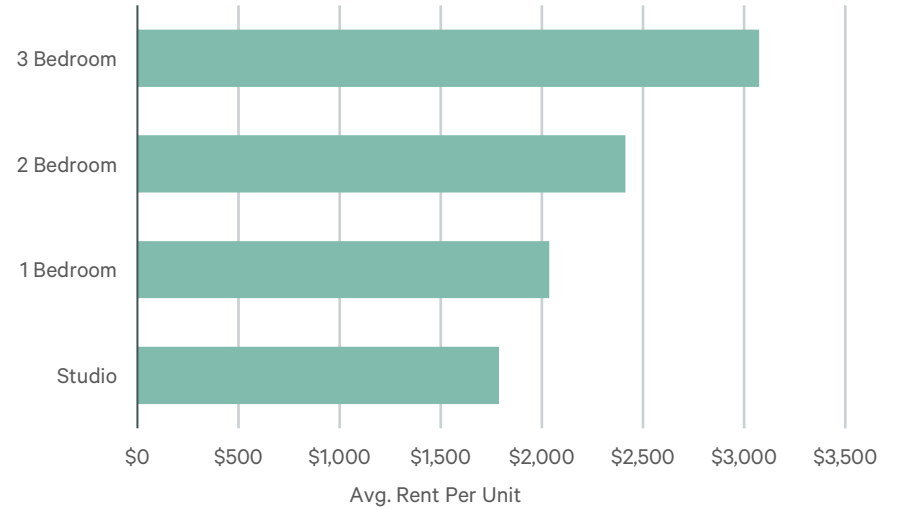
Source: CBRE Econometric Advisors, Q1 2026.

FIGURE 11: Rent and Vacancy by Property Vintage



Source: CBRE Econometric Advisors, Q1 2026.

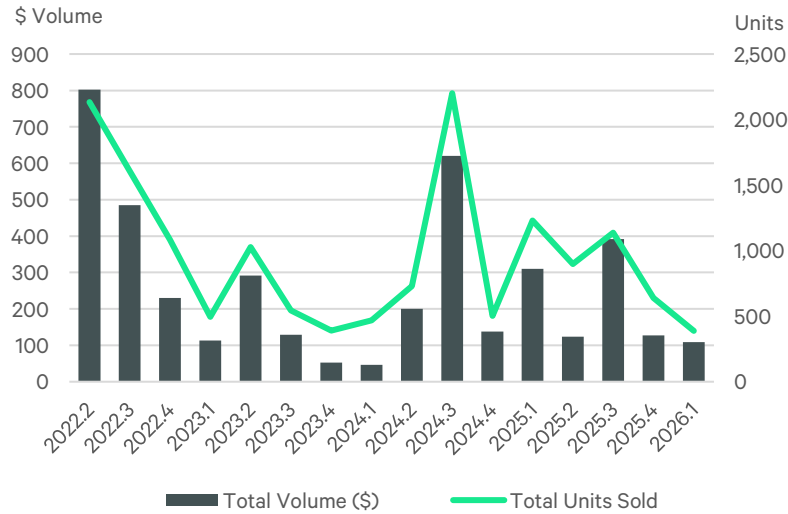
FIGURE 12: Average Rent By Unit Size



Source: CBRE Econometric Advisors, Q1 2026.

Investment Sales

FIGURE 13: Multifamily Investment Sale Volume



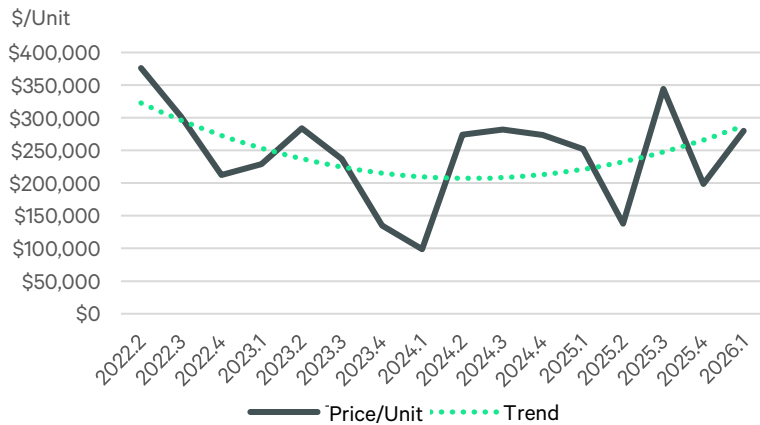
Source: MSCI Real Capital Analytics, Q1 2026.

FIGURE 14: Q1 2026 Largest Sale Transactions by # of Units

Buyer	Property Name	City	Units	Sale Price	Price / Unit
PCCP (Pacific Coast)	The Hawthorne	Riverside	178	\$65,250,000	\$366,573
Torben Welch	Golden Sands	Victorville	120	\$21,000,000	\$175,000
Hawaiian Apartments LLC	Burton Place Apartments	Ontario	36	\$10,800,000	\$300,000
Golden Summit Properties	Golden Date	San Bernardino	30	\$6,000,000	\$200,000
Douglas Nilsen	Palm Vista	Riverside	24	\$5,645,000	\$235,208

Source: MSCI Real Capital Analytics, Q1 2026.

FIGURE 15: Multifamily Investment Sale Price Per Unit



Source: MSCI Real Capital Analytics, Q1 2026.

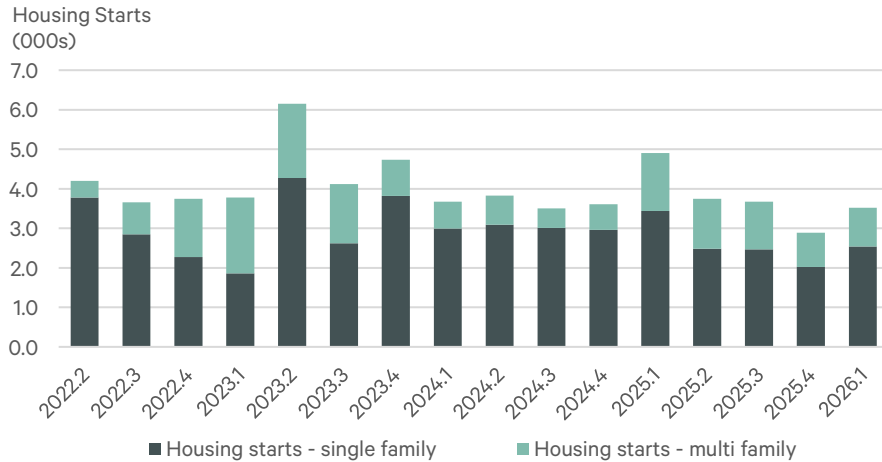
FIGURE 16: Q1 2026 Multifamily Investment Sales by Building Vintage

Year Built	Volume (\$)	Property Count	Total Units	Avg. PPU
Pre-1960	\$0	0	0	\$0
1960s	\$11,645,000	2	54	\$215,648
1970s	\$0	0	0	\$0
1980s	\$31,800,000	2	156	\$203,846
1990s	\$0	0	0	\$0
2000s	\$0	0	0	\$0
2010 - present	\$65,250,000	1	178	\$366,573
Grand Total	\$108,695,000	5	388	\$262,022

Source: MSCI Real Capital Analytics, Q1 2026.

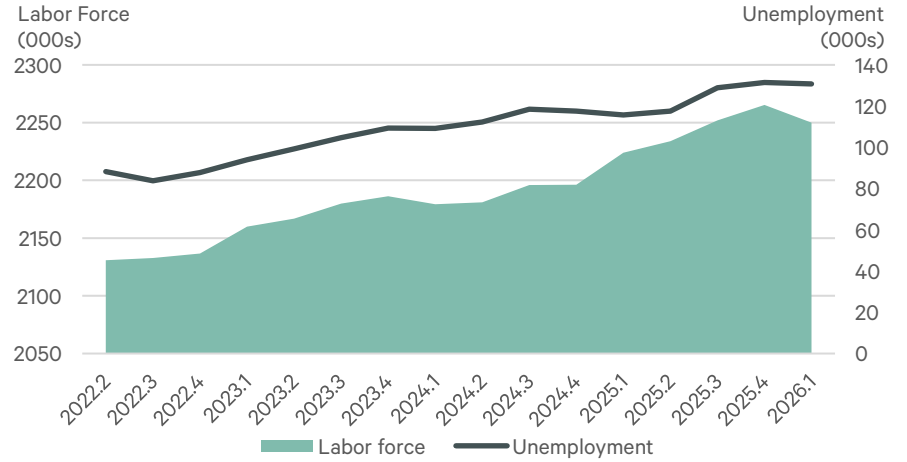
Economic Overview

FIGURE 17: Housing Starts



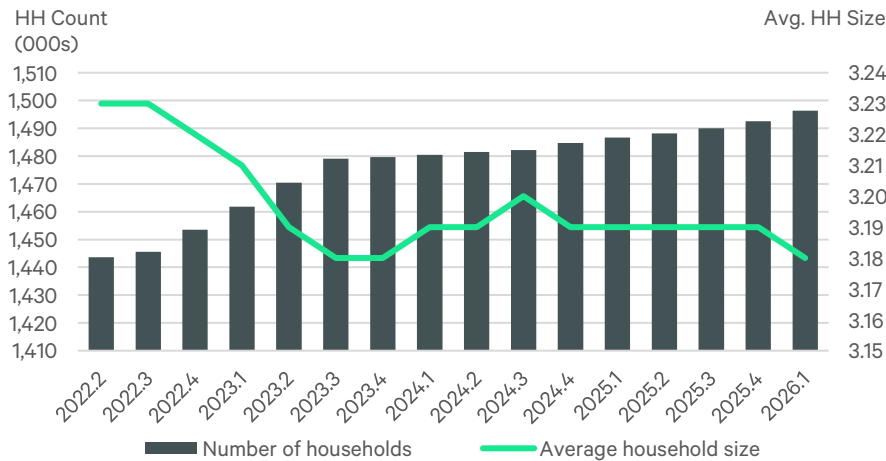
Source: Oxford Economics, Q1 2026.

FIGURE 18: Unemployment



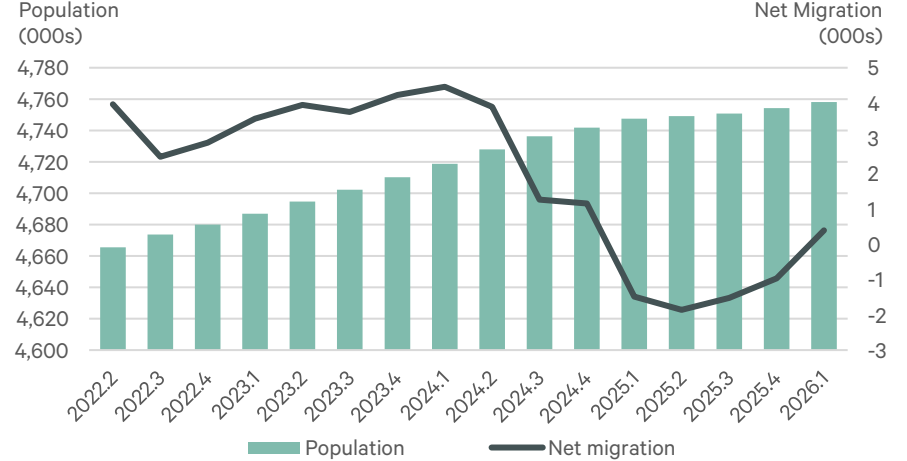
Source: Oxford Economics, Q1 2026.

FIGURE 19: Household Count & Average Size



Source: Oxford Economics, Q1 2026.

FIGURE 20: Total Population & Net Migration



Source: Oxford Economics, Q1 2026.

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Multifamily Definitions

- Stock units Total count of market-rate, multifamily units in structures containing five or more units. Does not include condos.
- Occupied Stock units Total count of occupied multifamily units.
- Rentable Completions units Change in rentable stock from one period to the next due to the construction of new multifamily units. Only includes market-rate units in structures containing five or more units. Does not include condos. A structure is considered complete when 60% or more of the building has been occupied.
- Net Absorption units Change in occupied stock from one period to the next.— Vacancy Rate % Unoccupied units expressed as a percent of rentable stock.
- Average Rent - Rent \$/unit/month, \$/SF/month Average price for multifamily space. Estimated from a sample of institutionally managed, market-rate properties with five or more units. Does not include condos. Properties must appear in current and previous quarterly sample ("same-store") to count toward this average. Rent levels represent effective rates that account for the impact of concessions offered in the form of free-rent periods or prorated discounts. Other leasing incentives such as reduced deposits, amenity upgrades and merchandise giveaways are not accounted for in the effective rent calculations.

Market Definition

The Inland Empire market consists of the submarket of Airport Area, Beaumont, Hemet, Chino, Chino Hills, Coachella Valley, Corona, Eastvale, Mojave River Valley, Moreno Valley, Perris, Redlands, Loma Linda, Riverside, San Bernardino, Twentynine, Palms, Upland, Montclair.

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