



MULTIFAMILY REPORT

Charlotte Turns The Corner

Spring 2021

Construction Spree Continues

Transaction Volumes Remain Unscathed

Unemployment Stays Below US Average



CHARLOTTE MULTIFAMILY



Queen City's Economy On the Mend

Following a short-term dip in the second quarter of 2020, Charlotte's economy is now on the right track to recovery due in part to its affordable lifestyle and attractiveness to companies fleeing high-density gateway cities. This trend has been supporting the multifamily market's fundamentals, with rents marking the third consecutive quarter of appreciation. Rates rose 0.3% on a trailing three-month basis through March, to \$1,251.

Known as a major banking hub, the Queen City continued to add jobs in the financial activities sector (2,100 positions) on a year-over-year basis, despite pandemic-induced turbulence. Moreover, mortgage lender InterContinental Capital intends to expand its presence in Charlotte and add 500 new employees, while California-based financial services firm Robinhood Markets is set to establish an office in Charlotte and create nearly 400 jobs.

Investors continued to chase yields, with secondary markets such as Charlotte remaining an attractive option. Multifamily transaction activity continued to improve, with sales totaling \$561 million in the first quarter, significantly above the \$336 million recorded during the first three months of 2020. This trend prompted listing platform CommercialSearch to name Charlotte one of the hottest multifamily real estate markets in the U.S. Yardi Matrix expects the average Charlotte rent to rise 3.3% in 2021.

Market Analysis | Spring 2021

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Recent Charlotte Transactions

Live at NoDa



City: Charlotte, N.C.
Buyer: Knightvest Capital
Purchase Price: \$65 MM
Price per Unit: \$248,084

Residences at West Mint



City: Charlotte, N.C.
Buyer: Harbor Group International
Purchase Price: \$60 MM
Price per Unit: \$147,610

Summerlin at Concord



City: Concord, N.C.
Buyer: Morgan Properties
Purchase Price: \$17 MM
Price per Unit: \$103,125

The Landings



City: Gastonia, N.C.
Buyer: Pedcor Cos.
Purchase Price: \$16 MM
Price per Unit: \$102,564