

Yardi® Matrix

# Charlotte's Strength

Multifamily Report Winter 2018

**Rent Growth Stays Steady**

**Investor Competition Heats Up**

**Multifamily Leads Real Estate Market**



# CHARLOTTE MULTIFAMILY

Yardi® Matrix

## Market Analysis

Winter 2018

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## Thriving Economy Fuels Dynamic Market

Charlotte's multifamily market continues to thrive. The city's robust growth is attributable to its thriving economy, low cost of living and high quality of life. The Southeast's booming financial, logistics and energy center is a prime destination for investors, developers and residents alike. Steady employment growth has made the city an attractive target for expanding businesses, ensuring long-term demand for new inventory. Job growth is accelerating faster than the national average and is expected to remain strong throughout 2018.

Employment growth in 2017 was led by professional and business services (9,400 new jobs), followed by government (4,500); trade, transportation and utilities (3,500 jobs); and manufacturing (2,600). Universities in the area feed the talent pool of young workers for growing tech and fintech firms, thus expanding the financial technology scene. In addition, the presence of the Federal Bureau of Investigation's Charlotte field office has had a positive impact on the continued increase in public sector jobs.

The top-performing real estate sector in Charlotte continued to be multifamily. Last year, about \$1.6 billion in assets traded, while 5,200 units came online. Another 12,000 units were under construction as of December. Reaching \$1,099, rents were up 2.4%, 10 basis points below the U.S. average. Expecting more apartment deliveries, Yardi Matrix forecasts 2.2% rent growth in 2018.

## Recent Charlotte Transactions

Wren Northlake



City: Charlotte  
Buyer: Cortland Partners  
Purchase Price: \$57 MM  
Price per Unit: \$184,677

Wesley Village



City: Charlotte  
Buyer: Bluerock Real Estate  
Purchase Price: \$57 MM  
Price per Unit: \$188,987

Rock Creek at Ballantyne Commons



City: Charlotte  
Buyer: Harlan Enterprises  
Purchase Price: \$55 MM  
Price per Unit: \$165,303

The Vinoy at Innovation Park



City: Charlotte  
Buyer: Eaton Vance Investment Managers  
Purchase Price: \$53 MM  
Price per Unit: \$148,174

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