



MULTIFAMILY REPORT

# The Triangle Builds

February 2024



**Deliveries on the Rise**

**Rent Growth Negative in 2023**

**Occupancy Trails National Average**

# RALEIGH MULTIFAMILY



## Rent Gains Negative, Construction Steady

Raleigh–Durham closed the year with rent movement in negative territory, while construction was still solid. Rents were down 0.7% on a T3 basis through December, to \$1,553. Growth also declined on a year-over-year basis, at -2.9%, while the U.S. average marked a 0.3% increase.

As of October, Raleigh–Cary had an unemployment rate of 3.0%, well below the national and state averages, according to Bureau of Labor Statistics data. The metro's workforce grew by 41,600 positions with the leisure and hospitality sector leading expansion, up 9.4% year-over-year. However, the education and health services sector had the largest increase in absolute numbers, adding 10,900 jobs. As part of an \$8.2 billion funding package for 10 major passenger rail projects nationwide, the North Carolina Department of Transportation secured \$1.1 billion in federal grants. This funding will facilitate construction on a project that will eventually connect Raleigh to Richmond, Va.

In December, the metro's new-development pipeline included 28,487 units under construction as well as 107,000 units in the planning and permitting stages. Meanwhile, on the transaction side, multifamily sales in Raleigh–Durham amounted to \$1.7 billion in 2023, marking a 59% drop compared to the prior year's sales volume.

## Market Analysis | February 2024

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### Recent Raleigh Transactions

#### The Reserve at Meadowmont



City: Chapel Hill, N.C.  
Buyer: Mesirow Financial  
Purchase Price: \$84 MM  
Price per Unit: \$324,031

#### 501 Estates



City: Durham, N.C.  
Buyers: Jefferson Apartment Group, STARS REI  
Purchase Price: \$73 MM  
Price per Unit: \$270,370

#### NorthCity 6



City: Raleigh, N.C.  
Buyer: Beacon Real Estate Group  
Purchase Price: \$64 MM  
Price per Unit: \$220,790