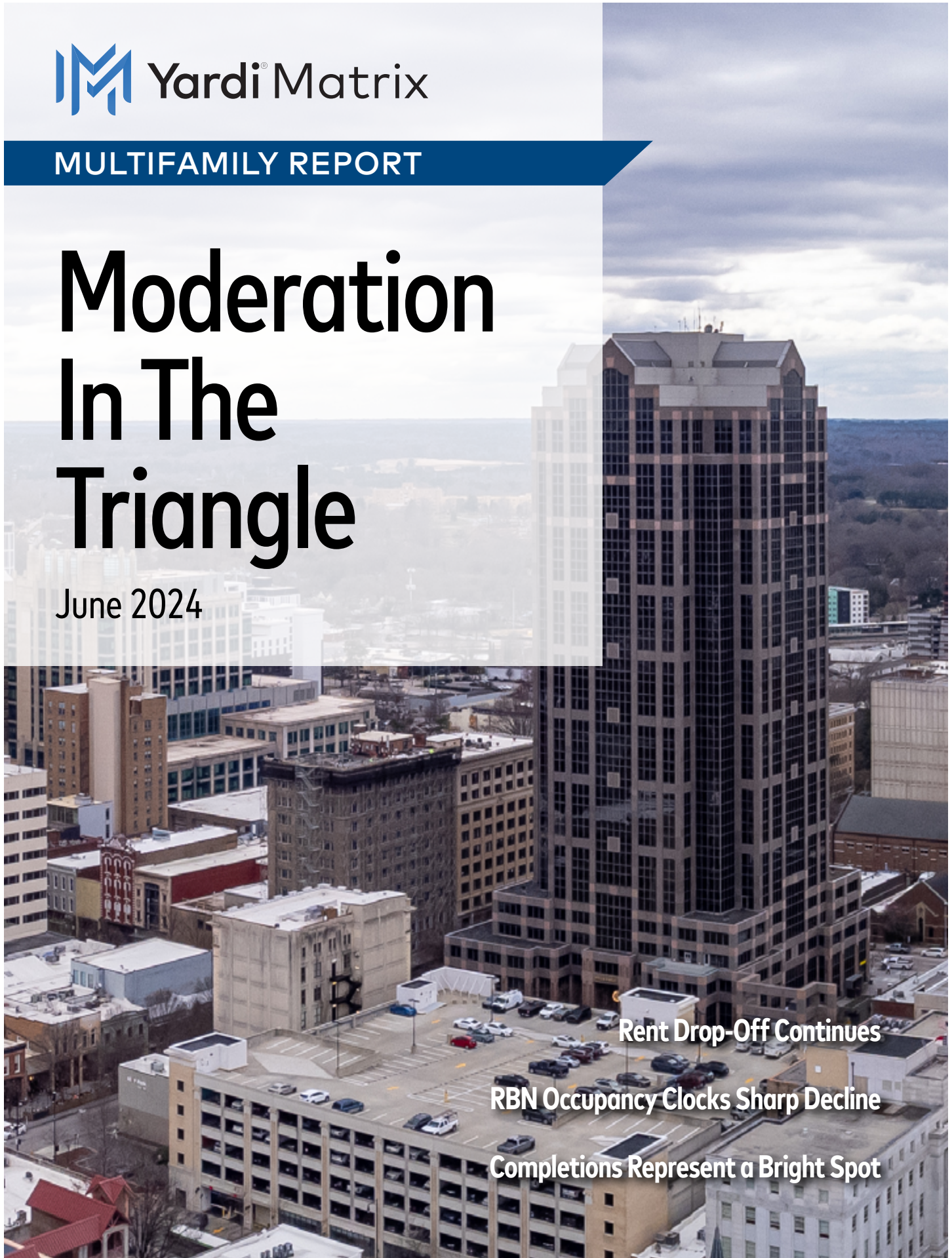




MULTIFAMILY REPORT

Moderation In The Triangle

June 2024



Rent Drop-Off Continues

RBN Occupancy Clocks Sharp Decline

Completions Represent a Bright Spot

RALEIGH MULTIFAMILY



Rent Decline Persists Amid Supply Surge

Raleigh-Durham's multifamily market displayed a more subdued performance, likely impacted by the cooling economy. Rents were down 0.1% on a trailing three-month basis, to \$1,548, 40 basis points lower than the national rate, with Yardi Matrix predicting a 0.6% contraction for the year. The average overall occupancy rate in stabilized properties decreased by 50 basis points year-over-year, to 93.6%, with the Renter-by-Necessity segment recording a sharper, 70-basis-point decline.

The job market in the Research Triangle expanded by 2.6% in the 12 months ending in February, adding 27,400 net jobs. The metro's growth rate was 110 basis points above the national average. Education and health services led gains with 8,900 jobs. The area's jobless rate stood at 3.3% as of March, 50 basis points below the U.S. figure. FujiFilm Diosynth Biotechnologies plans to add 1.3 million square feet to the Triangle with the development of a CDMO facility. With a \$1.2 billion investment in the project, plans include adding 680 jobs by 2031.

With 3,013 units, or 1.6% of existing stock, delivered through April, the metro outpaced the nation by 100 basis points, although construction starts significantly declined from the beginning of the year. Transaction activity remains scarce, with only \$250 million in assets changing hands, in line with a decline that began in 2022.

Market Analysis | June 2024

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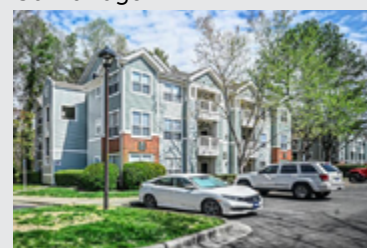
Recent Raleigh Transactions

Conclave Glenwood



City: Raleigh, N.C.
Buyer: Brown Development
Purchase Price: \$61 MM
Price per Unit: \$243,951

Cambridge



City: Raleigh, N.C.
Buyer: Westport Capital Partners
Purchase Price: \$23 MM
Price per Unit: \$134,577

Cleveland Green



City: Garner, N.C.
Buyer: Laurel Street Residential
Purchase Price: \$8 MM
Price per Unit: \$60,476

Glen Royal Mill



City: Wake Forest, N.C.
Buyer: Schrader Properties
Purchase Price: \$6 MM
Price per Unit: \$106,250