



## MULTIFAMILY REPORT

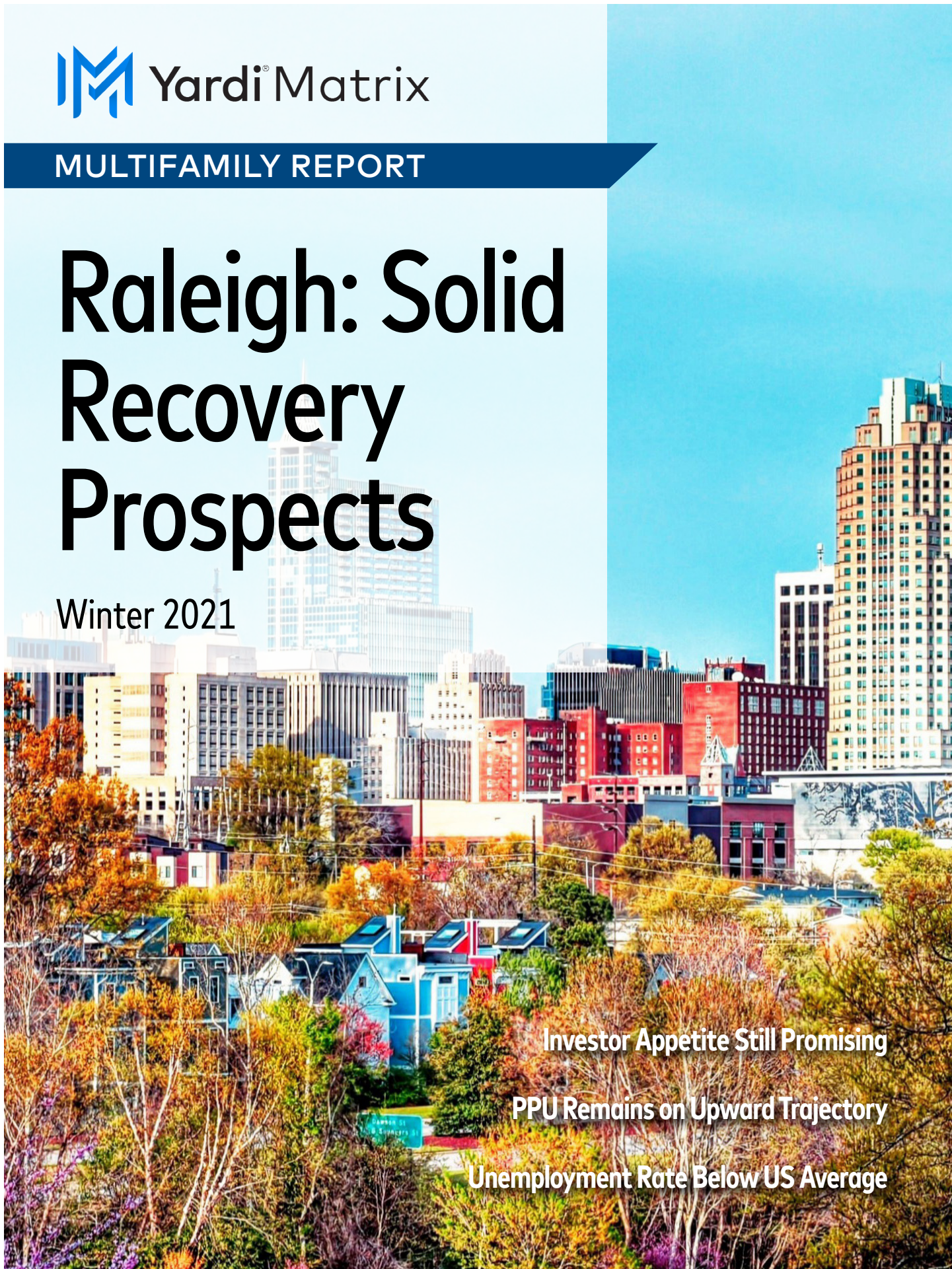
# Raleigh: Solid Recovery Prospects

Winter 2021

**Investor Appetite Still Promising**

**PPU Remains on Upward Trajectory**

**Unemployment Rate Below US Average**





# RALEIGH MULTIFAMILY



## Strong Fundamentals Alleviate 2020 Tremors

Despite inherent economic difficulties generated by the health crisis, the Raleigh-Durham multifamily market performed relatively well in 2020 and is positioned for a solid performance this year. Overall rents were down 0.2% on a trailing three-month basis through December, to an average of \$1,226, while at the national level, rents contracted by 0.1%.

Although the Triangle has been impacted by the loss of 53,800 jobs during the 12 months ending in November, the area's economy has made some important strides. Unemployment rates have significantly improved since the onset of the pandemic, with construction and professional and business services resisting economic pressure. Backed by strong demand coming from e-commerce, the industrial market continued to grow, with the I-40 corridor among the most active areas. Merritt Properties began work on a 452,000-square-foot light industrial/flex project. Additionally, the market is set to benefit from a growing life sciences presence. ApiJect Systems chose the Research Triangle Park to build a 1 million-square-foot vaccine production facility using a \$590 million loan.

In 2020, some \$1.9 billion in assets traded and developers started work on 3,315 units. Due to a steady in-migration rate, demand for rentals in the Raleigh-Durham housing market is set to soar. Yardi Matrix expects rents in the Triangle to increase by 3.2% in 2021.

## Market Analysis | Winter 2021

### Contacts

#### Jeff Adler

Vice President & General  
Manager of Yardi Matrix  
[Jeff.Adler@Yardi.com](mailto:Jeff.Adler@Yardi.com)  
(303) 615-3676

#### Jack Kern

Director of Research  
and Publications  
[Jack.Kern@Yardi.com](mailto:Jack.Kern@Yardi.com)  
(800) 866-1124 x2444

#### Ron Brock, Jr.

Industry Principal, Matrix  
[JR.Brock@Yardi.com](mailto:JR.Brock@Yardi.com)  
(480) 663-1149 x2404

### Author

#### Laura Calugar

Senior Associate Editor

### Recent Raleigh Transactions

#### The Dillon



City: Raleigh, N.C.  
Buyer: MetLife Real Estate  
Investment  
Purchase Price: \$85 MM  
Price per Unit: \$313,653

#### Mariners Crossing



City: Raleigh, N.C.  
Buyer: Related Cos.  
Purchase Price: \$55 MM  
Price per Unit: \$178,105

#### Carrington at Perimeter Park



City: Morrisville, N.C.  
Buyer: Bluerock Real Estate  
Purchase Price: \$52 MM  
Price per Unit: \$195,489

#### The Reserve at Cary Park



City: Cary, N.C.  
Buyer: The Connor Group  
Purchase Price: \$49 MM  
Price per Unit: \$206,000