

Yardi® Matrix

All Eyes on Raleigh-Durham

Multifamily Report Summer 2017

Job Market Soars

**Incoming Supply
Wave Looms**

**Per-Unit Price Surpasses
National Average**

RALEIGH MULTIFAMILY

Yardi® Matrix

Market Analysis

Summer 2017

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Solid Fundamentals Round Triangle's Edges

Raleigh-Durham, a life science hub and educational hotspot, has a booming rental market. Local universities are producing highly educated workers, and the metro's low cost of living draws young professionals from across the nation. Furthermore, many local university graduates prefer to remain in the area and work in the Research Triangle's expanding technology and biotechnology industries.

Raleigh-Durham added roughly 27,000 jobs in the 12 months ending in June 2017. Professional and business services (10,800 jobs) and education and health services (5,900) led employment gains, followed by hospitality (3,100) and government (1,800). Employment will continue to grow, as Credit Suisse recently signed a lease at the 1.8 million-square-foot Parmer RTP research park in Raleigh, where it plans to add 1,200 new jobs. Information Technology juggernaut Infosys also announced 2,000 new jobs in Wake County.

Population growth and steady rent gains—2.8% year-over-year as of July—are luring multifamily investors and developers to the Triangle. Roughly \$760 million in multifamily properties traded in 2017 through July, and more than 29,700 units are in the metro's development pipeline. The overall performance of the market is strong: Demand is outstripping supply, but with more than 5,000 units scheduled for completion by year-end, that trend is likely to moderate. As a result, Yardi Matrix forecasts a 3.0% rent growth in 2017.

Recent Raleigh Transactions

Lux at Central Park



City: Chapel Hill, N.C.
Buyer: Scion Group
Purchase Price: \$68 MM
Price per Unit: \$347,938

The Edison Lofts



City: Raleigh, N.C.
Buyer: Continental Realty
Purchase Price: \$61 MM
Price per Unit: \$273,543

The Marq at Weston



City: Cary, N.C.
Buyer: CWS Capital Partners
Purchase Price: \$60 MM
Price per Unit: \$200,000

Apartments at Stonehenge



City: Raleigh, N.C.
Buyer: Magnolia Capital
Purchase Price: \$57 MM
Price per Unit: \$125,498

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