

YARDI **MATRIX**
Data provided by **Pierce-Eislen**

North Carolina Research Triangle

Multifamily Summer Report 2015

**NC Triangle:
Surging Demand
for Apartments**

**Banking, Hospitality
Lead Job Growth**

**New Development in
Full Swing**

NC TRIANGLE MULTIFAMILY

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Market Analysis

Summer, 2015

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Job Gains, Supply Growth Come to NC Triangle

Riding broad-based job growth and a growing population, the NC Triangle's multifamily market is posting solid performance. The metro – which consists of the Charlotte and Raleigh-Durham markets – is strengthening its economic profile through significant gains in employment, population and investments.

Although Charlotte is backboned by its banking sector and Raleigh-Durham is known for its tech center, the metro is diversifying. Favorable legislation in green energy has helped make North Carolina the top market in the south and fourth in the nation for installed solar investment. The state has also recently inked its first public-private partnership, the \$591 million I-77 Express Lanes Project that will add 26 miles of tolled express lanes along Interstate 77 in Charlotte's region.

Fueled by increasing demand and intensifying investor interest, the region continues to record gains in prices and rents across all segments and asset classes. Although not at the boom levels of some high-flying metros, rent growth has been solid in both the Rent By Necessity (5.9% year-over-year through mid-year) and Lifestyle (5.4%) segments. Rents are being held back to some degree by the supply explosion – nearly 16,000 new units are slated to come online this year, an increase of 5.8% of total stock. In spite of a record number of units being built in the metro, Yardi Matrix forecasts an overall rent growth of 4% by January 2016.

Recent NC Triangle Transactions

Altera North Pointe



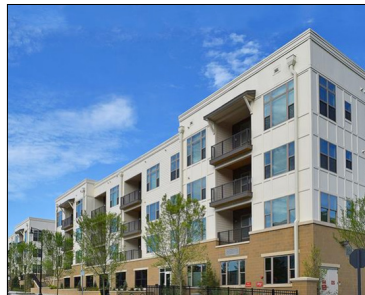
City: Durham, NC
Buyer: Wood Partners
Purchase Price: \$36 MM
Price per Unit \$113,750

Silverstone



City: Charlotte, NC
Buyer: The Connor Group
Purchase Price: \$4 MM
Price per Unit: \$42,553

Berkshire Main Street



City: Durham, NC
Buyer: Berkshire Property Advisors
Purchase Price: \$55 MM
Price per Unit: \$262,740

Marchester on Millbrook



City: Raleigh, NC
Buyer: Wilkinson Real Estate Advisors
Purchase Price: \$19 MM
Price per Unit: \$50,543