



MULTIFAMILY REPORT

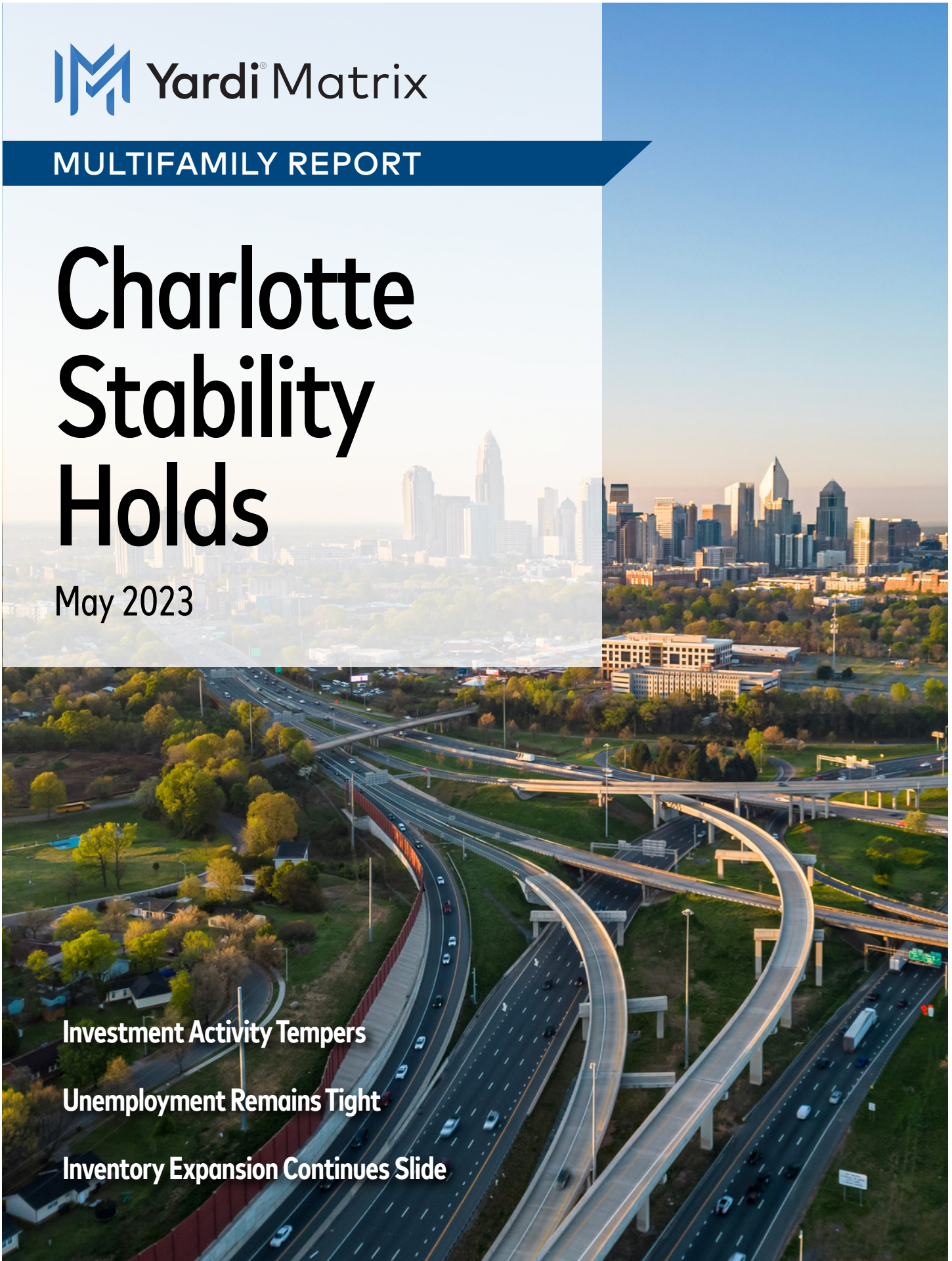
# Charlotte Stability Holds

May 2023

**Investment Activity Tempers**

**Unemployment Remains Tight**

**Inventory Expansion Continues Slide**



# CHARLOTTE MULTIFAMILY



## Rents Stabilize, Demand Remains Firm

With its rapidly expanding population, affordable lifestyle and above-average job growth, the Charlotte multifamily market is capable of withstanding economic challenges in upcoming quarters. The first three months of the year produced no gains for multifamily rents in the metro, with rates stabilizing at \$1,591. Meanwhile, the average U.S. figure clocked in at \$1,706.

The metro's job market remained strong, with all employment sectors recording gains. Some 58,500 positions were added in 2022, accounting for a 5.3% labor-pool expansion, 160 basis points above the U.S. rate of growth. Leisure and hospitality led gains with 17,000 jobs, followed by professional and business services with 9,700 positions. Meanwhile, a high-profile project that broke ground after several years of planning is expected to reshape West Charlotte. Crescent Communities finally began work on The River District, a 1,400-acre, \$6 billion master-planned project.

As in most parts of the country, transaction activity began to moderate in the first quarter, with sales amounting to only \$255 million. Investment totaled more than \$5 billion in each of the previous two years. Deliveries also slowed down, with developers bringing just 737 units online, for a 0.4% expansion of stock, which will likely put pressure on rents. Yardi Matrix expects Charlotte rates to grow 3.6% this year. The figure would mark the largest rent increase among major metros tracked by the data provider.

### Market Analysis | May 2023

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#### Recent Charlotte Transactions

##### Ascent Uptown



City: Charlotte, N.C.  
Buyer: Sterling American Property  
Purchase Price: \$138 MM  
Price per Unit: \$459,667

##### Sycamore at Tyvola



City: Charlotte, N.C.  
Buyer: Continental Realty Corp.  
Purchase Price: \$96 MM  
Price per Unit: \$334,375

##### Silverstone



City: Charlotte, N.C.  
Buyer: Safdeye Investment Group  
Purchase Price: \$12 MM  
Price per Unit: \$130,851

##### Country Club



City: Lincoln, N.C.  
Buyer: Wickenden Partners  
Purchase Price: \$8 MM  
Price per Unit: \$112,162