

Yardi® Matrix

Raleigh-Durham's Smooth Journey

Multifamily Report Summer 2018

Rent Growth Dampens

Per-Unit Price Outpaces Nation

New Development Targets Core Areas

RALEIGH MULTIFAMILY

Market Analysis

Summer 2018

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Research Triangle Walks With Confidence

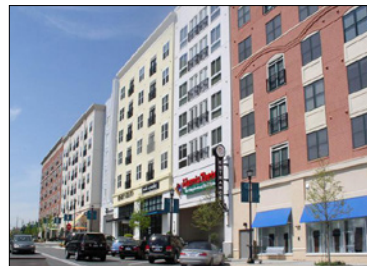
Raleigh-Durham's healthy multifamily market is underpinned by strong population and job growth, a solid development pipeline and attractive business climate.

The metro added roughly 19,000 jobs in the 12 months ending in February. Employment growth was substantial in professional and business services, which added 5,700 jobs. Transportation and construction added more than 7,000 jobs combined over the same period, boosted by several large-scale projects such as the 22-story FNB Tower underway in Raleigh. Austin Lawrence Partners' One City Center in downtown Durham is also nearing completion. Home to multiple academic hotspots, North Carolina's Research Triangle is constantly growing its highly educated workforce, fueling the local tech industry. Raleigh is second only to San Francisco for sheer number of jobs in the technology sector. With reasonably priced housing options and diverse employment opportunities, the area particularly attracts Millennials because of its low cost of living.

Development activity remains robust, with roughly 8,600 units under construction as of April. Almost two thirds of these are scheduled for completion in 2018. This year, 1,100 units had been delivered as of April. Yardi Matrix expects a 3.5% rent growth by the end of 2018.

Recent Raleigh Transactions

Park & Market North Hills



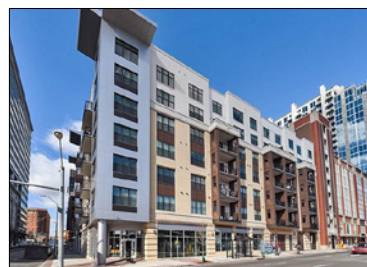
City: Raleigh, N.C.
Buyer: Magnolia Capital
Purchase Price: \$88 MM
Price per Unit: \$215,159

Station Nine



City: Durham, N.C.
Buyer: GMH Capital Partners
Purchase Price: \$68 MM
Price per Unit: \$209,124

The Edison Lofts



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

Brook Arbor



City: Cary, N.C.
Buyer: Taurus Investment Holdings
Purchase Price: \$55 MM
Price per Unit: \$180,464