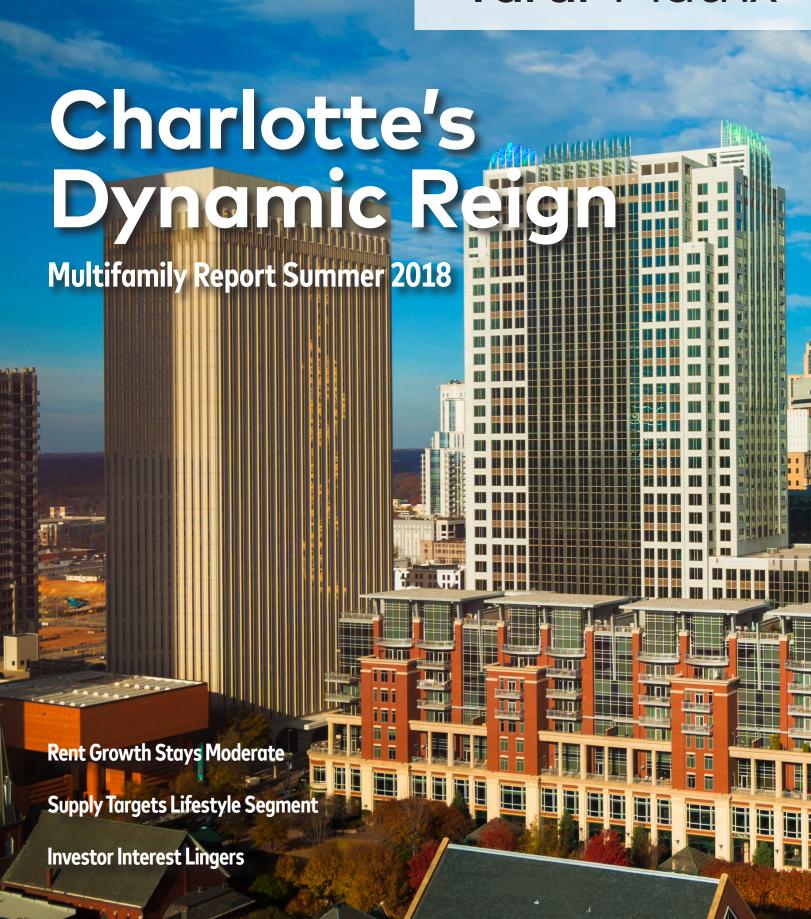
# Yardi<sup>®</sup> Matrix



# **CHARLOTTE MULTIFAMILY**

### Yardi<sup>®</sup> Matrix

# Market Analysis Summer 2018

#### Contacts

#### Paul Fiorilla

Associate Director of Research Paul.Fiorilla@Yardi.com (800) 866-1124 x5764

#### Jack Kern

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

#### **Author**

#### Laura Calugar

Associate Editor

## **New Supply Softens Rent Growth**

Charlotte's multifamily market is heading for a healthy 2018, with robust investor interest and solid employment, all backed by strong population gains. The significant amount of supply that came online in the past few years has not scared developers. With 2017's transaction volume among the highest in this cycle, the Charlotte market is expected to continue to be an attractive option for investors, despite decelerating rents.

The metro added 31,000 jobs in the year ending in February, as government (8,300 jobs), leisure and hospitality (5,100 jobs) and trade, transportation and utilities (4,500 jobs) spearheaded growth. In March, Charlotte's 9.3-mile light-rail extension launched. The \$1.1 billion investment worked as a catalyst for the development of transit-oriented projects. Two office towers—known as 10 Tryon—are being built by Centro Cityworks and Flagship Capital Partners just a block from the new Ninth Street Station, while Duke Energy will occupy the office space under construction at Tompkins Hall, a former mill. In 2018, local developer Flywheel Group plans to break ground on Greenway District, a 75-acre mixed-use development.

This year promises some 5,800 units by December, accommodating the metro's growth. With the average rent at \$1,114, Charlotte remains an affordable metro. Yardi Matrix forecasts 2.0% rent growth in 2018.

#### **Recent Charlotte Transactions**

#### Wren Northlake



City: Charlotte, N.C. Buyer: Cortland Partners Purchase Price: \$57 MM Price per Unit: \$184,677



City: Charlotte, N.C. Buyer: Boston Capital Purchase Price: \$52 MM Price per Unit: \$142,527

#### Aurea Station



City: Charlotte, N.C. Buyer: West Shore Purchase Price: \$50 MM Price per Unit: \$129,297

**Brookson Resident Flats** 



City: Huntersville, N.C. Buyer: Carter-Haston Real Estate Services Purchase Price: \$49 MM Price per Unit: \$165,000

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