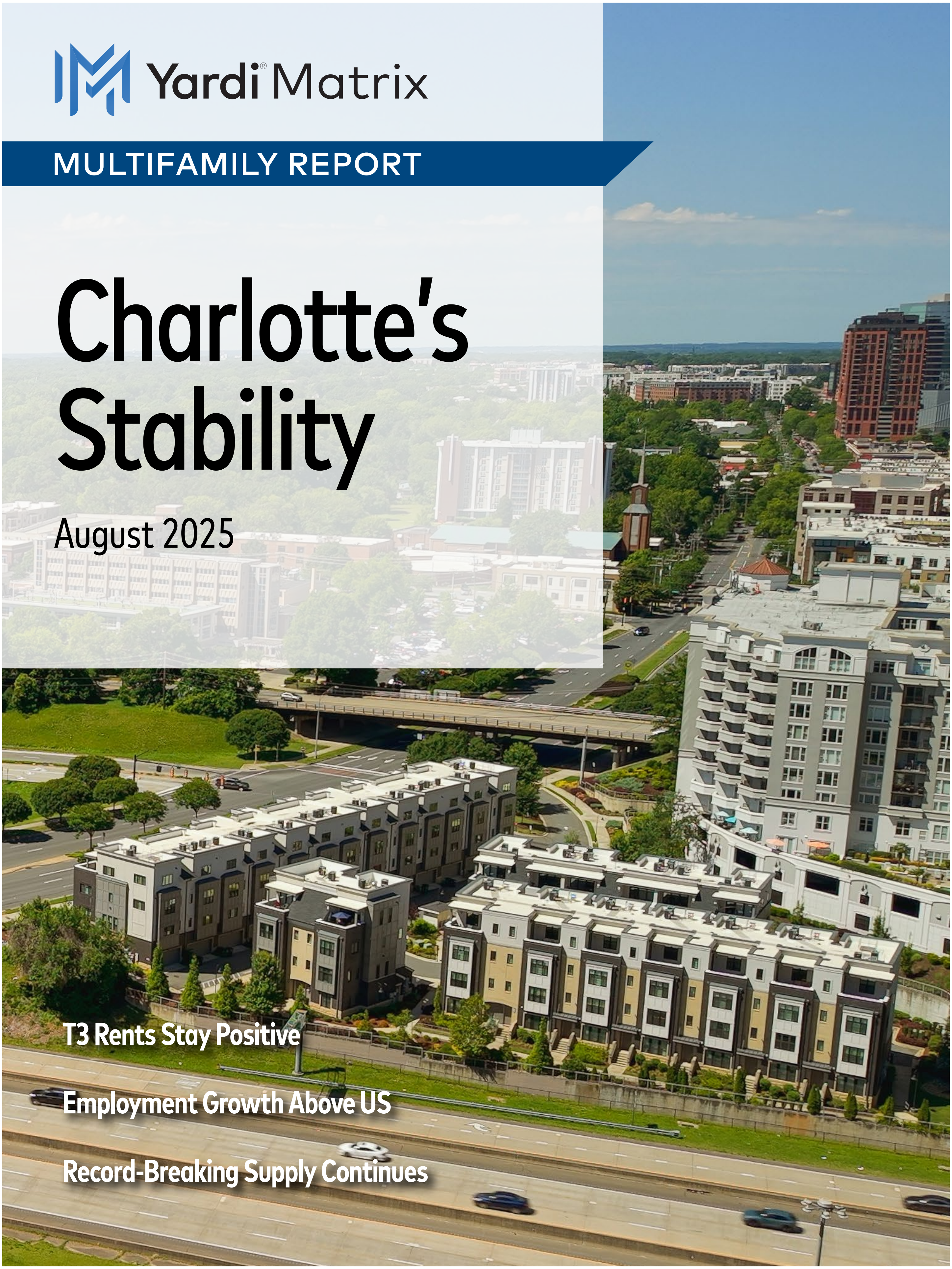
Yardi Matrix

MULTIFAMILY REPORT

Charlotte's Stability

August 2025



T3 Rents Stay Positive

Employment Growth Above US

Record-Breaking Supply Continues

CHARLOTTE MULTIFAMILY

Yardi Matrix

A Balanced Second-Quarter Performance

Charlotte's average advertised asking rents were up 0.1% on a trailing three-month basis through June, to an average of $1,594. The rate was 10 basis points below the national figure, which clocked in at $1,749. Charlotte's rate had been slowly improving after the contractions recorded in 2024's last quarter. Meanwhile, outstanding supply growth pressured occupancy, which stood at 93.8% in May and was below the nation's 94.6% average.

Employment growth was 1.6% year-over-year through April, 80 basis points above the national rate. Charlotte added 30,400 net jobs over the 12-month period ending in April. Professional and business services led gains with 10,500 positions added to the workforce. The area's unemployment clocked in at 3.6% as of May, 60 basis points below the national rate, according to preliminary data from the Bureau of Labor Statistics. Developers completed the first of three phases of The Pearl Innovation District. The $1.5 billion project is a public-private partnership set to encompass 4.2 million square feet upon completion. The district is slated to create more than 5,500 on-site jobs over the next 15 years.

In the first half of 2025, Charlotte developers brought 8,337 units online, representing 3.5% of existing stock and 210 basis points above the national figure. Yardi Matrix expects 18,000 units to come online this year, which would make it the best-performing year since at least 2017.

Market Analysis | August 2025

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Recent Charlotte Transactions

Evolve at Parkway

City: Concord, N.C.
Buyer: Spruce Capital Partners
Purchase Price: $69 MM
Price per Unit: $229,167

Berkshire Place

City: Charlotte, N.C.
Buyer: Covenant Capital Group
Purchase Price: $39 MM
Price per Unit: $162,500

Woodford Estates

City: Charlotte, N.C.
Buyer: Ascent Housing
Purchase Price: $32 MM
Price per Unit: $141,228

Arrowood Crossing

City: Charlotte, N.C.
Buyer: Rise48 Equity
Purchase Price: $31 MM
Price per Unit: $155,000

RENT TRENDS

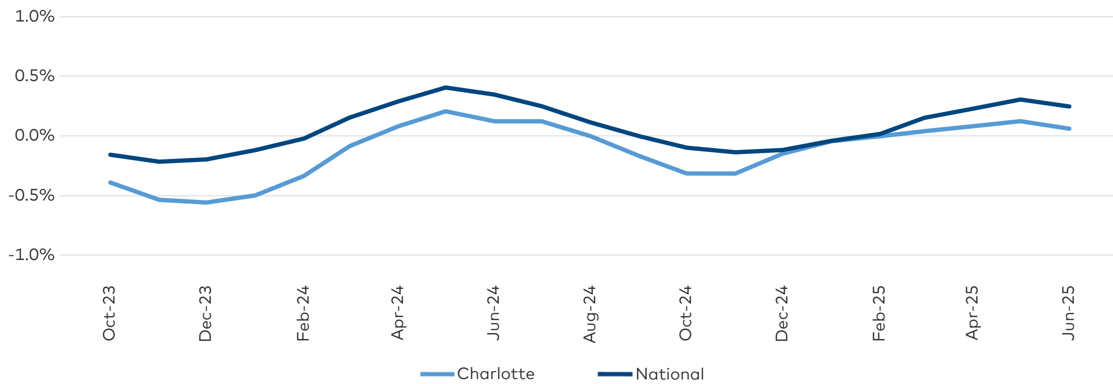
- Charlotte average advertised asking rents were up 0.1% on a trailing three-month (T3) basis through June, to an average of $1,594. Meanwhile, the national figure settled at $1,749, after a 0.2% uptick. Charlotte rates were down 0.6% year-over-year, placing the metro in the bottom half of the largest markets tracked by Yardi Matrix. Consistent supply growth exerted pressure on rents, but the T3 rate improved from the previous two quarters.

- Advertised asking rents for the working-class, Renter-by-Necessity segment were down 0.1%, on a T3 basis through June, to $1,335. Meanwhile, rents in the Lifestyle segment were up 0.1%, to $1,691, having stayed within positive margins since March, pointing to recovery after seven consecutive months of contractions.

- The metro's overall occupancy rate for stabilized properties stood at 93.8% as of May, a 10-basis-point uptick year-over-year. Occupancy for Lifestyle assets improved 30 basis points, to 93.8%, while the RBN figure was down 60 basis points, to 93.7%. Meanwhile, the national average occupancy stood at 94.6%.

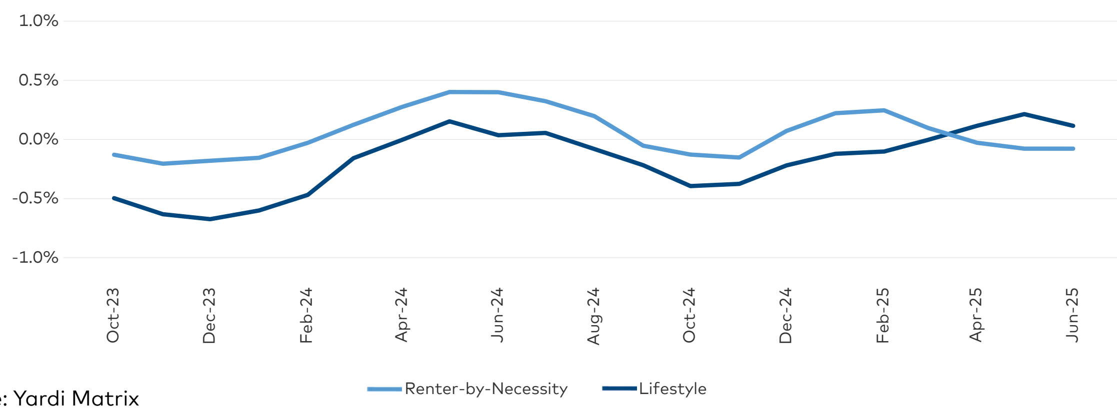
- Average advertised asking rent growth was uneven across Charlotte year-over-year through June, with contractions recorded in more than half of the 52 submarkets tracked by Yardi Matrix. Rent growth was strongest in Gastonia–North (up 8.1% to $1,398), followed by Gastonia–South (up 4.6% to $1,418) and Kannapolis (4.2% to $1,606). The metro's most expensive submarket, Uptown, registered a 4.1% decline, to $2,141.

Charlotte vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Charlotte Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- Charlotte's employment growth stood at 1.6% year-over-year through April, 80 basis points above the national rate. Although the figure was much lower than what it was in the same period in 2024, the metro remained consistently ahead of the U.S. Since January, momentum has grown, with the job growth rate up 50 basis points.
- Charlotte added 30,400 net jobs over the 12-month period ending in April. Professional and business services led gains with 10,500 positions added to the workforce, followed by education and health services (6,800 jobs) and government (4,300). Two sectors lost jobs—manufacturing (-1,300) and information (-400).
- Charlotte's unemployment clocked in at 3.6% as of May, 60 basis points below the national rate, according to preliminary data from the BLS. Unemployment in the metro was also 10 basis points below North Carolina's figure, which stood at 3.7%.
- Developers completed the first phase of The Pearl Innovation District. The $1.5 billion project is the result of a public-private partnership. The first phase features 643,000 square feet of lab, office, academic and retail spaces and the entire project will encompass a total of 4.2 million square feet upon completion. Developers expect to create 5,500 on-site jobs over the next 15 years.

Charlotte Employment Share by Sector

		Current Employment	
Code	Employment Sector	(000)	% Share
60	Professional and Business Services	233.5	16.6%
65	Education and Health Services	156.9	11.2%
90	Government	182.1	13.0%
40	Trade, Transportation and Utilities	282.5	20.1%
15	Mining, Logging and Construction	82.4	5.9%
70	Leisure and Hospitality	154.9	11.0%
80	Other Services	56.9	4.0%
55	Financial Activities	123	8.8%
50	Information	25.8	1.8%
30	Manufacturing	107.2	7.6%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- Charlotte's population increased by 43,406 residents between 2021 and 2022, marking a 1.7% expansion, which was more than four times the national growth rate.
- The metro also recorded a 4.6% increase in new residents since 2019.

Charlotte vs. National Population

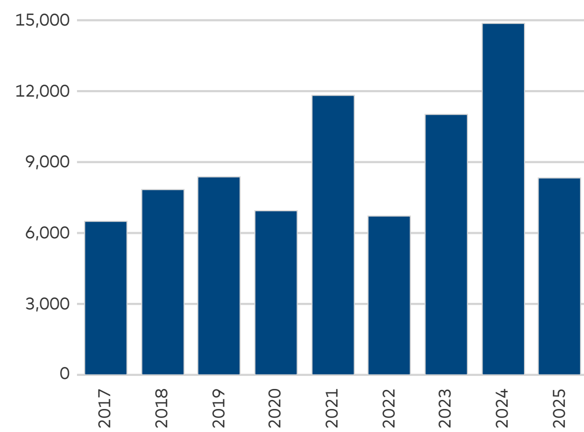
	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Charlotte Metro	2,545,560	2,595,027	2,625,282	2,668,688

Source: U.S. Census

SUPPLY

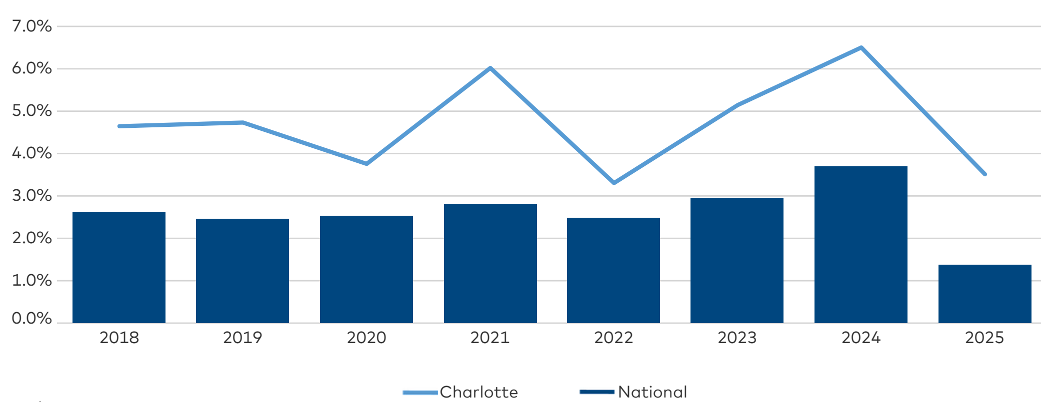
- Charlotte developers brought 8,337 units online in the first six months of this year. New units represented 3.5% of existing stock and was 210 basis points above the national figure. The volume was just under 1,000 units short of the 9,270-unit annual average recorded between 2017 and 2024, highlighting the metro's continued strength. Yardi Matrix expects more than 18,000 units to come online in Charlotte this year. That would make 2025 the best year for deliveries since at least 2017, exceeding even the previous record, from 2024, when 14,886 units came online.
- Charlotte had 30,847 units under construction as of June, along with another 89,000 in the planning and permitting stages. In line with nationwide trends, developers focused on upscale projects, as more than three-quarters of all units underway were Lifestyle projects. Units in RBN and fully affordable developments accounted for less than a quarter of the pipeline.
- Developers started work on 3,602 units across 15 projects in the first six months of 2025, a consequence of limited capital availability. This was a considerable slide from the 5,367 apartments across 24 projects that construction started on during the same period last year.
- Of the 52 submarkets tracked by Yardi Matrix, 10 had more than 1,000 units under construction. Tryon Hills led activity with 4,548 units, followed by Colonial Village–Montclaire (3,014 units) and North Charlotte (2,979 units).
- Seventh & Tryon in Charlotte's Uptown submarket was the largest project underway in the metro. Metropolitan Partnership is developing the 685-unit property, which is scheduled for delivery in September 2026.

Charlotte Completions (as of June 2025)



Source: Yardi Matrix

Charlotte vs. National Completions as a Percentage of Total Stock (as of June 2025)

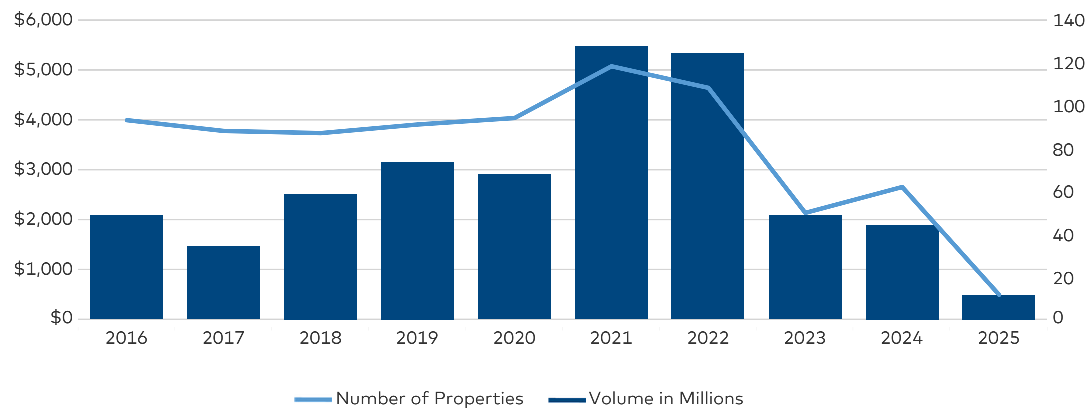


Source: Yardi Matrix

TRANSACTIONS

- Charlotte investors traded $494 million in multifamily assets in the first half of 2025. Activity is on a downward trend, as this volume was 33.4% less than the amount recorded in the same period last year. The previous two years' volume reached an average of nearly $2 billion each, while the annual average of the past 10 years stood at $2.8 billion—boosted by the outlier years, 2021 and 2022, which each had more than $5 billion in sales.
- Interest was slightly tilted toward value-add plays, with RBN assets accounting for seven of the 13 sales that closed by the end of the second quarter. The overall average price per unit stood at $191,742, below the $212,317 U.S. figure.
- Of the submarkets tracked by Yardi Matrix, only two crossed the $200 million mark for transactions in the 12 months ending in June. North Charlotte led with $231 million, followed by Colonial Village–Montclaire ($226 million) and Southwest Charlotte ($198 million).

Charlotte Sales Volume and Number of Properties Sold (as of June 2025)



Source: Yardi Matrix

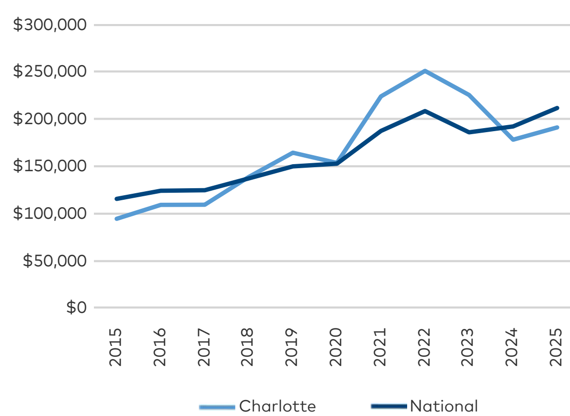
Top Submarkets for Transaction Volume[1]

Submarket	Volume ($MM)
North Charlotte	231
Colonial Village–Montclaire	226
Southwest Charlotte	198
Tryon Hills	164
Hidden Valley–Oak Forest	151
Foxcroft	92
Concord–West	91

Source: Yardi Matrix

[1] From July 2024 to June 2025

Charlotte vs. National Sales Price per Unit



Source: Yardi Matrix

LISTICLE

MULTI-HOUSING NEWS
data by Yardi Matrix

Top 10 US Markets for Multifamily Construction

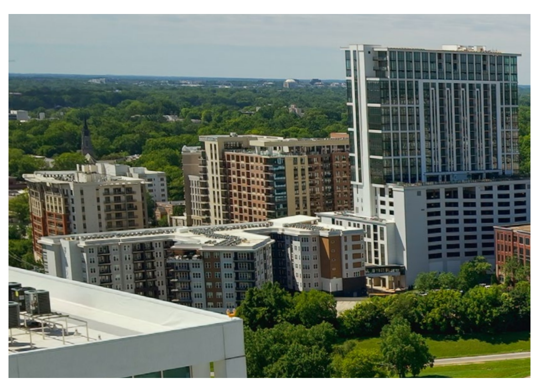
By Anca Gagiuc

Despite numerous headwinds, including a challenging financing landscape and a shortage in skilled labor, the U.S. multifamily stock added 672,047 units in 2024, the highest annual volume on record. As of April, the under-construction multifamily pipeline remained robust, totaling 1,034,611 units across 4,774 properties, according to data provided by Yardi Matrix.

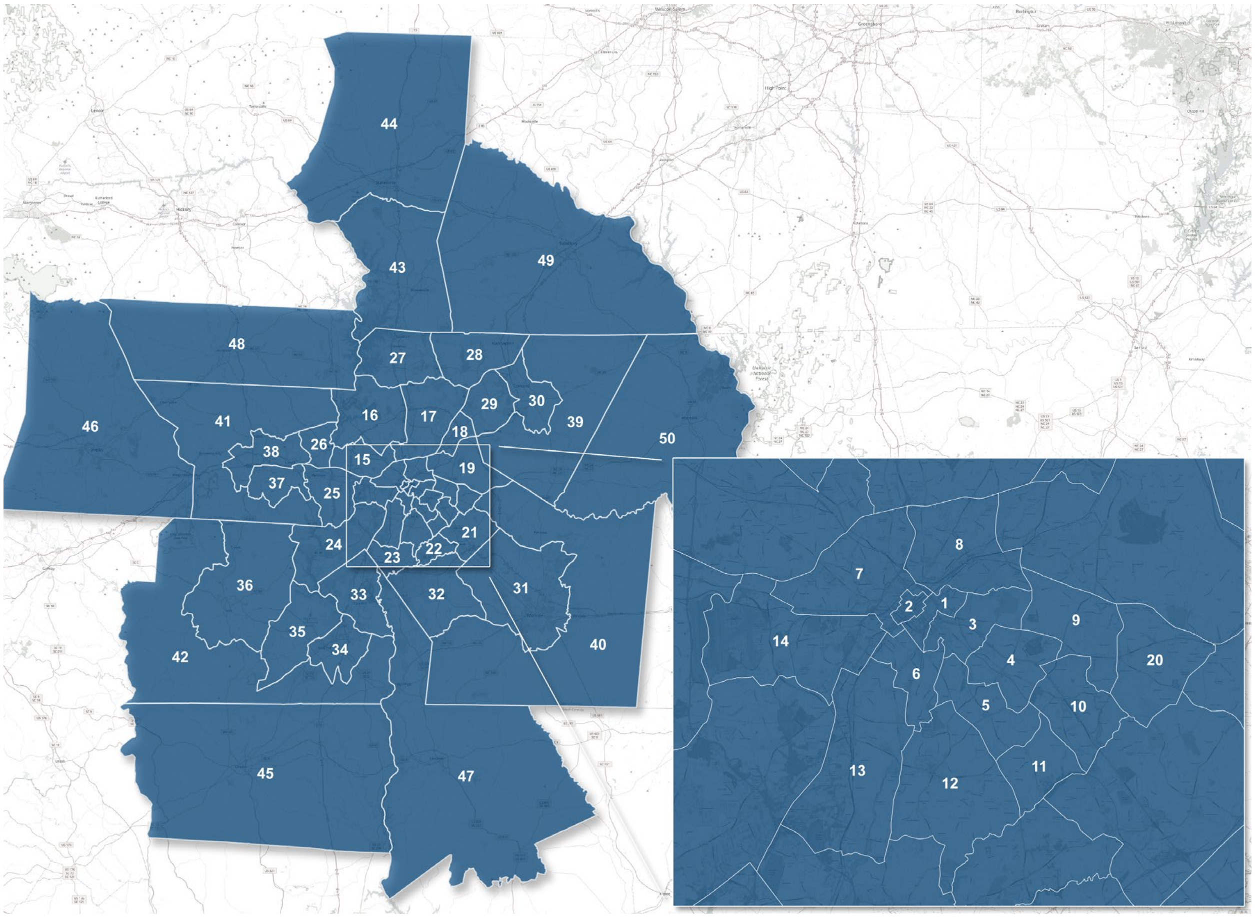
Rank	Metro	UC Units Lifestyle as of April 2025	UC Units Fully Affordable as of April 2025	UC Units RBN as of April 2025
1	Dallas - Ft Worth	52,268	5,618	2,649
2	New York	33,514	9,531	3,323
3	Phoenix	39,333	4,605	393
4	Austin	29,118	8,562	1,116
5	Charlotte	33,432	2,574	867
6	New Jersey	33,899	1,085	1,584
7	Miami Metro	27,447	5,992	550
8	Atlanta	30,505	2,041	1,361
9	Los Angeles	20,314	8,485	893
10	Houston	24,348	4,039	963

Charlotte

Charlotte's under-construction multifamily pipeline through April only surpassed New Jersey's by 305 units, with a total volume of 36,873 units. The composition heavily favored the Lifestyle segment, which accounted for 90%, while fully affordable units represented almost 7% and RBN units made up less than 3%. The metro's rental inventory saw a significant influx between 2020 and 2024, when 55,862 units were added. In 2025 through April, another 4,572 units came online.



CHARLOTTE SUBMARKETS



Area No.	Submarket
1	Second Ward
2	Uptown
3	Morningside
4	Briarcreek–Oakhurst
5	Cotswold
6	Myers Park
7	Third Ward–Lakewood
8	Tryon Hills
9	Eastland–Windsor Park
10	Coventry Woods–East Forest
11	Stonehaven–Lansdowne
12	Foxcroft
13	Colonial Village–Montclaire
14	Southside Park–West Blvd.
15	Northwest Charlotte
16	Wedgewood
17	North Charlotte

Area No.	Submarket
18	UNC at Charlotte
19	Hidden Valley–Oak Forest
20	Becton Park–Marlwood
21	Matthews
22	Wessex Square
23	Pineville
24	Southwest Charlotte
25	Belmont
26	Mount Holly
27	Huntersville
28	Kannapolis
29	Concord–West
30	Concord–East
31	Monroe
32	Ballantyne–Providence
33	Fort Mill
34	Rock Hill–East

Area No.	Submarket
35	Rock Hill–West
36	York
37	Gastonia–South
38	Gastonia–North
39	Outlying Cabarrus County
40	Outlying Union County
41	Outlying Gaston County
42	Outlying York County
43	Mooresville
44	Statesville–North Iredell County
45	Chester County
46	Cleveland County
47	Lancaster County
48	Lincoln County
49	Rowan County
50	Stanly County

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students,* who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households,* composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households,* which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

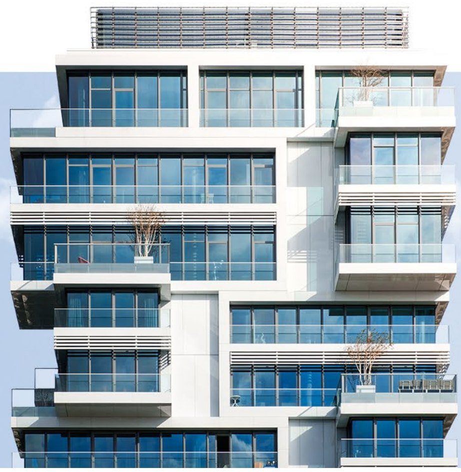
The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

To learn more about Yardi® Matrix and subscribing, please visit www.yardimatrix.com or call Ron Brock, Jr., at 480-663-1149 x14006.

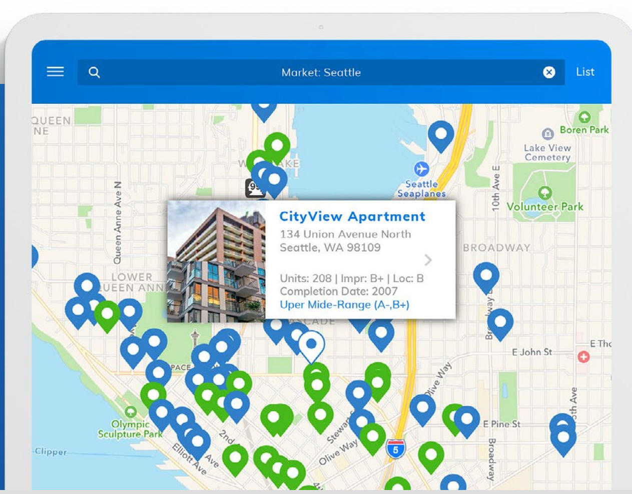
Yardi Matrix

Power your business with the industry's leading data provider



MULTIFAMILY KEY FEATURES

- Pierce the LLC every time with true ownership and contact details
- Leverage improvement and location ratings, unit mix, occupancy and manager info
- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Access aggregated and anonymized residential revenue and expense comps



Yardi Matrix Multifamily provides accurate data on nearly **23 million units**, covering over **92% of the U.S. population.**

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Learn more at yardimatrix.com/**multifamily**

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