



MULTIFAMILY REPORT

Richmond Maintains Momentum

October 2026

Asking Rents Outperform

Investment Volume Rises

Employment Stumbles

RICHMOND MULTIFAMILY



Market Outperforms, Job Growth Lags

Despite a slight post-spring slowdown, Richmond-Tidewater fundamentals continued to outpace most U.S. markets. Area asking rents were up 4.0% to \$1,670, year-over-year through August, while the national average saw a 0.4% improvement, to \$1,773. Meanwhile, occupancy in stabilized Richmond assets clocked in at 94.9%, down 30 basis points but still leading the 94.2% national figure.

Employment dynamics, however, remained disconnected from the area's rental performance, a trend visible across the country since hybrid and remote work became widespread. Richmond lost 9,900 net jobs in the 12 months ending in June, with just two of 10 employment sectors in the black: education and health services (+2,900 positions) and leisure and hospitality (+1,000). Still, a handful of massive projects expected to boost the local economy are moving forward, from the largest coastal wind farm in the U.S. and large data center projects from QTS and Google to a \$2.4 billion mixed-use district and LEGO's upcoming 1.7 million-square-foot plant.

Development is humming along, with 2,500 apartments delivered year-to-date through August and an additional 9,120 units under construction. Transactions recorded a clear improvement, with investors shelling out \$1.1 billion in the area during the first eight months of 2026, at a \$167,056 average price per unit.

Market Analysis | October 2026

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Recent Richmond Transactions

2000 West Creek



City: Richmond, Va.
Buyer: Weinstein Properties
Purchase Price: \$115 MM
Price per Unit: \$308,311

Colony at CenterPointe



City: Midlothian, Va.
Buyer: Capital Square
Purchase Price: \$75 MM
Price per Unit: \$292,549

The Flats at Legacy



City: Poquoson, Va.
Buyer: Ceifa Capital
Purchase Price: \$53 MM
Price per Unit: \$298,295

Brittany Place

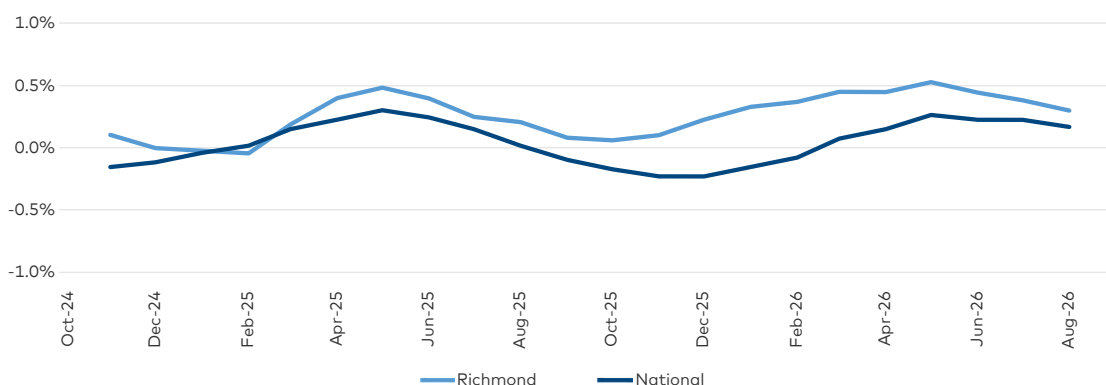


City: Norfolk, Va.
Buyer: City Line Capital
Purchase Price: \$28 MM
Price per Unit: \$189,063

RENT TRENDS

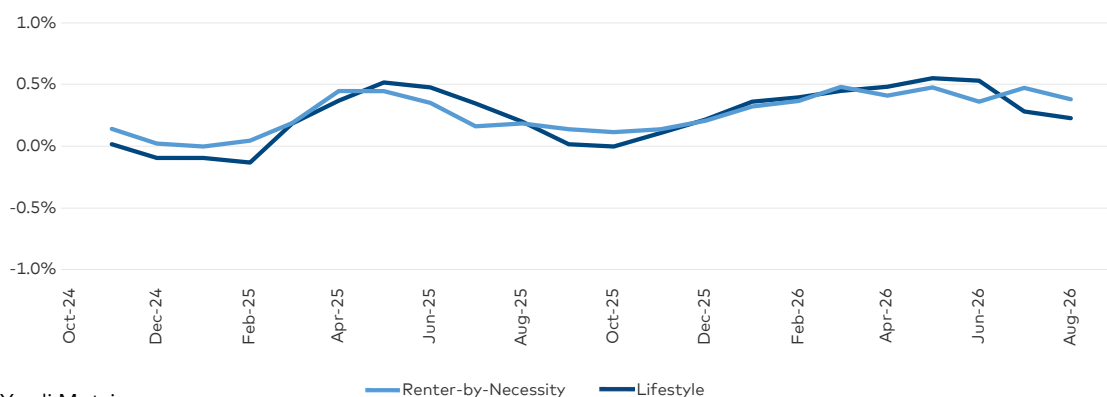
- Richmond advertised asking rents were up 0.3%, on a trailing three-month (T3) basis as of August, to \$1,670. Meanwhile, the U.S. figure improved 0.2%, to \$1,773. Rates saw a slowdown after leasing season, but continued to show more consistency than most metros. Richmond asking rents haven't seen a contraction on a T3 basis since October 2023.
- Year-over-year, Richmond rates were up 4.0% through August, far outpacing the 0.4% national rate. Few markets clocked in higher, with the list including San Jose (6.5%), San Francisco (6.1%) and New York City (5.3%).
- Working-class Renter-by-Necessity rents fared slightly better, up 0.4% on a T3 basis, to \$1,493. Lifestyle rates were up 0.2%, to \$1,900.
- Area occupancy in stabilized properties remained in healthy territory, with the overall rate slipping 30 basis points in 12 months, to 94.9% as of July. That was above the 94.2% national average, which slid 50 basis points year-over-year. RBN assets drove the slide, down 50 basis points to 94.5%, while Lifestyle occupancy was flat, at 95.4% in July.
- Year-over-year through August, several submarkets stood out for rent growth, with many of them having a larger share of workforce housing. The list included Highland Springs (16.7% to \$1,273), Norfolk—Southeast (13.6% to \$1,573) and Richmond—South (11.7% to \$1,340). Four submarkets had average rents above the \$2,000 mark, including Virginia Beach—Bayside (6.0% to \$2,214) and Chesapeake—South (6.8% to \$2,003).

Richmond vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Richmond Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- Richmond shed 9,900 net jobs in the 12 months ending in June, with eight of 10 employment sectors in the red. While most metrics held strong, the job market and the economy at large were somewhat disconnected from other multi-family fundamentals.
- Still, Richmond unemployment stood at a fairly tight 3.8% as of July, with Hampton Roads at a close 3.9%, according to preliminary data from the Bureau of Labor Statistics. Both figures were in line with the 4.1% national average.
- Education and health services (2,900 jobs) and leisure and hospitality (1,000) recorded gains through June. At the other end, manufacturing (-3,900), financial activities (-2,200) and government (-1,900) led contractions, followed by an additional five sectors losing positions.
- Several large projects poised to boost the local economy are moving forward, including LEGO's 1.7 million-square-foot plant—on track for a 2027 opening—and the \$2.4 billion mixed-use Diamond District. The area continues to be a data center hot spot, with both Google and QTS advancing massive projects. On the Hampton Roads side, the \$4 billion Bridge-Tunnel Expansion is expected to reach completion next year, while the \$11.7 billion Coastal Virginia Offshore Wind project—the largest such development in the U.S.—should also reach completion in 2027.

Richmond Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	236.9	15.1%
70	Leisure and Hospitality	176.1	11.2%
50	Information	13.4	0.9%
40	Trade, Transportation and Utilities	273.9	17.5%
60	Professional and Business Services	246.8	15.7%
15	Mining, Logging and Construction	88.8	5.7%
80	Other Services	68.1	4.3%
90	Government	280.5	17.9%
55	Financial Activities	98.7	6.3%
30	Manufacturing	85.2	5.4%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- Richmond-Tidewater's 2024 population rose to 3,245,059 in 2024 from 3,225,987 in 2023, marking a gain of 19,072 residents, or 0.6%. Growth trailed the national rate of 1.0%, steady but measured expansion across the combined Virginia coastal corridor.

Richmond vs. National Population

	2021	2022	2023	2024
National	331,449,281	335,040,000	336,800,000	340,003,797
Richmond Tidewater	3,189,313	3,209,755	3,225,987	3,245,059

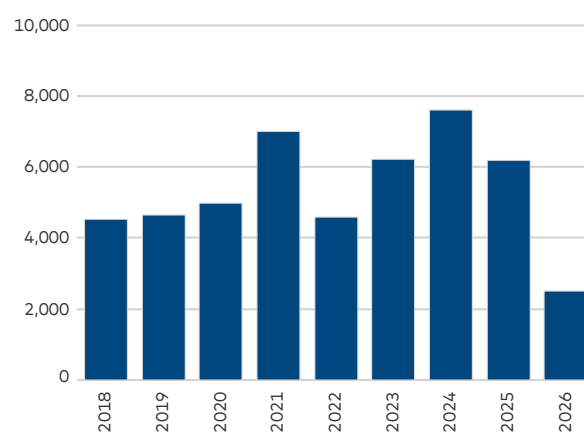
Source: U.S. Census

SUPPLY

- Developers had 9,120 units underway across Richmond-Tidewater as of August, which marked a sustained rhythm for the Mid-Atlantic metro. An additional 56,000 were in the planning and permitting stages. Three-quarters of units in the under-construction pipeline were in market-rate properties, with an additional quarter across fully affordable developments.
- A total of 2,500 apartments in 15 new properties came online across the metro in the first eight months of 2026. This equated to 0.9% of existing stock and was behind the 1.3% national pace. Of the units delivered, 581, or nearly one-quarter, were in fully affordable communities, with the rest in Lifestyle developments. This breakdown is consistent with the current under-construction pipeline, as well as the past two years of completions. Overall, Yardi Matrix expects roughly 5,000 apartments to come online in 2026 across metro Richmond and the Hampton Roads area.
- While pipelines are shrinking across many markets, Richmond remained relatively slow but steady. Developers broke ground on 4,153 units in 18 projects through August, compared to 3,017 units across 15 projects during the same time frame last year.

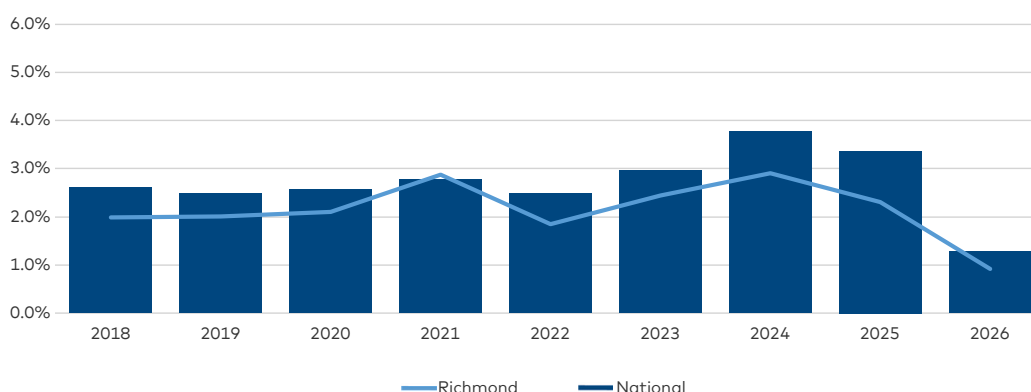
- Developers were active in 25 of the area's 75 submarkets as of August. Manchester led with 1,451 units underway, followed by the North Side (1,207) and Richmond-South (691).
- Jane at Moore's Lake, a 526-unit development in the suburb of Chester, Va., was the metro's largest project under construction as of August. Whittle & Roper Realtors is developing the property with help from two HUD construction loans totaling \$67.8 million.

Richmond Completions (as of August 2026)



Source: Yardi Matrix

Richmond vs. National Completions as a Percentage of Total Stock (as of August 2026)

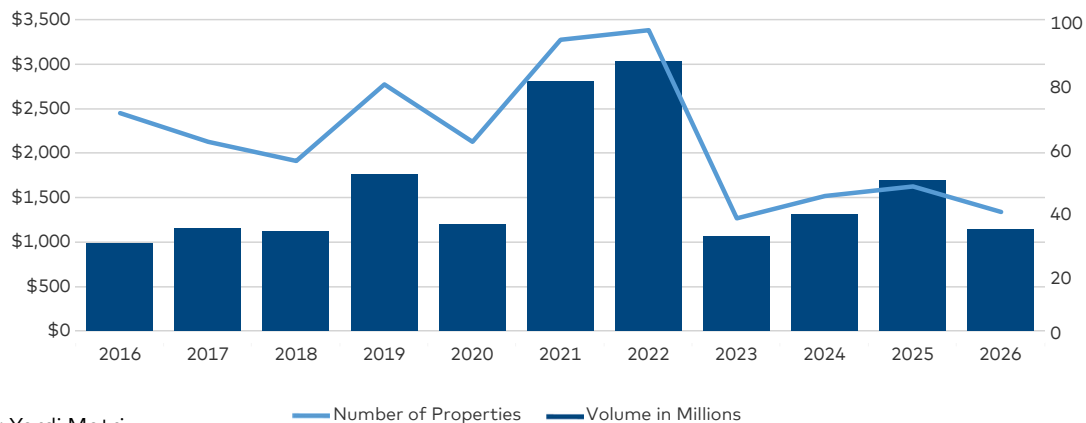


Source: Yardi Matrix

TRANSACTIONS

- A total of \$1.1 billion traded year-to-date through August in the area, marking a significant uptick from the \$788 million recorded during the same time frame in 2025. If the pace continues, 2026 is set to surpass last year's \$1.7 billion, marking the third-consecutive annual increase.
- However, the metro Richmond price per unit slid to \$167,056 this year through August, down roughly 10% from the figure recorded last year. This was in line with the national pace, as the U.S. per-unit average saw a 3.6% downtick, to \$192,668.
- Several companies stood out as active buyers in the 12 months ending in August. The list included Capital Square, which acquired north of 700 units across five assets for a total of almost \$180 million. Harbor Group International (851 units, three assets, \$152 million) and The Temple Group (634 units, three assets, \$67.6 million) also made the list.

Richmond Sales Volume and Number of Properties Sold (as of August 2026)



Source: Yardi Matrix

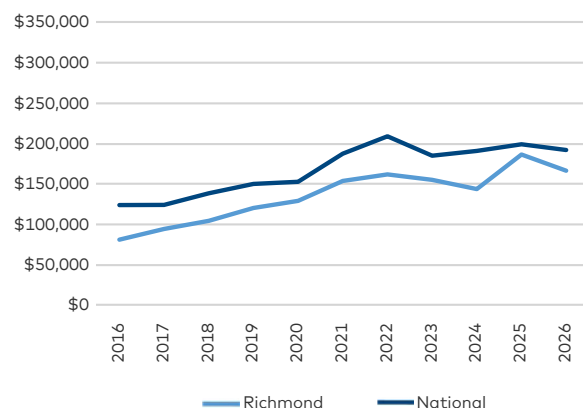
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
Glen Allen	318
Virginia Beach–Northeast	208
Chesapeake–South	190
Newport News–Central	182
Goochland–Powhatan–Amelia	115
Norfolk–Southeast	101
Midlothian	75

Source: Yardi Matrix

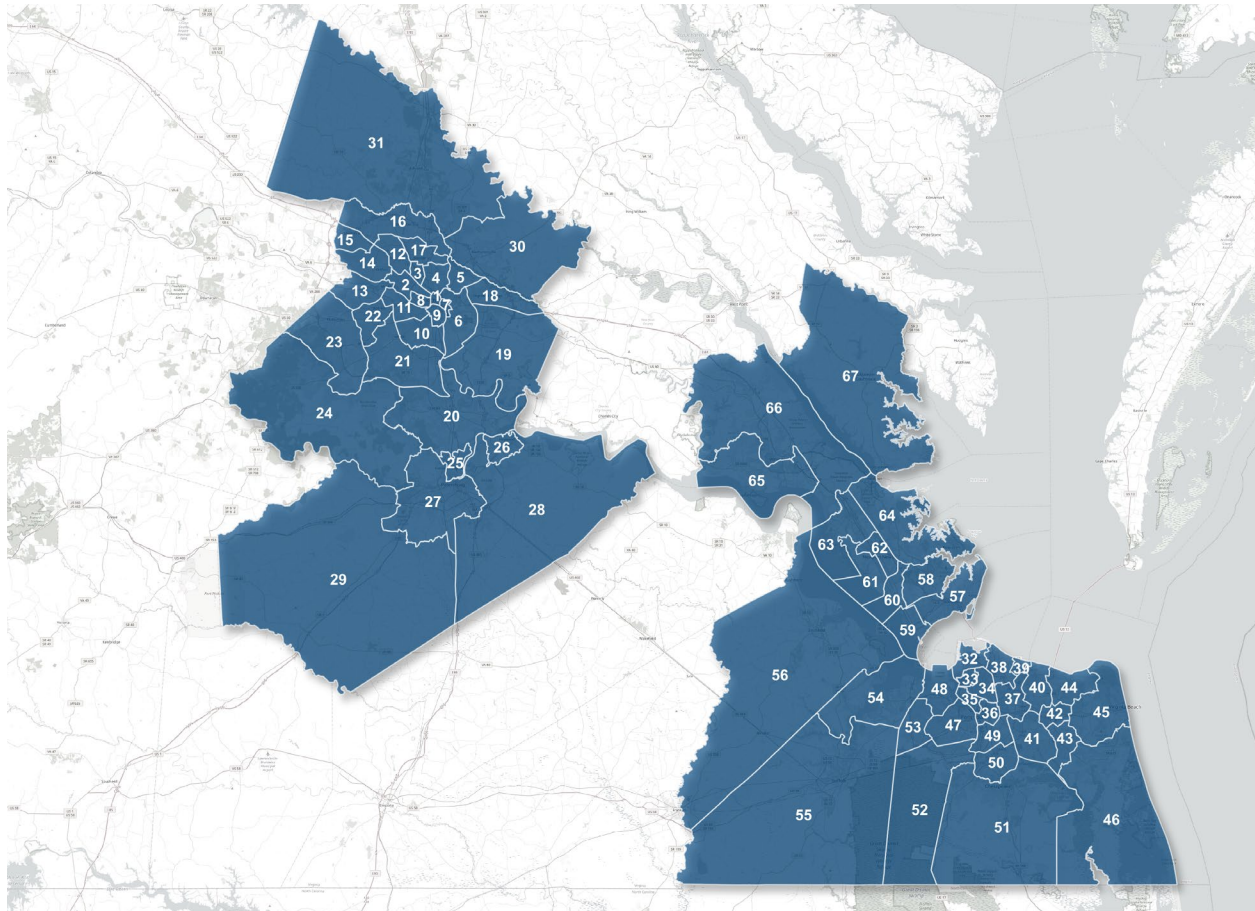
¹ From September 2025 to August 2026

Richmond vs. National Sales Price per Unit



Source: Yardi Matrix

RICHMOND SUBMARKETS



Area No.	Submarket
1	Richmond–City Center
2	Richmond–Fan District
3	Richmond–Scott's Addition
4	Richmond–North Side
5	Richmond–East Highland Park
6	Richmond–East End
7	Richmond–Church Hill
8	Richmond–Randolph
9	Richmond–Manchester
10	Richmond–South
11	Richmond–West
12	Richmond–West End
13	Richmond–Stony Point
14	Tuckahoe
15	Three Chopt
16	Glen Allen
17	Lakeside
18	Highland Springs
19	Sandston–Airport
20	Chester
21	North Chesterfield
22	Bon Air
23	Midlothian

Area No.	Submarket
24	Chesterfield County
25	Colonial Heights
26	Hopewell
27	Petersburg
28	Prince George County
29	Dinwiddie County
30	Mechanicsville
31	Hanover County
32	Norfolk–Navy Base
33	Norfolk–Lochhaven
34	Norfolk–Lafayette River
35	Norfolk–Central West
36	Norfolk–Central East
37	Norfolk–Southeast
38	Norfolk–Northeast
39	Norfolk–East Beach
40	Virginia Beach–Northwest
41	Virginia Beach–West
42	Virginia Beach–Town Center
43	Virginia Beach–Central
44	Virginia Beach–Bayside
45	Virginia Beach–Northeast
46	Virginia Beach–South

Area No.	Submarket
47	Portsmouth–Central
48	Portsmouth–North
49	Chesapeake–Northeast
50	Chesapeake–Central
51	Chesapeake–South
52	Chesapeake–Deep Creek
53	Chesapeake–Northwest
54	Suffolk–North
55	Suffolk–Central
56	Isle of Wight County
57	Hampton–South
58	Hampton–North
59	Newport News–Far South
60	Newport News–South
61	Newport News–West
62	Newport News–Central
63	Newport News–North
64	Yorktown
65	Williamsburg–South
66	Williamsburg–North
67	Gloucester

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.

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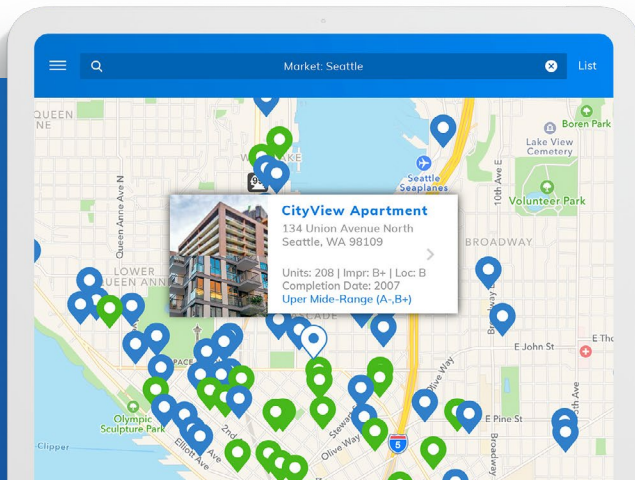
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with the industry's
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- Leverage improvement and location ratings, unit mix, occupancy and manager info
- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
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