



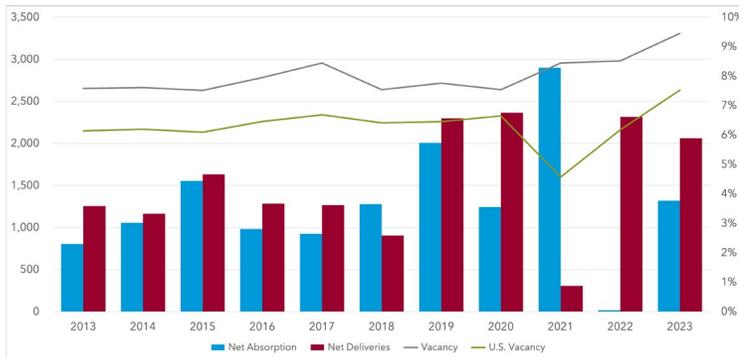
MULTIFAMILY MARKET OVERVIEW

KYLE GROSS, *Senior Director*

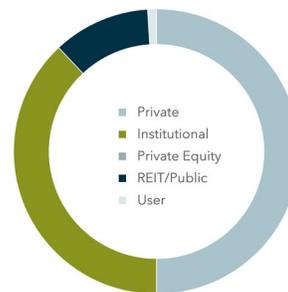
In the 4th quarter, the Durham multifamily vacancy rate increased slightly to 9.5% and the average market rent remained the same. Net unit deliveries in Q4 were approximately 771 units, up from 482 in Q3. The development pipeline remains active, with approximately 5,665 units under construction. Over 2023, the sales volume stood at \$636 million, which is below the market's 10-year average. While the multifamily product faces challenges due to mortgage rates and increasing costs compared to previous quarters, the Raleigh-Durham area's strong growth, top universities, skilled workforce, and quality of living continue to attract investors.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▲ 12 Mo. Absorption Units	1,319	567	(146)	16	17
▲ Vacancy Rate	9.5%	9.3%	10.5%	8.9%	8.5%
▼ Asking Rent/Unit (\$)	\$1,502	\$1,516	\$1,548	\$1,532	\$1,520
▲ Under Construction Units	5,665	5,528	5,343	4,800	3,710
▲ Inventory Units	59,210	58,439	57,957	57,347	57,147

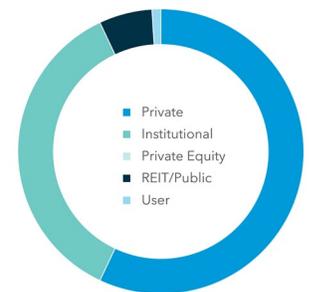
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
100 Village Crossing, Reserve at Meadowmont, Chapel Hill, NC	\$83,600,000 \$324,031 Per Unit	258	Mesirow Financial Bell Partners, Inc.
240 Ivy Meadow Lane Durham, NC	\$70,000,000 \$259,259 Per Unit	270	Jefferson Apartment Group / Stars REI Spyglass Realty Partners
110 Piney Mountain Road Chapel Hill, NC	\$42,500,000 \$126,488 Per Unit	336	Chapel Hill 336 LLC Solomon Organization

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Duck Pond Realty	\$174,300,000
Blackstone	\$144,000,000
Kelby Farms	\$84,800,000
Woodfield	\$84,750,000
Spyglass Realty Partners	\$70,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Munich RE	\$89,000,000
CWS Capital Partners LLC	\$85,292,000
King Properties	\$84,750,000
Mesirow Financial	\$83,600,000
Apartment Investment and Mgmt Co.	\$70,000,000



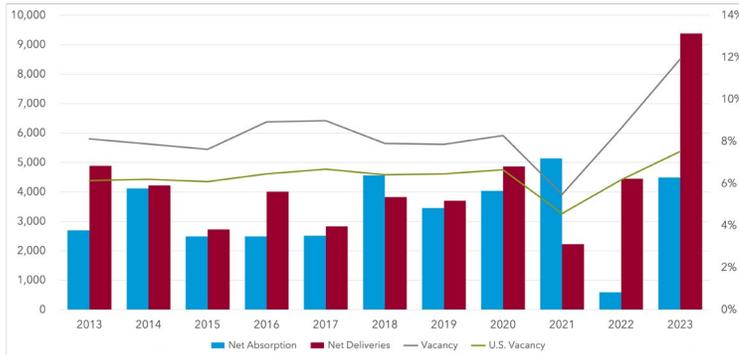
MULTIFAMILY MARKET OVERVIEW

KYLE GROSS, *Senior Director*

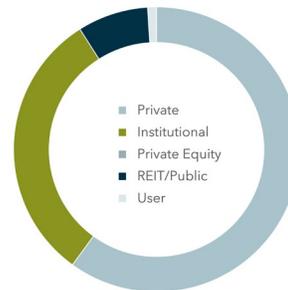
In the 4th quarter, the Raleigh multifamily vacancy rate increased slightly to 11.9%. Rents have been declining over the past 12 months, with the average rent around \$1,520/month. Net deliveries remained stable over the last two quarters with the total delivery for the year at 9,380 units. Over 2023, the sales volume reached \$1.0 billion, which is below the market's 10-year average. The market cap rate has risen in recent quarters but remains over the national average. The market price per unit is \$230,000 per unit, comparable to the national average.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▼ 12 Mo. Absorption Units	1,010	1,125	1,510	844	(261)
▲ Vacancy Rate	11.9%	11.0%	10.2%	9.5%	8.6%
▼ Asking Rent/Unit (\$)	\$1,516	\$1,548	\$1,585	\$1,572	\$1,555
▼ Under Construction Units	14,010	15,154	15,939	16,106	16,398
▲ Inventory Units	124,169	121,797	119,480	116,773	114,789

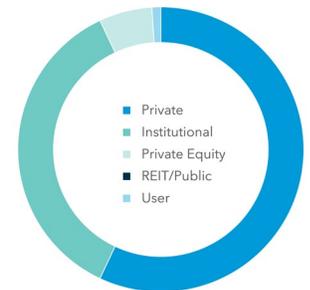
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
2327 Grant Ave Raleigh Solis Cameron Hills, Raleigh, NC	\$114,500,000 \$363,492 Per Unit	315	TA Realty Terwilliger Pappas
628 Blue Ridge Rd, Novo Blue Ridge Raleigh, NC	\$73,650,000 \$263,036 Per Unit	280	Eaton Vance RE Shelton McNally Real Estate
6350 Terra Verde Drive NorthCity 6 Raleigh, NC	\$64,250,000 \$220,790 Per Unit	291	Beacon Real Estate Group LLC New York Life Real Estate Investors

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Crescent Communities LLC	\$204,616,992
Terwilliger Pappas	\$114,500,000
Alliance Residential Company	\$93,250,000
The Halle Companies	\$84,500,000
Investcorp	\$80,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Mitsubishi Estate Co., Ltd	\$319,116,992
Westbrook Partners	\$93,250,000
Apartment Investment and Mgmt Co.	\$84,500,000
Two Sigma	\$80,000,000
CBRE Investment Management	\$79,925,000