



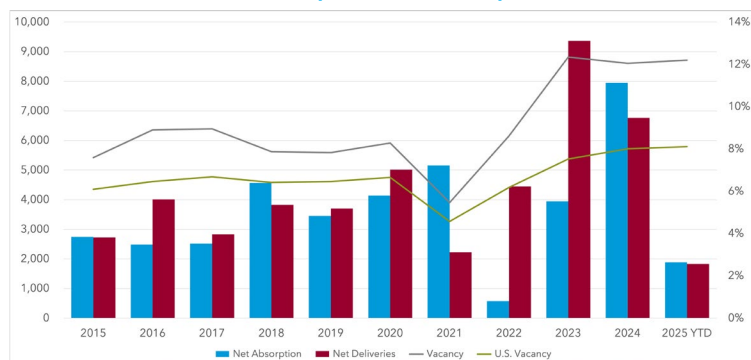
MULTIFAMILY MARKET OVERVIEW

KYLE GROSS, *Senior Director*

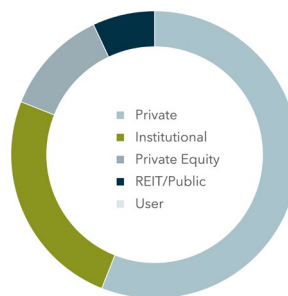
Raleigh's multifamily sector showed signs of moderation in Q2 2025, with annual net absorption dipping to 8,265 units from 8,650 in Q1. Vacancy rose to 12.2%, reversing the prior quarter's tightening. Rents increased to \$1,580 per unit, extending a steady upward trajectory. Sale prices declined to \$218,305 per unit, while cap rates compressed to 4.78%, indicating robust investor competition. Construction slowed sharply, with 5,794 units underway-down from 9,594. Inventory rose to 136,263 units. Despite a cooling pipeline, demand fundamentals remain solid amid persistent rent growth.

MARKET INDICATORS	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
▼ 12 Mo. Absorption Units	8,265	8,650	7,945	7,153	6,253
▲ Vacancy Rate	12.2%	11.8%	12.1%	12.0%	12.0%
▲ Asking Rent/Unit	\$1,580	\$1,558	\$1,525	\$1,555	\$1,545
▼ Sale Price/Unit	\$218,305	\$232,040	\$227,609	\$246,278	\$265,240
▼ Cap Rate	4.78%	5.30%	5.25%	5.30%	5.28%
▼ Under Construction Units	5,794	9,594	9,096	11,194	9,780
▲ Inventory Units	136,263	133,591	133,890	131,670	129,127

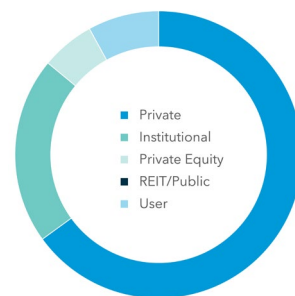
NET ABSORPTION, NET DELIVERIES, & VACANCY



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
380 Topwater Drive Clayton, NC	\$92,000,000 \$232,323 Per Unit	396	ECI Group Ardmore Residential
107 Luxury Lane* Knightdale, NC	\$16,750,000 \$167,500 Per Unit	100	Sterling Legacy LLC Mile Rock Capital Management
200 Guerin Road* Holly Springs, NC	\$16,500,000 \$173,684 Per Unit	95	Sterling Legacy LLC Mile Rock Capital Management

*Part of a Portfolio Sale

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Kane Realty Corporation	\$152,000,500	ECI Group	\$92,000,000
D.R. Horton	\$134,500,000	Cortland	\$76,000,250
Ardmore Residential	\$92,000,000	PAMERA North America LLC	\$76,000,250
DRA Advisors	\$66,300,000	Greystar Real Estate Partners	\$68,500,000
Raia Capital Management, Inc.	\$47,100,000	AvalonBay Communities, Inc.	\$66,500,000



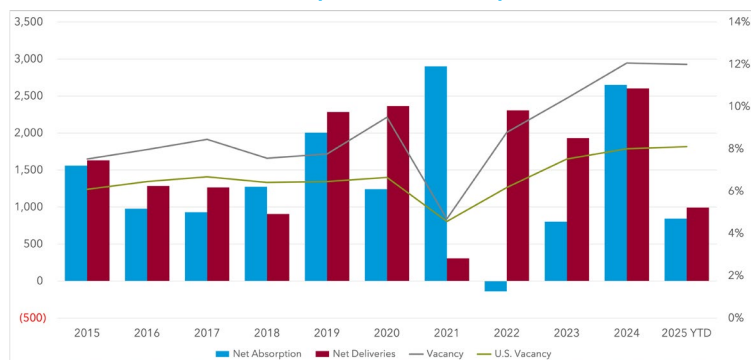
MULTIFAMILY MARKET OVERVIEW

KYLE GROSS, *Senior Director*

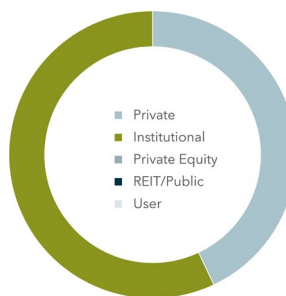
The Durham multifamily market softened slightly in Q2 2025, with net absorption easing to 3,019 units from 3,066 in Q1. Vacancy held at 12.0%, signaling balanced demand. Asking rents climbed to \$1,575 per unit, extending an upward trend. Average sale prices also increased to \$216,240 per unit, while cap rates edged down to 5.5%, reflecting continued investor confidence. The construction pipeline shrank to 6,485 units, down from 8,493, suggesting a cautious approach to future supply. Overall, Durham remains attractive with stable occupancy and rising values.

MARKET INDICATORS	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
▼ 12 Mo. Absorption Units	3,019	3,066	2,652	2,355	1,600
▼ Vacancy Rate	12.0%	12.3%	12.1%	11.1%	12.9%
▲ Asking Rent/Unit	\$1,575	\$1,547	\$1,533	\$1,545	\$1,548
▲ Sale Price/Unit	\$216,240	\$214,256	\$212,127	\$141,327	\$147,414
▼ Cap Rate	5.50%	5.53%	5.14%	5.63%	5.60%
▼ Under Construction Units	6,485	8,493	7,288	6,733	5,486
▲ Inventory Units	63,885	63,806	63,027	61,879	61,117

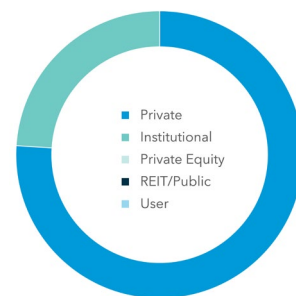
NET ABSORPTION, NET DELIVERIES, & VACANCY



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
604 Quick Silver Circle Durham, NC	\$830,000 \$46,111 Per Unit	18	Trp-Quick Silver LLC FG Communities

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone, Inc.	\$74,798,000	Brookfield Corporation	\$74,798,000
Elco Ltd.	\$61,590,000	Boston Capital Real Estate Partners	\$61,590,000
Atlantic Pacific Companies	\$57,000,000	Greystar Real Estate Partners	\$57,000,000
Weinstein Properties	\$53,595,000	13th Floor Investments	\$53,595,000
White Eagle Property Group LLC	\$39,700,000	Self-Help Credit Union	\$39,700,000

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