



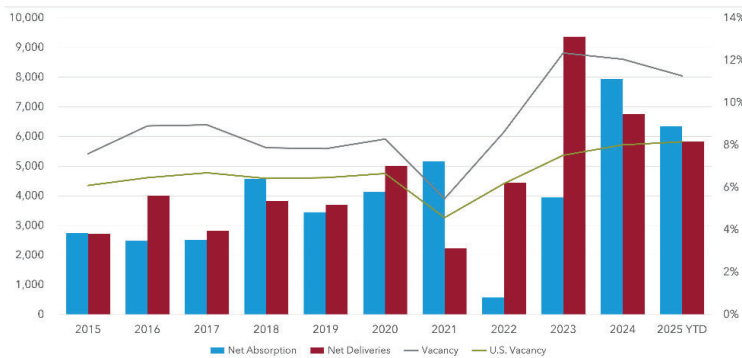
MULTIFAMILY MARKET OVERVIEW

STONE ALEXANDER, CPA, Vice President

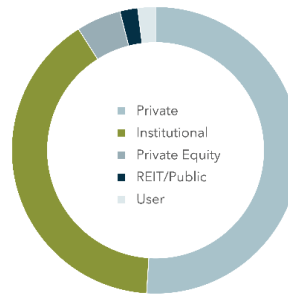
Raleigh's multifamily market steadied in Q3 2025, with net absorption reaching 8,305 units, slightly above Q2's 8,265. Vacancy improved to 11.3%, signaling stronger tenant demand, while average asking rents dipped to \$1,560 per unit. Sale prices per unit increased to \$221,532, though cap rates expanded to 5.26%, reflecting modest repricing by investors. Construction slowed further to 4,552 units from 5,794, while inventory climbed to 138,079 units. Overall, the sector shows resilience with rising occupancy and investment activity, even as developers pull back on new starts.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▲ 12 Mo. Absorption Units	8,305	8,265	8,650	7,945	7,153
▼ Vacancy Rate	11.26%	12.20%	11.80%	12.1%	12.0%
▼ Asking Rent/Unit	\$1,560	\$1,580	\$1,558	\$1,525	\$1,555
▲ Sale Price/Unit	\$221,532	\$218,305	\$232,040	\$227,609	\$246,278
▲ Cap Rate	5.26%	4.78%	5.30%	5.25%	5.30%
▼ Under Construction Units	4,552	5,794	9,594	9,096	11,194
▲ Inventory Units	138,079	136,263	133,591	133,890	131,670

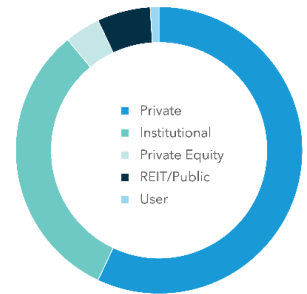
NET ABSORPTION, NET DELIVERIES, & VACANCY



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
7880 Triangle Promenade Drive Raleigh, NC	\$73,100,000 \$215,634 Per Unit	339	BMC Investments American Landmark
1700 Red Grove Lane Knightdale, NC	\$57,500,000 \$184,295 Per Unit	312	Centennial Holding Company Red Clay Development Partners
1001 Carrington Park Circle Morrisville, NC	\$62,386,000 \$234,534 Per Unit	266	RMR Residential Blackstone, Inc.

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone, Inc.	\$379,558,259	Blackstone, Inc.	\$898,752,259
The RMR Group	\$250,500,000	Mitsubishi Estate Co., Ltd.	\$592,980,000
Prudential	\$250,500,000	Carroll	\$323,875,000
The Halle Companies	\$231,600,000	Aldon Management	\$282,850,000
Elco Ltd.	\$210,600,000	Knightvest Mangement	\$276,100,000



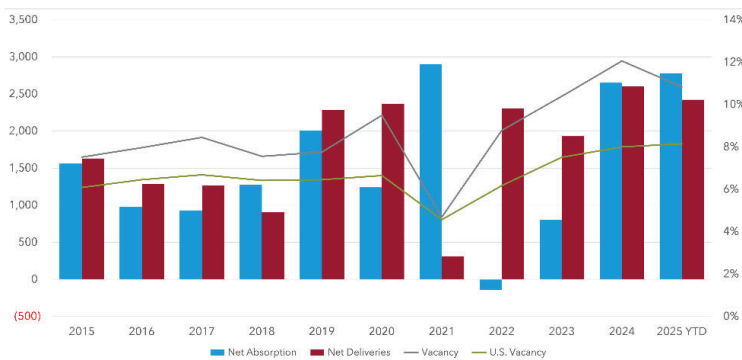
MULTIFAMILY MARKET OVERVIEW

STONE ALEXANDER, CPA, Vice President

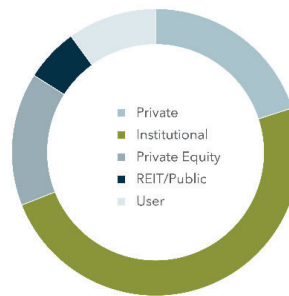
Durham's multifamily market eased in Q3 2025, with net absorption slipping to 2,777 units from 3,019 in Q2. Vacancy improved slightly to 10.8% from 12.0%, reflecting steady leasing momentum. Average asking rents adjusted modestly to \$1,548 per unit, while sale prices per unit increased to \$219,019, extending the upward trend. Cap rates held stable at 5.5%, underscoring strong investor demand. The construction pipeline contracted sharply to 4,785 units from 6,485, signaling caution in future supply. Overall, Durham's fundamentals remain sound, balancing softer absorption with firm pricing and a leaner pipeline.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▼ 12 Mo. Absorption Units	2,777	3,019	3,066	2,652	2,355
▼ Vacancy Rate	10.8%	12.0%	12.3%	12.1%	11.1%
▼ Asking Rent/Unit	\$1,548	\$1,575	\$1,547	\$1,533	\$1,545
▲ Sale Price/Unit	\$219,019	\$216,240	\$214,256	\$212,127	\$141,327
▼ Cap Rate	5.52%	5.50%	5.53%	5.14%	5.63%
▼ Under Construction Units	4,785	6,485	8,493	7,288	6,733
▲ Inventory Units	64,560	63,885	63,806	63,027	61,879

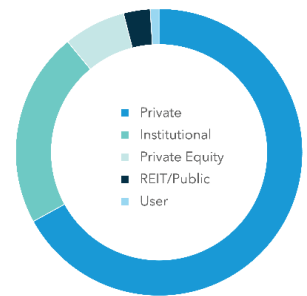
NET ABSORPTION, NET DELIVERIES, & VACANCY



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
201 NC 54 Carrboro, NC	\$21,000,000 \$125,000 Per Unit	168	Matheson Capital Magma Equities
711 Leasburg Road Roxboro, NC	\$9,097,000 \$104,563 Per Unit	87	FG Communities Zachary Kiel
802-814 Green Street Durham, NC	\$4,290,000 \$268,125 Per Unit	16	Trinity Properties Robert L. Schmitz

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone, Inc.	\$324,869,486
Duck Pond Realty Management	\$278,292,000
Blue Heron Asset Management LLC	\$200,200,000
Dasmen Residential LLC	\$198,387,000
Bell Partners, Inc.	\$160,600,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone, Inc.	\$298,044,486
Harbor Group International	\$230,937,000
Friedlam Partners	\$210,000,000
Braddock & Logan	\$191,050,000
The Connor Group	\$183,000,000