



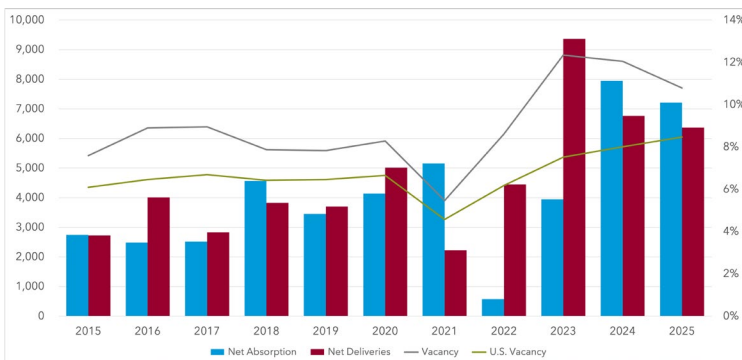
MULTIFAMILY MARKET OVERVIEW

RUSSELL STEWART, SIOR, J.D., *Vice President, Principal*

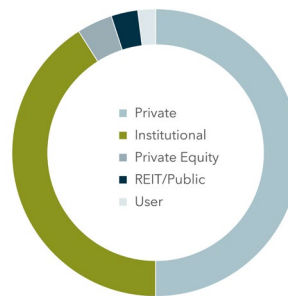
Raleigh's multifamily market cooled modestly in Q4 2025, with net absorption slowing to 7,212 units and vacancy improving to 10.79%. Asking rents declined to \$1,538 per unit, down from \$1,560 in Q3, marking the second consecutive quarterly dip. Meanwhile, sale prices per unit jumped to \$241,424, signaling investor confidence despite flattening rent growth. Cap rates held firm at 5.26%. Construction activity picked up to 6,335 units, reversing the previous quarter's decline, while total inventory slightly decreased to 137,790 units. The market remains resilient, balancing elevated demand with shifting pricing dynamics and measured new supply.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ 12 Mo. Absorption Units	7,212	8,305	8,265	8,650	7,945
▼ Vacancy Rate	10.79%	11.26%	12.20%	11.80%	12.1%
▼ Asking Rent/Unit	\$1,538	\$1,560	\$1,580	\$1,558	\$1,525
▲ Sale Price/Unit	\$241,424	\$221,532	\$218,305	\$232,040	\$227,609
◀ ▶ Cap Rate	5.26%	5.26%	4.78%	5.30%	5.25%
▲ Under Construction Units	6,335	4,552	5,794	9,594	9,096
▼ Inventory Units	137,790	138,079	136,263	133,591	133,890

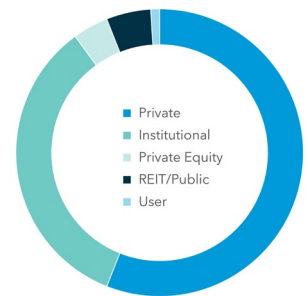
NET ABSORPTION, NET DELIVERIES, & VACANCY



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
200 Park At North Hills Street Raleigh, NC	\$132,500,000 \$463,287 Per Unit	286	Fairfield Residential KBS
2840 Ardenview Circle Raleigh, NC	\$26,796,000 \$219,639 Per Unit	122	Arboretum Partners Capital Associates Management LLC
201-205 E. Ransom Street Raleigh, NC	\$1,275,000 \$106,250 Per Unit	12	William T. Barker Davidi and Margaret Cerrillos

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone, Inc.	\$379,236,869
The RMR Group	\$250,500,000
Prudential	\$250,500,000
Elco Ltd.	\$210,600,000
Dasmen Residential LLC	\$197,581,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone, Inc.	\$727,680,869
Mitsubishi Estate C., Ltd.	\$592,980,000
Carroll	\$323,875,000
Starwood Capital Group	\$250,500,000
Knightvest Management	\$225,100,000



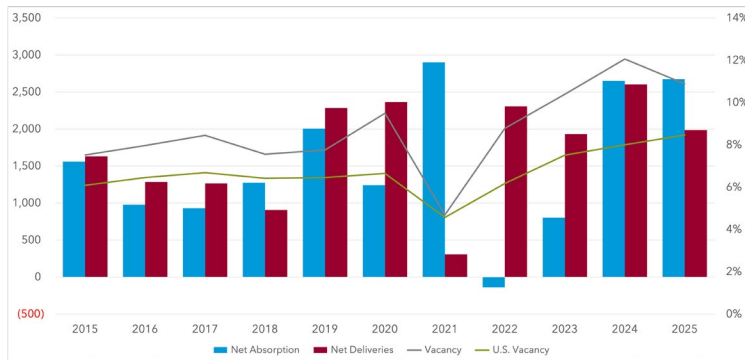
MULTIFAMILY MARKET OVERVIEW

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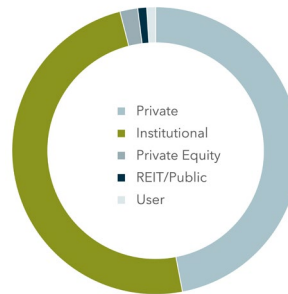
Durham's multifamily market held steady in Q4 2025, with net absorption at 2,674 units and vacancy ticking up to 10.9%. Asking rents declined modestly to \$1,533 per unit, while sale prices eased to \$215,200. Cap rates inched higher to 5.57%, suggesting a slight shift in investor expectations. The construction pipeline shrank again to 3,536 units, down significantly from mid-year levels, while total inventory rose to 64,623 units. Following several quarters of strong absorption, the market is showing signs of recalibration, with softer rent growth and moderated pricing met by tighter development activity.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ 12 Mo. Absorption Units	2,674	2,777	3,019	3,066	2,652
▲ Vacancy Rate	10.9%	10.8%	12.0%	12.3%	12.1%
▼ Asking Rent/Unit	\$1,533	\$1,548	\$1,575	\$1,547	\$1,533
▼ Sale Price/Unit	\$215,200	\$219,019	\$216,240	\$214,256	\$212,127
▼ Cap Rate	5.57%	5.52%	5.50%	5.53%	5.14%
▼ Under Construction Units	3,536	4,785	6,485	8,493	7,288
▲ Inventory Units	64,623	64,560	63,885	63,806	63,027

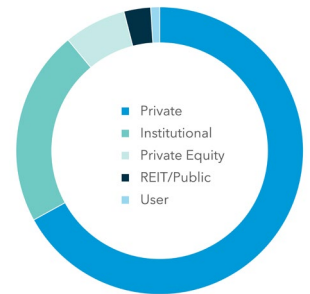
NET ABSORPTION, NET DELIVERIES, & VACANCY



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 Cascade Falls Ln/Falls Pointe at the Park, Durham, NC*	\$46,500,000 \$149,038 Per Unit	312	Dominium Fairfield Residential
4801 Danube Ln - Magnolia Pointe* Durham, NC	\$83,570,000 \$314,173 Per Unit	266	Dominium Fairfield Residential
209 Spaniel Dr - Avalon Townhome Collection Brier Crk, Morrisville, NC	\$36,500,000 \$392,473 Per Unit	93	AvalonBay Communities, Inc. Quinn Residences

*Part of a Portfolio Sale

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone, Inc.	\$325,009,525	Blackstone, Inc.	\$298,184,525
Duck Pond Realty Management	\$278,292,000	Harbor Group International	\$230,937,000
Blue Heron Asset Management LLC	\$200,200,000	Friedlam Partners	\$210,000,000
Dasmen Residential LLC	\$198,387,000	Braddock & Logan	\$191,050,000
Bell Partners, Inc.	\$160,600,000	The Connor Group	\$183,000,000

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