LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q3 2026
RALEIGH, NC



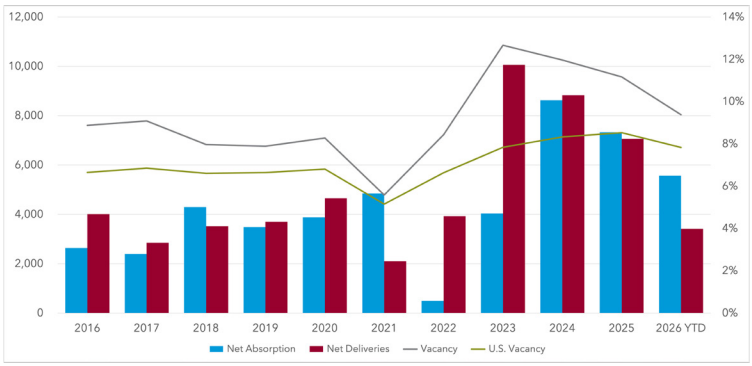
MULTIFAMILY MARKET OVERVIEW

JAKE PLOTKIN, CCIM, *Vice President, Principal*

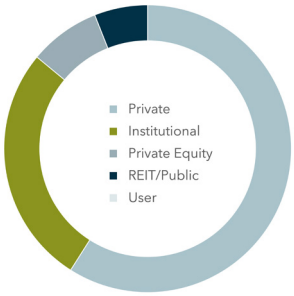
Raleigh's apartment market is working through its supply wave, though renters still hold the leverage. Vacancy fell to 9.3% from 11.2% a year ago as the market absorbed 6,568 units over 12 months, and the construction pipeline shrank to 6,649 units from 7,563. Rents haven't followed: the average asking rent of $1,570 a month is up just 0.4% over the year and slipped in Q3, as landlords keep using concessions to fill new buildings. With 30-year mortgage rates reaching 7.4% in early October, more households are likely to keep renting, which should keep pushing occupancy higher into 2027.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▼ 12 Mo. Absorption Units	6,568	7,114	7,138	7,335	7,933
▲ Vacancy Rate	9.25%	9.19%	10.55%	11.17%	11.22%
▼ Asking Rent/Unit	$1,569.85	$1,578.52	$1,562.34	$1,551.66	$1,563.33
▼ Sale Price/Unit	$246,314.67	$247,374.83	$244,467.38	$244,222.69	$238,257.36
▲ Cap Rate	5.35%	5.32%	5.32%	5.28%	5.31%
▼ Under Construction Units	6,649	7,663	7,406	7,447	7,563
▲ Inventory Units	141,482	139,629	139,149	138,342	137,224

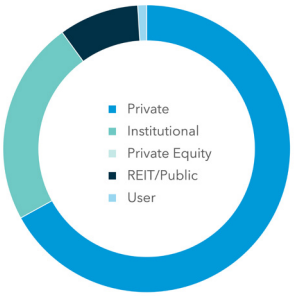
NET ABSORPTION, NET DELIVERIES, & VACANCY



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
6701 Fox Road Raleigh, NC	$29,590,691 $64,327.59 per unit	460	Apollo Global Management Starwood Real Estate Income Trust, Inc.
2118 Clark Avenue Raleigh, NC	$73,977,000 $262,329.79 per unit	282	TA Village District, LLC PBone Cameron LP
6301 Lakecrest Dr Raleigh, NC	$79,890,000 $214,758.06 per unit	372	MCP Lakecrest LLC Aventon North Ridge Owner LLC

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Hudson Capital Properties	$106,000,000
Aventon Companies	$79,890,000
Franklin Bsp Realty Trust, Inc	$76,600,000
World Wide Group	$71,900,000
KETTLER	$71,500,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Mesirow Financial	$143,000,000
Landmark Companies	$106,000,000
Rise48 Equity	$82,000,000
Marcus Partners	$79,890,000
Dan Irvin	$76,600,000

LEE & ASSOCIATES
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Q3 2026
DURHAM, NC



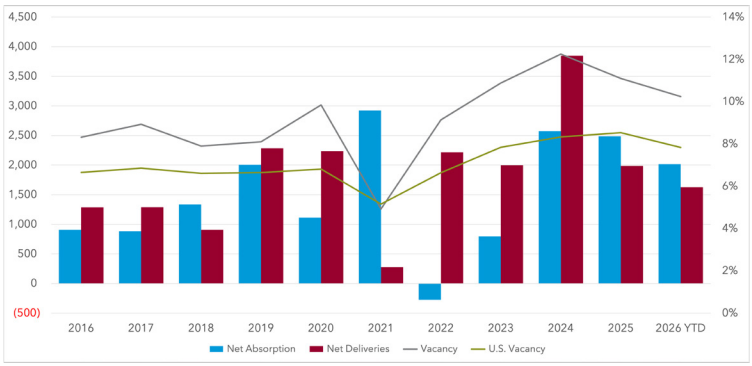
MULTIFAMILY MARKET OVERVIEW

MIKE GLENNON, *Broker*

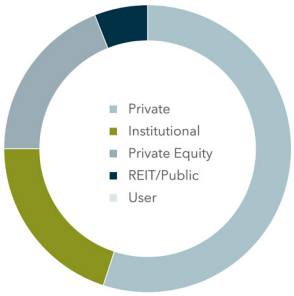
Durham's apartment market had its strongest leasing quarter of the year in Q3 2026, absorbing about 1,130 units and cutting vacancy to 10.3% from 11.5% in Q2. Rents tell a softer story: the average asking rent of $1,559 a month slipped 0.8% in the quarter and sits 0.3% below a year ago, as landlords trade price for occupancy. Unlike Raleigh, where the pipeline is shrinking, Durham's grew 20% over the year to 5,577 units. With 30-year mortgage rates at 7.4% in early October, renter demand should hold, but that new supply will likely keep rents in check into 2027.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▼ 12 Mo. Absorption Units	2,198	2,618	2,246	2,486	2,474
▼ Vacancy Rate	10.35%	11.48%	11.47%	11.10%	11.06%
▼ Asking Rent/Unit	$1,559.30	$1,571.81	$1,561.25	$1,545.70	$1,564.00
▼ Sale Price/Unit	$218,509.98	$220,922.75	$218,059.26	$217,442.61	$218,942.69
▲ Cap Rate	5.68%	5.63%	5.62%	5.58%	5.54%
▲ Under Construction Units	5,577	5,186	5,457	4,599	4,649
▲ Inventory Units	66,023	65,591	64,926	64,396	64,086

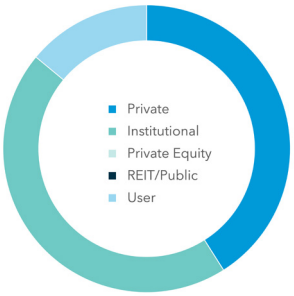
NET ABSORPTION, NET DELIVERIES, & VACANCY



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
4802 Durham Chapel Hill Blvd Durham, NC	Undisclosed	930	Equity Residential AvalonBay Communities, Inc.
501 Jones Ferry Road Durham, NC	$31,450,000 $112,321.43 Per Unit	280	Collins-Chapel LLC Lamar Collins Crossings Associates, LLC
201 Wind River Parkway Durham, NC	$70,000,000 $202,312.14 Per Unit	346	Brier Creek Apartment Owner, LLC Brier Creek Residences LLC

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone Inc.	$323,733,430
Duck Pond Realty Management	$278,292,000
Dasmen Residential LLC	$198,387,000
McDowell Properties	$101,500,000
Northwestern Mutual	$100,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
GFG Capital	$87,125,000
Boston Capital Real Estate Partners	$70,000,000
Singh Development Company	$52,000,000
Covenant Capital Group	$46,250,000
Dominium	$41,785,000



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