



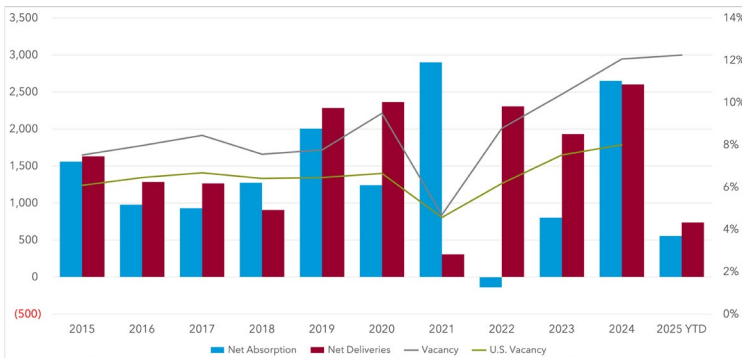
MULTIFAMILY MARKET OVERVIEW

RUSSELL STEWART, *Vice President, Principal*

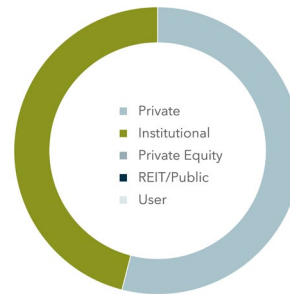
Durham's multifamily market posted solid gains in Q1 2025, absorbing 3,066 units-up from 2,652 in Q4. Vacancy rose slightly to 12.25% amid robust new deliveries. Asking rents inched up to \$1,547 per unit, while sale prices averaged \$214,256. Cap rates moved higher to 5.53%, reflecting evolving investor expectations. The construction pipeline expanded to 8,493 units as inventory reached 63,806. Major Q1 sales included 200 Edinborough Dr and 1000 McQueen Dr. Despite rising vacancy, Durham's fundamentals remain healthy, underpinned by job growth, migration trends, and sustained capital deployment in key submarkets.

| MARKET INDICATORS | Q1 2025 | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 |
|----------------------------|-----------|-----------|-----------|-----------|-----------|
| ▲ 12 Mo. Absorption Units | 3,066 | 2,652 | 2,355 | 1,600 | 915 |
| ▲ Vacancy Rate | 12.25% | 12.06% | 11.06% | 12.90% | 11.11% |
| ▲ Asking Rent/Unit | \$1,547 | \$1,533 | \$1,545 | \$1,548 | \$1,518 |
| ▲ Sale Price/Unit | \$214,256 | \$212,127 | \$141,327 | \$147,414 | \$235,795 |
| ▲ Cap Rate | 5.53% | 5.14% | 5.63% | 5.60% | 5.54% |
| ▲ Under Construction Units | 8,493 | 7,288 | 6,733 | 5,486 | 6,892 |
| ▲ Inventory Units | 63,806 | 63,027 | 61,879 | 61,117 | 59,366 |

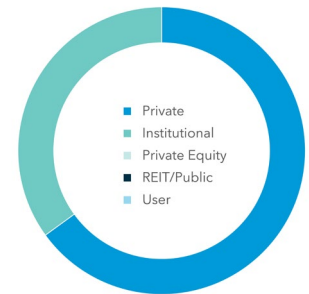
NET ABSORPTION, NET DELIVERIES, & VACANCY



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 Edinborough Drive Durham, NC | \$61,590,000 \$186,636 Per Unit | 330 | Boston Capital Real Estate Partners American Landmark |
| 1000 McQueen Drive Durham, NC | \$53,595,000 \$171,779 Per Unit | 312 | 13th Floor Investments Weinstein Properties |
| 5214-5222 Kerley Road Durham, NC | \$6,000,000 \$166,667 Per Unit | 36 | Southern Repair Service Incorporated Kerley Road LLC |

| TOP SELLERS (PAST 12 MONTHS) | SALES VOLUME |
|----------------------------------|--------------|
| Sentinel Real Estate Corporation | \$83,000,000 |
| Blackstone Inc. | \$74,798,000 |
| Elco Ltd. | \$61,590,000 |
| Atlantic Pacific Companies | \$57,000,000 |
| Weinstein Properties | \$53,595,000 |

| TOP BUYERS (PAST 12 MONTHS) | SALES VOLUME |
|-------------------------------------|--------------|
| The Connor Group | \$83,000,000 |
| Brookfield Corporation | \$74,798,000 |
| Boston Capital Real Estate Partners | \$61,590,000 |
| Greystar Real Estate Partners | \$57,000,000 |
| 13th Floor Investments | \$53,595,000 |

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