



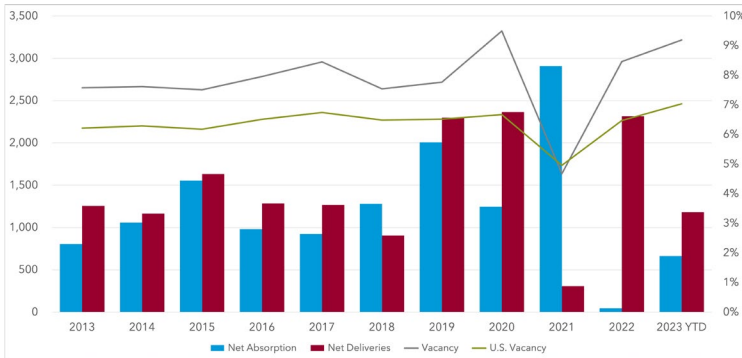
MULTIFAMILY MARKET OVERVIEW

KYLE GROSS, *Senior Director*

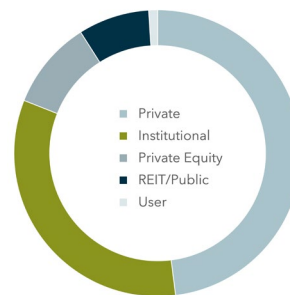
In Durham, multifamily vacancy rates declined slightly to 9.19% in Q3 from 10.46% in Q2 2023. Average market rent was \$1.59 PSF at the end of Q3, a slight decrease from the previous quarter. Modest rent growth is anticipated in the coming quarters. Net unit deliveries in Q3 were around 354 units, down from 690 in Q2. The development pipeline remains active, with approximately 1,350 units expected to be completed next quarter, potentially causing a rise in vacancy as these assets stabilize. Q3 sales volume stood at \$172.65 million, relatively steady compared to earlier quarters. The 10-year treasury rate rose from 3.85% in July 2023 to 4.6% by Q3-end, the highest since 2007, likely impacting multifamily investment pace; however, apartments with stable, long-term assumable debt remain appealing.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	519	(86)	79	46	183
▼ Vacancy Rate	9.19%	10.46%	8.77%	8.46%	7.73%
▼ Asking Rent/Unit (\$)	\$1,503.07	\$1,535.88	\$1,519.74	\$1,509.07	\$1,530.96
▼ Under Construction Units	5,190	5,234	4,696	3,807	3,127
▲ Inventory Units	58,013	57,659	57,049	56,830	56,537

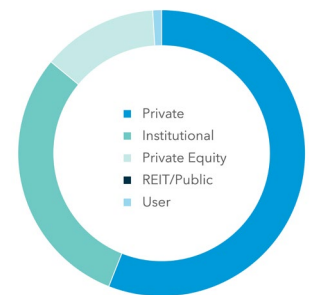
NET ABSORPTION, NET DELIVERIES, & VACANCY



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
1108 Merrion Avenue Durham, NC	\$70,000,000 \$269,230.77 Per Unit	260	AIR Communities LivCor LLC
1122 Medlin Road Durham, NC	\$84,750,000 \$305,956.68 Per Unit	277	King Properties PGIM, Inc.
531 E. Carver Street Durham, NC	\$6,050,000 \$126,041.67 Per Unit	48	Housing for New Hope Kenwood Enterprises, Inc.

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Duck Pond Realty Management	\$174,292,000
Northwestern Mutual Life Insurance Co.	\$100,000,000
Blackstone, Inc.	\$70,000,000
PRG Real Estate Management, Inc.	\$43,600,000
Prudential Financial, Inc.	\$42,375,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
The Connor Group	\$100,000,000
Munich RE	\$89,000,000
CWS Capital Partners LLC	\$85,292,000
King Properties	\$84,750,000
Apartment Investment and Mgmt Co.	\$70,000,000

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