



Triad multifamily market report

Q4 2024



Triad multifamily insights

01

Demand Continues to Surge

Annual apartment demand experienced a strong resurgence in the last twelve months, posting the **highest absorption (3,246 units)** in over a decade. The Triad was among the select few markets across the South region where vacancies declined. As a result, occupancy rose to **94%**, reaching its highest level in the Triad in nearly two years.

02

New Deliveries Set to Increase

A total of **1,634 units** delivered at the close of Q4, keeping annual completions moderate and **supporting rent growth** across all seven submarkets. Unlike Raleigh and Charlotte's supply peaks, the Triad anticipates **an increase in new deliveries**. An increase in supply may create challenges for the Triad's rent growth as the market adjusts.

03

Capital Markets

In the past 12 months, multifamily sales accounted for **30%** of total investments across all property types. The average cap rate was **6%, up 60 bps** year-over-year and multifamily volumes totaled **\$373M**. The average price per unit totaled **\$120,542**, down **43%** in Q4.



Supply and demand

3,246 units

Annual demand

Annual demand skyrocketed back into **positive territory** totaling **3,246 units**. Supply increased **20%** year-over-year as **1,634 units** delivered in the last twelve months.

With nearly **3,458 units** under construction, **2,664** of those are set to complete within the next four quarters which would set a record in the market while also creating **pressure** on **rent growth**.



Inventory snapshot

3.0%

Inventory under construction

In the fourth quarter, **311 units** were delivered pushing annual deliveries in the Triad to **1,634 units** and there were **3,458 multifamily units under construction** at the close of Q4.

With inventory base expected to grow by **2.3%** in the coming four quarters, the highest the Triad market has seen since 2009. The **North Winston-Salem** and **West Greensboro** submarkets experienced the highest supply volume in the last year.



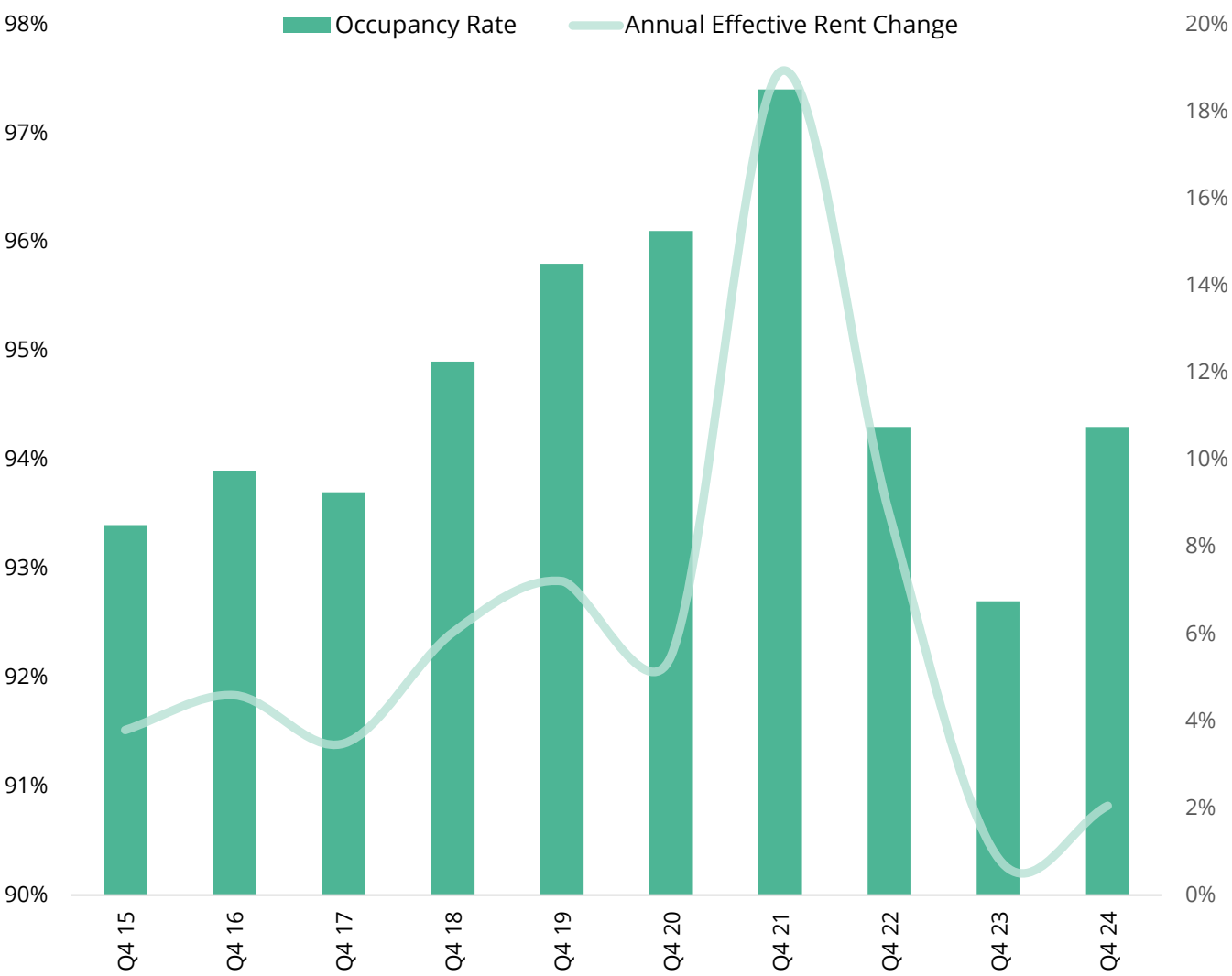
Occupancy vs. Rent Change

94%

Occupancy Rate

The Triad’s occupancy rate remains healthy at **94%** and has averaged at or **above 93%** over the last decade. Healthy occupancy rates continue to support steady effective rent growth for the near-term.

The average annual effective growth rate was **1.9%** at the close of Q4. The **Burlington submarket** recorded the largest annual rent gain of **3.3%**.



Rents by Asset Class

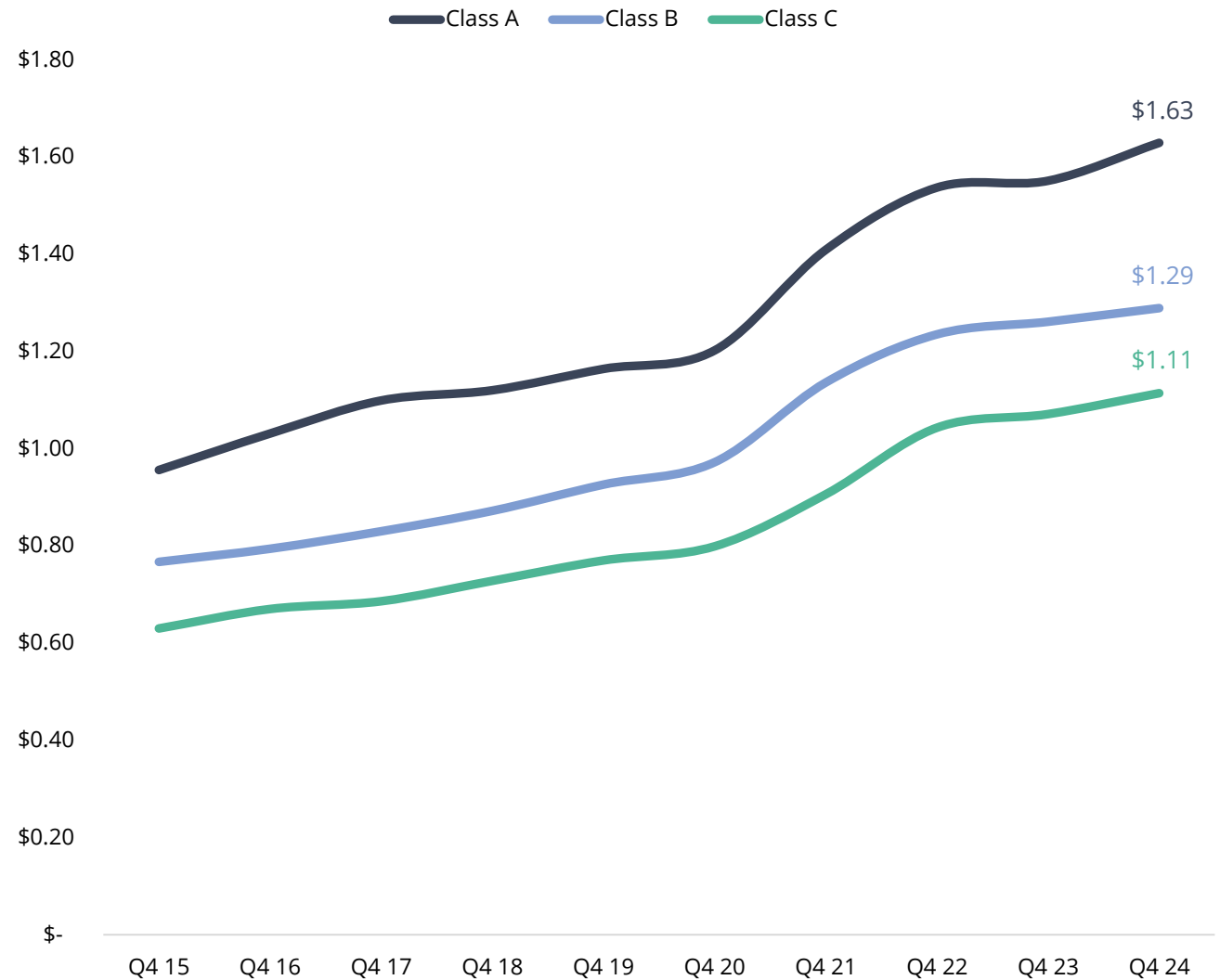
\$1.63

Average Class A effective rate

Class A assets experienced the largest effective rent growth (psf) increase at the close of Q4, up **4.8%**. **Class C** product was not far behind with an annual increase of **3.9%**.

The **Burlington** and **North Winston-Salem** submarkets reported the highest annual rent changes in 2024.

At the close of the year, the percent of units offering concessions increased to **22%**, with a concession value of **\$43.00**.



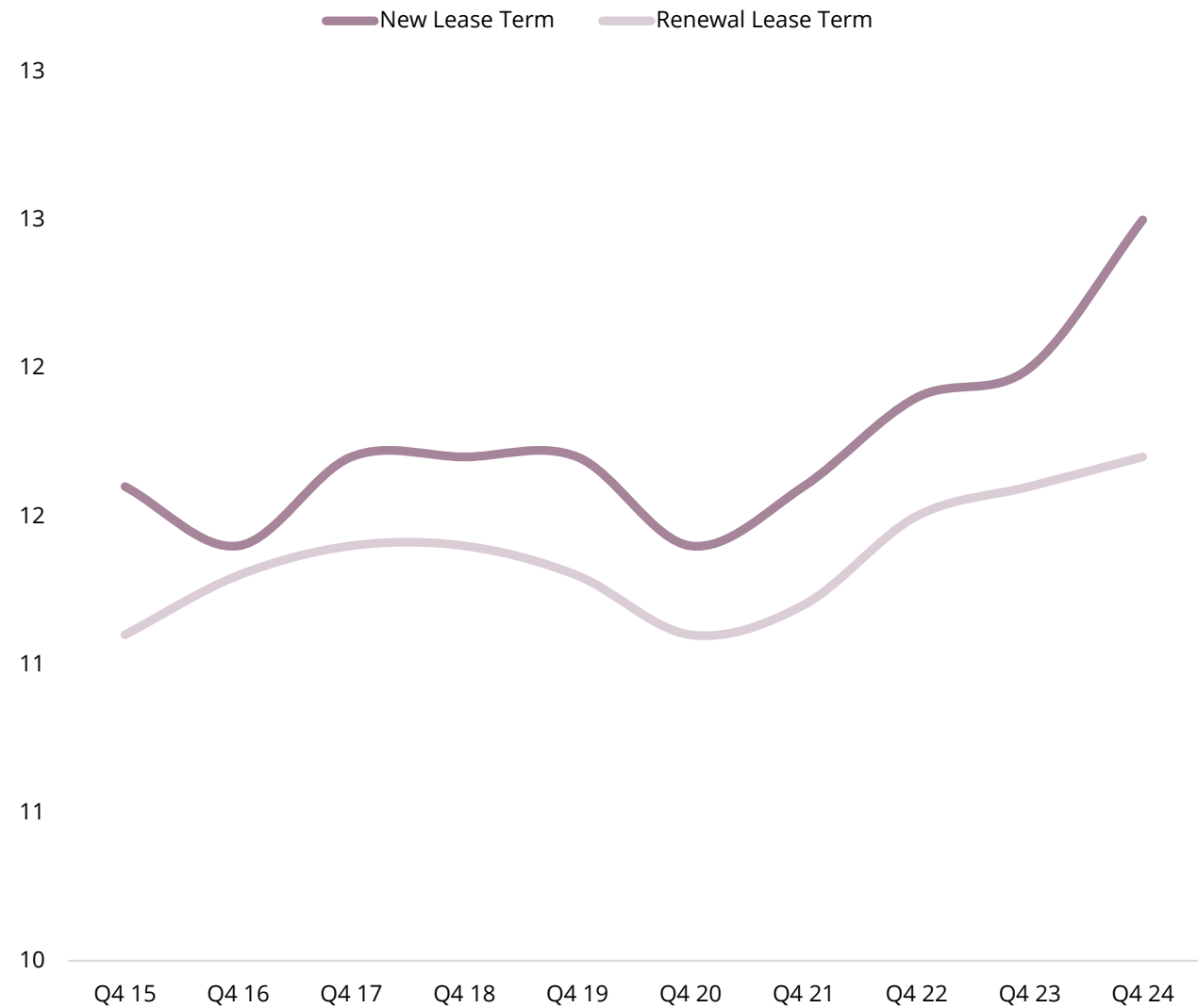
Lease Terms

12.5 (months)

Average new lease term

The average new lease term rose to **12.5 months**, driven by strong demand and higher concession rates.

Renewal lease terms in the Triad market remained unchanged year-over-year at **11.7 months**.



Investment sales

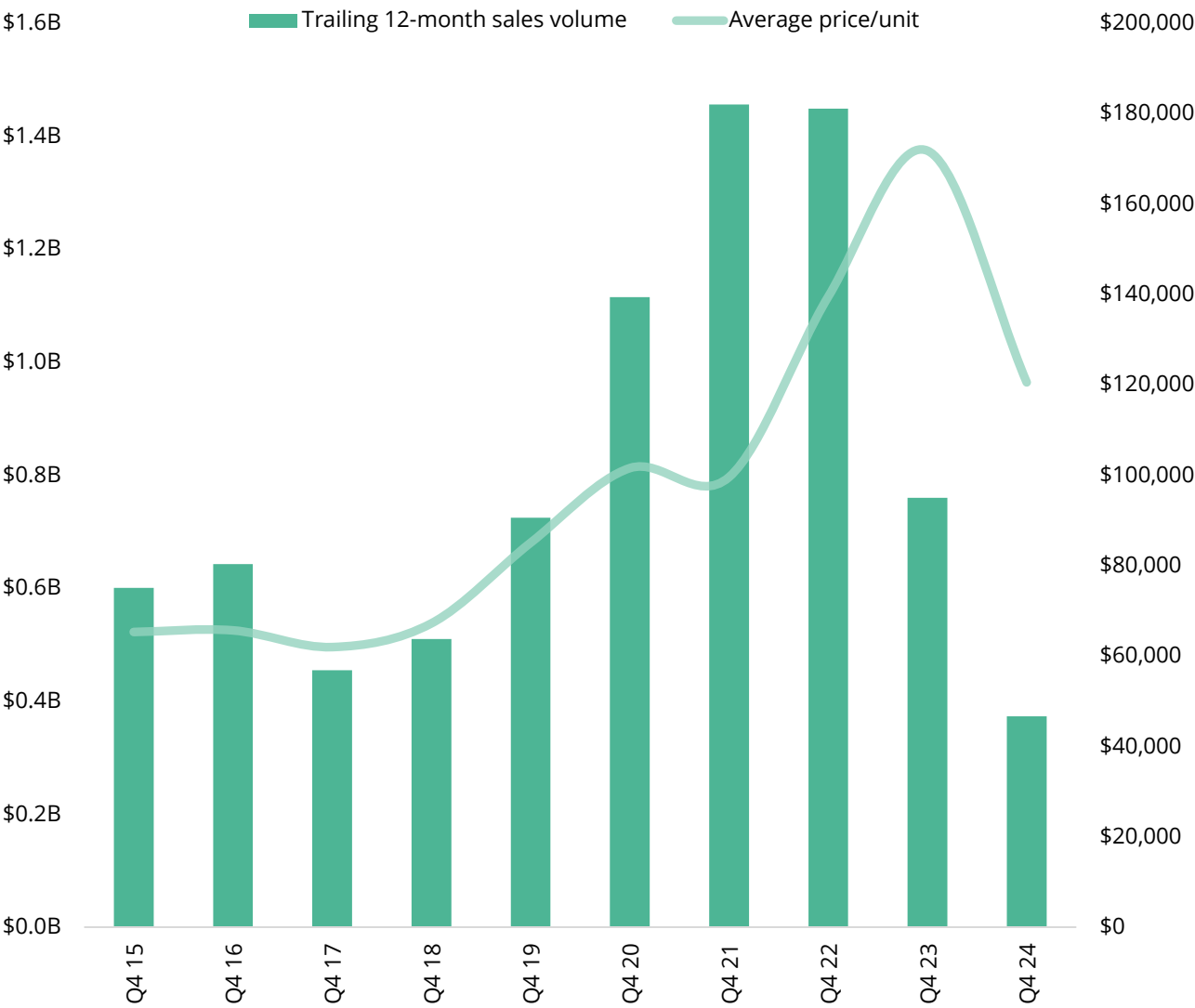
\$373M

Trailing 12-month sales volume

Trailing 12-month investment sales volume totaled **\$373M** across **29 properties** and **3,100 units**.

The disposition of **The Province**, a 696-bed student-housing asset in Greensboro, sold for **\$50M**, the largest transaction in the last twelve months.

Private funds remain the largest capital composition year-to-date accounting for **100%** of multifamily transactions in the Triad.



Notable investment sales – last 12 months

Property	Seller	Submarket	Total units	Total sales price (\$M)	Avg. unit size	Avg. price/unit	Cap rate	Avg. effective rent/sf
The Province*	BREIT; JV: Blackstone	South Greensboro	696 beds	\$50	1,238	\$228,311	6.9%	\$1.62
Drawbridge Creek	Bridge Investment Group	West Greensboro	240	\$40	1,046	\$167,500	-	\$1.25
Spring Forest at Deerfield	Summit Equity	Burlington	192	\$35	1,024	\$181,510	5.9%	\$1.26
Lindsey Manor	ASG Equities	South Winston-Salem	222	\$34	757	\$153,153	-	\$1.65
Cambridge Park	Crowne Partners	North Winston-Salem	250	\$32	1,043	\$126,933	5.6%	\$1.24
The Brittany	Michael Netzer	Burlington	214	\$29	1,147	\$135,047	5.8%	\$1.07
The Retreat at Copper Creek	Somerset Apt. Management	South Greensboro	224	\$19	740	\$86,384	5.9%	\$1.27
Sedgefield Apartments	Arcan Capital	North Winston-Salem	144	\$18	923	\$127,257	-	\$1.40
Ridgewood Apartments	RJ Gullo Investments	West Greensboro	160	\$15	1,043	\$90,625	7.2%	\$1.05

* Student Housing

Notable development

Property	Submarket	Property status	Total units	Property type	Developer
Brooks North	North Greensboro	Under construction	340	Garden	Parc Companies
Ardmore Meadows	South Greensboro	Under construction	324	Garden	DPJ Residential/Chaucer
Hawthorne at the River I	Burlington	Under construction	264	Garden	Evolve Companies
Keystone at Horse Pan Creek	West Greensboro	Under construction Lease-Up	380	Garden	Keystone Homes
Revel	West Greensboro	Under construction Lease-Up	360	Garden	Collett Capital
Hawthorne Northwest	West Greensboro	Under construction Lease-Up	276	Garden	Evolve Companies
The Madison	West Greensboro	Planned	750	Garden+Townhome	Frye Properties
The Grounds	North Winston-Salem	Planned	240	Garden	Carter & Associates

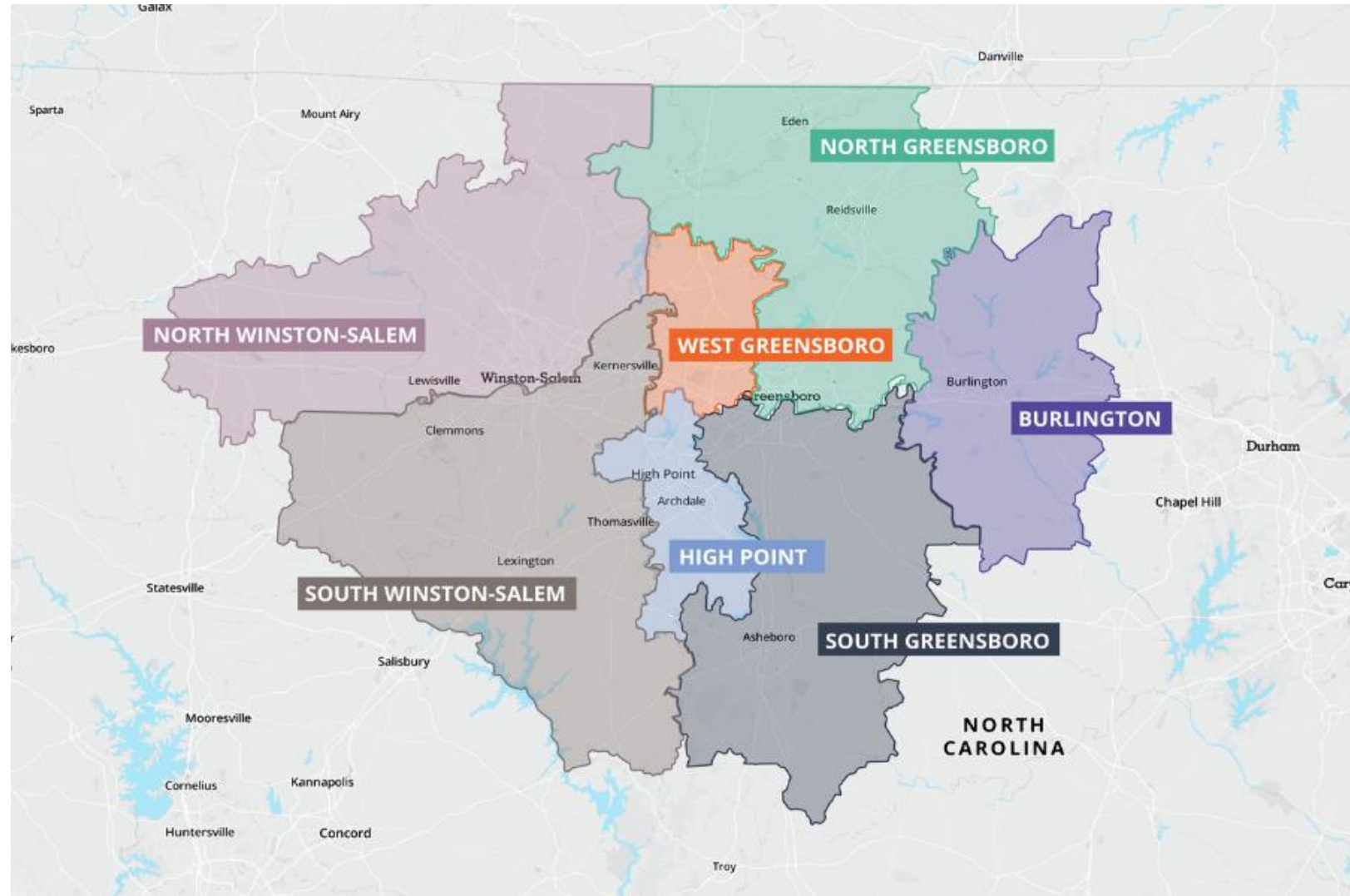
Multifamily submarket activity | Q4 2024

By Submarket	Existing units	Occupancy %	Annual Supply	Annual Demand	Under construction	Average effective rents	
					(units)	Rent/unit	Rent/psf
Burlington	11,795	95.2%	0	282	816	\$1,338	\$1.33
High Point	8,970	93.5%	0	2	264	\$1,200	\$1.27
North Greensboro	18,262	94.7%	183	479	582	\$1,194	\$1.31
North Winston-Salem	22,939	93.9%	546	946	0	\$1,247	\$1.36
South Greensboro	19,379	94.1%	108	353	455	\$1,176	\$1.24
South Winston-Salem	18,417	94.4%	382	457	210	\$1,214	\$1.28
West Greensboro	13,787	94.6%	415	727	1,131	\$1,283	\$1.36
Market Total	113,549	94.3%	1,634	3,246	3,458	\$1,235	\$1.31

Asset class performance | Q4 2024

By asset class	Occupancy %	YoY change in	Unit size (sf)	Eff. rent/unit	Eff. rent/psf	Concession	Concession as a %
		Occupancy				Value	of asking rent
Class A	95.1%	2.3%	961	\$1,565	\$1.63	\$50	3.2%
Class B	94.0%	1.9%	959	\$1,236	\$1.29	\$40	3.1%
Class C	94.5%	0.8%	903	\$1,005	\$1.11	\$46	4.5%

Triad submarket map



For more market insights and information
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