CHARLOTTE, NC

2024 MARKET AT A GLANCE

OCCUPANCY RATE (Q4 2024)	EFFECTIVE RENT (Q4 2024)	RENT SHARE OF WALLET (Q4 2024)
93.6%	$1,626	24.0%
UP 10 BPS YOY	UP 2.4% YOY	DOWN 10 BPS YOY

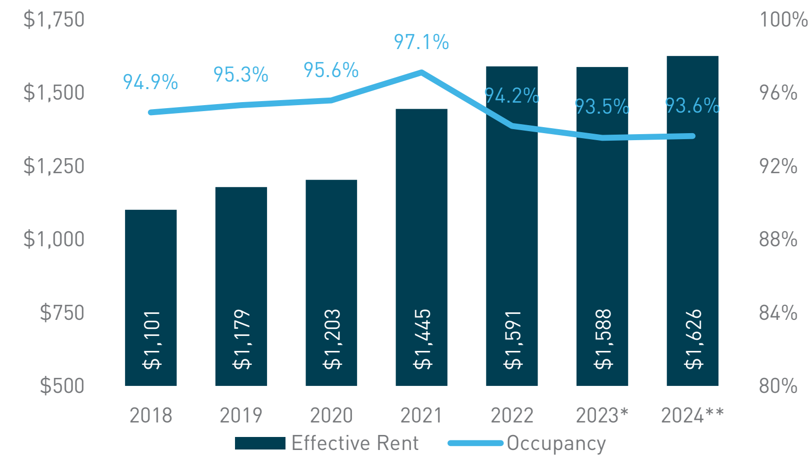
Apartment Development and Leasing Expected to Surge in 2024

Builder sentiment remains strong in the Charlotte metro as a wave of new apartment inventory is scheduled to come online during 2024. Nearly 22,400 market-rate units are scheduled to be completed over the next four quarters, which would be a record high for the metro. Home prices within Charlotte have appreciated 65.8% over the last five years, which can be attributed in part to net in-migration of more than 132,000 new residents since 2018 and have led to many homebuyers being priced out of the market and in need of alternative housing options. Rising apartment occupancy rates paired with a record level of new deliveries within the Uptown/South End submarket indicate that the submarket has been undersupplied for quite some time and has created a significant opportunity for new inventory, with 2,655 units expected in the submarket during 2024. The Uptown/South End apartment submarket is regarded as one of the most expensive in the metro area and is known as a popular location for young, professional adults to live. The effective rent within the Uptown/South End submarket demands a 29.8% premium compared to the effective rent within the metro. Even with the added cost of renting, the appeal of the submarket will be reflected in brisk annual net absorption over the next four quarters, among the highest of the submarkets in the metro. Contributing to apartment demand in the submarket and across Greater Charlotte is the rise in net in-migration that the metro has seen since the pandemic. Another factor will be the 0.7% forecast employment growth in 2024.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2023 are projected values. 2024 figures are forecast projections.

APARTMENT TRENDS

Effective Rent & Occupancy

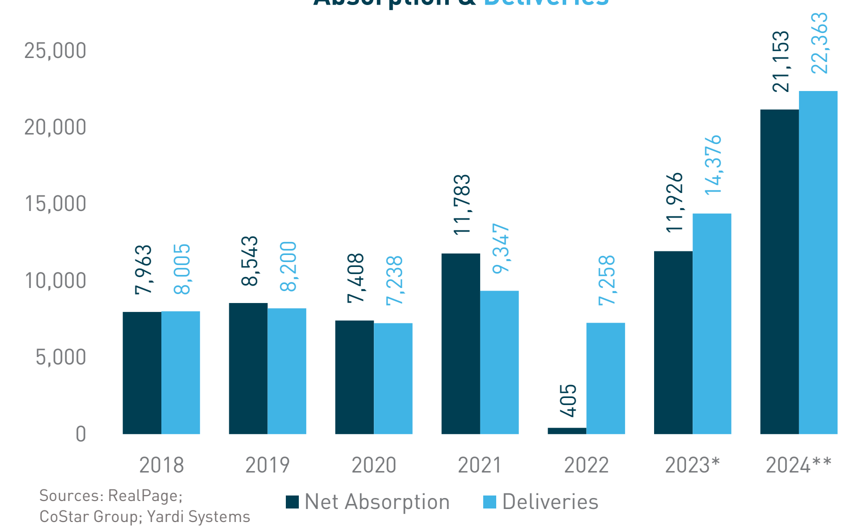


Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.

Absorption & Deliveries



Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

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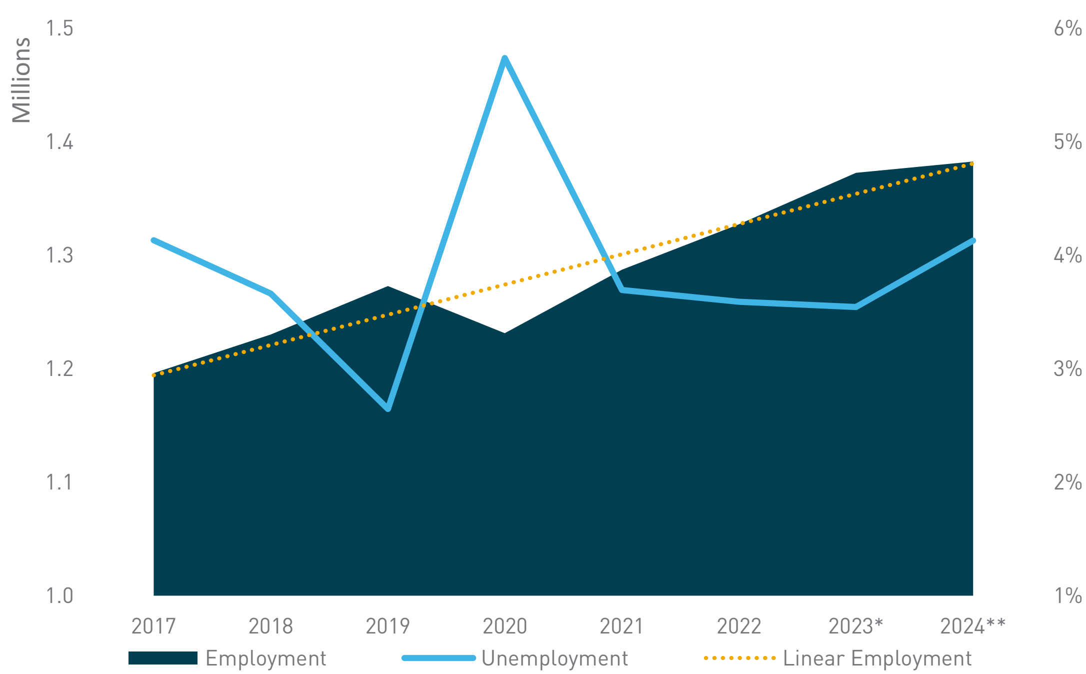
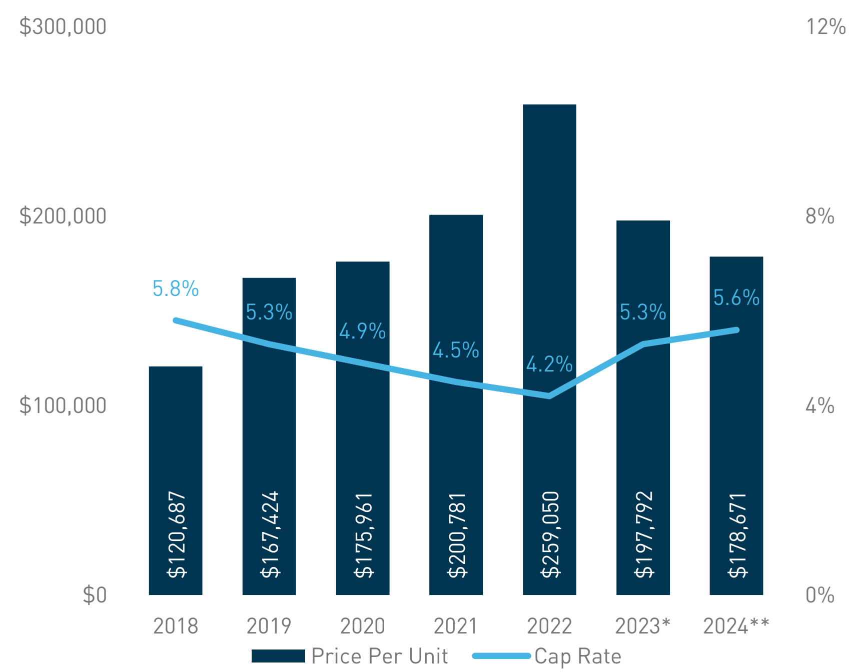
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

SALES TRENDS



Sources: Berkadia; CoStar Group; MSCI

*Projected **Forecast

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT (DEC. 2024)	UNEMPLOYMENT (DEC. 2024)	MEDIAN HOUSEHOLD INCOME (DEC. 2024 SAAR)	PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
1,382,700	4.1%	$81,389	$178,671	5.6%
UP 0.7% YOY	UP 60 BPS YOY	UP 2.9% YOY	DOWN 9.7% YOY	UP 30 BPS YOY