RICHMOND, VA

2025 MARKET AT A GLANCE

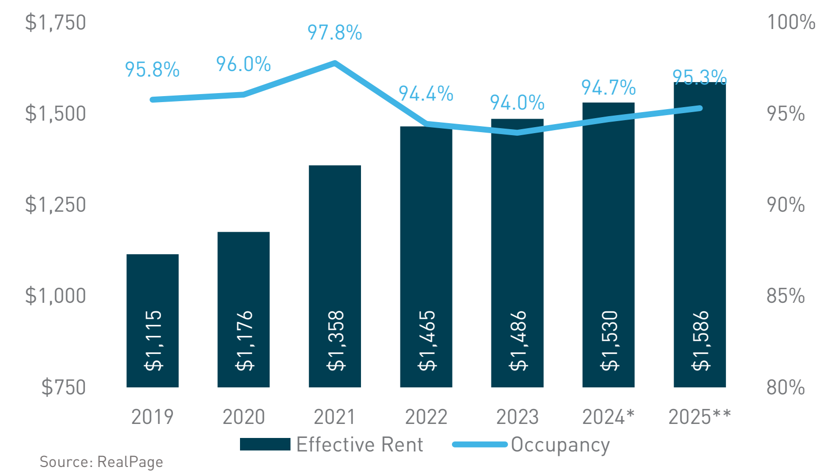
OCCUPANCY RATE (Q4 2025)	EFFECTIVE RENT (Q4 2025)	RENT SHARE OF WALLET (Q4 2025)
95.3%	$1,586	21.0%
UP 60 BPS YOY	UP 3.7% YOY	UP 10 BPS YOY

Reduced Deliveries Amid Strong Net Absorption Elevates Occupancy and Rent

New household formation and net in-migration is forecast to make 2025 the second consecutive year in which apartment demand outpaces supply. The gap between supply and demand will bolster both occupancy rates and effective rent by the end of the year. Rent in the metro is expected to grow 3.7% by year-end, the largest increase since 2022, coinciding with a 60-basis-point increase in average occupancy. At 95.3% in the fourth quarter, the projected occupancy will hover 60 basis points above the market's historical average from 2015 to 2019. Employers in the Richmond metro are forecast to add 6,700 net new jobs by the end of 2025 for a 0.9% total employment expansion. Richmond's tech workforce is forecasted to grow by 16% from 2020 to 2025 and is supported by a strong startup presence with UZURV, Hatch, and Terazo, as well as more prominent companies such as Capital One and Bank of America. When combined with Richmond's cost of living index, which is approximately 330 basis points below the national average, the area becomes particularly attractive to growing families seeking both affordability and job stability. This financial advantage is further highlighted by Richmond's low rent share of wallet at 21.0%, a figure that stands well below other southeastern metros like Charlotte, Virginia Beach, and Charleston. Additionally, the number of households in the metro is expected to grow by 6,700, or 1.2%, over the next year. At the same time, expected wage growth of 3.2% by year-end will further enhance economic prospects.

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 2024 are projected values. 2025 figures are forecast projections.

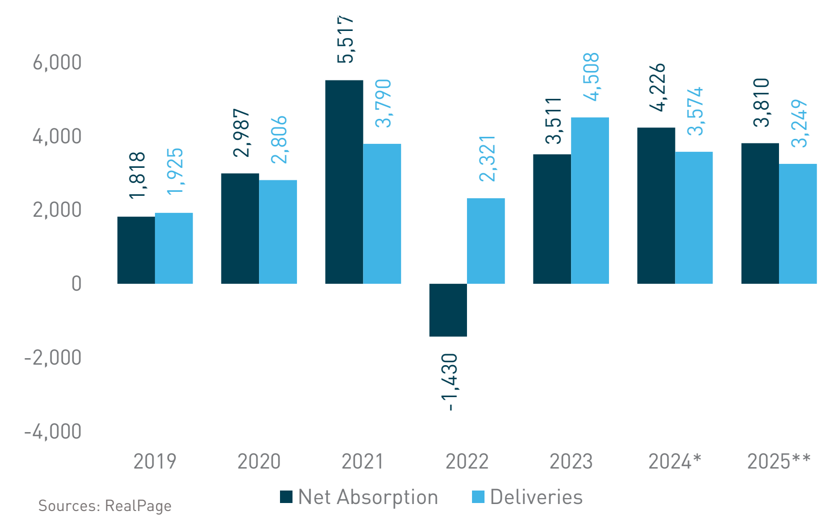
APARTMENT TRENDS



Source: RealPage

*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.



Sources: RealPage

*Projected **Forecast

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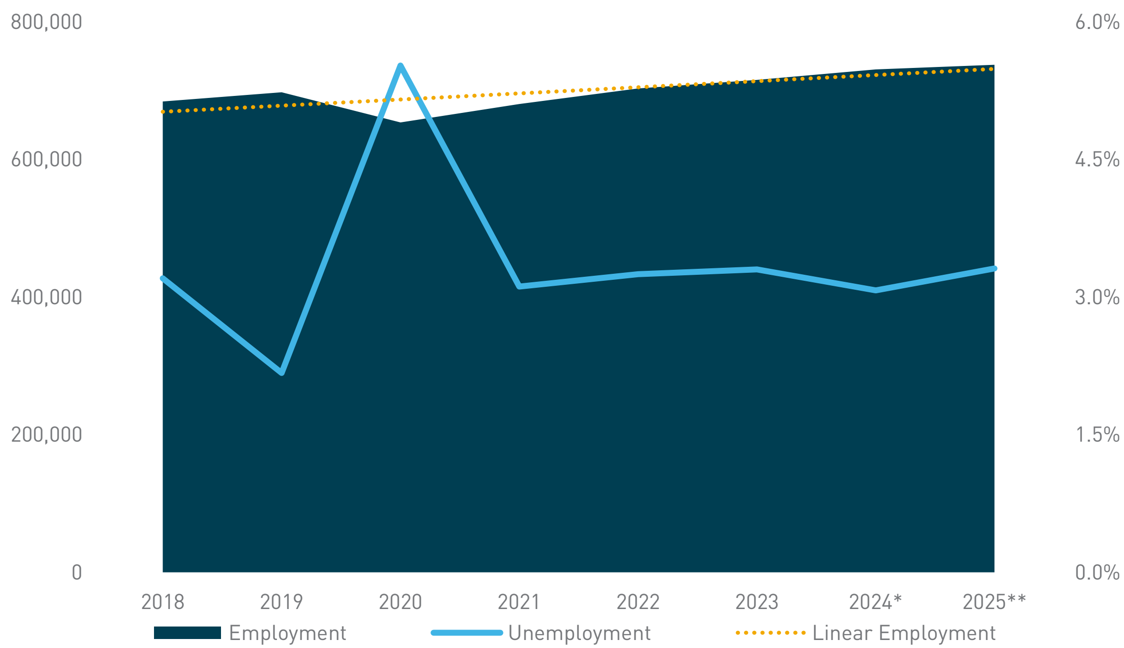
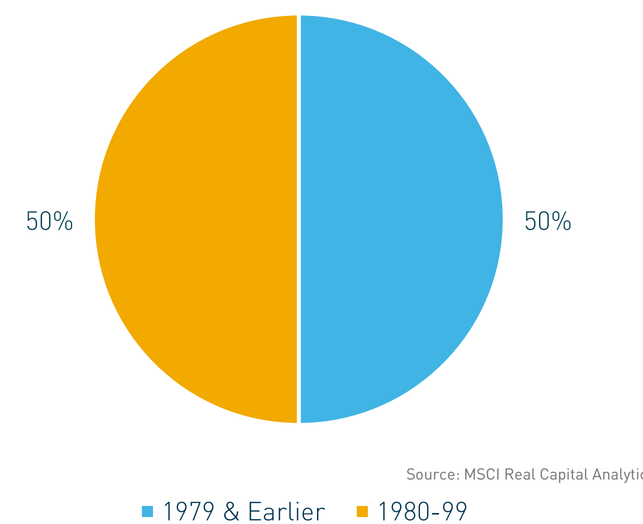
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

2024 SALES TRENDS*



*YTD through Oct.

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

EMPLOYMENT (DEC. 2025)	UNEMPLOYMENT (DEC. 2025)	MEDIAN HOUSEHOLD INCOME (DEC. 2025 SAAR)	PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
737,900	3.3%	$90,816	$164,057	5.8%
UP 0.9% YOY	UP 20 BPS YOY	UP 3.2% YOY	DOWN 6.2% YOY	UP 50 BPS YOY