

COMMERCIAL REAL ESTATE REPORT Q4 2023

Charlotte-Concord-Gastonia, NC-SC Metro Area

Select a Metro Area
Charlotte-Concord-Gastonia, NC-SC

Demographics and Economy

Demographics

2.0%	34.2%	6.1%	Net Migration in North Carolina
population growth (2022)	share of renters (2022)	renter household formation (2022)	126,712 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	124,708 (2022)

Economy

9.2%	34,200	2.6%	4.9%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$61,220	3.2%	22.3%	International Migration in North Carolina
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	29,448 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	26,184 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. Despite weak conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-403,447	-1,333,758	2.2%	\$32	12.8%
2022 Q4	587,481	1,342,200	6.0%	\$32	11.2%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	138,030,313	332,959	963,152	\$65.21M	7.8%
2022 Q4	137,067,161	1,386,608	2,318,691	\$272.01M	7.3%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	1,619	6,657	-1.8%	\$1,556	\$1,533	11.5%
2022 Q4	-36	4,199	4.9%	\$1,586	\$1,571	9.0%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
2023 Q4	216,220	2,978	13,166	5.1%		
2022 Q4	203,054	3,013	9,220	4.6%		

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	396,243	1,798,854	5.9%	\$24	2.7%
2022 Q4	402,189	1,303,821	7.0%	\$23	3.5%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	151,718,089	6.7%	\$109.09M	\$233	
2022 Q4	151,181,533	6.7%	\$285.27M	\$214	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. As a result, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-90,589	6,557,993	9.6%	\$9	6.1%
2022 Q4	1,769,000	9,369,786	13.8%	\$8	5.2%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	371,167,419	2,245,228	10,703,173	7.1%	\$285.78M
2022 Q4	360,464,246	3,013,071	7,383,314	6.8%	\$531.61M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics



500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000

COMMERCIAL REAL ESTATE REPORT Q4 2023

Durham-Chapel Hill, NC Metro Area

Select a Metro Area
Durham-Chapel Hill, NC Metro Area

Demographics and Economy

Demographics

1.6%	35.8%	-0.2%	Net Migration in North Carolina
population growth (2022)	share of renters (2022)	renter household formation (2022)	126,712 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	124,708 (2022)

Economy

7.6%	12,900	3.8%	4.7%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$65,990	2.9%	21.6%	International Migration in North Carolina
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	29,448 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	26,184 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. Despite weak conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-94,019	-272,361	1.1%	\$27	10.5%
2022 Q4	-41,548	531,164	4.7%	\$27	9.6%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	37,440,174	24,000	75,281	\$76.18M	8.3%
2022 Q4	37,364,893	0	337,855	\$7.24M	7.9%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	857	1,586	-1.2%	\$1,501	\$1,483	8.8%
2022 Q4	-154	18	4.6%	\$1,519	\$1,504	8.5%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
2023 Q4	58,787	626	1,918	5.2%		
2022 Q4	56,869	293	2,315	4.7%		

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	64,337	253,999	5.2%	\$23	2.1%
2022 Q4	-7,385	192,245	5.8%	\$22	2.4%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	28,036,941	8.2%	\$11.01M	\$263	
2022 Q4	27,869,470	8.1%	\$73.95M	\$362	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-282,055	1,806,589	8.0%	\$11	5.0%
2022 Q4	226,720	2,750,255	10.9%	\$11	3.2%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	50,597,603	158,650	2,812,949	7.2%	\$26.87M
2022 Q4	47,784,654	206,100	2,204,464	6.7%	\$465.19M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q4 2023

Fayetteville, NC Metro Area

Select a Metro Area
Fayetteville, NC Metro Area

Demographics and Economy

Demographics

0.9%	38.2%	-9.1%	Net Migration in North Carolina
population growth (2022)	share of renters (2022)	renter household formation (2022)	126,712 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	124,708 (2022)

Economy

5.5%	1,900	1.4%	-6.2%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$39,620	4.6%	7.7%	International Migration in North Carolina
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	29,448 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	26,184 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	22,093	30,485	1.3%	\$22	3.0%
2022 Q4	42,998	313,920	5.0%	\$22	3.4%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	8,032,873	0	-5,604	\$1.00M	9.6%
2022 Q4	8,038,477	-1,800	227,200	\$4.36M	9.1%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide and vacancy rate is higher in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	87	38	-1.3%	\$1,167	\$1,158	9.8%
2022 Q4	-122	-490	8.9%	\$1,183	\$1,177	5.8%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	24,319	383	1,059		6.1%	
2022 Q4	23,260	0	16		5.5%	

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	41,344	339,647	4.4%	\$17	3.2%
2022 Q4	-39,426	-45,176	5.7%	\$16	4.0%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	22,309,195	8.0%	\$14.05M	\$145	
2022 Q4	22,139,044	7.9%	\$54.92M	\$319	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. As a result, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	11,379	442,821	8.0%	\$7	7.5%
2022 Q4	180,150	350,652	11.5%	\$7	2.9%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	18,393,529	0	1,335,542	8.5%	\$0.00M
2022 Q4	17,057,987	18,000	19,328	8.0%	\$17.85M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics



500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000

COMMERCIAL REAL ESTATE REPORT Q4 2023

Greensboro-High Point, NC Metro Area

Select a Metro Area
Greensboro-High Point, NC Metro Area

Demographics and Economy

Demographics

0.7%	35.9%	11.0%	Net Migration in North Carolina
population growth (2022)	share of renters (2022)	renter household formation (2022)	126,712 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	124,708 (2022)

Economy

8.1%	4,200	1.2%	2.5%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$55,270	3.7%	12.3%	International Migration in North Carolina
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	29,448 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	26,184 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	153,038	76,858	1.9%	\$20	8.3%
2022 Q4	216,202	514,987	7.1%	\$20	8.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	32,960,786	0	-49,991	\$12.50M	9.2%
2022 Q4	33,010,777	14,000	117,559	\$32.07M	8.8%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	209	399	1.6%	\$1,169	\$1,156	8.0%
2022 Q4	127	-1,035	5.5%	\$1,151	\$1,143	8.7%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	49,005	28	56		5.9%	
2022 Q4	48,949	852	1,164		5.4%	

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	137,530	288,907	6.0%	\$16	3.9%
2022 Q4	224,445	377,054	6.7%	\$15	4.2%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	54,136,459	7.3%	\$75.80M	\$225	
2022 Q4	54,035,539	7.6%	\$135.41M	\$182	

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-607,917	1,030,923	8.5%	\$7	3.1%
2022 Q4	947,060	3,663,007	11.8%	\$6	2.4%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	171,124,541	340,750	2,282,091	8.2%	\$44.96M
2022 Q4	168,842,450	587,170	2,393,601	7.8%	\$73.61M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q4 2023

Raleigh-Cary, NC Metro Area

Select a Metro Area
Raleigh-Cary, NC Metro Area

Demographics and Economy

Demographics

2.5%	32.2%	1.8%	Net Migration in North Carolina
population growth (2022)	share of renters (2022)	renter household formation (2022)	126,712 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	124,708 (2022)

Economy

9.4%	29,800	4.2%	3.6%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$57,090	3.0%	26.1%	International Migration in North Carolina
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	29,448 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	26,184 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	182,839	232,704	2.4%	\$30	10.5%
2022 Q4	-211,790	14,709	3.6%	\$29	9.0%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	78,947,120	607,981	1,512,593	\$192.61M	8.3%
2022 Q4	77,434,527	128,632	570,971	\$132.61M	7.9%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	1,057	4,550	-2.5%	\$1,513	\$1,490	11.9%
2022 Q4	-278	570	4.2%	\$1,552	\$1,537	8.6%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	124,197	2,372	9,380		5.0%	
2022 Q4	114,817	796	4,431		4.5%	

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	270,728	643,669	6.9%	\$26	2.0%
2022 Q4	237,174	204,832	6.5%	\$24	2.4%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	75,972,068	6.4%	\$35.45M	\$238	
2022 Q4	75,622,717	6.5%	\$164.98M	\$331	

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. Despite weaker conditions, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	520,844	865,215	8.1%	\$12	5.8%
2022 Q4	425,823	2,439,875	10.9%	\$11	3.0%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	102,229,413	1,030,657	3,904,207	7.3%	\$63.30M
2022 Q4	98,325,206	747,193	3,070,926	6.9%	\$417.12M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics



500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000

COMMERCIAL REAL ESTATE REPORT Q4 2023

Wilmington, NC Metro Area

Select a Metro Area
Wilmington, NC Metro Area

Demographics and Economy

Demographics

3.0%	33.1%	-5.7%	Net Migration in North Carolina
population growth (2022)	share of renters (2022)	renter household formation (2022)	126,712 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	124,708 (2022)

Economy

9.4%	100	0.1%	10.5%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$56,540	3.2%	17.7%	International Migration in North Carolina
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	29,448 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	26,184 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	4,863	172,875	1.8%	\$25	1.7%
2022 Q4	57,331	249,548	5.3%	\$24	2.0%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	13,035,555	0	136,748	\$13.94M	9.0%
2022 Q4	12,898,807	51,000	126,619	\$14.28M	8.6%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	88	1,028	-2.0%	\$1,465	\$1,438	12.2%
2022 Q4	-333	246	6.1%	\$1,494	\$1,480	10.2%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	25,075	0	1,717		5.7%	
2022 Q4	23,358	298	1,420		5.2%	

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-26,136	92,063	4.8%	\$20	1.3%
2022 Q4	66,523	351,490	5.6%	\$19	1.4%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	22,522,416	6.9%	\$7.03M	\$214	
2022 Q4	22,468,453	7.0%	\$30.69M	\$207	

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-326,448	-180,985	7.7%	\$10	5.2%
2022 Q4	117,486	914,520	10.2%	\$9	1.6%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	18,184,183	124,075	480,853	8.4%	\$13.45M
2022 Q4	17,703,330	18,000	240,010	8.0%	\$11.15M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics



500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000

COMMERCIAL REAL ESTATE REPORT Q4 2023

Winston-Salem, NC Metro Area

Select a Metro Area
Winston-Salem, NC Metro Area

Demographics and Economy

Demographics

1.0%	31.9%	8.4%	Net Migration in North Carolina
population growth (2022)	share of renters (2022)	renter household formation (2022)	126,712 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	124,708 (2022)

Economy

8.1%	7,300	2.6%	2.7%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$57,400	3.3%	12.1%	International Migration in North Carolina
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	29,448 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	26,184 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-30,980	40,674	1.6%	\$18	8.0%
2022 Q4	57,061	-115,275	6.0%	\$17	8.1%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	23,337,005	0	8,200	\$3.78M	10.0%
2022 Q4	23,328,805	10,000	-126,484	\$38.42M	9.5%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	106	491	1.7%	\$1,142	\$1,132	8.2%
2022 Q4	34	-283	5.2%	\$1,124	\$1,114	8.5%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
2023 Q4	33,699	184	426	6.2%		
2022 Q4	33,273	594	1,118	5.7%		

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	8,263	322,861	4.7%	\$16	3.1%
2022 Q4	87,957	571,619	5.6%	\$16	3.1%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	41,485,521	7.4%	\$30.11M	\$135	
2022 Q4	41,150,991	7.4%	\$57.48M	\$140	

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-189,919	-408,605	8.3%	\$6	4.2%
2022 Q4	429,256	967,096	11.6%	\$6	2.1%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	104,072,111	442,465	1,779,275	9.9%	\$194.36M
2022 Q4	102,292,836	175,163	1,114,692	9.1%	\$27.11M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000

