# NAR Commercial Real Estate Metro Market Report | 2022.Q1

Asheville, NC

ore-Based Statistical Area Code: 1170

The Asheville, NC commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\* 68.0

Overall economic conditions are stronger than nationally. The apartment property market is stronger than nationally. The office property market is stronger than nationally. The industrial property market is stronger than nationally. The retail property market is stronger than nationally. The hotel/lodging property market is not as strong than nationally.

		Asheville, NC			U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	199	198	190	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	9	8	(6)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	4.9%	4.1%	-3.1%	4.6%	4.7%	-4.4%	Job creation is stronger than nationally
Unemployment rate (%)	3.0%	3.5%	4.8%	3.6%	3.9%	6.0%	Unemployment rate is lower than nationally
Average weekly wages	\$906	\$883	\$903	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	0.4%	0.1%	14.4%	4.7%	5.2%	6.9%	Wages are rising at a slower pace than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-5.1%	3.6%	3.9%	-3.4%	2.3%	2.9%	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	4.2	4.2	5.2	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	469	464	460	331,501	328,330	326,838	Area is experiencing het domestic in-migration
Population ( 000)	1.27%	0.75%	0.99%	0.97%	0.46%	0.53%	Population is growing faster than nationally
ropulation growth (76)	1.2770	0.7376	0.55%	0.3776	0.40%	0.5376	Population is growing juster than nationally
II. Multifamily							
n. Marchanny							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.6%	5.0%	5.3%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	66	212	445	58,097	61,951	187,113	,,
Absorption of units in past 12 months	1,105	1,484	1,704	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	6.2%	8.3%	10.2%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,523	\$1,486	\$1,285	\$1,587	\$1,553	\$1,425	,
Market asking rent per unit, y/y % chg	18.5%	18.4%	5.8%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,515	\$1,481	\$1,272	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	19.1%	19.5%	5.8%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	19.2%	19.3%	16.2%	16.5%	16.3%	15.4%	Renting is less affordable than nationally
Supply indicators							
Inventory	17,866	17,800	16,762	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	1,030	1,568	1,065	387,022	391,271	417,342	
Net delivered units, as % of inventory	5.8%	8.8%	6.4%	2.2%	2.3%	2.5%	
Units under construction	719	482	1,702	774,864	744,997	732,144	
Units under construction, as % of inventory	4.0%	2.7%	10.2%	4.5%	4.3%	4.4%	Construction is weaker than nationally
Ratio of jobs created to net delivered units	9.0	5.0	(5.7)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)							
Sales transactions	455	****		450.005	****	620.400	
Total investment acquisitions (in million \$) Transaction sales price per unit	\$55 \$248,601	\$116 \$225,094		\$50,395 \$220,078	\$113,844 \$227,367	\$30,199 \$157,676	
Market cap rate	4.9%	4.9%	5.0%	5.1%	5.1%	5.2%	Cap rates are lower than nationally
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.9%	3.3%	3.1%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	51,674	(11,309)	35,238	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	39,667	23,231	(17,465)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	0.3%	0.2%	-0.1%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$23.3	\$23.2	\$22.8	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	2.4%	4.0%	2.0%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	1.2	1.2	1.3	1,153	1,161	(283)	Stronger office job creation than nationally
(as of latest available month of the quarter)							
Supply indicators	12 024 076	12.072.202	42.005.200	7 256 254 222	7 752 624 672	7 250 424 550	
Inventory in sq. ft.	13,024,976	12,973,302	12,985,309	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	6,887	6,887	16,091	54,741,303	57,123,296	47,997,877	Advantable and an arranged to the second sec
Net delivered units, as % of inventory	0.1% 49,930	0.1% 37,000	0.1% 6,887	0.8%	0.8%	0.7%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	49,930	37,000 0.3%	6,887 0.1%	143,665,184 2.0%	143,194,512 2.0%	153,944,000 2.1%	Construction and the inclosure than and any
Under construction, as % of inventory	0.4%	0.3%	0.1%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$63	\$23	\$10	\$26,711	\$35,335	\$17,487	Sales transactions are risina faster than nationally
Transaction sale price per sq.ft.	\$385	\$149	\$118	\$324	\$295	\$325	Prices are rising faster than nationally
Market cap rate	8.0%	8.0%	8.1%	7.0%	7.0%	7.0%	Cap rates are higher than nationally
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<sup>-</sup> Some data may not be available for the quarter

## NAR Commercial Real Estate Metro Market Report | 2022.Q1 Asheville, NC

Ashovilla NC

Based Statistical Area Code:

11700

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		Asheville, NC		U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.3%	3.0%	4.4%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	163,495	199,621	(89,559)	98,463,552	139,649,760	92,218,864	,,
Absorption in sq.ft. over 12 months	1,065,328	812,274	44,950	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	3.2%	2.5%	0.1%	3.1%	3.1%	1.6%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$7.8	\$7.5	\$6.9	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	12.5%	10.1%	5.3%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
** *	33,210,940	33,047,444	22.145.612	16 070 607 616	16 072 122 202	16 440 453 600	
Inventory in sq. ft.			32,145,612	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	357,698	418,360	411,500	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	1.1%	1.3%	1.3%	1.9%	1.8%	1.8%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	439,600	439,600	416,860	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	1.3%	1.3%	1.3%	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
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Sales transactions							
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Total investment acquisitions (in million \$)	\$22	\$50	\$4	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$35	\$101	\$104	\$140	\$136	\$105	Prices are not rising as fast than nationally
Market cap rate	7.4%	7.4%	7.5%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V Datail							
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.0%	2.5%	3.1%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the guarter	153,754	96,422	(75,177)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	313,872	84,941	(89,334)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	1.0%	0.3%	-0.3%	0.8%	0.7%	-0.2%	The area has stronger absorption than nationally
							The area has stronger absorption than nationally
Market rent per sq.ft.	\$17.2	\$16.9	\$16.3	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.5%	4.2%	2.5%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	0.40	(0.70)	0.10	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
	31,106,926	30,953,172	20 702 054	11,256,099,840	44 224 675 202	11 161 027 020	
Inventory in sq. ft.			30,793,054		11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	-11,278	21,396	123,576	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.0%	0.1%	0.4%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	34,232	20,700	39,046	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.1%	0.1%	0.1%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
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Sales transactions							
Total investment acquisitions (in million \$)	\$36	\$83	\$22	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$220	\$180	\$181	\$219	\$226	\$182	Prices are rising faster nationally
Market cap rate	7.5%	7.5%	7.6%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
VI. Hotel/ Loughly	2022 04 (24	2024 04 (D. )	2024 04 (24	2022 04 (24	2024 04 (D. )	2024 04 (24 1)	
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	27.7	27.8	24.4	14,939	14,804	12,876	
Y/Y change ('000)	3.3	2.8	(4.5)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is weaker than nationally
% share to nonfarm payroll employment	13.9%	14.0%	12.9%	10.0%	9.8%	9.0%	Higher fraction of workers in leisure industry than nationally

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Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-NewsAr-Lersey City). The 390 markets in this report are based on the CoStariar market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



<sup>-</sup> Some data may not be available for the quarter

# NAR Commercial Real Estate Metro Market Report | 2022.Q1 Burlington, NC

Core-Based Statistical Area Code:

15500

The Burlington, NC commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\* 56.0

Overall economic conditions are stronger than nationally. The apartment property market is about the same than nationally. The office property market is stronger than nationally. The industrial property market is about the same than nationally. The retail property market is stronger than nationally. The hotel/lodging property market is about the same than nationally.

		Burlington, NC			U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	65	65	63	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	1	2	(1)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	2.2%	3.4%	-1.3%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.6%	4.2%	5.4%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$796	\$784	\$691	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	15.1%	7.3%	-6.9%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-2.8%	2.9%	0.7%	-3.4%	2.3%	2.9%	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	2020	2.5	2.8	2020	2019	2018	Area is experiencing net domestic in-migration
Population ('000)	172	169	167	331,501	328,330	326,838	Area is experiencing net aomestic in-migration
Population ( 600)	1.58%	1.60%	1.95%	0.97%	0.46%	0.53%	Population is growing faster than nationally
ropulation growth (70)	1.36/6	1.00%	1.55/6	0.5776	0.40%	0.5376	ropulation is growing juster than nationally
II. Multifamily							
n. Marchanny							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	7.0%	4.1%	6.0%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	8	(9)	221	58,097	61,951	187,113	, , , , , , , , , , , , , , , , , , , ,
Absorption of units in past 12 months	392	605	628	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	4.5%	6.9%	7.5%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,209	\$1,184	\$1,047	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	15.4%	16.5%	8.5%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,204	\$1,181	\$1,041	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	15.7%	16.7%	8.2%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	17.4%	17.3%	17.3%	16.5%	16.3%	15.4%	Renting is less affordable than nationally
Supply indicators							
Inventory	8,758	8,750	8,364	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	518	348	583	387,022	391,271	417,342	
Net delivered units, as % of inventory	5.9%	4.0%	7.0%	2.2%	2.3%	2.5%	
Units under construction	363	653	411	774,864	744,997	732,144	
Units under construction, as % of inventory	4.1%	7.5%	4.9%	4.5%	4.3%	4.4%	Construction is weaker than nationally
Ratio of jobs created to net delivered units	2.7	6.0	(1.4)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$)	\$143	\$76	\$5	\$50,395	\$113,844	\$30,199	Sales transactions are rising faster than nationally
Iransaction sales price per unit	\$157,582	\$151,512	\$66,667	\$220,078	\$227,367	\$157,676	Prices are rising faster nationally
Market cap rate	5.1%	5.3%	5.4%	5.1%	5.1%	5.2%	Cap rates are higher than nationally
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	1.1%	1.3%	3.3%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	3,984	24,770	6,466	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	70,367	72,849	(10,266)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	2.1%	2.2%	-0.3%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$18.7	\$18.7	\$18.3	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg. Y/Y chg.in professional/business services jobs ('000)	2.6%	3.6% 0.6	2.9% 0.6	0.8% 1,153	0.4% 1,161	-2.1%	Rents are rising faster than nationally
(as of latest available month of the quarter)	0.4	0.6	0.6	1,153	1,101	(283)	Stronger office job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	3,304,716	3,300,732	3,234,349	7,256,351,232	7,252,931,072	7.250.434.560	
Net delivered over 12 months, in sq.ft.	-	-	5,25 .,5 +5	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory		_	_	0.8%	0.8%	0.7%	
Under construction in sq.ft.	54,000	44,000	-	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	1.6%	1.3%	-	2.0%	2.0%	2.1%	Construction activity is slower than nationally
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Sales transactions							
Total investment acquisitions (in million \$)	\$0	\$2	\$1	\$26,711	\$35,335	\$17,487	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$85	\$97	\$44	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	8.4%	8.4%	8.5%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

<sup>-</sup> Some data may not be available for the quarter

## NAR Commercial Real Estate Metro Market Report | 2022.Q1 **Burlington, NC**

re-Based Statistical Area Code

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IV. Industrial							
	2022.04	Burlington, NC	2024.04	U.S.	2024.04	2024.04	
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.4%	4.3%	4.8%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	487,155	(54,472)	(180,879)	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	572,976	(95,058)	(506,777)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	2.0%	-0.3%	-1.8%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$4.8	\$4.6	\$4.2	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	12.4%	10.1%	5.6%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
Inventory in sq. ft.	28,496,468	28,009,314	27,923,492	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	160,275	227,950	297,675	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	0.6%	0.8%	1.1%	1.9%	1.8%	1.8%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	297,675	527,675	297,675	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	1.0%	1.9%	1.1%	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$69	\$6	\$48	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$52	\$39	\$73	\$140	\$136	\$105	Prices are not rising as fast than nationally
Market cap rate	7.2%	7.4%	7.9%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.8%	3.3%	4.8%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	68,010	149,470	(84,439)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	351,782	199,333	(6,122)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	2.9%	1.6%	-0.1%	0.8%	0.7%	-0.2%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$14.2	\$14.0	\$13.4	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.8%	4.4%	2.2%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	0.00	(0.20)	0.20	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)		(				( /	,
()							
Supply indicators							
Inventory in sq. ft.	12,236,507	12,168,497	11,878,725	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	104,289	98,794	-75	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.9%	0.8%	0.0%	0.2%	0.2%	0.3%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	20,855	29,166	88,534	54,194,816	56,052,512	54,297,696	whole delivered space relative to inventory than nationally
Under construction, as % of inventory	0.2%	0.2%	0.7%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
onder construction, as 76 of inventory	0.276	0.276	0.778	0.576	0.576	0.576	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$13	\$42	\$6	\$22,755	\$33,245	\$12,773	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$75	\$189	\$82	\$22,755	\$226	\$12,773	Prices are not rising as fast than nationally
Market cap rate	8.2%	8.2%	8.2%	6.8%	6.8%	6.8%	* *
Market cap rate	8.2%	8.2%	8.2%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI Hatal/Ladaina							
VI. Hotel/Lodging	2022 04 (84	2024 O4 (D)	2024 04 (84 1)	2022 04 (84 1)	2024 04 (P. )	2024 04 (84)	
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	7.4	7.4	7.1	14,939	14,804	12,876	
Y/Y change ('000) % share to nonfarm payroll employment	0.3 11.5%	0.4 11.4%	(0.8) 11.3%	2,063.0 10.0%	2,337.0 9.8%	(2,869.0) 9.0%	Job creation in the leisure industry is stronger than nationally Higher fraction of workers in leisure industry than nationally
70 Share to Homann payron employment	11.376	11.4/0	11.3/6	10.076	5.876	5.576	g.ic. fraction of workers in lessure mausaly than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Lersey City). The 300 markets in this report are based on the CoStariar\* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar propretary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



## NAR Commercial Real Estate Metro Market Report | 2022.Q1 Charlotte-Concord-Gastonia, NC-SC

Core-Based Statistical Area Code:

16740

The Charlotte-Concord-Gastonia, NC-SC commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\* 56.0

Overall economic conditions are not as strong than nationally. The apartment property market is stronger than nationally. The office property market is stronger than nationally. The industrial property market is not as strong than nationally. The retail property market is stronger than nationally. The hotel/lodging property market is about the same than nationally.

	Charlotte	e-Concord-Gastonia,	NC-SC		U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	1,277	1,279	1,227	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	50	42	(20)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	4.1%	3.4%	-1.6%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.6%	4.0%	5.2%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$1,123	\$1,120	\$1,118	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	0.4%	-2.6%	2.1%	4.7%	5.2%	6.9%	Wages are rising at a slower pace than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-1.3%	2.3%	1.4%	-3.4%	2.3%	2.9%	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	30.4	27.1	26.0	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	2,670	2,640	2,596	331,501	328,330	326,838	
Population growth (%)	1.12%	1.69%	1.70%	0.97%	0.46%	0.53%	Population is growing faster than nationally
1 opulation growth (78)	1.12/0	1.05/0	1.7070	0.5770	0.4070	0.5570	ropulation is growing juster than nationally
II. Multifamily							
ii. iviaitiiaiiiiy							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
	6.6%	6.5%	7.9%	4.9%	4.8%	6.0%	The same has a bight assessment of the same stimule.
Vacancy rate							The area has a higher vacancy rate than nationally
Absorption of units over the quarter	898	1,086	2,641	58,097	61,951	187,113	
Absorption of units in past 12 months	10,260	12,003	8,893	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	5.7%	6.7%	5.2%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,508	\$1,471	\$1,296	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	16.4%	17.5%	5.8%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,499	\$1,462	\$1,274	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	17.7%	18.9%	4.9%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	15.4%	15.0%	13.1%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
Supply indicators							
Inventory	181,178	180,278	170,918	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	8,300	9,176	10,139	387,022	391,271	417,342	
Net delivered units, as % of inventory	4.6%	5.1%	5.9%	2.2%	2.3%	2.5%	
Units under construction	19,327	16,200	15,354	774,864	744,997	732,144	
Units under construction, as % of inventory	10.7%	9.0%	9.0%	4.5%	4.3%	4.4%	Construction is stronger than nationally
Ratio of jobs created to net delivered units	6.0	4.6	(2.0)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)							
,,							
Sales transactions							
Total investment acquisitions (in million \$)	\$1,121	\$2,874	\$528	\$50,395	\$113,844	\$30,199	Sales transactions are rising faster than nationally
I ransaction sales price per unit	\$215,152	\$245,906	\$163,134	\$220,078	\$22/,36/	\$157,676	Prices are not rising as fast than nationally
Market cap rate	4.4%	4.5%	4.7%	5.1%	5.1%	5.2%	Cap rates are lower than nationally
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	11.6%	11.3%	9.6%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(197,107)	997,677	(398,766)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	1,076,724	875,065	(1,720,696)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	0.9%	0.8%	-1.5%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$29.7	\$29.5	\$28.9	\$34.7	\$34.6	\$34.4	,,,
Market rent growth, y/y % chg.	2.6%	2.4%	1.8%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	12.2	7.3	(3.2)	1,153	1,161	(283)	Stronger office job creation than nationally
(as of latest available month of the quarter)	12.2	7.3	(3.2)	1,133	1,101	(203)	Stronger office for treation than nationally
(us of lutest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	114,770,200	114,967,304	113,693,472	7.256.351.232	7,252,931,072	7,250,434,560	
				, ,			
Net delivered over 12 months, in sq.ft.	4,004,704	5,018,955	1,700,133	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	3.5%	4.4%	1.5%	0.8%	0.8%	0.7%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	4,995,369	4,067,902	6,798,690	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	4.4%	3.5%	6.0%	2.0%	2.0%	2.1%	Construction activity is more robust than nationally
Sales transactions						,	
Total investment acquisitions (in million \$)	\$252	\$931	\$410	\$26,711	\$35,335	\$17,487	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$203	\$399	\$297	\$324	\$295	\$325	Prices are not rising as fast than nationally
Market cap rate	6.7%	6.6%	6.7%	7.0%	7.0%	7.0%	Cap rates are lower than nationally

<sup>-</sup> Some data may not be available for the quarter

## NAR Commercial Real Estate Metro Market Report | 2022.Q1 Charlotte-Concord-Gastonia, NC-SC

Charlotte-Concord-Gastonia, NC-SC

IV. Industrial

	Charlot	tte-Concord-Gastonia,	, NC-SC	U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	5.4%	5.7%	6.7%	4.1%	4.2%	5.3%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	2,364,035	2,102,189	(462,807)	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	7,454,997	4,628,155	4,919,991	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	2.3%	1.4%	1.5%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$7.3	\$7.1	\$6.5	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	12.6%	10.7%	5.9%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
Inventory in sq. ft.	327,955,328	325,591,296	320,500,320	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	3,223,296	2,131,528	6,529,757	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	1.0%	0.7%	2.0%	1.9%	1.8%	1.8%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	16,787,752	13,435,808	5,047,380	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	5.1%	4.1%	1.6%	3.5%	3.2%	2.4%	More delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$327	\$1,028	\$133	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$64	\$100	\$54	\$140	\$136	\$105	Prices are not rising as fast than nationally
Market cap rate	6.6%	6.5%	6.7%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.6%	3.9%	4.5%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	545,582	172,736	186,911	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	1,658,390	1,299,719	491,955	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	1.1%	0.9%	0.3%	0.8%	0.7%	-0.2%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$21.8	\$21.1	\$20.2	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	7.6%	5.4%	3.7%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	1.00	0.60	3.90	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	144,386,928	143,841,344	142,728,544	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	345,877	618,035	1,220,655	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.2%	0.4%	0.9%	0.2%	0.2%	0.3%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	536,623	405,699	424,833	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.4%	0.3%	0.3%	0.5%	0.5%	0.5%	Construction activity is slower than nationally

\$283

\$202

116.3

(23.9) 9.5%

2021 Q1 (March)

\$22,755

2022 Q1 (March)

14,939

2,063.0 10.0%

\$219

\$33,245

14,804

2,337.0 9.8%

\$226

2021 Q4 (Dec) 2021 Q1 (March)

\$12,773

12.876

(2,869.0) 9.0%

\$182

Sales transactions are not rising as fast than nationally Prices are not rising as fast than nationally

Cap rates are higher than nationally

Job creation in the leisure industry is stronger than nationally Higher fraction of workers in leisure industry than nationally

Y/Y change ('000) % share to nonfarm payroll employment

Leisure and hospitality payroll workers ('000)

Total investment acquisitions (in million \$)

Transaction sale price per sq.ft.

Market cap rate

VI. Hotel/Lodging

Sources of data used: CoStar<sup>®</sup>, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

The Cutal points for each containment at an extreme by the number of warning and the evaluation of evaluation and the evaluation of the method of the method

Market cap rate is based on of Star proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparariable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

\$403

\$203

128.3

2022 Q1 (March)

\$670

\$275

2021 Q4 (Dec)

128.2

9.6 10.0%



<sup>-</sup> Some data may not be available for the quarter

# NAR Commercial Real Estate Metro Market Report | 2022.Q1 Durham-Chapel Hill, NC

Core-Based Statistical Area Code:

20500

The Durham-Chapel Hill, NC commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\* 64.0

Overall economic conditions are stronger than nationally. The apartment property market is stronger than nationally. The office property market is stronger than nationally. The industrial property market is about the same than nationally. The retail property market is stronger than nationally. The hotel/lodging property market is stronger than nationally.

Part		Du	rham-Chapel Hill, NC			u.s.		
Test at not memply memory (1000)   13   12   1   10,001   10,107   10,001	Economic				2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Very Color point (Color)   13   12   1   6,644   5,77   4,666   4,76								
Year								
Commission from (incl.)   1.0%   1.3%   1.3%   1.0%   1.								Job creation is weaker than nationally
Average growth, year overy year overy year overy year overy year overy year over year year over year year over year year over year year over year year year year year year year ye								Unemployment rate is lower than nationally
Properties   1,000								,,
Color growth 16    Color   C								Wages are rising faster than nationally
Percentage   1,000	rrage growth, year over year	7.270	0.570	0.070	11770	5.270	0.570	rages are rising juster than nationally
Percentage   1,000		2020	2019	2018	2020	2019	2018	
Personage   1989   19	GDP growth (%)							
Met domestic migration (1000)   651   646   638   331.51   323.00   326.398   Pepulation (1000)   651   646   638   331.51   323.00   326.398   Pepulation (1000)   70.00	GDF growth (76)	0.576	4.376	4.470	-3.470	2.376	2.370	
Met domestic migration (1000)   651   646   638   331.51   323.00   326.398   Pepulation (1000)   651   646   638   331.51   323.00   326.398   Pepulation (1000)   70.00								
Met domestic migration (1000)   651   646   638   331.51   323.00   326.398   Pepulation (1000)   651   646   638   331.51   323.00   326.398   Pepulation (1000)   70.00	Demographic	2020	2019	2018	2020	2019	2018	
Population (1700)   651   646   638   331,501   326,330   326,838   Population growth a sheer than neticounly								Area is experiencing not demostic in migration
Figure 1	9 , ,							Area is experiencing net domestic in-migration
II. Multifamily	,						•	O
Parent	Population growth (%)	0.6776	1.1470	1.95%	0.97%	0.46%	0.55%	Population growth is slower than nationally
Parent								
Parent	II Multifamily							
Macroption of units over the quarter   0.51%   4.4%   9.0%   4.8%   6.0%   Absorption of units in past 12 months   2.489   2.920   1.406   368,897   6.97.78   4.98.711   4.00	II. Multifarmly							
Macroption of units over the quarter   0.51%   4.4%   9.0%   4.8%   6.0%   Absorption of units in past 12 months   2.489   2.920   1.406   368,897   6.97.78   4.98.711   4.00	Domand indicators	2022.01	2021.04	2021.01	2022.01	2021.04	2021.01	
Absorption of author sover the quarter								
Absorption of units in past 12 months Absorption of units in past 12 months of well memory Absorption of units in past 12 months as for limentory Affared saking ent per unit Market asking ent per unit, yf k-ftg 17.2% 17.5% 4.0% 4.0% 11.4% 11.5% 4.0% 11.5% 11	•							The area has a higher vacancy rate than nationally
Absorption in past 12 months as % of inventory							•	
Market asking ren per unit, \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\								
Market asking ren per unit, \(y\)\% ring   17.2\%   17.5\%   4.0\%   11.4\%   11.3\%   2.4\%   Effective rent per unit, \(y\)\% ring   18.0\%   1								The area has stronger absorption than nationally
Sile								
Effective rent per unit, y/f % rhg   18.0%   19.1%   13.4%   12.2%   12.7%   1.8%   Rents are princip (start then nestionally								
Renta a percent of 2-person annual wage income   15.8%   15.2%   14.3%   16.5%   16.5%   16.3%   15.4%   Renting in more affordable than nationally								
Supply indicators   1,011   51,002   48,522   17,251,546   17,194,020   16,685,925   16,447,342   17,241,445   17,241,44								
Novembory   51,011   51,002   48,522   17,251,546   17,194,020   16,685,925   Net delivered units; as % of inventory   2,0%   0.5%   5,0%   2,2%   2,3%   2,5%   2,3%   2,5%   1,0%   2,2%   2,3%   2,5%   2,3%   2,5%   1,0%   2,2%   2,3%   2,5%   2,3%	Rent as a percent of 2-person annual wage income	15.8%	15.2%	14.3%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
Novembory   51,011   51,002   48,522   17,251,546   17,194,020   16,685,925   Net delivered units; as % of inventory   2,0%   0.5%   5,0%   2,2%   2,3%   2,5%   2,3%   2,5%   1,0%   2,2%   2,3%   2,5%   2,3%   2,5%   1,0%   2,2%   2,3%   2,5%   2,3%								
Net delivered units in past 12 months   995   276   2,408   387,002   391,271   417,432   288   259   258   258   259   258   258   259   258								
No.	Inventory					17,194,020		
Units under construction   2,842   3,549   1,955   774,864   744,997   732,144   Units under construction, as \$6 finimentary   5,6%   7,0%   4,0%   4,5%   4,3%   4,4%   Ratio of jobs created to not delivered units   12,7   44,6   0.3   17,1   17,2   (15,9)   Fewer jobs per delivered units than nationally   Fewer jobs per delivered units   Fewer jobs per deli	Net delivered units in past 12 months	995	276	2,408	387,022	391,271	417,342	
Units under construction, a % of inventory a % of inventory (as of inventory (as of inventory)	Net delivered units, as % of inventory	2.0%	0.5%	5.0%	2.2%	2.3%	2.5%	
Ratio of jobs created to not delivered units of jobs created to not delivered units for or jobs of jobs created to not delivered units from notionally (so of jobs to solid the month of the quarter)	Units under construction	2,842	3,549	1,955	774,864	744,997	732,144	
Sales transactions   Sales t	Units under construction, as % of inventory	5.6%	7.0%	4.0%	4.5%	4.3%	4.4%	Construction is stronger than nationally
Soles transactions   Soles t	Ratio of jobs created to net delivered units	12.7	44.6	0.3	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
Total investment acquisitions (in million 5)   S565   S769   S115   S50.395   S113,844   S20,0199   Solid transactions are rising faster than nationally irransactions alses price per unit   S241,057   S191,1285   S143,438   S22,0078   S227,367   S151,076   Prices are inting faster than nationally	(as of latest available month of the quarter)							
Total investment acquisitions (in million 5)   S565   S769   S115   S50.395   S113,844   S20,0199   Solid transactions are rising faster than nationally irransactions alses price per unit   S241,057   S191,1285   S143,438   S22,0078   S227,367   S151,076   Prices are inting faster than nationally								
Market cap rate   Market cap	Sales transactions							
Market cap rate	Total investment acquisitions (in million \$)					\$113,844		Sales transactions are rising faster than nationally
Demand indicators   2022 Q1   2021 Q4   2021 Q1   2022 Q1   2021 Q4   2021 Q1   2021		\$237,057	\$191,285	\$143,438	\$220,078	\$227,367		Prices are rising faster nationally
Demand indicators   2022 Q1   2021 Q4   2021 Q1   2022	Market cap rate	4.6%	4.6%	4.8%	5.1%	5.1%	5.2%	Cap rates are lower than nationally
Demand indicators   2022 Q1   2021 Q4   2021 Q1   2022								
Vacancy rate   9.8%   10.0%   8.7%   12.2%   12.1%   11.7%   The area has a lower vacancy rate than nationally	III. Office							
Vacancy rate   9.8%   10.0%   8.7%   12.2%   12.1%   11.7%   The area has a lower vacancy rate than nationally								
Absorption in sq.ft. over the quarter Absorption in sq.ft. over 12 months Absorption in sq.ft. over 12 months Absorption in sq.ft. over 12 months as % of inventory  1.1% 1.6% 2.7% 0.1% 0.1% 0.1% 1.7% 1.6% 2.7% 0.1% 0.1% 1.7% 1.6% 2.7% 1.6% 2.7% 0.1% 1.7% 1.6% 2.7% 1.6% 2.7% 1.6% 2.7% 1.6% 2.7% 1.6% 2.7% 1.6% 2.7% 1.6% 2.7% 2.84.6 334.4 Market rent per sq.ft. 32.61 32.60 32.81 Market rent growth, y/y % chg. 0.9% 0.9% 0.9% 0.9% 0.9% 0.9% 0.8% 0.8% 0.4% 0.8% 0.4% 0.8% 0.4% 0.28% 0.4% 0.8% 0.5% 0.4% 0.5% 0.5% 0.5% 0.5% 0.5% 0.5% 0.5% 0.5								
Absorption in sq.ft. over 12 months 366,867 510,030 850,538 5,610,472 (41,726,112) (119,807,672) Absorption in past 12 months as % of inventory 1.1% 1.6% 2.7% 0.1% -0.6% 1.7% Market rent per sq.ft. \$26.1 \$26.0 \$25.9 \$34.7 \$34.6 \$34.4 Market rent growth, y/9 % chg. 0.9% 0.9% 4.4% 0.8% 0.4% -2.1% Rents are rising faster than nationally Y/Y chg.in professional/business services jobs ('000) 3.4 1.8 1.9 1,153 1,161 (283) Stronger office job creation than nationally (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. 848,748 782,637 902,579 54,741,303 57,123,296 47,997,877 Net delivered over 12 months, in sq.ft. 848,748 782,637 902,579 54,741,303 57,123,296 47,997,877 Net delivered units, as % of inventory 2.6% 2.4% 2.8% 0.8% 0.8% 0.8% 0.7% More delivered space relative to inventory than nationally Under construction in sq.ft. 421,757 608,249 1,139,278 143,665,184 143,194,512 153,944,000 Under construction, as % of inventory 1.3% 1.9% 3.6% 2.0% 2.0% 2.0% 2.1% Construction activity is slower than nationally Sales transactions Total investment acquisitions (in million \$) \$61 \$471 \$29 \$26,711 \$35,335 \$17,487 Sales transactions are rising faster than nationally Transaction sale price per sq.ft. \$140 \$288 \$306 \$324 \$295 \$325 Prices are not rising as fast than nationally								The area has a lower vacancy rate than nationally
Absorption in past 12 months as % of inventory  Market rent per sq.ft.  \$26.1  \$26.0  \$25.9  \$34.7  \$34.6  \$34.4  Market rent growth, y/9 % chg.  0.9%  0.9%  0.9%  4.4%  0.8%  0.4%  0.27%  0.1%  0.4%  0.4%  2.1%  Rents are rising faster than nationally  Stronger office job creation than nationally  1.153  1.161  283)  Stronger office job creation than nationally  Stronger office job creation than nationally  Stronger office job creation than nationally  1.8  1.9  1.153  1.161  2.83)  Stronger office job creation than nationally  Stronger office job creation than nationally  1.8  Stronger office job creation than nationally  1.8  1.9  1.153  1.161  2.83)  Stronger office job creation than nationally  Stronger office job creation than nationally  1.8  1.8  1.9  1.153  1.161  2.83)  Stronger office job creation than nationally  1.8  Stronger office job creation than nationally  1.8  1.8  1.9  1.9  1.153  1.161  2.83)  Stronger office job creation than nationally  1.8  Stronger office job creation than nationally  1.8  1.8  1.9  1.9  1.153  1.161  2.83)  Stronger office job creation than nationally  1.8  Stronger office job creation than nationally  1.8  1.8  1.9  1.9  1.153  1.161  1.8  1.9  1.9  1.9  1.9  1.9  1.9  1.								
Market rent per sq.ft. \$26.1 \$26.0 \$25.9 \$34.7 \$34.6 \$34.4 Market rent growth, y/y chg. 0.9% 0.9% 4.4% 0.8% 0.4% -2.1% Rents are rising faster than nationally (As of latest available month of the quarter)    Supply indicators	Absorption in sq.ft. over 12 months	366,867	510,030	850,538	5,610,472	(41,726,112)	(119,807,672)	
Market rent growth, y/y % chg.  Y/Y chg, in professional/business services jobs ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory Under construction in sq.ft.  421,757  608,249  1,39  1,30  2,40  2,80	Absorption in past 12 months as % of inventory	1.1%	1.6%	2.7%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
\( \text{V/r chg.in professional/business services jobs ('000)} \) 3.4 \\ 1.8 \\ 1.9 \\ 1.153 \\ 1.161 \\ (283) \\ \text{Stronger office job creation than nationally} \\ \text{(as of latest available month of the quarter} \) \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\	Market rent per sq.ft.	\$26.1	\$26.0	\$25.9	\$34.7	\$34.6	\$34.4	
\( \frac{\text{V}}{\text{V}}\text{dg,in professional/business services jobs ('000)}{\text{(as of latest available month of the quarter)}} \) \) \) \) \) \) \) \) \\ \\ \\ \\ \\	Market rent growth, y/y % chg.	0.9%	0.9%	4.4%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Supply Indicators         Supply Indicators         1,250,434,560         7,250,434,560         47,997,877         7,250,434,560         47,997,877         848,748         782,637         902,579         54,741,303         57,123,296         47,997,877         More delivered over 12 months, in sq.ft.         848,748         782,637         902,579         54,741,303         57,123,296         47,997,877         More delivered space relative to inventory than nationally           Under construction in sq.ft.         421,757         608,249         1,139,278         143,665,184         143,194,512         153,944,000         Construction activity is slower than nationally           Vunder construction, as % of inventory         1.3%         1.9%         3.6%         2.0%         2.0%         2.1%         Construction activity is slower than nationally           Sales transactions           Total investment acquisitions (in million \$)         561         \$471         \$29         \$26,711         \$35,335         \$17,487         Sales transactions are rising faster than nationally           Transaction sale price per sq.ft.         \$140         \$288         \$306         \$324         \$295         \$325         Prices are not rising as fast than nationally	Y/Y chg.in professional/business services jobs ('000)	3.4	1.8	1.9	1,153	1,161	(283)	Stronger office job creation than nationally
Inventory in sq. ft. 32,319,720 32,111,588 31,952,852 7,256,351,232 7,252,931,072 7,250,434,560 Net delivered over 12 months, in sq.ft. 848,748 782,637 902,579 54,741,303 57,123,296 47,997,877 Net delivered units, as % of inventory 2.6% 2.4% 2.8% 0.8% 0.8% 0.8% 0.7% More delivered space relative to inventory than nationally Under construction in sq.ft. 421,757 608,249 1,139,278 143,665,184 143,194,512 153,944,000 Under construction, as % of inventory 1.3% 1.9% 3.6% 2.0% 2.0% 2.0% 2.0% Construction activity is slower than nationally  Sales transactions Total investment acquisitions (in million \$) \$61 \$471 \$29 \$26,711 \$35,335 \$17,487 \$ales transactions are rising faster than nationally Transaction sale price per sq.ft. \$140 \$288 \$306 \$324 \$295 \$325 \$prices are not rising as fast than nationally	(as of latest available month of the quarter)							
Inventory in sq. ft. 32,319,720 32,111,588 31,952,852 7,256,351,232 7,252,931,072 7,250,434,560 Net delivered over 12 months, in sq.ft. 848,748 782,637 902,579 54,741,303 57,123,296 47,997,877 Net delivered units, as % of inventory 2.6% 2.4% 2.8% 0.8% 0.8% 0.8% 0.7% More delivered space relative to inventory than nationally Under construction in sq.ft. 421,757 608,249 1,139,278 143,665,184 143,194,512 153,944,000 Under construction, as % of inventory 1.3% 1.9% 3.6% 2.0% 2.0% 2.0% 2.0% Construction activity is slower than nationally  Sales transactions Total investment acquisitions (in million \$) \$61 \$471 \$29 \$26,711 \$35,335 \$17,487 \$ales transactions are rising faster than nationally Transaction sale price per sq.ft. \$140 \$288 \$306 \$324 \$295 \$325 \$prices are not rising as fast than nationally								
Net delivered over 12 months, in sq.ft.         848,748         782,637         902,579         54,741,303         57,123,296         47,997,877         More delivered space relative to inventory than nationally 10 more construction in sq.ft.         2.6%         2.4%         2.8%         0.8%         0.8%         0.7%         More delivered space relative to inventory than nationally 15 more space relative to inventory 15 more space relative to inventory than nationally 15 more space relative to inventory 15 more space relative to inv	Supply indicators							
Net delivered over 12 months, in sq.ft.         848,748         782,637         902,579         54,741,303         57,123,296         47,997,877         More delivered space relative to inventory than nationally 10 more construction in sq.ft.         2.6%         2.4%         2.8%         0.8%         0.8%         0.7%         More delivered space relative to inventory than nationally 15 more space relative to inventory 15 more space relative to inventory than nationally 15 more space relative to inventory 15 more space relative to inv	Inventory in sq. ft.	32,319,720	32,111,588	31,952,852	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered units, as % of inventory         2.6%         2.4%         2.8%         0.8%         0.8%         0.7%         More delivered space relative to inventory than nationally           Under construction in sq.ft.         421,757         608,249         1,139,278         143,665,184         143,194,512         153,944,000         Construction activity is slower than nationally           Sales transactions         5ales transactions         5ales transactions         5ales transactions activity is slower than nationally           Total investment acquisitions (in million \$)         561         \$471         \$29         \$26,711         \$35,335         \$17,487         Sales transactions are rising faster than nationally           Transaction sale price per sq.ft.         \$140         \$288         \$306         \$324         \$295         \$325         Prices are not rising as fast than nationally	Net delivered over 12 months, in sq.ft.	848,748	782,637	902,579	54,741,303	57,123,296	47,997,877	
Under construction in sq.ft.         421,757         608,249         1,139,278         143,665,184         143,194,512         153,944,000         Construction activity is slower than nationally           Sales transactions         Total investment acquisitions (in million \$)         \$61         \$471         \$29         \$26,711         \$35,335         \$17,487         \$ales transactions are rising faster than nationally           Transaction sale price per sq.ft.         \$140         \$288         \$306         \$324         \$295         \$325         Prices are not rising as fast than nationally								More delivered space relative to inventory than nationally
Under construction, as % of inventory         1.3%         1.9%         3.6%         2.0%         2.0%         2.1%         Construction activity is slower than nationally           Sales transactions         Total investment acquisitions (in million \$)         \$61         \$471         \$29         \$26,711         \$35,335         \$17,487         \$ales transactions are rising faster than nationally           Transaction sale price per sq.ft.         \$140         \$288         \$306         \$324         \$295         \$325         Prices are not rising as fast than nationally								,
Sales transactions         561         \$471         \$529         \$26,711         \$35,335         \$17,487         Sales transactions are rising faster than nationally           Transaction sale price per sq.ft.         \$140         \$288         \$306         \$324         \$295         \$325         Prices are not rising as fast than nationally	·							Construction activity is slower than nationally
Total investment acquisitions (in million \$) \$61 \$471 \$29 \$26,711 \$35,335 \$17,487 Sales transactions are rising faster than nationally Transaction sale price per sq.ft. \$140 \$288 \$306 \$324 \$295 \$325 Prices are not rising as fast than nationally		1.5,0	1.570	5.5,0	2.070	2.070	2.270	
Total investment acquisitions (in million \$) \$61 \$471 \$29 \$26,711 \$35,335 \$17,487 Sales transactions are rising faster than nationally Transaction sale price per sq.ft. \$140 \$288 \$306 \$324 \$295 \$325 Prices are not rising as fast than nationally	Sales transactions							
Transaction sale price per sq.ft. \$140 \$288 \$306 \$324 \$295 \$325 *** Prices are not rising as fast than nationally		\$61	\$471	\$20	\$26 711	\$25, 225	\$17 487	Sales transactions are rising faster than nationally
								-
1.1.70 1.1.70 1.070 1.070 1.070 Luy rutes are nigner tran nationally								
	market cap rate	7.270	7.170	7.270	7.076	7.076	7.070	cap rates are myner than nationally

<sup>-</sup> Some data may not be available for the quarter

## NAR Commercial Real Estate Metro Market Report | 2022.Q1 Durham-Chapel Hill, NC

-Based Statistical Area Code:

IV.	Ind	ust	.rıal

		Durham-Chapel Hill, N	С	U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.6%	5.0%	5.4%	4.1%	4.2%	5.3%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	176,737	73,014	(357,780)	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	1,351,387	816,870	781,908	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	3.1%	1.9%	1.9%	3.1%	3.1%	1.6%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$9.6	\$9.3	\$8.7	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	11.0%	9.2%	5.6%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
Inventory in sq. ft.	43,344,092	43,167,356	41,992,704	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	1,001,278	1,019,557	1,112,424	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	2.3%	2.4%	2.6%	1.9%	1.8%	1.8%	More deliveries relative to inventory than nationally
Under construction in sq.ft.	3,589,197	3,190,297	2,336,865	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	8.3%	7.4%	5.6%	3.5%	3.2%	2.4%	More delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$27	\$195	\$40	\$21,817	\$51,629	\$16,323	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$82	\$142	\$83	\$140	\$136	\$105	Prices are not rising as fast than nationally
Market cap rate	6.3%	6.3%	6.8%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.0%	3.2%	4.4%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	78,795	6,523	(41,756)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	420,027	299,476	126,087	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	1.6%	1.1%	0.5%	0.8%	0.7%	-0.2%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$21.1	\$20.7	\$20.1	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.2%	3.8%	2.3%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	(0.10)	0.50	(0.30)	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	26,712,584	26,633,788	26,292,556	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	46,689	233,551	314,720	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.2%	0.9%	1.2%	0.2%	0.2%	0.3%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	418,672	343,637	121,533	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	1.6%	1.3%	0.5%	0.5%	0.5%	0.5%	Construction activity is more robust than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$51	\$62	\$28	\$22,755	\$33,245	\$12,773	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$293	\$222	\$187	\$219	\$226	\$182	Prices are rising faster nationally
Market cap rate	8.1%	8.2%	8.2%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
M. H-t-1/L-d-in-							
VI. Hotel/Lodging	2022 04 (24	2024 04 (5. )	2024 04 /24	2022 04 (24	2024 04 (D. )	2024 04 (24 1)	
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	24.6	23.8	21.1	14,939	14,804	12,876	
Y/Y change ('000) % share to nonfarm payroll employment	3.5 7.2%	3.8 7.0%	(6.3) 6.4%	2,063.0 10.0%	2,337.0 9.8%	(2,869.0) 9.0%	Job creation in the leisure industry is stronger than nationally Lower fraction of workers in leisure industry than nationally
	7.270	7.570	5.470	20.070	5.070	5.570	22.22. J. Section of Workers in Testane managery than Indianally

<sup>-</sup> Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-NewsAr-Lersey City). The 390 markets in this report are based on the CoStariar market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



# NAR Commercial Real Estate Metro Market Report | 2022.Q1 Fayetteville, NC

Core-Based Statistical Area Code

22180

The Fayetteville, NC commercial real estate market is not as strong compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\* 40.0

Overall economic conditions are not as strong than nationally. The apartment property market is about the same than nationally. The office property market is not as strong than nationally. The industrial property market is about the same than nationally. The retail property market is stronger than nationally. The hotel/lodging property market is not as strong than nationally.

		Fayetteville, NC			U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	133	134	129	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	5	5	(4)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	3.5%	3.7%	-2.7%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	5.5%	6.0%	7.7%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$830	\$784	\$758	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	9.5%	4.8%	9.3%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
CDD 11 (9/)	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-1.4%	2.4%	1.0%	-3.4%	2.3%	2.9%	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	(2.9)	(0.5)	0.5	0	0	0	Area is experiencing net domestic out-migration
Population ('000)	520	528	524	331,501	328,330	326,838	Area is experiencing her domestic out-inigration
Population growth (%)	-1.42%	0.77%	1.02%	0.97%	0.46%	0.53%	Population growth is slower than nationally
		*****			*****		, , , , , , , , , , , , , , , , , , , ,
II. Multifamily							
•							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.3%	3.8%	2.7%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	(122)	39	160	58,097	61,951	187,113	
Absorption of units in past 12 months	(251)	31	763	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	-1.1%	0.1%	3.4%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$1,108	\$1,069	\$980	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	13.1%	13.7%	12.4%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,103	\$1,067	\$975	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	13.1%	13.8%	12.6%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	15.3%	15.7%	14.8%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
Supply indicators							
Inventory	21,883	22,006	22,135	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	131	131	-	387,022	391,271	417,342	
Net delivered units, as % of inventory	0.6%	0.6%		2.2%	2.3%	2.5%	
Units under construction	-	-	210	774,864	744,997	732,144	
Units under construction, as % of inventory	24.4	26.6	0.9%	4.5% 17.1	4.3%	4.4%	Mana internal deliceration in the Above and in all
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	34.4	36.6	-	17.1	17.2	(15.9)	More jobs per delivered units than nationally
(as of latest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$)	\$193	\$206	\$45	\$50,395	\$113,844	\$30,199	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$158,869	\$125,143	\$89,450	\$220,078	\$227,367	\$157,676	Prices are rising faster nationally
Market cap rate	5.3%	5.5%	5.9%	5.1%	5.1%	5.2%	Cap rates are higher than nationally
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	6.1%	5.8%	5.7%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(22,861)	11,672	(27,608)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	(31,186)	(35,933)	11,523	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	-0.4%	-0.5%	0.2%	0.1%	-0.6%	-1.7%	The area has lower absorption than nationally
Market rent per sq.ft.	\$21.1	\$21.0	\$20.6	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg. Y/Y chg.in professional/business services jobs ('000)	2.4% 0.5	3.1% 0.6	3.0% 0.3	0.8% 1,153	0.4% 1,161	-2.1% (283)	Rents are rising faster than nationally
(as of latest available month of the quarter)	0.5	0.6	0.3	1,153	1,101	(283)	Stronger office job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	7,438,565	7,461,426	7,469,751	7.256.351.232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	(2,239)	(2,239)	7,622	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	0.0%	0.0%	0.1%	0.8%	0.8%	0.7%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	129,000	129,000	123,000	143,665,184	143,194,512	153,944,000	January and relative to inventory and nationally
Under construction, as % of inventory	1.7%	1.7%	1.6%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
		=.,,,,	2.070	2.370	2.070	=:=/*	,
Sales transactions							
Total investment acquisitions (in million \$)	\$2	\$11	\$4	\$26,711	\$35,335	\$17,487	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$78	\$174	\$135	\$324	\$295	\$325	Prices are not rising as fast than nationally
Market cap rate	8.2%	8.2%	8.3%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

<sup>-</sup> Some data may not be available for the quarter

e-Based Statistical Area Code

22180

### IV. Industrial

		Fayetteville, NC		U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.8%	4.9%	6.6%	4.1%	4.2%	5.3%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	12,747	394,781	(56,291)	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	629,940	560,902	633,416	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	3.9%	3.5%	4.1%	3.1%	3.1%	1.6%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$6.2	\$6.0	\$5.5	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	12.4%	10.0%	5.1%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
Inventory in sq. ft.	16,006,501	15,993,754	15,376,561	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	356,400	356,400	18,000	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	2.2%	2.2%	0.1%	1.9%	1.8%	1.8%	More deliveries relative to inventory than nationally
Under construction in sq.ft.	1,428,842	1,418,842	362,842	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	8.9%	8.9%	2.4%	3.5%	3.2%	2.4%	More delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$7	\$24	\$18	\$21,817	\$51,629	\$16,323	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$154	\$16	\$32	\$140	\$136	\$105	Prices are rising faster nationally
Market cap rate	7.7%	7.6%	7.7%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.5%	3.6%	4.7%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	71,859	105,515	97,773	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	343,809	369,723	35,082	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	1.6%	1.7%	0.2%	0.8%	0.7%	-0.2%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$15.6	\$15.3	\$14.8	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.5%	4.1%	2.1%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	0.70	0.40	0.50	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	21,255,062	21,183,204	20,911,252	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	63,041	31,041	111,514	19,624,738	21,905,704	37,703,262	Relatively more units delivered than nationally
Net delivered units, as % of inventory	0.3%	0.1%	0.5%	0.2%	0.2%	0.3%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	85,570	121,070	62,874	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.4%	0.6%	0.3%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$90	\$86	\$41	\$22,755	\$33,245	\$12,773	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$202	\$129	\$72	\$219	\$226	\$182	Prices are rising faster nationally
Market cap rate	8.0%	8.1%	7.8%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
M. Hatal / Ladaina							
VI. Hotel/Lodging	2022 04 (24	2024 04 (2)	2024 04 (24	2022 04 (24	2024 04 (2. '	2024 04 (24 1)	
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	17.0	15.6	15.0	14,939	14,804	12,876	
Y/Y change ('000) % share to nonfarm payroll employment	2.0 12.8%	1.1 11.7%	(1.4) 11.7%	2,063.0 10.0%	2,337.0 9.8%	(2,869.0) 9.0%	Job creation in the leisure industry is weaker than nationally Higher fraction of workers in leisure industry than nationally
	12.570	22.770	11.770	20.070	3.070	5.570	g j. action of workers in least a masse y than hadoliday

<sup>-</sup> Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-NewsAr-Lersey City). The 390 markets in this report are based on the CoStariar market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



# NAR Commercial Real Estate Metro Market Report | 2022.Q1 Goldsboro, NC

Core-Based Statistical Area Code:

24140

The Goldsboro, NC commercial real estate market is not as strong compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\* 33.3

Overall economic conditions are not as strong than nationally. The apartment property market is about the same than nationally. The office property market is about the same than nationally. The industrial property market is not as strong than nationally. The retail property market is about the same than nationally.

		Goldsboro, NC			U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	41	41	40	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	1	1	(1)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	1.2%	1.7%	-3.1%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.9%	4.3%	5.7%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$782	\$836	\$762	\$1,099	\$1,092	\$1,049	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Wage growth, year-over-year	2.6%	5.9%	7.9%	4.7%	5.2%	6.9%	Wages are rising at a slower pace than nationally
							,
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-3.4%	0.7%	0.5%	-3.4%	2.3%	2.9%	
GDI giowiii (/b)	3.470	0.770	0.570	3.470	2.570	2.570	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	(0.2)	(0.1)	(0.3)	0	0	0	Area is experiencing net domestic out-migration
Population ('000)	117	124	123	331,501	328,330	326,838	Area is experiencing net domestic out-migration
	-5.39%	0.34%	0.23%	0.97%	0.46%	0.53%	
Population growth (%)	-5.39%	0.34%	0.23%	0.97%	0.46%	0.53%	Population growth is slower than nationally
II Bandale							
II. Multifamily							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.1%	2.7%	2.7%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	13	(5)	0	58,097	61,951	187,113	
Absorption of units in past 12 months	83	70	25	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	4.1%	3.5%	1.3%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$984	\$950	\$909	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	8.3%	5.4%	5.5%	11.4%	11.3%	2.4%	
Effective rent per unit	\$983	\$949	\$906	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	8.5%	5.5%	6.2%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	14.5%	13.1%	13.7%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
Supply indicators							
Inventory	2,001	1,989	1,919	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	72	72	-	387,022	391,271	417,342	
Net delivered units, as % of inventory	3.6%	3.6%		2.2%	2.3%	2.5%	
Units under construction	-	-	72	774,864	744,997	732,144	
Units under construction, as % of inventory	_	_	3.8%	4.5%	4.3%	4.4%	
Ratio of jobs created to net delivered units	6.9	9.7	5.070	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)	0.5	5.,		27.12	17.12	(13.3)	rever jobs per delivered aims diali nationally
(us of facest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$)	\$2			\$50,395	\$113,844	\$30,199	
Transaction sales price per unit	\$216,667		-	\$220,078	\$227,367	\$157,676	
Market cap rate	5.9%	5.9%	6.0%	5.1%	5.1%	5.2%	Cap rates are higher than nationally
							-up verse are inglies since inclination,
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.8%	3.8%	4.1%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(13,398)	(120)	(8,681)	3,410,230	11,127,334	(43,926,356)	,,
Absorption in sq.ft. over 12 months	(5,010)	(293)	(17,041)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	-0.4%	0.0%	-1.4%	0.1%	-0.6%	-1.7%	The area has lower absorption than nationally
Market rent per sq.ft.	\$18.2	\$18.2	\$17.7	\$34.7	\$34.6	\$34.4	The area has lower absorption than hadionally
· ·	2.8%	3.6%		0.8%	0.4%	-2.1%	Banks are delay forten than a stirrally
Market rent growth, y/y % chg.	2.070	3.0%	2.6%				Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)		-	-	1,153	1,161	(283)	
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	1,252,813	1,266,211	1,257,823	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	4,800	4,800	(1,224)	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	0.4%	0.4%	-0.1%	0.8%	0.8%	0.7%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	-	-	4,800	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	-	-	0.4%	2.0%	2.0%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$1	\$17	\$1	\$26,711	\$35,335	\$17,487	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$45	\$1,351	\$91	\$324	\$295	\$325	Prices are not rising as fast than nationally
Market cap rate	9.1%	9.1%	9.1%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

<sup>-</sup> Some data may not be available for the quarter

### IV. Industrial

IV. Industrial		Goldsboro, NC		U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	7.4%	7.8%	8.3%	4.1%	4.2%	5.3%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	31,696	175,500	207,000	98,463,552	139,649,760	92,218,864	The dreating inglier vacality face than materially
Absorption in sq.ft. over 12 months	77,717	253,021	(17,065)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	1.0%	3.3%	-0.2%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$4.8	\$4.6	\$4.2	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	14.3%	11.7%	5.8%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
Inventory in sq. ft.	7,758,305	7,726,609	7,680,588	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	7,750,505	7,720,003		316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	_	-	_	1.9%	1.8%	1.8%	
Under construction in sq.ft.	-	-	-	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	-	-	-	3.5%	3.2%	2.4%	
Sales transactions	\$1	\$10		¢21 917	\$51,629	\$16,323	
Total investment acquisitions (in million \$)	\$65	\$10 \$40	-	\$21,817 \$140	\$51,629	\$16,323 \$105	
Transaction sale price per sq.ft.	7.8%	7.8%	8.7%	6.3%	6.3%	6.3%	Con anton and higher than antiquelly
Market cap rate	7.076	7.076	0.776	0.5%	0.5%	0.5%	Cap rates are higher than nationally
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.0%	4.3%	4.2%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	26,931	(32,213)	18,744	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	14,749	6,562	(21,230)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	0.2%	0.1%	-0.3%	0.8%	0.7%	-0.2%	The area has lower absorption than nationally
Market rent per sq.ft.	\$14.8	\$14.5	\$14.0	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.8%	4.5%	2.5%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	-	-	-	570.90	382.90	(187.70)	
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	6,618,460	6,591,529	6,603,711	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	-	-	9,100	19,624,738	21,905,704	37,703,262	
Net delivered units, as % of inventory	-	-	0.1%	0.2%	0.2%	0.3%	
Under construction in sq.ft.	-	-	-	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	-	Ē	-	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$1	\$13	\$1	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$64	\$171	\$25	\$219	\$226	\$182	Prices are rising faster nationally
Market cap rate	7.7%	7.7%	8.3%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
VI. Hotel/ Loughly	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	-, ,	- , ,,	-, ,,	14,939	14,804	12,876	
Y/Y change ('000)	-	-	-	2,063.0	2,337.0	(2,869.0)	
% share to nonfarm payroll employment	-	-	-	10.0%	9.8%	9.0%	

- Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-NewsAr-Lersey City). The 390 markets in this report are based on the CoStariar market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



# NAR Commercial Real Estate Metro Market Report | 2022.Q1

Greensboro-High Point, NC

24660

The Greensboro-High Point, NC commercial real estate market is not as strong compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\* 40.0

Overall economic conditions are not as strong than nationally. The apartment property market is about the same than nationally. The office property market is stronger than nationally. The industrial property market is about the same than nationally. The retail property market is not as strong than nationally. The hotel/lodging property market is about the same than nationally.

	Grov	ensboro-High Point, N	ur.		U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	361	364	351	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	10	8	(12)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	2.7%	2.4%	-3.3%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	4.2%	4.7%	6.2%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$947	\$965	\$862	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	9.8%	11.1%	0.4%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-4.1%	-0.2%	0.0%	-3.4%	2.3%	2.9%	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	2.4	3.1	2.0	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	777	772	767	331,501	328,330	326,838	
Population growth (%)	0.55%	0.70%	0.61%	0.97%	0.46%	0.53%	Population growth is slower than nationally
II Advibito ib.							
II. Multifamily							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.4%	2021 Q4 4.1%	4.7%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
							The area has a lower vacancy rate than nationally
Absorption of units over the quarter	(80) 662	(172) 1,036	294 1,788	58,097 568,362	61,951 697,378	187,113 498,721	
Absorption of units in past 12 months Absorption in past 12 months as % of inventory	1.5%	2.3%	4.0%	3.3%	4.1%	3.0%	The same has been about the about the
	\$1,107		\$941	\$1,587	\$1,553	\$1,425	The area has lower absorption than nationally
Market asking rent per unit	17.6%	\$1,068 16.2%	7.9%	11.4%	11.3%	2.4%	
Market asking rent per unit, y/y % chg							
Effective rent per unit Effective rent per unit, y/y % chg	\$1,102 17.7%	\$1,065 16.6%	\$937 8.0%	\$1,578 12.2%	\$1,543 12.2%	\$1,406 1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	13.4%	12.7%	12.5%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
Rent as a percent of 2-person annual wage income	13.476	12.776	12.376	10.376	10.576	13.476	kenting is more ajjoraable than hationally
Supply indicators							
Inventory	45,171	45,252	44,511	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	526	478	911	387,022	391,271	417,342	
Net delivered units, as % of inventory	1.2%	1.1%	2.0%	2.2%	2.3%	2.5%	
Units under construction	1,160	828	963	774,864	744,997	732,144	
Units under construction, as % of inventory	2.6%	1.8%	2.2%	4.5%	4.3%	4.4%	Construction is weaker than nationally
Ratio of jobs created to net delivered units	18.3	17.6	(13.3)	17.1	17.2	(15.9)	More jobs per delivered units than nationally
(as of latest available month of the quarter)	20.0	17.0	(25.5)	27.12	-/	(13.3)	more jobs per denvered and than nationally
(== =) -====,							
Sales transactions							
Total investment acquisitions (in million \$)	\$135	\$336	\$89	\$50,395	\$113,844	\$30,199	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$137,167	\$103,740	\$112,323	\$220,078	\$227,367	\$157,676	Prices are not rising as fast than nationally
Market cap rate	5.3%	5.3%	5.5%	5.1%	5.1%	5.2%	Cap rates are higher than nationally
40							
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	9.3%	10.3%	9.2%	2022 Q1 12.2%	2021 Q4 12.1%	2021 Q1 11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	322,949	(10,674)	(287,980)	3,410,230	11,127,334	(43,926,356)	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter Absorption in sq.ft. over 12 months	42,072	(568,857)	(123,780)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	0.1%	-1.9%	-0.4%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$17.8	\$17.7	\$17.5	\$34.7	\$34.6	\$34.4	The area has stronger absorption than hadionally
Market rent growth, y/y % chg.	1.3%	0.7%	0.2%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	1.5	0.7%	(0.9)	1,153	1,161	(283)	Stronger office job creation than nationally
(as of latest available month of the quarter)	1.5	0.5	(0.5)	1,133	1,101	(283)	Stronger office for treation than nationally
(us of facest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	29,507,936	29,184,988	29,465,864	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	77,724	191,724	114,000	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	0.3%	0.7%	0.4%	0.8%	0.8%	0.7%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	193,800	88,800	128,124	143,665,184	143,194,512	153,944,000	, and the same of
Under construction, as % of inventory	0.7%	0.3%	0.4%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
						· ·	, , , , , , , , , , , , , , , , , , , ,
Sales transactions							
Total investment acquisitions (in million \$)	\$62	\$46	\$11	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$111	\$194	\$45	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	8.0%	8.0%	8.1%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

<sup>-</sup> Some data may not be available for the quarter

## NAR Commercial Real Estate Metro Market Report | 2022.Q1 Greensboro-High Point, NC

Greenshoro-High Point NC

-Based Statistical Area Code:

### IV. Industrial

	Gre	eensboro-High Point, N	C	U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.6%	3.2%	2.7%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(411,640)	791.476	386,642	98,463,552	139,649,760	92,218,864	, , , , , , , , , , , , , , , , , , , ,
Absorption in sq.ft. over 12 months	499,019	1,297,301	1,934,175	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	0.3%	0.8%	1.2%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$5.7	\$5.5	\$5.1	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	12.9%	10.4%	5.6%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
** *	150.002.000	450 275 220	150 464 672	16 070 607 616	16 072 122 202	16 440 453 600	
Inventory in sq. ft.	158,963,696	159,375,328	158,464,672	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	2,139,826	2,228,796	442,836	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	1.3%	1.4%	0.3%	1.9%	1.8%	1.8%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	3,590,019	3,455,889	2,529,276	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	2.3%	2.2%	1.6%	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
, , , , , , , , , , , , , , , , , , , ,							,
Sales transactions							
	4404	6202	****	424.047	454 600	446.000	
Total investment acquisitions (in million \$)	\$101	\$292	\$116	\$21,817	\$51,629	\$16,323	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$66	\$78	\$39	\$140	\$136	\$105	Prices are rising faster nationally
Market cap rate	7.3%	7.3%	7.4%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
v. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.7%	4.9%	5.0%	4.5%	4.7%	5.1%	The area has a higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	75,220	(46,712)	(58,648)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	262,179	128,311	221,747	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	0.5%	0.2%	0.4%	0.8%	0.7%	-0.2%	The area has lower absorption than nationally
							The drea has lower absorption than hationally
Market rent per sq.ft.	\$14.2	\$14.1	\$13.9	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	2.0%	2.1%	0.7%	3.9%	3.1%	1.1%	Rent growth is slower than nationally
Y/Y chg.in retail trade payroll employment ('000)	1.60	0.90	0.50	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
** *	51,451,804	E1 276 E04	51,189,624	11,256,099,840	11 221 675 202	11 161 027 020	
Inventory in sq. ft.		51,376,584			11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	86,754	190,125	81,426	19,624,738	21,905,704	37,703,262	Relatively more units delivered than nationally
Net delivered units, as % of inventory	0.2%	0.4%	0.2%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	125,738	106,083	116,969	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.2%	0.2%	0.2%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
	407	4420	440	400 755	422.245	440.770	
Total investment acquisitions (in million \$)	\$87	\$129	\$49	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$61	\$122	\$95	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	7.8%	7.8%	7.8%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
c.c., Loughig	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	33.5	33.6	30.8	14,939	14,804	12,876	
Y/Y change ('000)	2.7	3.2	(5.5)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	9.3%	9.2%	8.8%	10.0%	9.8%	9.0%	Lower fraction of workers in leisure industry than nationally

115

- Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Lersey City). The 300 markets in this report are based on the CoStariar\* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar propretary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



# NAR Commercial Real Estate Metro Market Report | 2022.Q1

### Greenville, NC

Core-Based Statistical Area Code:

The Greenville, NC commercial real estate market is not as strong compared to the overall U.S. market.

NAR Commercial Real Estate Market Conditions Index\*

36.0

Overall economic conditions are not as strong than nationally. The apartment property market is not as strong than nationally. The office property market is not as strong than nationally. The industrial property market is about the same than nationally. The retail property market is not as strong than nationally. The hotel/lodging property market is about the same than nationally.

		Greenville, NC			U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	82	82	80	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	2	3	(2)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	2.5%	3.3%	-2.3%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	4.0%	4.4%	5.7%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$1,058	\$959	\$794	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	33.2%	6.2%	-5.2%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-4.5%	0.0%	-2.4%	-3.4%	2.3%	2.9%	
GDF growth (70)	-4.576	0.076	-2.470	-5.476	2.376	2.576	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	1.1	0.7	0.1	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	171	181	180	331,501	328,330	326,838	
Population growth (%)	-5.90%	0.88%	0.57%	0.97%	0.46%	0.53%	Population growth is slower than nationally
II. Multifamily							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	5.3%	3.4%	3.0%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	111	(9)	73	58,097	61,951	187,113	
Absorption of units in past 12 months	203	165	657	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	1.5%	1.3%	5.0%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$910	\$889	\$817	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	11.3%	12.3%	6.7%	11.4%	11.3%	2.4%	
Effective rent per unit	\$908	\$888	\$816 7.2%	\$1,578	\$1,543 12.2%	\$1,406 1.8%	
Effective rent per unit, y/y % chg Rent as a percent of 2-person annual wage income	11.3% 9.9%	12.6% 10.7%	11.8%	12.2% 16.5%	16.3%	15.4%	Rents are rising more slowly than nationally Renting is more affordable than nationally
Nent as a percent of 2-person annual wage income	3.376	10.776	11.070	10.376	10.376	13.476	kenting is more affordable than nationally
Supply indicators							
Inventory	13,238	13,127	13,035	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	537	206	122	387,022	391,271	417,342	
Net delivered units, as % of inventory	4.1%	1.6%	0.9%	2.2%	2.3%	2.5%	
Units under construction	-	393	537	774,864	744,997	732,144	
Units under construction, as % of inventory	-	3.0%	4.1%	4.5%	4.3%	4.4%	
Ratio of jobs created to net delivered units	3.7	12.6	(15.6)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$) Transaction sales price per unit	\$19 \$119,753	\$33 \$100,530	1	\$50,395 \$220,078	\$113,844 \$227,367	\$30,199 \$157,676	
Market cap rate	6.4%	6.5%	6.5%	5.1%	5.1%	5.2%	Cap rates are higher than nationally
Warket cap race	0.470	0.570	0.570	3.170	5.170	3.270	cap rates are inglier than nationally
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	6.5%	6.5%	6.5%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	577	2,783	5,455	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	383	5,261	(31,346)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	0.0%	0.2%	-0.9%	0.1%	-0.6%	-1.7%	The area has lower absorption than nationally
Market rent per sq.ft.	\$18.6	\$18.5	\$18.1	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	2.5%	3.1%	2.4%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	0.2	0.2	0.7	1,153	1,161	(283)	Stronger office job creation than nationally
(as of latest available month of the quarter)							
Complete disease							
Supply indicators	3,301,293	3,300,716	3,300,910	7,256,351,232	7,252,931,072	7 250 424 560	
Inventory in sq. ft.  Net delivered over 12 months, in sq.ft.	5,301,293	3,300,710	3,300,910 8,300	7,256,351,232 54,741,303	7,252,931,072 57,123,296	7,250,434,560 47,997,877	
Net delivered over 12 months, in sq.rt.  Net delivered units, as % of inventory	-	-	0.3%	0.8%	0.8%	47,997,877	
Under construction in sq.ft.	5,000	5,000	0.5%	143,665,184	143,194,512	153,944,000	
Under construction in sq.rt.  Under construction, as % of inventory	0.2%	0.2%	-	2.0%	2.0%	2.1%	Construction activity is slower than nationally
22. 2224 decion, do /o or inventory	3.270	5.270		2.070	2.070	2.270	
Sales transactions							
Total investment acquisitions (in million \$)	\$17	\$4	\$7	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$165	\$102	\$166	\$324	\$295	\$325	Prices are not rising as fast than nationally
Market cap rate	8.5%	8.6%	8.6%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

<sup>-</sup> Some data may not be available for the quarter

## NAR Commercial Real Estate Metro Market Report | 2022.Q1 Greenville, NC

-Based Statistical Area Code:

24780

### IV. Industrial

IV. Industrial							
		Greenville, NC		U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.1%	2.4%	1.3%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(81,500)	115,548	36,168	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	(194,482)	(76,814)	7,356	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	-1.8%	-0.7%	0.1%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$5.4	\$5.3	\$4.9	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	12.3%	10.1%	5.7%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
Inventory in sq. ft.	10,743,165	10,824,665	10,937,647	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.		-	-	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	-	-	-	1.9%	1.8%	1.8%	
Under construction in sq.ft.	19,000	19,000	_	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	0.2%	0.2%	_	3.5%	3.2%	2,4%	Less delivered space relative to inventory than nationally
onder construction, as 70 or inventory	0.270	0.270		3.370	5.270	2.170	zess denvered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$3	\$5	\$1	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
	\$103	\$99	\$54	\$140	\$136	\$10,323	
Transaction sale price per sq.ft.							Prices are rising faster nationally
Market cap rate	7.6%	7.5%	7.6%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.8%	4.2%	4.5%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	35,085	20,962	(12,797)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	67,599	19,717	(23,769)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	0.8%	0.2%	-0.3%	0.8%	0.7%	-0.2%	The area has lower absorption than nationally
Market rent per sq.ft.	\$16.7	\$16.3	\$15.8	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.7%	4.4%	2.4%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	0.30	0.40	0.20	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)			*			(=====)	,,
(as of ratest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	8,877,448	8,842,363	8,809,849	11,256,099,840	11,231,675,392	11,161,937,920	
	3,500	3,500	12,000	19,624,738	21,905,704	37,703,262	
Net delivered over 12 months, in sq.ft.							Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.0%	0.0%	0.1%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	-	-	3,500	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	-	-	0.0%	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$4	\$31	\$19	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$145	\$125	\$134	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	7.2%	7.2%	7.2%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	8.8	8.9	8.1	14,939	14,804	12,876	
Y/Y change ('000)	0.7	1.2	(1.2)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	10.8%	10.8%	10.2%	10.0%	9.8%	9.0%	Higher fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-NewsAr-Lersey City). The 390 markets in this report are based on the CoStariar market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



# NAR Commercial Real Estate Metro Market Report | 2022.Q1 Hickory-Lenoir-Morganton, NC

Core-Based Statistical Area Code:

25860

The Hickory-Lenoir-Morganton, NC commercial real estate market is not as strong compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\* 48.0

Overall economic conditions are stronger than nationally. The apartment property market is about the same than nationally. The office property market is not as strong than nationally. The industrial property market is about the same than nationally. The retail property market is not as strong than nationally. The hotel/lodging property market is about the same than nationally.

Economic	2022 Q1 (March)	y-Lenoir-Morgantor 2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	U.S. 2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	155	155	150	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	5	4	(4)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	3.2%	2.8%	-2.7%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.3%	3.9%	5.3%	3.6%	3.9%	6.0%	Unemployment rate is lower than nationally
Average weekly wages	\$881	\$816	\$786	\$1,099	\$1,092	\$1,049	, , , , , , , , , , , , , , , , , , , ,
Wage growth, year-over-year	12.0%	3.0%	-1.3%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
rrage growth, year over year	12.070	5.670	2.570	11770	5.270	0.570	Trages are rising juster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-4.1%	-1.3%	-1.4%	-3.4%	2.3%	2.9%	
GDP growth (%)	-4.176	-1.5%	-1.470	-5.4%	2.376	2.976	
Domographic	2020	2019	2018	2020	2019	2018	
Demographic Net domestic migration ('000)	1.3	1.3	1.5	0	2019	0	Area is experiencina net domestic in-migration
. ,	365	369					Area is experiencing net domestic in-migration
Population ('000)			368	331,501	328,330	326,838	
Population growth (%)	-1.15%	0.34%	0.32%	0.97%	0.46%	0.53%	Population growth is slower than nationally
II. Multifamily							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.7%	5.3%	2.7%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	41	180	112	58,097	61,951	187,113	
Absorption of units in past 12 months	451	522	330	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	6.9%	8.0%	5.4%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,054	\$1,029	\$947	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	11.3%	11.1%	5.5%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,046	\$1,024	\$945	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	10.7%	11.1%	6.0%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	13.7%	14.4%	13.8%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
Supply indicators							
Inventory	6,543	6,502	6,091	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	603	603	212	387,022	391,271	417,342	
Net delivered units, as % of inventory	9.2%	9.3%	3.5%	2.2%	2.3%	2.5%	
Units under construction	20	20	603	774,864	744,997	732,144	
Units under construction, as % of inventory	0.3%	0.3%	9.9%	4.5%	4.3%	4.4%	
	8.0	7.0	(19.3)	4.5%	4.3% 17.2	(15.9)	Construction is weaker than nationally
Ratio of jobs created to net delivered units	8.0	7.0	(19.3)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$) Fransaction sales price per unit	\$29 \$120,253	\$34 \$124.476		\$50,395 \$220,078	\$113,844 \$227,367	\$30,199 \$157,676	
Market cap rate	5.7%	5.8%	6.2%	5.1%	5.1%	5.2%	Cap rates are higher than nationally
Walket cap rate	3.776	5.6%	0.276	3.176	3.176	3.270	cup rates are nigher than nationally
III. Office							
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.8%	1.9%	2.6%	12.2%	12.1%	2021 Q1 11.7%	The gree has a lower vacancy rate than noti
Absorption in sq.ft. over the quarter	(76,524)	1.9% 27,469	2.6%	3,410,230	12.1% 11,127,334	(43,926,356)	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over 12 months	(24,355)	294,375	291,944	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	-0.3%	3.7%	3.7%	0.1%	-0.6%	-1.7%	The area has lower absorption than nationally
Market rent per sq.ft.	\$15.5	\$15.5	\$15.1	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	2.7%	3.5%	2.5%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	0.6	0.0	0.5	1,153	1,161	(283)	Stronger office job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	7,785,690	7,862,214	7,810,045	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	(1,724)	(1,724)	14,000	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	0.0%	0.0%	0.2%	0.8%	0.8%	0.7%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	103,532	103,532	50,000	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	1.3%	1.3%	0.6%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
•							· · · · · · · · · · · · · · · · · · ·
Sales transactions							
Total investment acquisitions (in million \$)	\$17	\$9	\$5	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$108	\$26	\$79	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	9.0%	8.9%	9.1%	7.0%	7.0%	7.0%	Cap rates are higher than nationally
	3.073	3.370	3.2,0	7.070	7.070	7.070	, and any

<sup>-</sup> Some data may not be available for the quarter

## NAR Commercial Real Estate Metro Market Report | 2022.Q1 Hickory-Lenoir-Morganton, NC

Based Statistical Area Code:

IV. Industrial

· · · · · · · · · · · · · · · · · · ·	Hick	ory-Lenoir-Morganto	on, NC	U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.7%	3.5%	2.8%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	486,137	(697,360)	126,632	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	1,121,922	762,417	404,470	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	1.9%	1.3%	0.7%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$4.1	\$4.0	\$3.6	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	13.4%	10.3%	5.3%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
Inventory in sq. ft.	59,419,568	58,933,428	58,297,644	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	1,115,359	1,112,859	87,910	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	1.9%	1.9%	0.2%	1.9%	1.8%	1.8%	More deliveries relative to inventory than nationally
Under construction in sq.ft.	425,000	190,000	1,140,310	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	0.7%	0.3%	2.0%	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$63	\$23	\$8	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$43	\$15	\$21	\$140	\$136	\$105	Prices are rising faster nationally
Market cap rate	8.2%	8.2%	8.2%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.1%	3.9%	4.3%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(54,154)	(30,356)	41,423	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	66,097	161,674	(153,865)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	0.3%	0.7%	-0.7%	0.8%	0.7%	-0.2%	The area has lower absorption than nationally
Market rent per sq.ft.	\$12.9	\$12.6	\$12.2	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.8%	4.5%	2.6%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.20	0.10	(0.10)	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
Supply indicators							
Inventory in sq. ft.	22,027,248	22,081,402	21,961,788	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	35,492	33,367	86,943	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.2%	0.2%	0.4%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	18,479	20,424	17,537	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.1%	0.1%	0.1%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$20	\$42	\$20	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$109	\$102	\$113	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	8.3%	8.3%	8.2%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	12.9	12.6	12.4	14,939	14,804	12,876	
Y/Y change ('000)	0.5	0.3	(1.5)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is stronger than nationall
% share to nonfarm payroll employment	8.3%	8.1%	8.2%	10.0%	9.8%	9.0%	Lower fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Lersey City). The 300 markets in this report are based on the CoStariar\* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar propretary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



# NAR Commercial Real Estate Metro Market Report | 2022.Q1

Jacksonville, NC

Core-Based Statistical Area Code:

The Jacksonville, NC commercial real estate market is not as strong compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\*

33.3

Overall economic conditions are not as strong than nationally. The apartment property market is not as strong than nationally. The office property market is stronger than nationally. The industrial property market is not as strong than nationally. The retail property market is stronger than nationally.

		Jacksonville, NC			U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	52	53	51	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	2	2	1	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	3.0%	3.6%	1.2%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.8%	4.0%	5.7%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$749	\$663	\$678	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	10.4%	0.3%	14.1%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-2.1%	1.3%	-0.1%	-3.4%	2.3%	2.9%	
GDF growth (70)	-2.176	1.376	-0.176	-5.476	2.376	2.576	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	(1.4)	3.1	(0.3)	0	0	0	Area is experiencing net domestic out-migration
Population ('000)	205	203	197	331,501	328,330	326,838	
Population growth (%)	0.96%	2.91%	0.89%	0.97%	0.46%	0.53%	Population growth is slower than nationally
II. Multifamily							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	14.0%	10.0%	9.6%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	(197)	(299)	(41)	58,097	61,951	187,113	
Absorption of units in past 12 months	(225)	(69)	(25)	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	-3.9%	-1.2%	-0.4%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$1,020	\$987	\$910	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	12.1%	11.1%	7.9%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,015	\$983	\$908	\$1,578	\$1,543 12.2%	\$1,406	
Effective rent per unit, y/y % chg Rent as a percent of 2-person annual wage income	11.8% 15.6%	11.2% 17.1%	8.6% 15.4%	12.2% 16.5%	16.3%	1.8% 15.4%	Rents are rising more slowly than nationally Renting is more affordable than nationally
Nent as a percent of 2-person annual wage income	13.0%	17.170	13.470	10.376	10.376	13.476	kenting is more ajjoraable trian nationally
Supply indicators							
Inventory	5,729	5,926	5,954	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	80	-		387,022	391,271	417,342	
Net delivered units, as % of inventory	1.4%	-	_	2.2%	2.3%	2.5%	
Units under construction	-	80	80	774,864	744,997	732,144	
Units under construction, as % of inventory	-	1.4%	1.3%	4.5%	4.3%	4.4%	
Ratio of jobs created to net delivered units	18.8	=	-	17.1	17.2	(15.9)	More jobs per delivered units than nationally
(as of latest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$) Transaction sales price per unit	\$35 \$81,395	-	\$18 \$56,5/1	\$50,395 \$220,078	\$113,844 \$227,367	\$30,199 \$157,676	Sales transactions are rising faster than nationally Prices are rising faster nationally
Market cap rate	5.9%	5.9%	6.0%	5.1%	5.1%	5.2%	Cap rates are higher than nationally
Warket cap race	5.570	3.570	0.070	3.170	5.170	5.270	cap rates are higher than nationally
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	0.5%	0.4%	1.2%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(2,093)	5,250	13,555	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	19,977	35,625	24,133	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	0.8%	1.3%	0.9%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$17.9	\$17.8	\$17.5	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	2.5%	3.4%	2.6%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	-	-	-	1,153	1,161	(283)	
(as of latest available month of the quarter)							
Complete disease							
Supply indicators Inventory in sq. ft.	2,662,334	2,664,427	2,642,357	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	2,002,534	2,004,427	2,042,557	54,741,303	7,252,931,072 57,123,296	7,250,434,560 47,997,877	
Net delivered units, as % of inventory		-	-	0.8%	0.8%	0.7%	
Under construction in sq.ft.	_	-		143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	_	_	_	2.0%	2.0%	2.1%	
				2.070	2.070	=:=:0	
Sales transactions							
Total investment acquisitions (in million \$)	\$6	\$17	\$3	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$38	\$139	\$110	\$324	\$295	\$325	Prices are not rising as fast than nationally
Market cap rate	8.5%	8.6%	8.6%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

<sup>-</sup> Some data may not be available for the quarter

-Based Statistical Area Code

27340

### IV. Industrial

		Jacksonville, NC		U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	7.0%	6.5%	2.9%	4.1%	4.2%	5.3%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	(12,000)	(2,436)	23,520	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	(90,777)	(55,257)	320	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	-4.4%	-2.7%	0.0%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$9.3	\$9.0	\$8.4	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	10.6%	8.8%	5.4%	11.0%	9.3%	5.5%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	2,052,613	2,064,613	2,143,390	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	-	9,000	9,000	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	-	0.4%	0.4%	1.9%	1.8%	1.8%	
Under construction in sq.ft.	7,200	-	-	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	0.4%	-	-	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	-	\$0	\$2	\$21,817	\$51,629	\$16,323	
Transaction sale price per sq.ft.	-	\$25	\$43	\$140	\$136	\$105	
Market cap rate	7.8%	7.7%	7.7%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
							, , , , , , , , , , , , , , , , , , , ,
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 01	
Vacancy rate	2.1%	1.9%	2.0%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	4,285	4,386	27,807	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	12,272	35,794	152,943	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	0.1%	0.3%	1.4%	0.8%	0.7%	-0.2%	The area has lower absorption than nationally
Market rent per sq.ft.	\$14.8	\$14.5	\$14.0	\$22,9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.8%	4.4%	2.3%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	-	-		570.90	382.90	(187.70)	, , , , , , , , , , , , , , , , , , , ,
(as of latest available month of the quarter)				370.30	302.30	(107.170)	
(as of facest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	10,568,613	10,564,328	10,556,341	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	17,930	12,462	119,492	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.2%	0.1%	1.1%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	8,000	25,118	12,240	54,194,816	56,052,512	54,297,696	,
Under construction, as % of inventory	0.1%	0.2%	0.1%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
onder construction, as 70 or inventory	0.170	0.270	0.170	0.570	0.570	0.570	construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$6	\$30	\$4	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$115	\$332	\$108	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	6.6%	6.6%	6.7%	6.8%	6.8%	6.8%	Cap rates are lower than nationally
Market cap rate	0.070	0.070	0.770	0.070	0.070	0.070	cap rates are lower diam nationally
VI. Hotel/Lodging							
·····, =gg	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)		-, , , , , , , ,		14,939	14,804	12,876	
Y/Y change ('000)	_	_	-	2,063.0	2,337.0	(2,869.0)	
% share to nonfarm payroll employment	-	-	-	10.0%	9.8%	9.0%	

<sup>-</sup> Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-NewsAr-Lersey City). The 390 markets in this report are based on the CoStariar market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



# NAR Commercial Real Estate Metro Market Report | 2022.Q1

New Bern, NC

Core-Based Statistical Area Code:

The New Bern, NC commercial real estate market is not as strong compared to the overall U.S. market.

NAR Commercial Real Estate Market Conditions Index\*

Overall economic conditions are not as strong than nationally. The apartment property market is not as strong than nationally. The office property market is about the same than nationally. The industrial property market is about the same than nationally. The retail property market is about the same than nationally.

		New Bern, NC			U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	45	46	44	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	1	1	(1)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	2.0%	2.2%	-1.3%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.5%	3.9%	5.3%	3.6%	3.9%	6.0%	Unemployment rate is lower than nationally
Average weekly wages	\$847	\$919	\$786	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	7.8%	17.6%	9.6%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-2.3%	4.5%	-2.0%	-3.4%	2.3%	2.9%	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	(0.9)	(1.0)	(0.1)	2020	2019	0	Area is experiencina net domestic out-migration
Population ('000)	122	124	125	331,501	328,330	326,838	Area is experiencing net domestic out-inigration
Population growth (%)	-1.64%	-0.64%	-0.08%	0.97%	0.46%	0.53%	Population growth is slower than nationally
r operation growth (75)	1.01,0	0.0170	0.00%	0.5770	0.1070	0.5570	r oparation growth is sioner than nationally
II. Multifamily							
•							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	8.0%	12.5%	2.6%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	86	6	96	58,097	61,951	187,113	
Absorption of units in past 12 months	114	124	127	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	6.5%	7.4%	7.7%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,022	\$1,004	\$964	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	6.0%	10.4%	12.5%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,006	\$990	\$962	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	4.6%	9.0%	12.7%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	13.7%	12.4%	14.1%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
Complete disease							
Supply indicators Inventory	1,760	1,674	1,646	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	1,760	1,674 292	1,646	387,022	391,271	417,342	
Net delivered units in past 12 months  Net delivered units, as % of inventory	12.7%	17.4%	4.1%	2.2%	2.3%	2.5%	
Units under construction	12.776	17.470	224	774,864	744,997	732,144	
Units under construction, as % of inventory	_	_	13.6%	4.5%	4.3%	4.4%	
Ratio of jobs created to net delivered units	4.0	3.4	(8.8)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)			()			( /	, , , , , , , , , , , , , , , , , , , ,
,,,							
Sales transactions							
Total investment acquisitions (in million \$)	\$4	\$31	-	\$50,395	\$113,844	\$30,199	
I ransaction sales price per unit	\$63,333	\$136,/92		\$220,078	\$227,367	\$157,676	
Market cap rate	6.1%	6.1%	6.1%	5.1%	5.1%	5.2%	Cap rates are higher than nationally
III. 0#:							
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	6.3%	6.3%	5.1%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	378	(9,990)	5,150	3,410,230	11,127,334	(43,926,356)	The area has a lower vacancy rate than hadonally
Absorption in sq.ft. over 12 months	(14,712)	(9,940)	929	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	-1.3%	-0.8%	0.1%	0.1%	-0.6%	-1.7%	The area has lower absorption than nationally
Market rent per sq.ft.	\$16.2	\$16.1	\$15.8	\$34.7	\$34.6	\$34.4	,
Market rent growth, y/y % chg.	2.6%	3.5%	2.6%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	-	-	-	1,153	1,161	(283)	
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	1,176,047	1,175,669	1,190,759	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	-	-	-	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	-	-	-	0.8%	0.8%	0.7%	
Under construction in sq.ft.	-	-	-	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
Salas transactions							
Sales transactions Total investment acquisitions (in million \$)	\$3	\$7	\$0	\$26,711	\$35,335	\$17,487	Sales transactions are risina faster than nationally
Transaction sale price per sq.ft.	\$58 \$58	\$202	\$0 \$219	\$26,711	\$35,335 \$295	\$17,487	Prices are not rising as fast than nationally
Market cap rate	9.1%	9.2%	8.8%	7.0%	7.0%	7.0%	Cap rates are higher than nationally
market cap rate	3.1/0	3.270	0.070	7.0/6	7.076	7.070	cap rates are myner than nationally

<sup>-</sup> Some data may not be available for the quarter

### IV. Industrial

IV. IIIdustriai		New Bern, NC		U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	0.5%	0.8%	1.3%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	9,800	(5,000)	20,711	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	25,819	36,730	(21,419)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	0.7%	1.0%	-0.6%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$7.4	\$7.2	\$6.6	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	12.1%	9.9%	5.6%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
Inventory in sq. ft.	3,561,472	3,551,672	3,535,653	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	-	-	-	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	-	-	-	1.9%	1.8%	1.8%	
Under construction in sq.ft.	-	-	-	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	-	-	-	3.5%	3.2%	2.4%	
Sales transactions							
Total investment acquisitions (in million \$)	\$23	\$0	\$0	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$302	\$39	\$10	\$140	\$136	\$105	Prices are rising faster nationally
Market cap rate	7.6%	7.6%	7.7%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
	2022.04	2024.04	2024 04	2022.04	2024.04	2024.04	
Demand indicators	2022 Q1 2.5%	2021 Q4 2.4%	2021 Q1	<b>2022 Q1</b> 4.5%	2021 Q4 4.7%	<b>2021 Q1</b> 5.1%	
Vacancy rate	(1,012)	18,644	3.2% 10,502	24,405,304	24,416,072	3,996,477	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter							
Absorption in sq.ft. over 12 months Absorption in past 12 months as % of inventory	50,043 0.8%	61,557 1.0%	(61,328) -1.0%	94,035,968 0.8%	73,627,144 0.7%	(22,757,808) -0.2%	
· · · · · · · · · · · · · · · · · · ·							The area has lower absorption than nationally
Market rent per sq.ft.	\$13.5	\$13.3	\$12.8	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.6%	4.4%	2.5%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	-	-	-	570.90	382.90	(187.70)	
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	6,473,243	6,474,255	6,423,200	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	0,473,243	0,474,233	25,514	19,624,738	21,905,704	37,703,262	
Net delivered units, as % of inventory	_	_	0.4%	0.2%	0.2%	0.3%	
Under construction in sq.ft.	_	_	-	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	_	_	_	0.5%	0.5%	0.5%	
onder construction, as 70 or inventory				0.570	0.570	0.570	
Sales transactions							
Total investment acquisitions (in million \$)	\$11	\$16	\$2	\$22,755	\$33,245	\$12,773	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$111	\$101	\$78	\$219	\$226	\$182	Prices are rising faster nationally
Market cap rate	8.0%	8.1%	8.0%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
·							
VI. Hotel/Lodging							
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	-		-	14,939	14,804	12,876	
Y/Y change ('000)	-	-	-	2,063.0	2,337.0	(2,869.0)	
% share to nonfarm payroll employment	-	-	-	10.0%	9.8%	9.0%	

<sup>-</sup> Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-NewsAr-Lersey City). The 390 markets in this report are based on the CoStariar market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



# NAR Commercial Real Estate Metro Market Report | 2022.Q1 Virginia Beach-Norfolk-Newport News, VA-NC

Core-Based Statistical Area Code:

The Virginia Beach-Norfolk-Newport News, VA-NC commercial real estate market is not as strong compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\* 40.0

Overall economic conditions are stronger than nationally. The apartment property market is not as strong than nationally. The office property market is stronger than nationally. The industrial property market is about the same than nationally. The retail property market is not as strong than nationally. The hotel/lodging property market is about the same than nationally.

	Virginia Beach	n-Norfolk-Newport N	lews, VA-NC		U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	770	776	760	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	10	11	(32)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	1.3%	1.4%	-4.1%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.4%	3.9%	5.0%	3.6%	3.9%	6.0%	Unemployment rate is lower than nationally
Average weekly wages	\$919	\$918	\$821	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	11.9%	10.7%	3.0%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-3.9%	1.2%	-0.8%	-3.4%	2.3%	2.9%	
351 g. 5 m. (75)	3.370	2.270	0.070	5.170	2.570	2.570	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	(1.2)	(2.5)	(5.0)	0	0	0	Area is experiencina net domestic out-migration
Population ('000)	1,800	1,774	1,767	331,501	328,330	326,838	Area is experiencing het domestic out-migration
Population growth (%)	1.49%	0.38%	0.20%	0.97%	0.46%	0.53%	Population is growing faster than nationally
II. Multifamily							
n. Marchanny							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.9%	3.6%	3.5%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	(71)	(174)	971	58,097	61,951	187,113	, , , , , , , , , , , , , , , , , , , ,
Absorption of units in past 12 months	915	1,957	5,120	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	0.8%	1.7%	4.6%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$1,341	\$1,313	\$1,206	\$1,587	\$1,553	\$1,425	The drea has lower absorption than hadionally
Market asking rent per unit, y/y % chg	11.3%	11.8%	7.0%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,335	\$1,308	\$1,202	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	11.1%	11.8%	7.3%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	16.7%	16.4%	16.8%	16.5%	16.3%	15.4%	Renting is less affordable than nationally
Supply indicators							
Inventory	113,373	113,444	112,459	17,251,546	17,194,020	16,685,925	
•							
Net delivered units in past 12 months	1,543	1,409	2,450	387,022	391,271	417,342	
Net delivered units, as % of inventory	1.4%	1.2%	2.2%	2.2%	2.3%	2.5%	
Units under construction	2,529	2,216	2,294	774,864	744,997	732,144	
Units under construction, as % of inventory	2.2%	2.0%	2.0%	4.5%	4.3%	4.4%	Construction is weaker than nationally
Ratio of jobs created to net delivered units	6.6	7.7	(13.1)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)							
Sales transactions	6244	6710	\$206	ć50.205	\$113.844	ć20.400	
Total investment acquisitions (in million \$) I ransaction sales price per unit	\$241 \$150,110	\$710 \$152,089	\$206 \$155,988	\$50,395 \$220,078	\$113,844 \$227,367	\$30,199 \$157,676	Sales transactions are not rising as fast than nationally Prices are not rising as fast than nationally
Market cap rate	5.5%	5.5%	5.7%	5.1%	5.1%	5.2%	Cap rates are higher than nationally
Market cap rate	3.370	3.370	3.770	3.170	5.170	3.270	cup rates are migner than nationally
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	7.9%	7.7%	8.1%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(89,960)	194,078	75,119	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	204,161	369,240	339,146	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	0.4%	0.7%	0.7%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$20.6	\$20.5	\$20.3	\$34.7	\$34.6	\$34.4	,,
Market rent growth, y/y % chg.	1.3%	1.8%	1.7%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	2.1	0.9	(3.1)	1,153	1,161	(283)	Stronger office job creation than nationally
	2.1	0.5	(3.1)	1,133	1,101	(203)	Stronger office for treation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	51,243,160	51,333,120	51,038,996	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	98,514	189,387	792,382	54,741,303	57,123,296	47,997,877	
							Many delivered agency selection of the control of t
Net delivered units, as % of inventory	0.2%	0.4%	1.6%	0.8%	0.8%	0.7%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	39,552	78,605	87,591	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	0.1%	0.2%	0.2%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
Calan harranestican							
Sales transactions	455	400:	Å.c.	606.74	AAE 22=	647.407	
Total investment acquisitions (in million \$)	\$50	\$231	\$50	\$26,711	\$35,335	\$17,487	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$116	\$148	\$128	\$324	\$295	\$325	Prices are not rising as fast than nationally
Market cap rate	8.7%	8.7%	8.7%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

<sup>-</sup> Some data may not be available for the quarter

# NAR Commercial Real Estate Metro Market Report | 2022.Q1 Virginia Beach-Norfolk-Newport News, VA-NC

IV. Industrial

	Virginia Bea	ch-Norfolk-Newport	News, VA-NC	U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	1.6%	1.9%	2.9%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	4,699,894	1,448,016	222,353	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	7,313,804	2,836,263	116,937	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	5.9%	2.4%	0.1%	3.1%	3.1%	1.6%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$8.7	\$8.5	\$8.0	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	9.0%	8.5%	6.6%	11.0%	9.3%	5.5%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	124,741,864	120,041,968	117,428,056	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	5,787,382	1,457,068	644,831	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	4.6%	1.2%	0.5%	1.9%	1.8%	1.8%	More deliveries relative to inventory than nationally
Under construction in sq.ft.	5,987,473	6,903,014	5,767,862	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	4.8%	5.8%	4.9%	3.5%	3.2%	2.4%	More delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$144	\$355	\$45	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$115	\$121	\$71	\$140	\$136	\$105	Prices are rising faster nationally
Market cap rate	7.6%	7.6%	7.4%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	5.1%	5.4%	5.6%	4.5%	4.7%	5.1%	The area has a higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	324,651	(15,134)	56,195	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	515,360	246,904	202,766	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	0.5%	0.2%	0.2%	0.8%	0.7%	-0.2%	The area has lower absorption than nationally
Market rent per sq.ft.	\$18.1	\$18.1	\$17.7	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	2.4%	3.9%	3.3%	3.9%	3.1%	1.1%	Rent growth is slower than nationally
Y/Y chg.in retail trade payroll employment ('000)	1.40	0.10	(0.20)	570.90	382.90	(187.70)	The area has weaker retail trade job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	101,125,232	100,800,576	100,609,872	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	-11,699	-83,826	99,652	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	0.0%	-0.1%	0.1%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	179,828	169,935	145,671	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.2%	0.2%	0.1%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$127	\$166	\$63	\$22,755	\$33,245	\$12,773	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$141	\$151	\$182	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	7.5%	7.4%	7.5%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	89.8	88.8	77.3	14,939	14,804	12,876	
Y/Y change ('000) % share to nonfarm payroll employment	12.5 11.7%	11.9 11.4%	(11.5) 10.2%	2,063.0 10.0%	2,337.0 9.8%	(2,869.0) 9.0%	Job creation in the leisure industry is weaker than nationally Higher fraction of workers in leisure industry than nationally

<sup>-</sup> Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Lersey City). The 300 markets in this report are based on the CoStariar\* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar propretary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



# NAR Commercial Real Estate Metro Market Report | 2022.Q1 Raleigh, NC

Core-Based Statistical Area Code:

39580

The Raleigh, NC commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\* 66.7

Overall economic conditions are stronger than nationally. The apartment property market is stronger than nationally. The office property market is stronger than nationally. The industrial property market is about the same than nationally. The retail property market is stronger than nationally. The hotel/lodging property market is not as strong than nationally.

		Raleigh, NC			U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	682	679	646	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	37	32	(6)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	5.7%	4.9%	-1.0%	4.6%	4.7%	-4.4%	Job creation is stronger than nationally
Unemployment rate (%)	3.1%	3.4%	4.7%	3.6%	3.9%	6.0%	Unemployment rate is lower than nationally
Average weekly wages	\$1,079	\$1,095	\$1,025	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	5.4%	4.4%	2.9%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-3.0%	3.0%	5.8%	-3.4%	2.3%	2.9%	
GDF growth (76)	-3.076	3.0%	3.676	-3.476	2.376	2.576	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	#N/A	18.5	16.0	0	0	0	
Population ('000)	1,420	1,392	1,363	331,501	328,330	326,838	
Population growth (%)	2.00%	2.16%	2.07%	0.97%	0.46%	0.53%	Population is growing faster than nationally
II. Multifamily							
ii. Multifalliliy							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	6.4%	5.3%	6.9%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	248	174	1,481	58,097	61,951	187,113	
Absorption of units in past 12 months	3,707	4,940	4,893	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	3.6%	4.8%	4.9%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,496	\$1,453	\$1,251	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	19.6%	20.1%	4.7%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,488	\$1,444	\$1,231	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	20.9%	21.2%	3.8%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	15.9%	15.2%	13.8%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
Supply indicators							
Inventory	103,818	103,571	100,111	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	3,321	1,997	4,462	387,022	391,271	417,342	
Net delivered units, as % of inventory	3.2%	1.9%	4.5%	2.2%	2.3%	2.5%	
Units under construction	9,451	8,715	4,598	774,864	744,997	732,144	
Units under construction, as % of inventory	9.1%	8.4%	4.6%	4.5%	4.3%	4.4%	Construction is stronger than nationally
Ratio of jobs created to net delivered units	11.1	16.0	(1.4)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)							
Sales transactions	\$666	ć4 F70	6204	ĆEO 20E	\$113.844	ć20.400	
Total investment acquisitions (in million \$) I ransaction sales price per unit	\$000 \$242,089	\$1,570 \$231,096	\$284 \$157,444	\$50,395 \$220,078	\$113,844 \$227,367	\$30,199 \$157,676	Sales transactions are rising faster than nationally Prices are rising faster nationally
Market cap rate	4.5%	4.5%	4.7%	5.1%	5.1%	5.2%	Cap rates are lower than nationally
III. Office							
Daniel distant	2022.04	2021 Q4	2024 04	2022.04	2021 Q4	2021 01	
Demand indicators Vacancy rate	2022 Q1 8.2%	2021 Q4 8.3%	<b>2021 Q1</b> 7.6%	2022 Q1 12.2%	2021 Q4 12.1%	2021 Q1 11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	76,837	8.3% 687,011	236,465	3,410,230	11,127,334	(43,926,356)	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over 12 months	379,035	538,663	(352,647)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	0.5%	0.8%	-0.5%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$28.0	\$27.8	\$27.1	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	3.0%	3.7%	2.8%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	10.6	7.5	3.1	1,153	1,161	(283)	Stronger office job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	70,661,504	70,584,672	70,282,472	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	901,552	1,379,231	1,619,413	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	1.3%	2.0%	2.3%	0.8%	0.8%	0.7%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	1,980,064	1,903,539	1,395,038	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	2.8%	2.7%	2.0%	2.0%	2.0%	2.1%	Construction activity is more robust than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$178	\$860	\$176	\$26,711	\$35,335	\$17,487	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$218	\$307	\$237	\$324	\$295	\$325	Prices are not rising as fast than nationally
Market cap rate	7.0%	7.1%	7.2%	7.0%	7.0%	7.0%	Cap rates are higher than nationally
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<sup>-</sup> Some data may not be available for the quarter

re-Based Statistical Area Code:

39580

### IV. Industrial

		Raleigh, NC		U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.4%	2.4%	3.5%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	173.696	680,425	(152,887)	98,463,552	139,649,760	92,218,864	, , , , , , , , , , , , , , , , , , , ,
	.,			521,957,216		267,819,536	
Absorption in sq.ft. over 12 months	2,168,899	1,842,316	2,990,862		515,712,512		
Absorption in past 12 months as % of inventory	2.4%	2.0%	3.3%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$9.9	\$9.6	\$8.9	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	11.1%	9.3%	5.6%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
Inventory in sq. ft.	91.752.656	91.578.960	89.583.760	16.970.607.616	16,872,123,392	16.448.452.608	
	. , . ,	. ,,	,	.,, ,		., ., . ,	
Net delivered over 12 months, in sq.ft.	1,150,904	920,600	3,478,287	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	1.3%	1.0%	3.9%	1.9%	1.8%	1.8%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	4,270,883	2,756,633	896,853	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	4.7%	3.0%	1.0%	3.5%	3.2%	2.4%	More delivered space relative to inventory than nationally
Sales transactions							
	\$74	\$548	Ć40	624.047	ĆE1 C20	¢16.222	
Total investment acquisitions (in million \$)			\$48	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$93	\$161	\$87	\$140	\$136	\$105	Prices are not rising as fast than nationally
Market cap rate	6.7%	6.7%	6.8%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.9%	3.4%	3.7%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	458,672	632,598	185,221	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	1,503,909	1,230,458	61,898	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	2.0%	1.7%	0.1%	0.8%	0.7%	-0.2%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$22.9	\$22.1	\$21.3	\$22.9	\$22.6	\$22.0	The area has stronger assorption than nationally
Market rent growth, y/y % chg.	7.5%	4.0%	4.8%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	0.50	(1.90)	1.40	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	73,366,816	72,908,144	71,958,344	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	831,758	815,213	576,339	19,624,738	21,905,704	37,703,262	Relatively more units delivered than nationally
Net delivered units, as % of inventory	1.1%	1.1%	0.8%	0.2%	0.2%	0.3%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	486,353	311,851	764,075	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.7%	0.4%	1.1%	0.5%	0.5%	0.5%	Construction activity is more robust than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$135	\$440	\$134	\$22,755	\$33,245	\$12,773	
. , , , , , , , , , , , , , , , , , , ,							Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$247	\$176	\$186	\$219	\$226	\$182	Prices are rising faster nationally
Market cap rate	6.7%	6.8%	6.9%	6.8%	6.8%	6.8%	Cap rates are lower than nationally
VI. Hotel/Lodging							
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Later and beautiful to a constitution of the c							
Leisure and hospitality payroll workers ('000)	68.9	68.6	59.1	14,939	14,804	12,876	
Y/Y change ('000)	9.8	10.6	(12.5)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is weaker than nationally
% share to nonfarm payroll employment	10.1%	10.1%	9.2%	10.0%	9.8%	9.0%	Higher fraction of workers in leisure industry than nationally

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Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Lersey City). The 300 markets in this report are based on the CoStariar\* market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar propretary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



<sup>-</sup> Some data may not be available for the quarter

# NAR Commercial Real Estate Metro Market Report | 2022.Q1 Rocky Mount, NC

Core-Based Statistical Area Code

40580

The Rocky Mount, NC commercial real estate market is not as strong compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\*

36.0

Overall economic conditions are not as strong than nationally. The apartment property market is not as strong than nationally. The office property market is not as strong than nationally. The industrial property market is about the same than nationally. The retail property market is not as strong than nationally. The hotel/lodging property market is about the same than nationally.

		Rocky Mount, NC			U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	54	56	54	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	0	2	(2)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	0.2%	2.9%	-3.1%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	5.9%	6.4%	7.7%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$745	\$773	\$704	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	5.8%	13.5%	-7.8%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-4.0%	-3.3%	-6.7%	-3.4%	2.3%	2.9%	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	0.2	(0.3)	(0.7)	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	144	146	146	331,501	328,330	326,838	Area is experiencing het domestic in-hilgradon
Population ( 666)	-1.35%	-0.33%	-0.48%	0.97%	0.46%	0.53%	Population growth is slower than nationally
r opulation growth (70)	1.55%	0.5570	0.4070	0.5770	0.40/0	0.5570	ropulation growth is slower than hadionally
II. Multifamily							
<b>,</b>							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.6%	2.7%	2.7%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	4	2	10	58,097	61,951	187,113	, , , , , , , , , , , , , , , , , , , ,
Absorption of units in past 12 months	27	33	43	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	0.9%	1.1%	1.5%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$823	\$810	\$764	\$1,587	\$1,553	\$1,425	,
Market asking rent per unit, y/y % chg	7.7%	7.0%	6.9%	11.4%	11.3%	2.4%	
Effective rent per unit	\$821	\$806	\$762	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	7.6%	6.8%	6.9%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	12.7%	12.0%	12.5%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
Supply indicators							
Inventory	2,886	2,883	2,860	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	22	22		387,022	391,271	417,342	
Net delivered units, as % of inventory	0.8%	0.8%	-	2.2%	2.3%	2.5%	
Units under construction		-	22	774,864	744,997	732,144	
Units under construction, as % of inventory	-	-	0.8%	4.5%	4.3%	4.4%	
Ratio of jobs created to net delivered units	4.5	72.7	-	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$)	\$1	-	-	\$50,395	\$113,844	\$30,199	
Transaction sales price per unit	\$46,/19	-	-	\$220,078	\$227,367	\$15/,6/6	
Market cap rate	6.2%	6.2%	6.2%	5.1%	5.1%	5.2%	Cap rates are higher than nationally
III Off:							
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	6.4%	3.3%	4.9%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(97,768)	13,175	5,490	3,410,230	11,127,334	(43,926,356)	The drea has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter Absorption in sq.ft. over 12 months	(46,337)	56,921	56,581	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	-1.6%	1.9%	1.9%	0.1%	-0.6%	-1.7%	The area has lower absorption than nationally
Market rent per sq.ft.	\$15.2	\$15.2	\$14.8	\$34.7	\$34.6	\$34.4	The area has lower absorption than nationally
	2.4%	3.2%	2.3%	0.8%	0.4%	-2.1%	One to the strain of the strai
Market rent growth, y/y % chg. Y/Y chg.in professional/business services jobs ('000)	0.0	(0.3)	(0.4)	1,153	1,161	(283)	Rents are rising faster than nationally  Stronger office job creation than nationally
(as of latest available month of the quarter)	0.0	(0.5)	(0.4)	1,133	1,101	(203)	Stronger office for creation than nationally
(us of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	2,886,090	2,983,858	2,932,427	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	_,000,030	_,505,055	_,552,121	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	_	_	_	0.8%	0.8%	0.7%	
Under construction in sq.ft.		-		143,665,184	143,194,512	153,944,000	
Under construction in sq.rt.  Under construction, as % of inventory		-		2.0%	2.0%	2.1%	
22. construction, as 75 of inventory				2.0/0	2.076	2.1/0	
Sales transactions							
Total investment acquisitions (in million \$)	\$1	\$12	\$2	\$26,711	\$35,335	\$17,487	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$41	\$72	\$175	\$324	\$295	\$325	Prices are not rising as fast than nationally
Market cap rate	8.5%	8.6%	8.7%	7.0%	7.0%	7.0%	Cap rates are higher than nationally
r	2.270	2.270					

<sup>-</sup> Some data may not be available for the quarter

e-Based Statistical Area Code

40580

IV.	Indi	ust	rıa

IV. Industrial							
		Rocky Mount, NC		U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	1.9%	1.3%	2.4%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(128,550)	156,800	184,460	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	161,351	474,361	348,456	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	0.8%	2.3%	1.7%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$3.5	\$3.3	\$3.1	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	14.2%	11.5%	6.3%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
warket rent growth, y, y 70 chg.	14.270	11.570	0.570	11.070	5.570	3.370	Kents are rising Juster than nationally
Supply indicators							
** *	20 402 045	20 224 205	20.024.406	46.070.607.646	46 072 422 202	45 440 453 500	
Inventory in sq. ft.	20,192,846	20,321,396	20,031,496	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	75,000	75,000	-	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	0.4%	0.4%	-	1.9%	1.8%	1.8%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	10,000	10,000	75,000	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	0.0%	0.0%	0.4%	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$3	\$3	\$4	\$21,817	\$51,629	\$16,323	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$21	\$14	\$11	\$140	\$136	\$105	Prices are rising faster nationally
Market cap rate	7.8%	7.8%	7.8%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
ivial ket cap rate	7.070	7.070	7.070	0.376	0.376	0.376	cup rates are migner than nationally
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	6.1%	6.0%	5.8%	4.5%	4.7%	5.1%	The area has a higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	2,312	(41,799)	1,723	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	(13,291)	(13,880)	(66,557)	94,035,968	73,627,144	(22,757,808)	
·		(13,880) -0.2%	(66,557) -0.9%				The area has lower absorption than nationally
Absorption in past 12 months as % of inventory	-0.2%	-0.2%	-0.9%	0.8%	0.7%	-0.2%	The area has lower absorption than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft.	-0.2% \$12.2	-0.2% \$11.9	-0.9% \$11.5	0.8% \$22.9	0.7% \$22.6	-0.2% \$22.0	
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, y/y % chg.	-0.2% \$12.2 5.6%	-0.2% \$11.9 4.4%	-0.9% \$11.5 2.5%	0.8% \$22.9 3.9%	0.7% \$22.6 3.1%	-0.2% \$22.0 1.1%	Rents are rising faster than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000)	-0.2% \$12.2	-0.2% \$11.9	-0.9% \$11.5	0.8% \$22.9	0.7% \$22.6	-0.2% \$22.0	
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, y/y % chg.	-0.2% \$12.2 5.6%	-0.2% \$11.9 4.4%	-0.9% \$11.5 2.5%	0.8% \$22.9 3.9%	0.7% \$22.6 3.1%	-0.2% \$22.0 1.1%	Rents are rising faster than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	-0.2% \$12.2 5.6%	-0.2% \$11.9 4.4%	-0.9% \$11.5 2.5%	0.8% \$22.9 3.9%	0.7% \$22.6 3.1%	-0.2% \$22.0 1.1%	Rents are rising faster than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, ½/ % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter) Supply indicators	-0.2% \$12.2 5.6% (0.60)	-0.2% \$11.9 4.4% 0.60	-0.9% \$11.5 2.5% 0.20	0.8% \$22.9 3.9% 570.90	0.7% \$22.6 3.1% 382.90	-0.2% \$22.0 1.1% (187.70)	Rents are rising faster than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	-0.2% \$12.2 5.6%	-0.2% \$11.9 4.4%	-0.9% \$11.5 2.5%	0.8% \$22.9 3.9%	0.7% \$22.6 3.1%	-0.2% \$22.0 1.1%	Rents are rising faster than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, ½/ % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter) Supply indicators	-0.2% \$12.2 5.6% (0.60)	-0.2% \$11.9 4.4% 0.60	-0.9% \$11.5 2.5% 0.20	0.8% \$22.9 3.9% 570.90	0.7% \$22.6 3.1% 382.90	-0.2% \$22.0 1.1% (187.70)	Rents are rising faster than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft.	-0.2% \$12.2 5.6% (0.60)	-0.2% \$11.9 4.4% 0.60	-0.9% \$11.5 2.5% 0.20	0.8% \$22.9 3.9% 570.90	0.7% \$22.6 3.1% 382.90	-0.2% \$22.0 1.1% (187.70)	Rents are rising faster than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, ½/ % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0%	-0.9% \$11.5 2.5% 0.20 7,533,400	0.8% \$22.9 3.9% 570.90 11,256,099,840 19,624,738 0.2%	0.7% \$22.6 3.1% 382.90 11,231,675,392 21,905,704 0.2%	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory Under construction in sq.ft.	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2% 5,907	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547	7,533,400 - 1,425	0.8% 522.9 3.9% 570.90 11,256,099,840 19,624,738 0.2% 54,194,816	0.7% 522.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3% 54,297,696	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, ½/ % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0%	-0.9% \$11.5 2.5% 0.20 7,533,400	0.8% \$22.9 3.9% 570.90 11,256,099,840 19,624,738 0.2%	0.7% \$22.6 3.1% 382.90 11,231,675,392 21,905,704 0.2%	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft.  Market rent growth, y/y % chg.  Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft.  Net delivered over 12 months, in sq.ft.  Net delivered units, as % of inventory Under construction in sq.ft.  Under construction, as % of inventory	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2% 5,907	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547	7,533,400 - 1,425	0.8% 522.9 3.9% 570.90 11,256,099,840 19,624,738 0.2% 54,194,816	0.7% 522.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3% 54,297,696	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory Under construction in sq.ft. Under construction, as % of inventory  Sales transactions	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2% 5,907 0.1%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547 0.2%	7,533,400 	0.8% 522.9 3.9% 570.90 11,256,099,840 19,624,738 0.2% 54,194,816 0.5%	0.7% 522.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512 0.5%	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3% 54,297,696 0.5%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally  Construction activity is slower than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory Under construction in sq.ft. Under construction, as % of inventory  Sales transactions Total investment acquisitions (in million \$)	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2% 5,907 0.1%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547 0.2%	7,533,400 	0.8% \$22.9 3.9% \$70.90 11,256,099,840 19,624,738 0.2% \$4,194,816 0.5%	0.7% \$22.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512 0.5%	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3% 54,297,696 0.5%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally  Construction activity is slower than nationally  Sales transactions are rising faster than nationally
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Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory Under construction in sq.ft. Under construction, as % of inventory  Sales transactions Total investment acquisitions (in million \$)	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2% 5,907 0.1%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547 0.2%	7,533,400 	0.8% \$22.9 3.9% \$70.90 11,256,099,840 19,624,738 0.2% \$4,194,816 0.5%	0.7% \$22.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512 0.5%	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3% 54,297,696 0.5%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally  Construction activity is slower than nationally  Sales transactions are rising faster than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft.  Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg, in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory Under construction in sq.ft. Under construction, as % of inventory  Sales transactions Total investment acquisitions (in million \$) Transaction sale price per sq.ft.	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2% 5,907 0.1%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547 0.2%	7,533,400 7,533,400 1,425 0.0%	0.8% \$22.9 3.9% 570.90 11,256,099,840 19,624,738 0.2% 54,194,816 0.5% \$22,755 \$219	0.7% \$22.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512 0.5% \$33,245 \$226	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3% 54,297,696 0.5%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally  Construction activity is slower than nationally  Sales transactions are rising faster than nationally  Prices are rising faster nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft.  Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered over 12 months, in sq.ft. Under construction in sq.ft. Under construction in sq.ft. Under construction, as % of inventory  Sales transactions Total investment acquisitions (in million \$) Transaction sale price per sq.ft. Market cap rate	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2% 5,907 0.1%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547 0.2%	7,533,400 7,533,400 1,425 0.0%	0.8% \$22.9 3.9% 570.90 11,256,099,840 19,624,738 0.2% 54,194,816 0.5% \$22,755 \$219	0.7% \$22.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512 0.5% \$33,245 \$226	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3% 54,297,696 0.5%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally  Construction activity is slower than nationally  Sales transactions are rising faster than nationally  Prices are rising faster nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft.  Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg, in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory Under construction in sq.ft. Under construction, as % of inventory  Sales transactions Total investment acquisitions (in million \$) Transaction sale price per sq.ft.	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2% 5,907 0.1%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547 0.2%	7,533,400 7,533,400 1,425 0.0%	0.8% \$22.9 3.9% 570.90 11,256,099,840 19,624,738 0.2% 54,194,816 0.5% \$22,755 \$219	0.7% \$22.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512 0.5% \$33,245 \$226	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3% 54,297,696 0.5%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally  Construction activity is slower than nationally  Sales transactions are rising faster than nationally  Prices are rising faster nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft.  Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered over 12 months, in sq.ft. Under construction in sq.ft. Under construction in sq.ft. Under construction, as % of inventory  Sales transactions Total investment acquisitions (in million \$) Transaction sale price per sq.ft. Market cap rate	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2% 5,907 0.1%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547 0.2%	7,533,400 7,533,400 1,425 0.0%	0.8% \$22.9 3.9% 570.90 11,256,099,840 19,624,738 0.2% 54,194,816 0.5% \$22,755 \$219	0.7% \$22.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512 0.5% \$33,245 \$226	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3% 54,297,696 0.5%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally  Construction activity is slower than nationally  Sales transactions are rising faster than nationally  Prices are rising faster nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory Under construction in sq.ft. Under construction, as % of inventory  Sales transactions Total investment acquisitions (in million \$) Transaction sale price per sq.ft. Market cap rate  VI. Hotel/Lodging	7,520,109 12,065 0.2% 5,907 0.1%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547 0.2% \$8 \$75 7.9%	7,533,400 7,533,400 1,425 0.0%	0.8% \$22.9 3.9% 570.90 11,256,099,840 19,624,738 0.2% 54,194,816 0.5% \$22,755 \$219 6.8%	0.7% \$22.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512 0.5% \$33,245 \$226 6.8%	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3% 54,297,696 0.5% \$12,773 \$182 6.8%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally  Construction activity is slower than nationally  Sales transactions are rising faster than nationally  Prices are rising faster nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory Under construction in sq.ft. Under construction, as % of inventory  Sales transactions Total investment acquisitions (in million \$) Transaction sale price per sq.ft. Market cap rate  VI. Hotel/Lodging Leisure and hospitality payroll workers ('000)	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2% 5,907 0.1% \$10 \$147 7.9%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547 0.2% \$8 \$75 7.9%	7,533,400 7,533,400 1,425 0.0% \$3 \$107 7.8%	0.8% \$22.9 3.9% \$70.90 11,256,099,840 19,624,738 0.2% \$4,194,816 0.5% \$22,755 \$219 6.8% 2022 Q1 (March) 14,939	0.7% \$22.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512 0.5% \$33,245 \$226 6.8%	-0.2% \$22.0 1.1% (187.70)  11,161,937,920 37,703,262 0.3% 54,297,696 0.5%  \$12,773 \$182 6.8%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally  Construction activity is slower than nationally  Sales transactions are rising faster than nationally  Prices are rising faster nationally  Cap rates are higher than nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory Under construction in sq.ft. Under construction, as % of inventory  Sales transactions Total investment acquisitions (in million \$) Transaction sale price per sq.ft. Market cap rate  VI. Hotel/Lodging	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2% 5,907 0.1% \$10 \$147 7.9%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547 0.2% \$8 \$75 7.9%	7,533,400 	0.8% \$22.9 3.9% 570.90 11,256,099,840 19,624,738 0.2% 54,194,816 0.5% \$22,755 \$219 6.8%	0.7% \$22.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512 0.5% \$33,245 \$226 6.8%	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3% 54,297,696 0.5% \$12,773 \$182 6.8%	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally  Construction activity is slower than nationally  Sales transactions are rising faster than nationally  Prices are rising faster nationally
Absorption in past 12 months as % of inventory Market rent per sq.ft. Market rent growth, y/y % chg. Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)  Supply indicators Inventory in sq. ft. Net delivered over 12 months, in sq.ft. Net delivered units, as % of inventory Under construction in sq.ft. Under construction, as % of inventory  Sales transactions Total investment acquisitions (in million \$) Transaction sale price per sq.ft. Market cap rate  VI. Hotel/Lodging  Leisure and hospitality payroll workers ('000) Y/Y change ('000)	-0.2% \$12.2 5.6% (0.60) 7,520,109 12,065 0.2% 5,907 0.1% \$147 7.9%	-0.2% \$11.9 4.4% 0.60 7,517,797 1,425 0.0% 16,547 0.2% \$8 \$75 7.9%	7,533,400 7,533,400 1,425 0.0% \$3 \$107 7.8%	0.8% \$22.9 3.9% \$70.90 11,256,099,840 19,624,738 0.2% \$4,194,816 0.5% \$22,755 \$219 6.8% 2022 Q1 (March) 14,939 2,063.0	0.7% \$22.6 3.1% 382.90 11,231,675,392 21,905,704 0.2% 56,052,512 0.5% \$33,245 \$226 6.8% 2021 Q4 (Dec) 14,804 2,337.0	-0.2% \$22.0 1.1% (187.70) 11,161,937,920 37,703,262 0.3% 54,297,696 0.5% \$12,773 \$182 6.8% 2021 Q1 (March) 12,876 (2,869.0)	Rents are rising faster than nationally The area has stronger retail trade job creation than nationally  Less delivered space relative to inventory than nationally  Construction activity is slower than nationally  Sales transactions are rising faster than nationally  Prices are rising faster nationally  Cap rates are higher than nationally

<sup>-</sup> Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-NewsAr-Lersey City). The 390 markets in this report are based on the CoStariar market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



# NAR Commercial Real Estate Metro Market Report | 2022.Q1 Wilmington, NC

Core-Based Statistical Area Code:

48900

The Wilmington, NC commercial real estate market is stronger compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\* 52.0

Overall economic conditions are stronger than nationally. The apartment property market is stronger than nationally. The office property market is stronger than nationally. The industrial property market is not as strong than nationally. The retail property market is stronger than nationally. The hotel/lodging property market is not as strong than nationally.

		Wilmington, NC			u.s.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	137	139	132	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	6	8	(1)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	4.2%	6.2%	-1.1%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.1%	3.6%	4.8%	3.6%	3.9%	6.0%	Unemployment rate is lower than nationally
Average weekly wages	\$959	\$924	\$849	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	12.9%	7.5%	12.8%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-1.6%	4.6%	2.7%	-3.4%	2.3%	2.9%	
GDI growth (70)	1.070	4.070	2.770	3.470	2.570	2.570	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	4.0	2.5	4.5	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	287	297	295	331,501	328,330	326,838	
Population growth (%)	-3.60%	0.89%	1.74%	0.97%	0.46%	0.53%	Population growth is slower than nationally
II. Multifamily							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.4%	5.6%	8.9%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	242	(17)	345	58,097	61,951	187,113	The area has a lower vacuncy rate than hationally
Absorption of units over the quarter Absorption of units in past 12 months	1,939	2,042	1,588	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	9.4%	10.0%	8.5%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,433	\$1,359	\$1,192	\$1,587	\$1,553	\$1,425	The area has stronger assorption than hadonany
Market asking rent per unit, y/y % chg	20.2%	16.3%	4.5%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,427	\$1,350	\$1,174	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	21.5%	17.7%	3.7%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	17.1%	16.8%	15.9%	16.5%	16.3%	15.4%	Renting is less affordable than nationally
Supply indicators							
Inventory	20,593	20,351	18,654	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	1,074	1,266	1,751	387,022	391,271	417,342	
Net delivered units, as % of inventory Units under construction	5.2% 1,718	6.2% 1,484	9.4% 1,478	2.2% 774,864	2.3% 744,997	2.5% 732,144	
Units under construction, as % of inventory	8.3%	7.3%	7.9%	4.5%	4.3%	4.4%	Construction is stronger than nationally
Ratio of jobs created to net delivered units	5.1	6.4	(0.8)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
(as of latest available month of the quarter)	5.1	0	(0.0)	27.2	27.2	(13.5)	rever jobs per denvered annes dian nadonally
,,							
Sales transactions							
Total investment acquisitions (in million \$)	\$5	\$313	\$23	\$50,395 \$220,078	\$113,844	\$30,199	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$121,4/1	\$240,210	\$96,653		\$227,367	\$157,676	Prices are not rising as fast than nationally
Market cap rate	5.0%	5.0%	5.3%	5.1%	5.1%	5.2%	Cap rates are lower than nationally
III. Office							
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.3%	2.9%	4.3%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	98,842	64,784	29,355	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	279,833	210,346	(55,801)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	2.3%	1.7%	-0.5%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$22.3	\$22.2	\$21.8	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	2.3%	3.1%	3.5%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	0.9	2.2	0.9	1,153	1,161	(283)	Stronger office job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	12,386,550	12,287,708	12,106,717	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	19,964	26,754	111,682	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	0.2%	0.2%	0.9%	0.8%	0.8%	0.7%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	179,655	184,619	19,964	143,665,184	143,194,512	153,944,000	2
Under construction, as % of inventory	1.5%	1.5%	0.2%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
						•	, , , , , , , , , , , , , , , , , , , ,
Sales transactions							
Total investment acquisitions (in million \$)	\$55	\$36	\$12	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$108	\$281	\$52	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	7.9%	7.9%	8.2%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

<sup>-</sup> Some data may not be available for the quarter

## NAR Commercial Real Estate Metro Market Report | 2022.Q1 Wilmington, NC

-Based Statistical Area Code

48900

### IV. Industrial

		Wilmington, NC		U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	5.8%	5.6%	7.4%	4.1%	4.2%	5.3%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	157,504	88,788	32,082	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	488,682	363,260	(46,992)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	3.0%	2.2%	-0.3%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$8.3	\$8.1	\$7.6	\$10.2	\$9.9	\$9.2	,
Market rent growth, y/y % chg.	9.4%	7.7%	5.5%	11.0%	9.3%	5.5%	Rent growth is slower than nationally
	*****		*****				,, <b>, .</b>
Supply indicators							
Inventory in sq. ft.	16,340,636	16,183,132	15,851,954	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	230,010	22,400	234,586	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	1.4%	0.1%	1.5%	1.9%	1.8%	1.8%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	70.400	278,010	136.800	591,536,384	531,512,224	391,175,904	Less deliveres relative to inventory than nationally
Under construction, as % of inventory	0.4%	1.7%	0.9%	3.5%	3.2%	2.4%	Loss delivered space relative to inventory they notionally
Officer construction, as % of inventory	0.476	1.776	0.9%	3.376	5.276	2,470	Less delivered space relative to inventory than nationally
Sales transactions							
	\$15	\$21	\$6	\$21,817	\$51,629	\$16,323	
Total investment acquisitions (in million \$)							Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$87	\$72	\$52	\$140	\$136	\$105	Prices are rising faster nationally
Market cap rate	7.6%	7.6%	7.6%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	1.7%	2.5%	2.9%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	182,090	46,172	(122,222)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	256,870	(47,442)	(3,215)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	1.2%	-0.2%	0.0%	0.8%	0.7%	-0.2%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$18.3	\$17.9	\$17.4	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.1%	3.9%	2.3%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	0.20	(0.10)	(0.10)	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
Inventory in sq. ft.	21,869,770	21,687,680	21,612,900	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	-12,299	8,002	201,368	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	-0.1%	0.0%	0.9%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	123.350	34,370	17,538	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.6%	0.2%	0.1%	0.5%	0.5%	0.5%	Construction activity is more robust than nationally
,							,
Sales transactions							
Total investment acquisitions (in million \$)	\$27	\$45	\$23	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$148	\$258	\$223	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	6.9%	6.9%	7.0%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
Warket cap rate	0.570	0.570	7.070	0.070	0.070	0.070	cap rates are higher than nationally
VI Hotel/Lodging							
VI. Hotel/Lodging	2022 O1 (Marsh)	2021 O4 (Dc-)	2021 O1 (Max-L)	2022 O1 (Mar-h)	2021 O4 (D)	2021 O1 (March)	
Laines and benefit and a little	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	20.1	19.7	17.5	14,939	14,804	12,876	
Y/Y change ('000) % share to nonfarm payroll employment	2.6 14.6%	3.1 14.2%	(2.0) 13.3%	2,063.0 10.0%	2,337.0 9.8%	(2,869.0) 9.0%	Job creation in the leisure industry is weaker than nationally Higher fraction of workers in leisure industry than nationally
70 S. C. C. C. Hornarm payron employment	14.076	17.2/0	13.376	10.076	5.676	5.076	gc. , action of workers in leisure mausary than nationally

<sup>-</sup> Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

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NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar propretary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.



# NAR Commercial Real Estate Metro Market Report | 2022.Q1 Winston-Salem, NC

Core-Based Statistical Area Code:

49180

The Winston-Salem, NC commercial real estate market is not as strong compared to the overall U.S. market. NAR Commercial Real Estate Market Conditions Index\* 44.0

Overall economic conditions are not as strong than nationally. The apartment property market is about the same than nationally. The office property market is not as strong than nationally. The industrial property market is about the same than nationally. The retail property market is not as strong than nationally. The hotel/lodging property market is about the same than nationally.

3 4							
		Winston-Salem, NC			U.S.		
Economic	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	273	273	266	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	7	5	(5)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	2.5%	1.8%	-1.9%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.6%	4.0%	5.3%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$1,026	\$1,018	\$918	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	11.7%	11.3%	6.8%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-9.7%	2.1%	-2.1%	-3.4%	2.3%	2.9%	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	3.0	4.0	3.3	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	676	676	671	331,501	328,330	326,838	
Population growth (%)	0.01%	0.74%	0.65%	0.97%	0.46%	0.53%	Population growth is slower than nationally
II. Multifamily							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.4%	4.3%	4.7%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	(42)	(125)	403	58,097	61,951	187,113	
Absorption of units in past 12 months	86	531	1,149	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	0.3%	1.8%	3.8%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$1,066	\$1,033	\$921	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	15.8%	15.8%	7.2%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,062	\$1,030	\$916	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	15.9%	16.4%	7.2%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	11.9%	11.6%	11.5%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
Supply indicators							
Inventory	29,929	29,972	29,844	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	-	-	12	387,022	391,271	417,342	
Net delivered units, as % of inventory	-	-	0.0%	2.2%	2.3%	2.5%	
Units under construction	1,038	796	796	774,864	744,997	732,144	
Units under construction, as % of inventory	3.5%	2.7%	2.7%	4.5%	4.3%	4.4%	Construction is weaker than nationally
Ratio of jobs created to net delivered units	-	-	(425.0)	17.1	17.2	(15.9)	
(as of latest available month of the quarter)							
Sales transactions							
Total investment acquisitions (in million \$)	\$73	\$120	\$159	\$50,395	\$113,844	\$30,199	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$105,300	\$86,256	\$123,440	\$220,078	\$227,367	\$15/,6/6	Prices are not rising as fast than nationally
Market cap rate	5.6%	5.7%	5.8%	5.1%	5.1%	5.2%	Cap rates are higher than nationally
III. Office							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	7.9%	7.8%	7.6%	12.2%	12.1%	2021 Q1 11.7%	
•							The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(69,739)	(53,895)	(193,080)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	(196,113)	(319,454)	(132,102)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	-0.9%	-1.5%	-0.6%	0.1%	-0.6%	-1.7%	The area has lower absorption than nationally
Market rent per sq.ft.	\$16.2	\$16.2	\$15.9	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	2.2%	2.5%	0.4%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000)	(1.6)	(1.6)	(0.1)	1,153	1,161	(283)	Stronger office job creation than nationally
(as of latest available month of the quarter)							
Supply indicators							
** *	24 666 052	24 726 602	24 002 000	7 256 254 222	7 252 024 072	7 250 424 500	
Inventory in sq. ft.	21,666,952	21,736,692	21,863,066	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	(134,832)	(70,636)	80,194	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	-0.6%	-0.3%	0.4%	0.8%	0.8%	0.7%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	-	6,735	-	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	-	0.0%	-	2.0%	2.0%	2.1%	
Calan tananan stana							
Sales transactions	6.0	622	٠.	626.744	éar aar	647 407	
Total investment acquisitions (in million \$)	\$48	\$22	\$4	\$26,711	\$35,335	\$17,487 \$325	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$143	\$76	\$72	\$324	\$295		Prices are rising faster nationally
Market cap rate	8.4%	8.4%	8.5%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

<sup>-</sup> Some data may not be available for the quarter

## NAR Commercial Real Estate Metro Market Report | 2022.Q1 Winston-Salem, NC

Based Statistical Area Code

49180

IV.	Indi	usi	tria

IV. Industrial							
		Winston-Salem, NC		U.S.			
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.1%	2.0%	3.7%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(287,481)	876,443	240,256	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	1,452,305	1,980,042	(131,019)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	1.5%	2.0%	-0.1%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$5.4	\$5.2	\$4.8	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	12.6%	10.2%	5.5%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
Inventory in sq. ft.	98,300,960	98,588,440	96,848,648	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	(205,809)	-	(83,230)	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	-0.2%	-	-0.1%	1.9%	1.8%	1.8%	Less deliveries relative to inventory than nationally
Under construction in sq.ft.	2,674,506	1,794,854	640,800	591,536,384	531,512,224	391,175,904	, , , , , , , , , , , , , , , , , , , ,
Under construction, as % of inventory	2.7%	1.8%	0.7%	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
onder construction, as 70 or inventor,	2.770	2.070	0.770	5.570	5.270	2.170	zess denvered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$93	\$102	\$17	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$60	\$41	\$48	\$140	\$136	\$10,323	
							Prices are not rising as fast than nationally
Market cap rate	8.6%	8.6%	8.6%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
W B + 3							
V. Retail							
Demand indicators	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.7%	3.9%	4.1%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	132,584	45,360	(118,096)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	236,798	(13,882)	(117,966)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	0.6%	0.0%	-0.3%	0.8%	0.7%	-0.2%	The area has lower absorption than nationally
Market rent per sq.ft.	\$14.9	\$14.6	\$14.1	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.4%	4.1%	2.6%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000)	0.10	(1.10)	0.60	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
(as of latest available month of the quarter)							
,,							
Supply indicators							
Inventory in sq. ft.	38,914,096	38,781,512	38,677,296	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	70,519	71,734	36,919	19,624,738	21,905,704	37,703,262	Relatively more units delivered than nationally
Net delivered units, as % of inventory	0.2%	0.2%	0.1%	0.2%	0.2%	0.3%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	59,639	73,434	67,874	54,194,816	56,052,512	54,297,696	more delivered space relative to inventory than nationally
·	0.2%	0.2%	0.2%	0.5%	0.5%	0.5%	
Under construction, as % of inventory	0.2%	0.2%	0.2%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
C-1 tti							
Sales transactions						4	
Total investment acquisitions (in million \$)	\$84	\$62	\$48	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$136	\$157	\$141	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	7.7%	7.6%	7.6%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	27.5	27.2	24.6	14,939	14,804	12,876	
Y/Y change ('000)	2.9	2.8	(4.2)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	10.1%	10.0%	9.3%	10.0%	9.8%	9.0%	Higher fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar\*, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar\*, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-NewsAr-Lersey City). The 390 markets in this report are based on the CoStariar market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of compararable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

