

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

## Asheville, NC

Core-Based Statistical Area Code:

11700

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.

### I. Economic and Demographic

Economic	Asheville, NC			U.S.			
	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
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
GDP growth (%)	-5.1%	3.6%	3.9%	-3.4%	2.3%	2.9%	
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
<b>Demographic</b>							
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	
Population growth (%)	1.27%	0.75%	0.99%	0.97%	0.46%	0.53%	Population is growing faster than nationally

### II. Multifamily

Demand indicators	Asheville, NC			U.S.			
	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
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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 (as of latest available month of the quarter)	9.0	5.0	(5.7)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$55	\$116	-	\$50,395	\$113,844	\$30,199	
Transaction sales price per unit	\$248,601	\$223,094	-	\$220,078	\$227,367	\$137,676	
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	Asheville, NC			U.S.			
	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) (as of latest available month of the quarter)	1.2	1.2	1.3	1,153	1,161	(283)	Stronger office job creation than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	0.1%	0.1%	0.1%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	49,930	37,000	6,887	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	0.4%	0.3%	0.1%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$63	\$23	\$10	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$385	\$149	\$118	\$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

- Some data may not be available for the quarter

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## Asheville, NC

Core-Based Statistical Area Code:

11700

### IV. Industrial

	Asheville, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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
<b>Supply indicators</b>							
Inventory in sq. ft.	33,210,940	33,047,444	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
<b>Sales transactions</b>							
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. Retail

	Asheville, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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 quarter	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
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) (as of latest available month of the quarter)	0.40	(0.70)	0.10	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
<b>Supply indicators</b>							
Inventory in sq. ft.	31,106,926	30,953,172	30,793,054	11,256,099,840	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
<b>Sales transactions</b>							
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

	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

- 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-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable 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.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



# 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.

### I. Economic and Demographic

Economic	Burlington, NC			U.S.			
	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%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	2.1	2.5	2.8	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	172	169	167	331,501	328,330	326,838	
Population growth (%)	1.58%	1.60%	1.95%	0.97%	0.46%	0.53%	Population is growing faster than nationally

### II. Multifamily

Demand indicators	Burlington, NC			U.S.			
	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
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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 (as of latest available month of the quarter)	2.7	6.0	(1.4)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$143	\$76	\$5	\$50,395	\$113,844	\$30,199	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$15,382	\$15,912	\$66,667	\$220,078	\$227,367	\$15,676	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	Burlington, NC			U.S.			
	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.	2.6%	3.6%	2.9%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) (as of latest available month of the quarter)	0.4	0.6	0.6	1,153	1,161	(283)	Stronger office job creation than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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.	-	-	-	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
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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

- 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

### IV. Industrial

	Burlington, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
Vacancy rate	3.4%	4.3%	4.8%	4.1%	4.2%	5.3%	<i>The area has lower vacancy rate than nationally</i>
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%	<i>The area has lower absorption than nationally</i>
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%	<i>Rents are rising faster than nationally</i>
<b>Supply indicators</b>							
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%	<i>Less deliveries relative to inventory than nationally</i>
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%	<i>Less delivered space relative to inventory than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$69	\$6	\$48	\$21,817	\$51,629	\$16,323	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$52	\$39	\$73	\$140	\$136	\$105	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.2%	7.4%	7.9%	6.3%	6.3%	6.3%	<i>Cap rates are higher than nationally</i>

### V. Retail

	Burlington, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
Vacancy rate	2.8%	3.3%	4.8%	4.5%	4.7%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
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%	<i>The area has stronger absorption than nationally</i>
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%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.00	(0.20)	0.20	570.90	382.90	(187.70)	<i>The area has stronger retail trade job creation than nationally</i>
<b>Supply indicators</b>							
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	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	0.9%	0.8%	0.0%	0.2%	0.2%	0.3%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	20,855	29,166	88,534	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.2%	0.2%	0.7%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$13	\$42	\$6	\$22,755	\$33,245	\$12,773	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$75	\$189	\$82	\$219	\$226	\$182	<i>Prices are not rising as fast than nationally</i>
Market cap rate	8.2%	8.2%	8.2%	6.8%	6.8%	6.8%	<i>Cap rates are higher than nationally</i>

### 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)	7.4	7.4	7.1	14,939	14,804	12,876	
Y/Y change ('000)	0.3	0.4	(0.8)	2,063.0	2,337.0	(2,869.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	11.5%	11.4%	11.3%	10.0%	9.8%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

- 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-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable 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.

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# 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.

### I. Economic and Demographic

Economic	Charlotte-Concord-Gastonia, NC-SC			U.S.			
	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%	
	2020	2019	2018	2020	2019	2018	
Demographic							
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

### II. Multifamily

Demand indicators	Charlotte-Concord-Gastonia, NC-SC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	6.6%	6.5%	7.9%	4.9%	4.8%	6.0%	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
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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 (as of latest available month of the quarter)	6.0	4.6	(2.0)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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
Transaction sales price per unit	\$215,132	\$245,908	\$165,134	\$220,078	\$227,367	\$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	Charlotte-Concord-Gastonia, NC-SC			U.S.			
	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) (as of latest available month of the quarter)	12.2	7.3	(3.2)	1,153	1,161	(283)	Stronger office job creation than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	3.5%	4.4%	1.5%	0.8%	0.8%	0.7%	
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
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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

- Some data may not be available for the quarter

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

## Charlotte-Concord-Gastonia, NC-SC

Core-Based Statistical Area Code:

16740

### IV. Industrial

	Charlotte-Concord-Gastonia, NC-SC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
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

	Charlotte-Concord-Gastonia, NC-SC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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) (as of latest available month of the quarter)	1.00	0.60	3.90	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$403	\$670	\$283	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$203	\$275	\$202	\$219	\$226	\$182	Prices are not rising as fast than nationally
Market cap rate	6.9%	7.0%	7.1%	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)	128.3	128.2	116.3	14,939	14,804	12,876	
Y/Y change ('000)	12.0	9.6	(23.9)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	10.0%	10.0%	9.5%	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-Newark-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable properties in the geographic area.

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# 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.

### I. Economic and Demographic

Economic	Durham-Chapel Hill, NC			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	343	341	331	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	13	12	1	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	3.8%	3.7%	0.2%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.0%	3.3%	4.6%	3.6%	3.9%	6.0%	Unemployment rate is lower than nationally
Average weekly wages	\$1,063	\$1,074	\$992	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	7.2%	8.5%	-0.8%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	0.5%	4.3%	4.4%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
<b>Demographic</b>							
Net domestic migration ('000)	3.7	2.9	7.6	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	651	646	638	331,501	328,330	326,838	
Population growth (%)	0.87%	1.14%	1.93%	0.97%	0.46%	0.53%	Population growth is slower than nationally

### II. Multifamily

Demand indicators	Durham-Chapel Hill, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	6.1%	4.4%	9.0%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	10	108	441	58,097	61,951	187,113	
Absorption of units in past 12 months	2,489	2,920	1,405	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	4.9%	5.7%	2.9%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,463	\$1,428	\$1,249	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	17.2%	17.5%	4.0%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,457	\$1,421	\$1,234	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	18.0%	19.1%	3.4%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
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
	2020	2019	2018	2020	2019	2018	
<b>Supply indicators</b>							
Inventory	51,011	51,002	48,522	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	995	276	2,408	387,022	391,271	417,342	
Net delivered units, as % of inventory	2.0%	0.5%	5.0%	2.2%	2.3%	2.5%	
Units under construction	2,842	3,549	1,955	774,864	744,997	732,144	
Units under construction, as % of inventory	5.6%	7.0%	4.0%	4.5%	4.3%	4.4%	Construction is stronger than nationally
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	12.7	44.6	0.3	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	2020	2019	2018	2020	2019	2018	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$650	\$769	\$115	\$50,395	\$113,844	\$30,199	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$231,057	\$191,285	\$143,438	\$220,078	\$221,367	\$157,676	Prices are rising faster nationally
Market cap rate	4.6%	4.6%	4.8%	5.1%	5.1%	5.2%	Cap rates are lower than nationally

### III. Office

Demand indicators	Durham-Chapel Hill, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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	208,132	(75,431)	351,295	3,410,230	11,127,334	(43,926,356)	
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%	The area has stronger absorption than nationally
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
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	3.4	1.8	1.9	1,153	1,161	(283)	Stronger office job creation than nationally
	2020	2019	2018	2020	2019	2018	
<b>Supply indicators</b>							
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	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	2.6%	2.4%	2.8%	0.8%	0.8%	0.7%	
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%	2.1%	Construction activity is slower than nationally
	2020	2019	2018	2020	2019	2018	
<b>Sales transactions</b>							
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
Market cap rate	7.2%	7.1%	7.2%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- 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

### IV. Industrial

	Durham-Chapel Hill, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
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

	Durham-Chapel Hill, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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) (as of latest available month of the quarter)	(0.10)	0.50	(0.30)	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
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

### 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)	24.6	23.8	21.1	14,939	14,804	12,876	
Y/Y change ('000)	3.5	3.8	(6.3)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	7.2%	7.0%	6.4%	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-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable 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.

Visit NAR's Commercial Research webpage at  
<https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>





# 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.

### I. Economic and Demographic

Economic	Fayetteville, NC			U.S.			
	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
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
GDP growth (%)	-1.4%	2.4%	1.0%	-3.4%	2.3%	2.9%	
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
<b>Demographic</b>							
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	
Population growth (%)	-1.42%	0.77%	1.02%	0.97%	0.46%	0.53%	Population growth is slower than nationally

### II. Multifamily

Demand indicators	Fayetteville, NC			U.S.			
	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
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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	-	-	0.9%	4.5%	4.3%	4.4%	
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
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
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	Fayetteville, NC			U.S.			
	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.	2.4%	3.1%	3.0%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) (as of latest available month of the quarter)	0.5	0.6	0.3	1,153	1,161	(283)	Stronger office job creation than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	0.0%	0.0%	0.1%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	129,000	129,000	123,000	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	1.7%	1.7%	1.6%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
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

- Some data may not be available for the quarter

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

## Fayetteville, NC

Core-Based Statistical Area Code:

22180

### IV. Industrial

	Fayetteville, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
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

	Fayetteville, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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) (as of latest available month of the quarter)	0.70	0.40	0.50	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
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

### 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)	17.0	15.6	15.0	14,939	14,804	12,876	
Y/Y change ('000)	2.0	1.1	(1.4)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is weaker than nationally
% share to nonfarm payroll employment	12.8%	11.7%	11.7%	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-Newark-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable properties in the geographic area.

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# 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.

### I. Economic and Demographic

Economic	Goldsboro, NC			U.S.			
	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
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
GDP growth (%)	-3.4%	0.7%	0.5%	-3.4%	2.3%	2.9%	
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
<b>Demographic</b>							
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	
Population growth (%)	-5.39%	0.34%	0.23%	0.97%	0.46%	0.53%	Population growth is slower than nationally

### II. Multifamily

Demand indicators	Goldsboro, NC			U.S.			
	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
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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 (as of latest available month of the quarter)	6.9	9.7	-	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
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

### III. Office

Demand indicators	Goldsboro, NC			U.S.			
	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	
Market rent growth, y/y % chg.	2.8%	3.6%	2.6%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	-	-	-	1,153	1,161	(283)	
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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%	
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
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

- Some data may not be available for the quarter

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

## Goldsboro, NC

Core-Based Statistical Area Code:

24140

### IV. Industrial

	Goldsboro, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
Vacancy rate	7.4%	7.8%	8.3%	4.1%	4.2%	5.3%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	31,696	175,500	207,000	98,463,552	139,649,760	92,218,864	
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%	<i>The area has lower absorption than nationally</i>
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%	<i>Rents are rising faster than nationally</i>
<b>Supply indicators</b>							
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.	-	-	-	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%	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$1	\$10	-	\$21,817	\$51,629	\$16,323	
Transaction sale price per sq.ft.	\$65	\$40	-	\$140	\$136	\$105	
Market cap rate	7.8%	7.8%	8.7%	6.3%	6.3%	6.3%	<i>Cap rates are higher than nationally</i>

### V. Retail

	Goldsboro, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
Vacancy rate	4.0%	4.3%	4.2%	4.5%	4.7%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
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)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.2%	0.1%	-0.3%	0.8%	0.7%	-0.2%	
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%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	-	-	-	570.90	382.90	(187.70)	
<b>Supply indicators</b>							
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	-	-	-	0.5%	0.5%	0.5%	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$1	\$13	\$1	\$22,755	\$33,245	\$12,773	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$64	\$171	\$25	\$219	\$226	\$182	<i>Prices are rising faster nationally</i>
Market cap rate	7.7%	7.7%	8.3%	6.8%	6.8%	6.8%	<i>Cap rates are higher than nationally</i>

### 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%

- 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-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable 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.

Visit NAR's Commercial Research webpage at  
<https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



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

## Greensboro-High Point, NC

Core-Based Statistical Area Code: 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.

### I. Economic and Demographic

Economic	Greensboro-High Point, NC			U.S.			
	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%	
	2020	2019	2018	2020	2019	2018	
<b>Demographic</b>							
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. Multifamily

Demand indicators	Greensboro-High Point, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.4%	4.1%	4.7%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	(80)	(172)	294	58,097	61,951	187,113	
Absorption of units in past 12 months	662	1,036	1,788	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	1.5%	2.3%	4.0%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$1,107	\$1,068	\$941	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	17.6%	16.2%	7.9%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,102	\$1,065	\$937	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	17.7%	16.6%	8.0%	12.2%	12.2%	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
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Supply indicators</b>							
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 (as of latest available month of the quarter)	18.3	17.6	(13.3)	17.1	17.2	(15.9)	More jobs per delivered units than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Sales transactions</b>							
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	\$137,187	\$103,740	\$112,323	\$220,078	\$227,367	\$157,876	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

### III. Office

Demand indicators	Greensboro-High Point, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	9.3%	10.3%	9.2%	12.2%	12.1%	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)	
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	
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) (as of latest available month of the quarter)	1.5	0.9	(0.9)	1,153	1,161	(283)	Stronger office job creation than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Supply indicators</b>							
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	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	0.3%	0.7%	0.4%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	193,800	88,800	128,124	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	0.7%	0.3%	0.4%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Sales transactions</b>							
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

- Some data may not be available for the quarter

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

## Greensboro-High Point, NC

Core-Based Statistical Area Code: 24660

### IV. Industrial

Demand indicators	Greensboro-High Point, NC			U.S.			
	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
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
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

Demand indicators	Greensboro-High Point, NC			U.S.			
	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
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) (as of latest available month of the quarter)	1.60	0.90	0.50	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
<b>Supply indicators</b>							
Inventory in sq. ft.	51,451,804	51,376,584	51,189,624	11,256,099,840	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
<b>Sales transactions</b>							
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

	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

- 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-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable properties in the geographic area.

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

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

## Greenville, NC

Core-Based Statistical Area Code:

24780

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.

### I. Economic and Demographic

Economic	Greenville, NC			U.S.			
	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%	
	2020	2019	2018	2020	2019	2018	
Demographic							
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	Greenville, NC			U.S.			
	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	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	11.3%	12.6%	7.2%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	9.9%	10.7%	11.8%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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 (as of latest available month of the quarter)	3.7	12.6	(15.6)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$19	\$33	-	\$50,395	\$113,844	\$30,199	
Transaction sales price per unit	\$119,753	\$100,330	-	\$220,078	\$227,367	\$157,676	
Market cap rate	6.4%	6.5%	6.5%	5.1%	5.1%	5.2%	Cap rates are higher than nationally

### III. Office

Demand indicators	Greenville, NC			U.S.			
	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) (as of latest available month of the quarter)	0.2	0.2	0.7	1,153	1,161	(283)	Stronger office job creation than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory in sq. ft.	3,301,293	3,300,716	3,300,910	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	-	-	8,300	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	-	-	0.3%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	5,000	5,000	-	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	0.2%	0.2%	-	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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

- Some data may not be available for the quarter

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

## Greenville, NC

Core-Based Statistical Area Code:

24780

### IV. Industrial

	Greenville, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$3	\$5	\$1	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$103	\$99	\$54	\$140	\$136	\$105	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

	Greenville, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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) (as of latest available month of the quarter)	0.30	0.40	0.20	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
<b>Supply indicators</b>							
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	
Net delivered over 12 months, in sq.ft.	3,500	3,500	12,000	19,624,738	21,905,704	37,703,262	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%	
<b>Sales transactions</b>							
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.

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(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable properties in the geographic area.

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# 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.

### I. Economic and Demographic

Economic	Hickory-Lenoir-Morganton, NC			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	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
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-4.1%	-1.3%	-1.4%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	1.3	1.3	1.5	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	365	369	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	Hickory-Lenoir-Morganton, NC			U.S.			
	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
	2020	2019	2018	2020	2019	2018	
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%	Construction is weaker than nationally
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	8.0	7.0	(19.3)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$29	\$34	-	\$50,395	\$113,844	\$30,199	
Transaction sales price per unit	\$120,253	\$124,476	-	\$220,078	\$227,367	\$157,676	
Market cap rate	5.7%	5.8%	6.2%	5.1%	5.1%	5.2%	Cap rates are higher than nationally

### III. Office

Demand indicators	Hickory-Lenoir-Morganton, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.8%	1.9%	2.6%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(76,524)	27,469	242,206	3,410,230	11,127,334	(43,926,356)	
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) (as of latest available month of the quarter)	0.6	0.0	0.5	1,153	1,161	(283)	Stronger office job creation than nationally
	2020	2019	2018	2020	2019	2018	
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	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	0.0%	0.0%	0.2%	0.8%	0.8%	0.7%	
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
	2020	2019	2018	2020	2019	2018	
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

- Some data may not be available for the quarter

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

## Hickory-Lenoir-Morganton, NC

Core-Based Statistical Area Code: 25860

### IV. Industrial

	Hickory-Lenoir-Morganton, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
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
<b>V. Retail</b>							
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
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
<b>VI. Hotel/Lodging</b>							
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
<b>Demand indicators</b>							
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 nationally
% 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-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable 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.

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

## Jacksonville, NC

Core-Based Statistical Area Code:

27340

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.

### I. Economic and Demographic

Economic	Jacksonville, NC			U.S.			
	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
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
GDP growth (%)	-2.1%	1.3%	-0.1%	-3.4%	2.3%	2.9%	
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
<b>Demographic</b>							
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	Jacksonville, NC			U.S.			
	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	\$1,406	
Effective rent per unit, y/y % chg	11.8%	11.2%	8.6%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	15.6%	17.1%	15.4%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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 (as of latest available month of the quarter)	18.8	-	-	17.1	17.2	(15.9)	More jobs per delivered units than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$35	-	\$18	\$50,395	\$113,844	\$30,199	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$81,395	-	\$56,571	\$220,078	\$227,367	\$157,676	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

### III. Office

Demand indicators	Jacksonville, NC			U.S.			
	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)	The area has stronger absorption than nationally
Absorption in past 12 months as % of inventory	0.8%	1.3%	0.9%	0.1%	-0.6%	-1.7%	
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) (as of latest available month of the quarter)	-	-	-	1,153	1,161	(283)	
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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.	-	-	-	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%	
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
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

- Some data may not be available for the quarter

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

## Jacksonville, NC

Core-Based Statistical Area Code:

27340

### IV. Industrial

	Jacksonville, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
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

	Jacksonville, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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)	The area has lower absorption than nationally
Absorption in past 12 months as % of inventory	0.1%	0.3%	1.4%	0.8%	0.7%	-0.2%	
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) (as of latest available month of the quarter)	-	-	-	570.90	382.90	(187.70)	
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
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

### 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%

- 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-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable properties in the geographic area.

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

## New Bern, NC

Core-Based Statistical Area Code:

35100

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\*

42.9

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.

### I. Economic and Demographic

Economic	New Bern, NC			U.S.			
	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
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
GDP growth (%)	-2.3%	4.5%	-2.0%	-3.4%	2.3%	2.9%	
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
<b>Demographic</b>							
Net domestic migration ('000)	(0.9)	(1.0)	(0.1)	0	0	0	Area is experiencing net domestic out-migration
Population ('000)	122	124	125	331,501	328,330	326,838	
Population growth (%)	-1.64%	-0.64%	-0.08%	0.97%	0.46%	0.53%	Population growth is slower than nationally

### II. Multifamily

Demand indicators	New Bern, NC			U.S.			
	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
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
Inventory	1,760	1,674	1,646	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	224	292	68	387,022	391,271	417,342	
Net delivered units, as % of inventory	12.7%	17.4%	4.1%	2.2%	2.3%	2.5%	
Units under construction	-	-	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 (as of latest available month of the quarter)	4.0	3.4	(8.8)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$4	\$31	-	\$50,395	\$113,844	\$30,199	
Transaction sales price per unit	\$63,333	\$136,792	-	\$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. Office

Demand indicators	New Bern, NC			U.S.			
	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)	
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) (as of latest available month of the quarter)	-	-	-	1,153	1,161	(283)	
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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%	
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$3	\$7	\$0	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$58	\$202	\$219	\$324	\$295	\$325	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

- Some data may not be available for the quarter

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

## New Bern, NC

Core-Based Statistical Area Code:

35100

### IV. Industrial

	New Bern, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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
<b>Supply indicators</b>							
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%	
<b>Sales transactions</b>							
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

	New Bern, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
Vacancy rate	2.5%	2.4%	3.2%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(1,012)	18,644	10,502	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	50,043	61,557	(61,328)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	0.8%	1.0%	-1.0%	0.8%	0.7%	-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) (as of latest available month of the quarter)	-	-	-	570.90	382.90	(187.70)	
<b>Supply indicators</b>							
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.	-	-	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%	
<b>Sales transactions</b>							
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%

- 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-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable 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.

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

## Virginia Beach-Norfolk-Newport News, VA-NC

Core-Based Statistical Area Code:

47260

### IV. Industrial

	Virginia Beach-Norfolk-Newport News, VA-NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
Vacancy rate	1.6%	1.9%	2.9%	4.1%	4.2%	5.3%	<i>The area has lower vacancy rate than nationally</i>
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%	<i>The area has stronger absorption than nationally</i>
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%	<i>Rent growth is slower than nationally</i>
<b>Supply indicators</b>							
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%	<i>More deliveries relative to inventory than nationally</i>
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%	<i>More delivered space relative to inventory than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$144	\$355	\$45	\$21,817	\$51,629	\$16,323	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$115	\$121	\$71	\$140	\$136	\$105	<i>Prices are rising faster nationally</i>
Market cap rate	7.6%	7.6%	7.4%	6.3%	6.3%	6.3%	<i>Cap rates are higher than nationally</i>
<b>V. Retail</b>							
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
Vacancy rate	5.1%	5.4%	5.6%	4.5%	4.7%	5.1%	<i>The area has a higher vacancy rate than nationally</i>
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%	<i>The area has lower absorption than nationally</i>
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%	<i>Rent growth is slower than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	1.40	0.10	(0.20)	570.90	382.90	(187.70)	<i>The area has weaker retail trade job creation than nationally</i>
<b>Supply indicators</b>							
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	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	0.0%	-0.1%	0.1%	0.2%	0.2%	0.3%	<i>Less delivered space relative to inventory than nationally</i>
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%	<i>Construction activity is slower than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$127	\$166	\$63	\$22,755	\$33,245	\$12,773	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$141	\$151	\$182	\$219	\$226	\$182	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.5%	7.4%	7.5%	6.8%	6.8%	6.8%	<i>Cap rates are higher than nationally</i>
<b>VI. Hotel/Lodging</b>							
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
<b>Demand indicators</b>							
Leisure and hospitality payroll workers ('000)	89.8	88.8	77.3	14,939	14,804	12,876	
Y/Y change ('000)	12.5	11.9	(11.5)	2,063.0	2,337.0	(2,869.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	11.7%	11.4%	10.2%	10.0%	9.8%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

- 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.

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(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® 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.

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# 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.

### I. Economic and Demographic

Economic	Raleigh, NC			U.S.			
	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
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
GDP growth (%)	-3.0%	3.0%	5.8%	-3.4%	2.3%	2.9%	
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
<b>Demographic</b>							
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

Demand indicators	Raleigh, NC			U.S.			
	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
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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 (as of latest available month of the quarter)	11.1	16.0	(1.4)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$666	\$1,570	\$284	\$50,395	\$113,844	\$30,199	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$242,089	\$231,098	\$157,444	\$220,078	\$227,367	\$157,676	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

Demand indicators	Raleigh, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	8.2%	8.3%	7.6%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	76,837	687,011	236,465	3,410,230	11,127,334	(43,926,356)	
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) (as of latest available month of the quarter)	10.6	7.5	3.1	1,153	1,161	(283)	Stronger office job creation than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	1.3%	2.0%	2.3%	0.8%	0.8%	0.7%	
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
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
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

- Some data may not be available for the quarter

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

## Raleigh, NC

Core-Based Statistical Area Code:

39580

### IV. Industrial

	Raleigh, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
Vacancy rate	2.4%	2.4%	3.5%	4.1%	4.2%	5.3%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	173,696	680,425	(152,887)	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	2,168,899	1,842,316	2,990,862	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	2.4%	2.0%	3.3%	3.1%	3.1%	1.6%	<i>The area has lower absorption than nationally</i>
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%	<i>Rents are rising faster than nationally</i>
<b>Supply indicators</b>							
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%	<i>Less deliveries relative to inventory than nationally</i>
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%	<i>More delivered space relative to inventory than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$74	\$548	\$48	\$21,817	\$51,629	\$16,323	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$93	\$161	\$87	\$140	\$136	\$105	<i>Prices are not rising as fast than nationally</i>
Market cap rate	6.7%	6.7%	6.8%	6.3%	6.3%	6.3%	<i>Cap rates are higher than nationally</i>

### V. Retail

	Raleigh, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
Vacancy rate	2.9%	3.4%	3.7%	4.5%	4.7%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
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%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$22.9	\$22.1	\$21.3	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	7.5%	4.0%	4.8%	3.9%	3.1%	1.1%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.50	(1.90)	1.40	570.90	382.90	(187.70)	<i>The area has stronger retail trade job creation than nationally</i>
<b>Supply indicators</b>							
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	<i>Relatively more units delivered than nationally</i>
Net delivered units, as % of inventory	1.1%	1.1%	0.8%	0.2%	0.2%	0.3%	<i>More delivered space relative to inventory than nationally</i>
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%	<i>Construction activity is more robust than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$135	\$440	\$134	\$22,755	\$33,245	\$12,773	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$247	\$176	\$186	\$219	\$226	\$182	<i>Prices are rising faster nationally</i>
Market cap rate	6.7%	6.8%	6.9%	6.8%	6.8%	6.8%	<i>Cap rates are lower than nationally</i>

### 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)	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)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	10.1%	10.1%	9.2%	10.0%	9.8%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

- 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-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable 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.

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# 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.

### I. Economic and Demographic

Economic	Rocky Mount, NC			U.S.			
	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%	
	2020	2019	2018	2020	2019	2018	
Demographic							
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	
Population growth (%)	-1.35%	-0.33%	-0.48%	0.97%	0.46%	0.53%	Population growth is slower than nationally

### II. Multifamily

Demand indicators	Rocky Mount, NC			U.S.			
	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
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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 (as of latest available month of the quarter)	4.5	72.7	-	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$1	-	-	\$50,395	\$113,844	\$30,199	
Transaction sales price per unit	\$46,719	-	-	\$220,078	\$227,367	\$157,676	
Market cap rate	6.2%	6.2%	6.2%	5.1%	5.1%	5.2%	Cap rates are higher than nationally

### III. Office

Demand indicators	Rocky Mount, NC			U.S.			
	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)	
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	
Market rent growth, y/y % chg.	2.4%	3.2%	2.3%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) (as of latest available month of the quarter)	0.0	(0.3)	(0.4)	1,153	1,161	(283)	Stronger office job creation than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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.	-	-	-	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%	
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
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

- 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

### IV. Industrial

	Rocky Mount, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
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
<b>V. Retail</b>							
<b>Demand indicators</b>							
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)	
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
Market rent per sq.ft.	\$12.2	\$11.9	\$11.5	\$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) (as of latest available month of the quarter)	(0.60)	0.60	0.20	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
<b>Supply indicators</b>							
Inventory in sq. ft.	7,520,109	7,517,797	7,533,400	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	12,065	1,425	-	19,624,738	21,905,704	37,703,262	
Net delivered units, as % of inventory	0.2%	0.0%	-	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	5,907	16,547	1,425	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.1%	0.2%	0.0%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$10	\$8	\$3	\$22,755	\$33,245	\$12,773	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$147	\$75	\$107	\$219	\$226	\$182	Prices are rising faster nationally
Market cap rate	7.9%	7.9%	7.8%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
<b>VI. Hotel/Lodging</b>							
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	5.1	5.0	4.8	14,939	14,804	12,876	
Y/Y change ('000)	0.3	0.3	(0.5)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	9.4%	8.9%	8.9%	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.

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(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

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# 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.

### I. Economic and Demographic

Economic	Wilmington, NC			U.S.			
	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
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
GDP growth (%)	-1.6%	4.6%	2.7%	-3.4%	2.3%	2.9%	
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
<b>Demographic</b>							
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	Wilmington, NC			U.S.			
	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	
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	
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
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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	5.2%	6.2%	9.4%	2.2%	2.3%	2.5%	
Units under construction	1,718	1,484	1,478	774,864	744,997	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 (as of latest available month of the quarter)	5.1	6.4	(0.8)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$5	\$313	\$23	\$50,395	\$113,844	\$30,199	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$121,471	\$240,210	\$96,653	\$220,078	\$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

Demand indicators	Wilmington, NC			U.S.			
	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) (as of latest available month of the quarter)	0.9	2.2	0.9	1,153	1,161	(283)	Stronger office job creation than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	0.2%	0.2%	0.9%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	179,655	184,619	19,964	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	1.5%	1.5%	0.2%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
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

- Some data may not be available for the quarter

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

## Wilmington, NC

Core-Based Statistical Area Code:

48900

### IV. Industrial

	Wilmington, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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>Supply indicators</b>							
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	
Under construction, as % of inventory	0.4%	1.7%	0.9%	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$15	\$21	\$6	\$21,817	\$51,629	\$16,323	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

	Wilmington, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
<b>Demand indicators</b>							
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) (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
<b>Supply indicators</b>							
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
<b>Sales transactions</b>							
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

### 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)	20.1	19.7	17.5	14,939	14,804	12,876	
Y/Y change ('000)	2.6	3.1	(2.0)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is weaker than nationally
% share to nonfarm payroll employment	14.6%	14.2%	13.3%	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-Newark-Jersey City). The 390 markets in this report are based on the CoStar® 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 comparable 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.

Visit NAR's Commercial Research webpage at  
<https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



# 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.

### I. Economic and Demographic

Economic	Winston-Salem, NC			U.S.			
	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
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
GDP growth (%)	-9.7%	2.1%	-2.1%	-3.4%	2.3%	2.9%	
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
<b>Demographic</b>							
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	Winston-Salem, NC			U.S.			
	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
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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 (as of latest available month of the quarter)	-	-	(425.0)	17.1	17.2	(15.9)	
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
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	\$86,236	\$123,440	\$220,078	\$227,367	\$157,676	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	Winston-Salem, NC			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	7.9%	7.8%	7.6%	12.2%	12.1%	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) (as of latest available month of the quarter)	(1.6)	(1.6)	(0.1)	1,153	1,161	(283)	Stronger office job creation than nationally
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Supply indicators</b>							
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%	
	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	<b>2022 Q1</b>	<b>2021 Q4</b>	<b>2021 Q1</b>	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$48	\$22	\$4	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$143	\$76	\$72	\$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

- Some data may not be available for the quarter

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

## Winston-Salem, NC

Core-Based Statistical Area Code:

49180

### IV. Industrial

Demand indicators	Winston-Salem, NC			U.S.			
	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	Rents are rising faster than nationally
Market rent growth, y/y % chg.	12.6%	10.2%	5.5%	11.0%	9.3%	5.5%	
<b>Supply indicators</b>							
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	Less deliveries relative to inventory than nationally
Net delivered units, as % of inventory	-0.2%	-	-0.1%	1.9%	1.8%	1.8%	
Under construction in sq.ft.	2,674,506	1,794,854	640,800	591,536,384	531,512,224	391,175,904	Less delivered space relative to inventory than nationally
Under construction, as % of inventory	2.7%	1.8%	0.7%	3.5%	3.2%	2.4%	
<b>Sales transactions</b>							
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	\$105	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

### V. Retail

Demand indicators	Winston-Salem, NC			U.S.			
	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	Rents are rising faster than nationally
Market rent growth, y/y % chg.	5.4%	4.1%	2.6%	3.9%	3.1%	1.1%	
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.10	(1.10)	0.60	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
<b>Supply indicators</b>							
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	Relatively more units delivered than nationally
Net delivered over 12 months, in sq.ft.	70,519	71,734	36,919	19,624,738	21,905,704	37,703,262	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	0.2%	0.2%	0.1%	0.2%	0.2%	0.3%	
Under construction in sq.ft.	59,639	73,434	67,874	54,194,816	56,052,512	54,297,696	Construction activity is slower than nationally
Under construction, as % of inventory	0.2%	0.2%	0.2%	0.5%	0.5%	0.5%	
<b>Sales transactions</b>							
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.

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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.

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