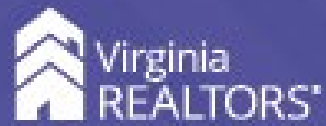




Q4 2024 MULTIFAMILY MARKET REPORT



Multifamily Market - Key Trends Snapshot

Multifamily Market

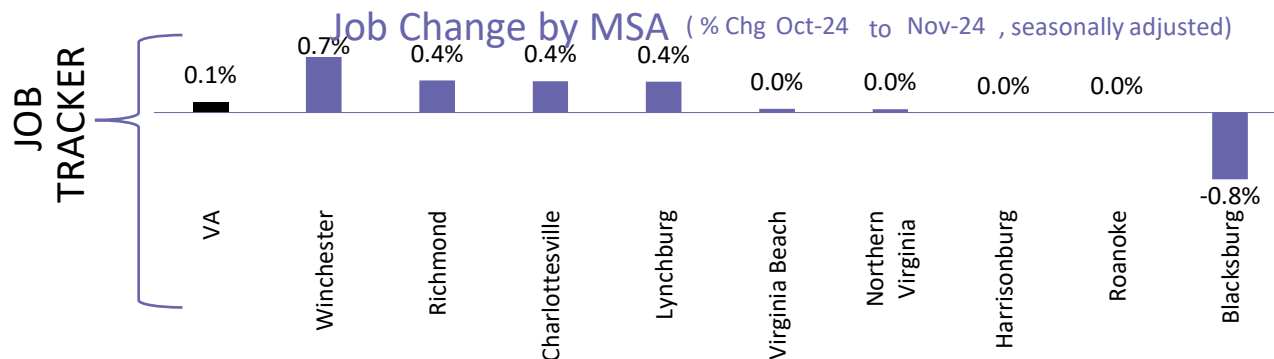
Overview: Virginia's multifamily rental market had a strong end to 2024. The inventory continues to lease up, with positive net absorption, albeit slower than the previous three quarters this year. Rents continue to climb in nearly all metro markets in Virginia, but vacancy inched up some parts of the state as new supply was delivered. The pipeline of new construction continues to slowdown, a trend that has been consistent now for two years.

Absorption: In Virginia, 2,048 units were absorbed for multifamily housing in Q4 2024, indicating slowing demand compared to previous quarters in 2024. Garden style/low rise apartments saw more space being vacated than absorbed (-395 units) while 2,403 units were absorbed for Mid/High rise apartments. Two of Virginia's biggest metro areas, Northern Virginia (+788 units) and Richmond (+666 units) had the highest amount of leased units this quarter, followed by Charlottesville (+237 units).

Vacancy Rate: The vacancy rate in Virginia's multifamily market increased to 6.6% in the fourth quarter, up from 6.5% during the same time last year. Garden/low rise (5.6%) multifamily units saw a slight increase in vacancy rates compared to a year ago and vacancy rates for mid/high rise (8.2%) multifamily units remained unchanged. Lynchburg had the highest vacancy rate in the state at 11.3% and Harrisonburg had the lowest multifamily vacancy rate at 2.1%.

Rent: Rental prices dipped slightly with the effective rent for a unit in Virginia being \$1,766 in Q4 2024. Once again, the metro markets with the highest increase in effective rent were Winchester (6.6%) and Northern Virginia (4.4%). Lynchburg, on the other hand, saw a decline (-1.2%) in effective rent over the past year.

Supply/Delivery: The number of units under construction dropped almost 27% to 22,159 this quarter compared to last year. Northern Virginia and Richmond markets had the largest share of new construction in the state. New multifamily deliveries decreased considerably as well in Q4 2024 with 3,569 units delivered, a decrease of almost 32% compared to the same time last year.



VIRGINIA (Statewide)



Market Indicator Dashboard

	YoY Chg	Q4-2024	Indicator
% chg	2.5%	698,414	Total Inventory (units)
units	-476	2,048	Net Absorption (units)
pct point	0.1%	6.6%	Vacancy Rate (%)
\$ per unit	\$63	\$1,766	Avg. Effective Rent Per Unit (\$ per unit)
\$ per sq. ft	\$0.07	\$1.95	Avg. Effective Rent Per Sq. Ft (\$ per sq. ft)
units	-1,714	3,569	New Supply Delivered (units)
units	-8,018	22,159	Under Construction (units)



Economic Indicator Dashboard

	MoM % Chg	Nov-24	Indicator
% chg	0.1%	4.3	Total Jobs, Virginia (in millions, seasonally adjusted)
pct point	0.1%	3.0%	Unemployment Rate, Virginia (% seasonally adjusted)
pct point	0.1%	3.1%	Gross Domestic Product, U.S. (seasonally adjusted annual rate)

Virginia Multifamily Market

Absorption & Construction Trends ----- 4

Rent Trends ----- 5

Vacancy Trends ----- 6

MSA-Level Trends ----- 7

Northern Virginia ----- 8

Richmond MSA ----- 9

Hampton Roads ----- 10

Roanoke MSA ----- 11

Lynchburg MSA ----- 12

Charlottesville MSA ----- 13

Blacksburg MSA ----- 14

Winchester MSA ----- 15

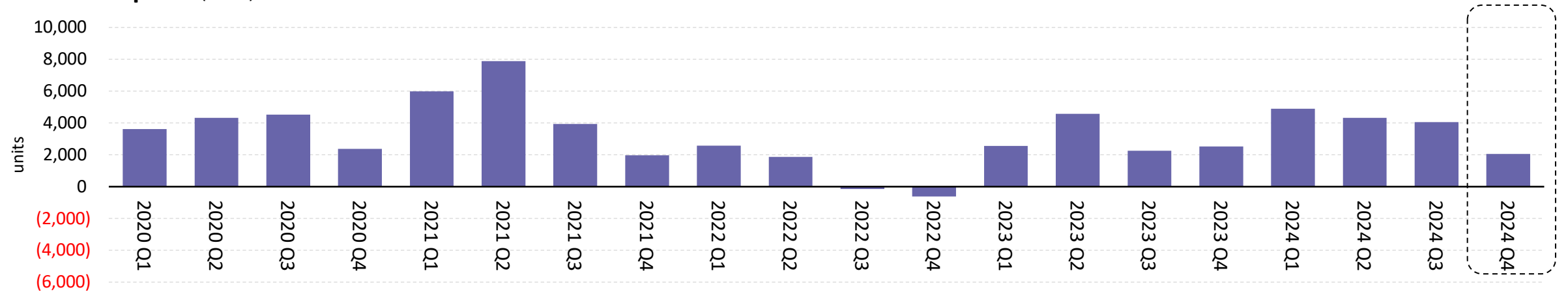
Harrisonburg MSA ----- 16



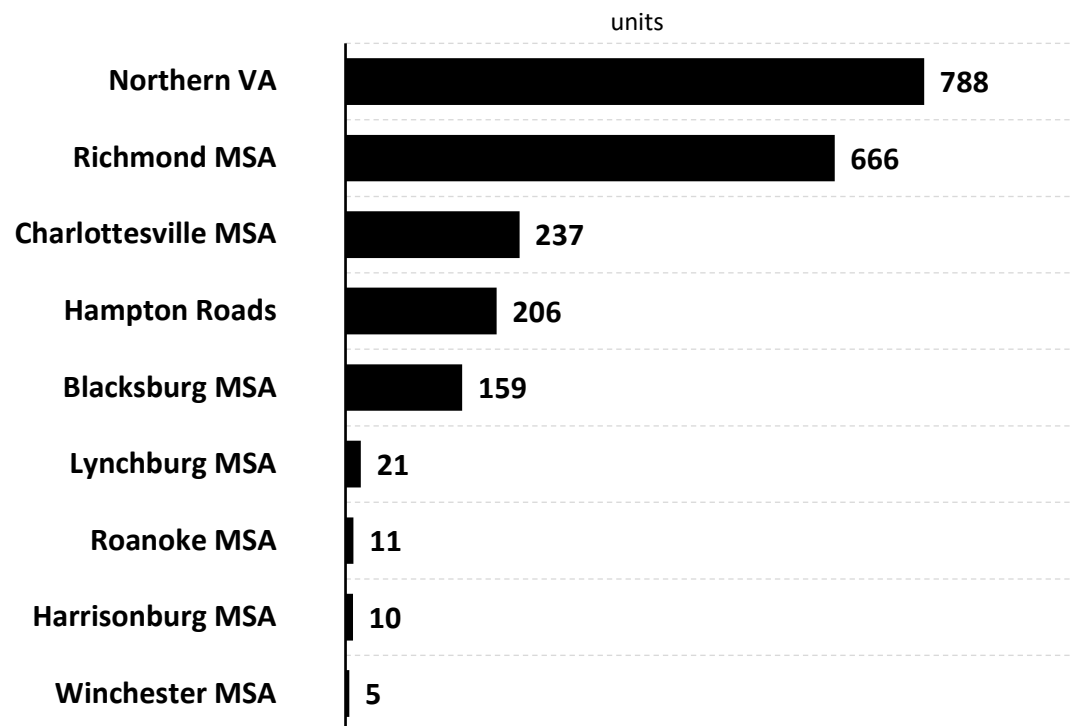
Multifamily Market - Absorption & Construction Trends

VIRGINIA (Statewide)

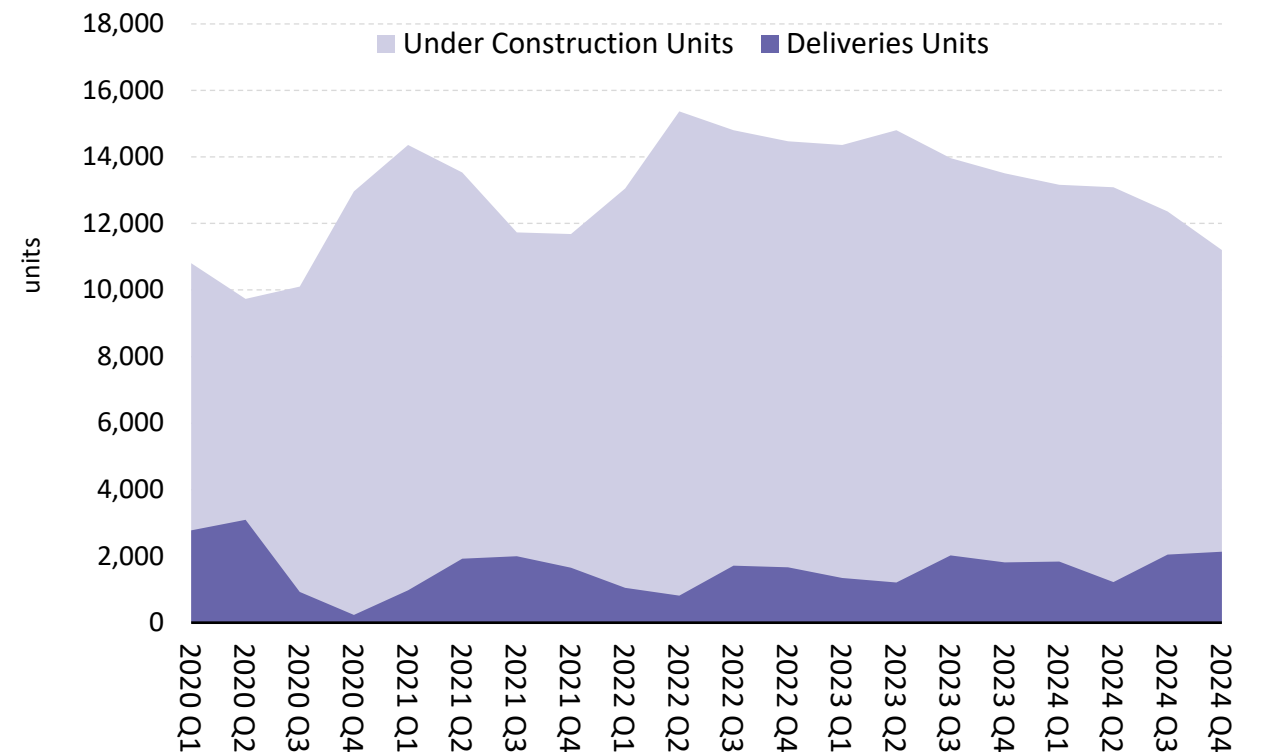
Net Absorption (units)



Q4-2024 Net Absorption by Metro Area (units)

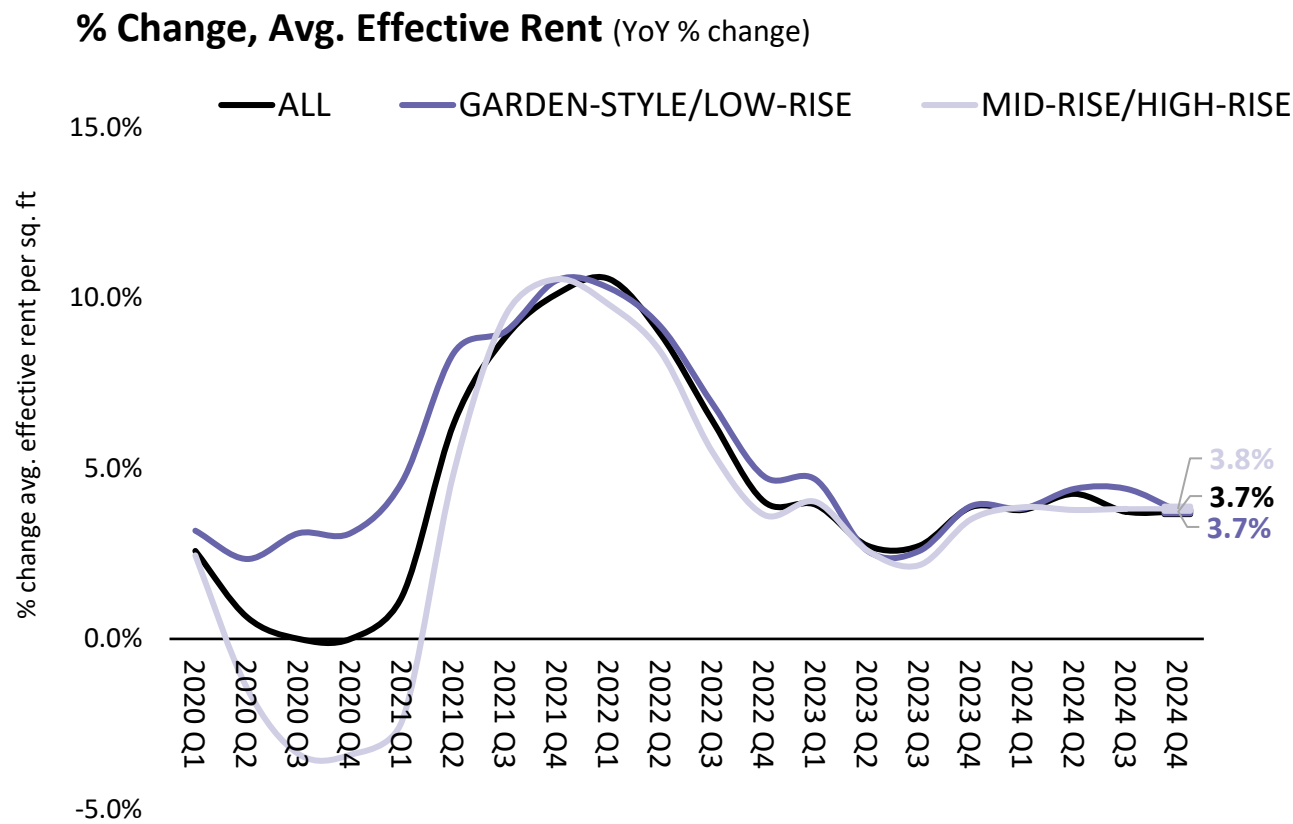
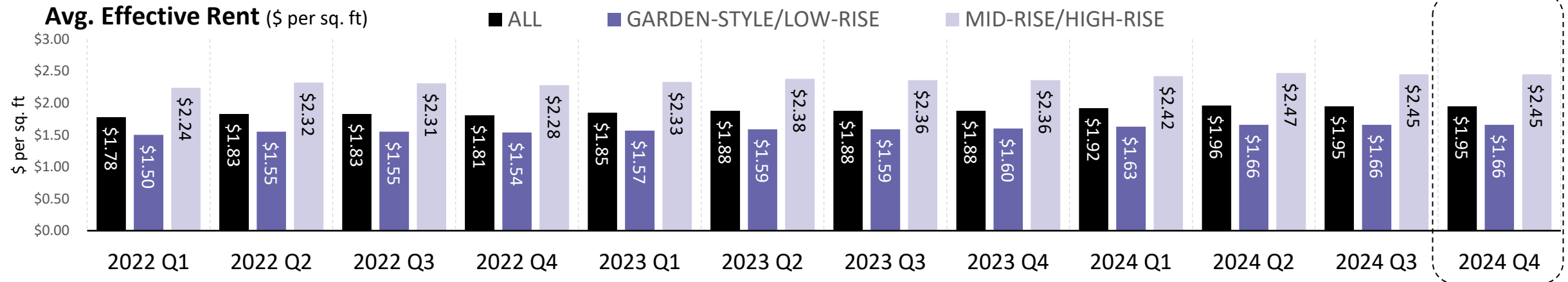


Under Construction & Net Deliveries (units)

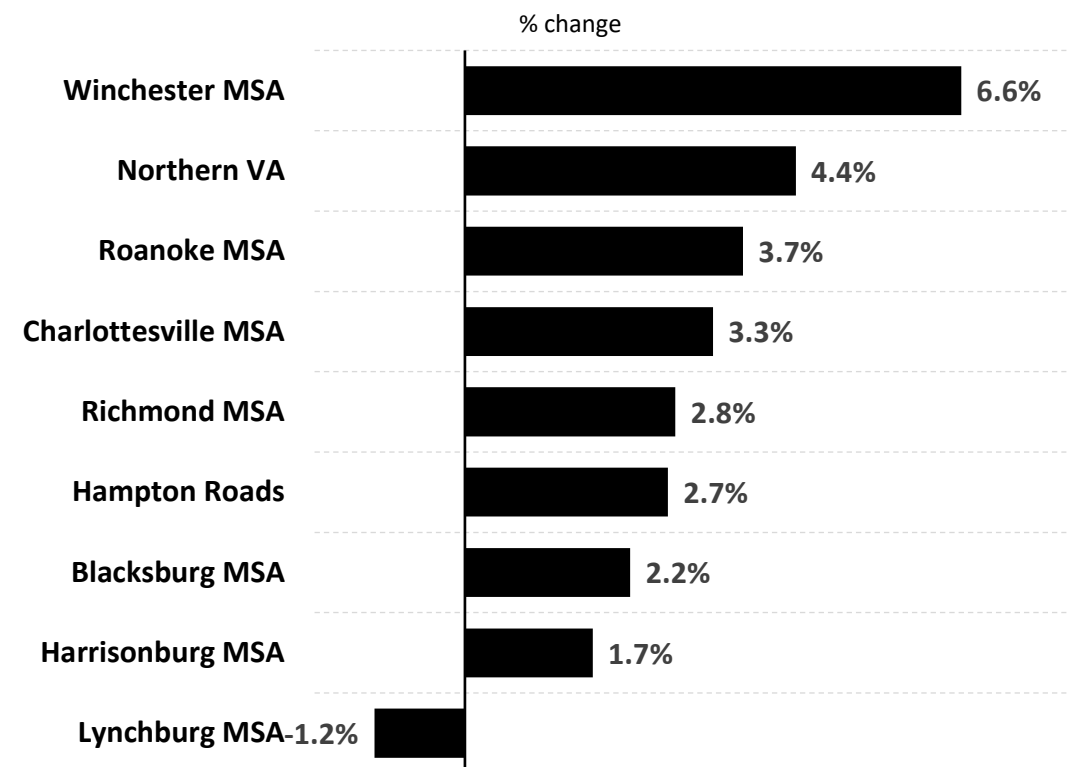


Multifamily Market - Rent Trends

VIRGINIA (Statewide)

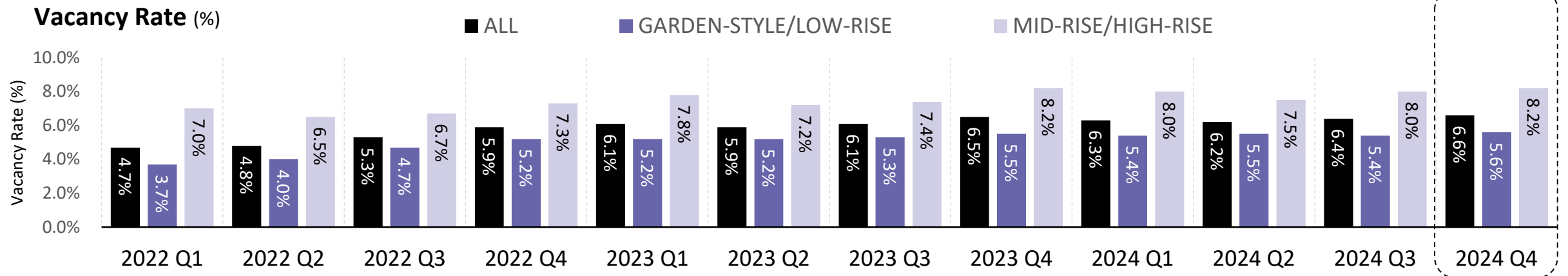


Q4-2024 by MSA: % Change, Avg. Effective Rent (YoY % change)

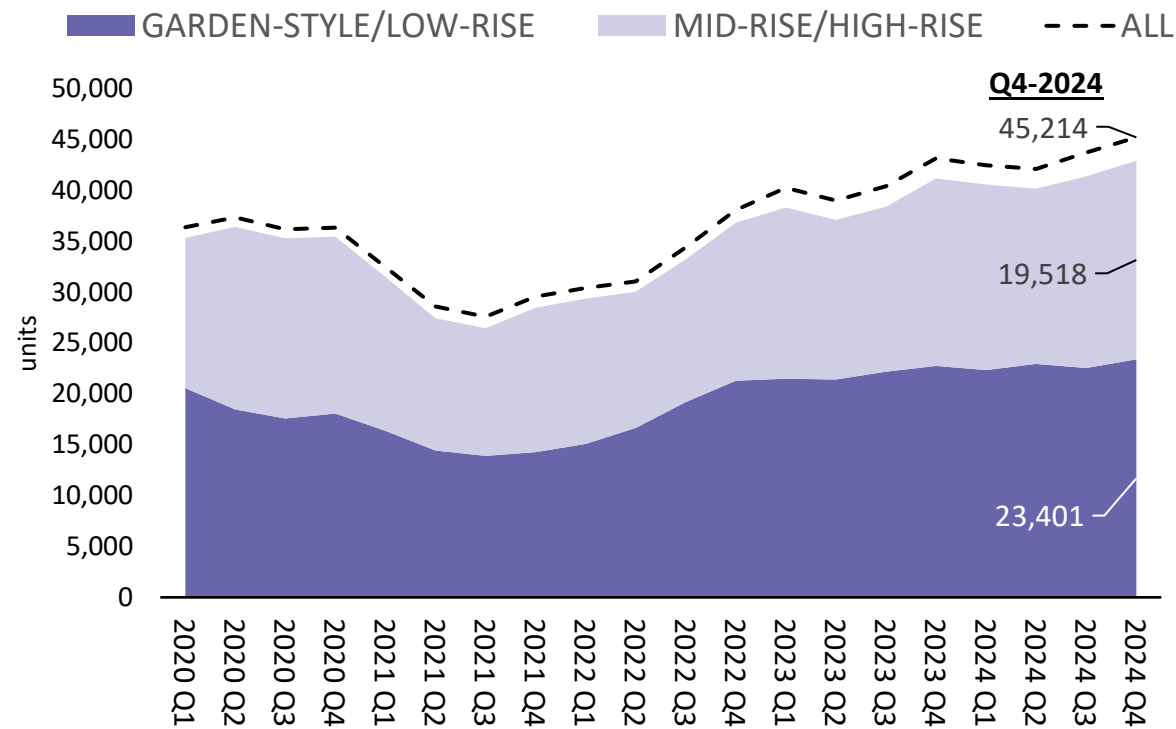


Multifamily Market - Vacancy Trends

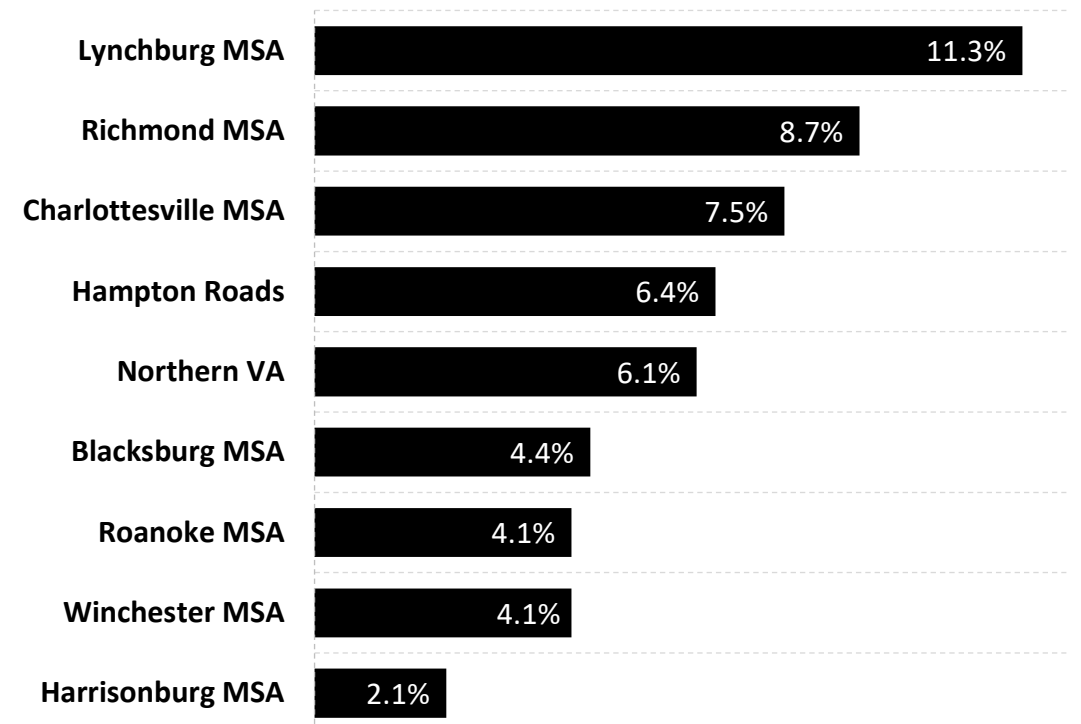
VIRGINIA (Statewide)



Vacant Inventory (units)



Q4-2024 Multifamily Vacancy Rate by MSA



MSA TRENDS

METROPOLITAN STATISTICAL AREA

Q4



2024

MULTIFAMILY
Market Report



Snapshot of Multifamily Market Conditions Around Virginia

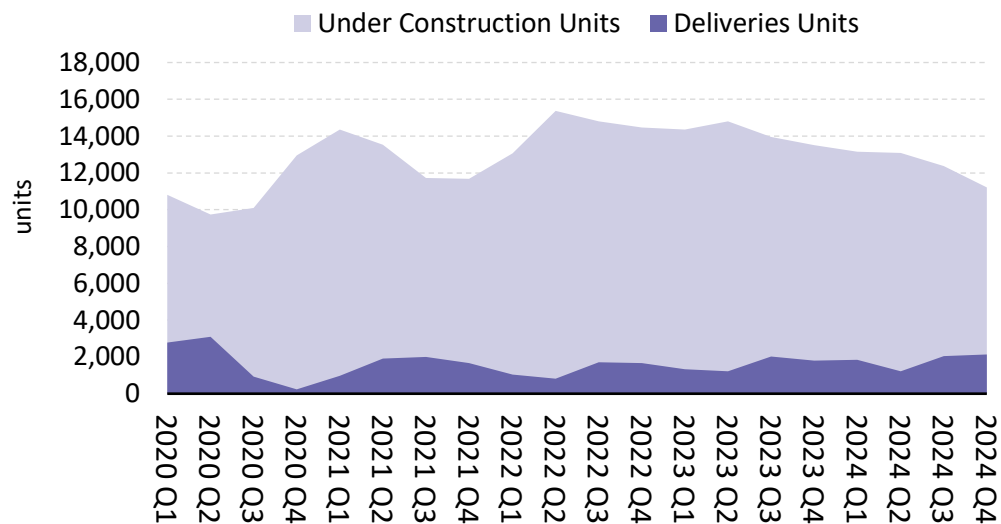
Multifamily Market - MSA Trends

NORTHERN VIRGINIA

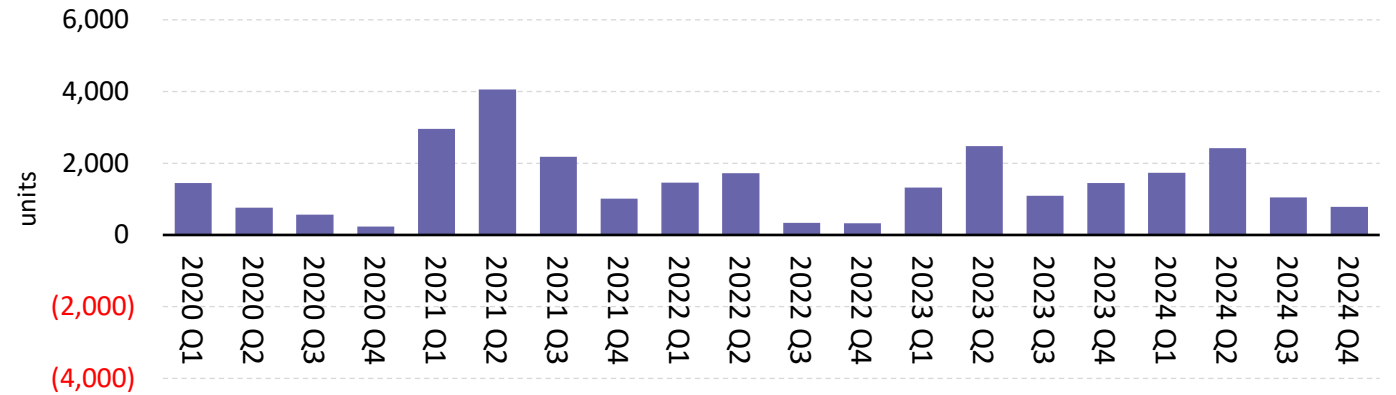
Local Market Indicator Dashboard

	Q4-2024	YoY Chg
Total Inventory (units)	278,998	2.7% % chg
Vacancy Rate (%)	6.1%	0.5% pct points
Net Absorption (units)	788	-657 units
Avg. Effective Rent (\$/per unit)	\$2,241	\$95 \$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$2.49	\$0.11 \$ per sq. ft
Under Construction (units)	11,205	-2,304 units

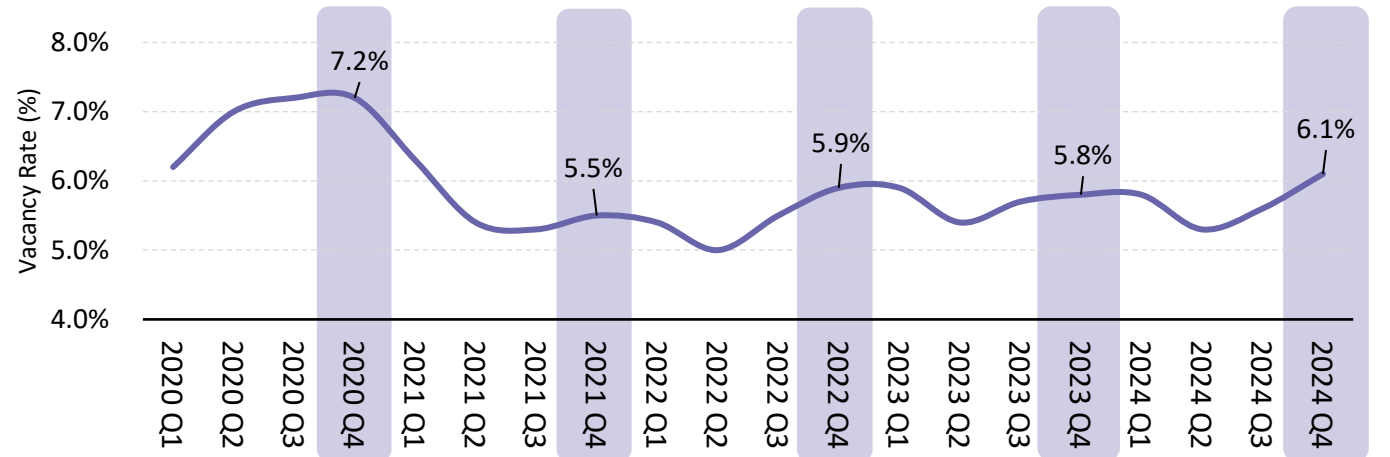
Under Construction & Net Deliveries (units)



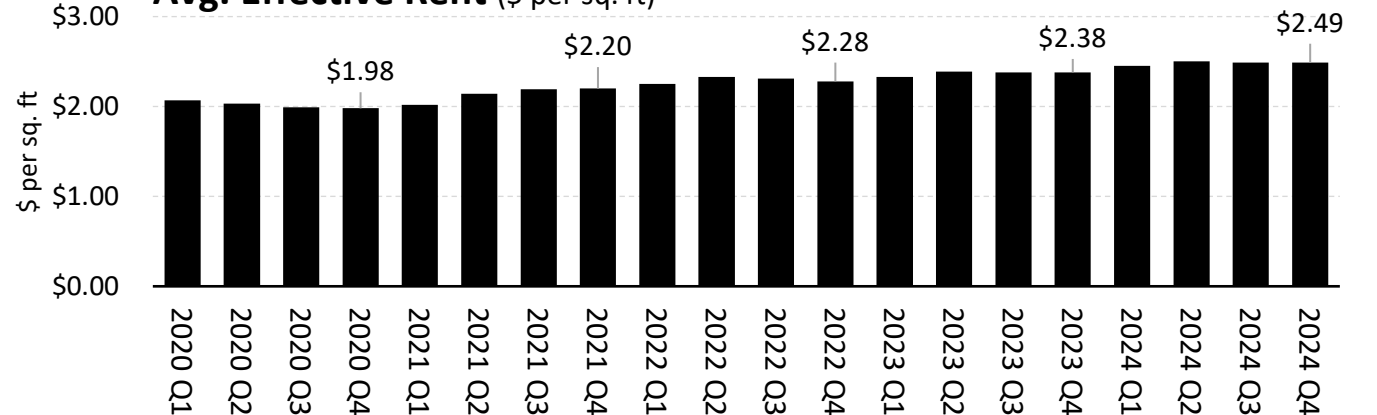
Net Absorption (units)



Vacancy Rate (%)



Avg. Effective Rent (\$ per sq. ft)



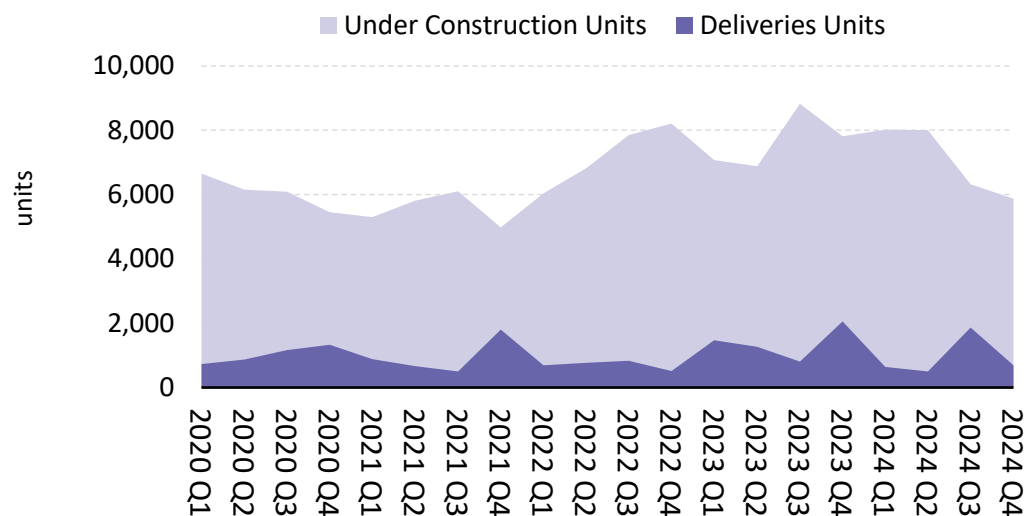
Multifamily Market - MSA Trends

RICHMOND MSA

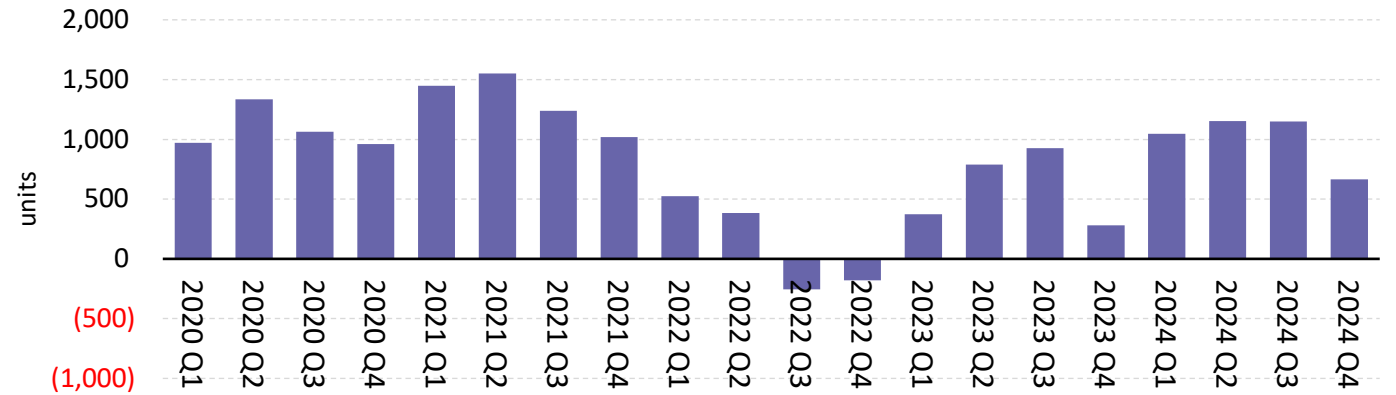
Local Market Indicator Dashboard

	Q4-2024	YoY Chg
Total Inventory (units)	139,061	2.7% <i>% chg</i>
Vacancy Rate (%)	8.7%	-0.5% <i>pct points</i>
Net Absorption (units)	666	386 <i>units</i>
Avg. Effective Rent (\$/per unit)	\$1,462	\$39 <i>\$ per unit</i>
Avg. Effective Rent (\$/per sq. ft)	\$1.66	\$0.05 <i>\$ per sq. ft</i>
Under Construction (units)	5,871	-1,946 <i>units</i>

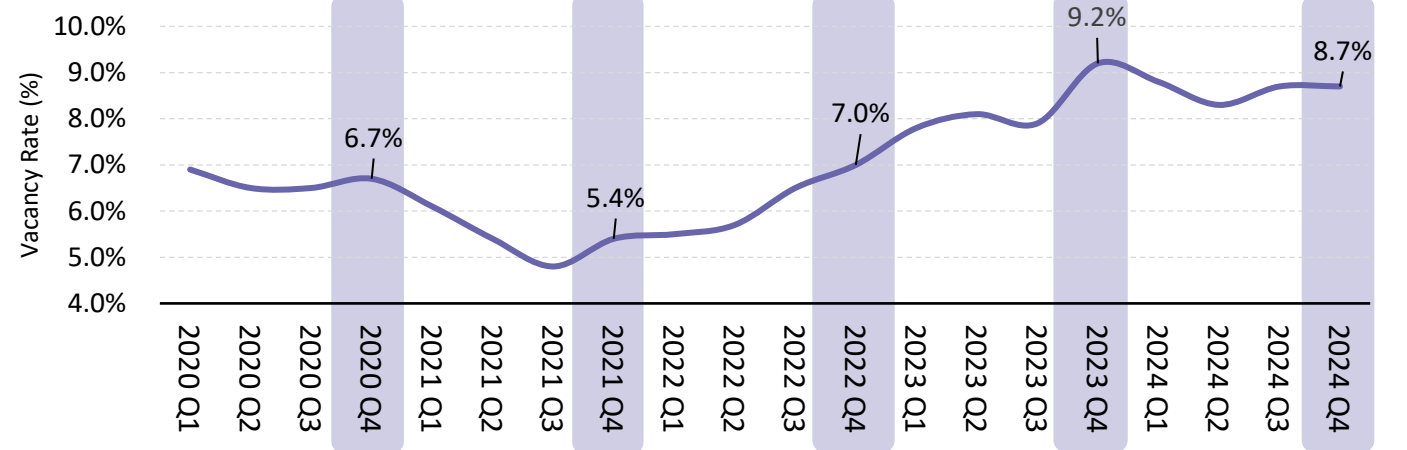
Under Construction & Net Deliveries (units)



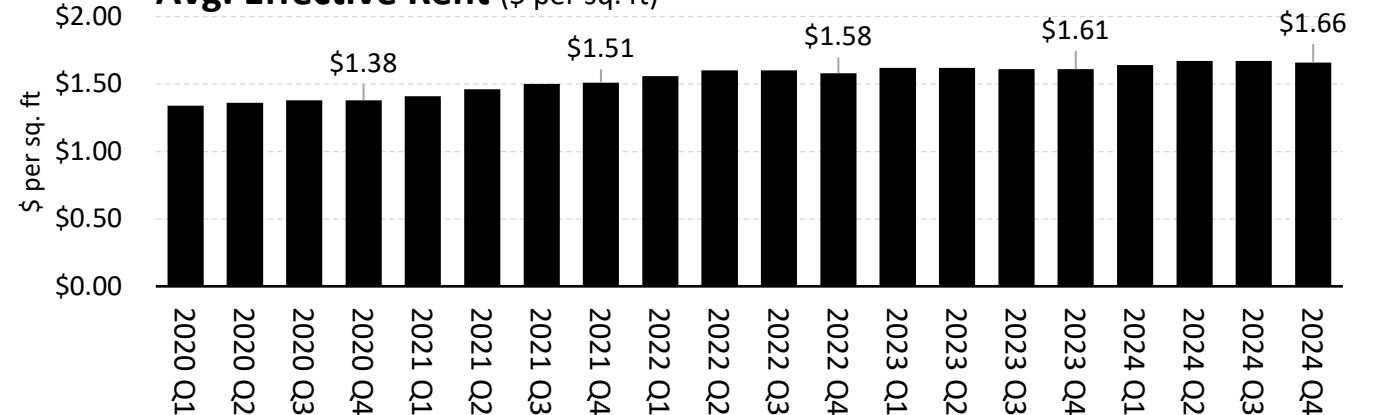
Net Absorption (units)



Vacancy Rate (%)



Avg. Effective Rent (\$ per sq. ft)



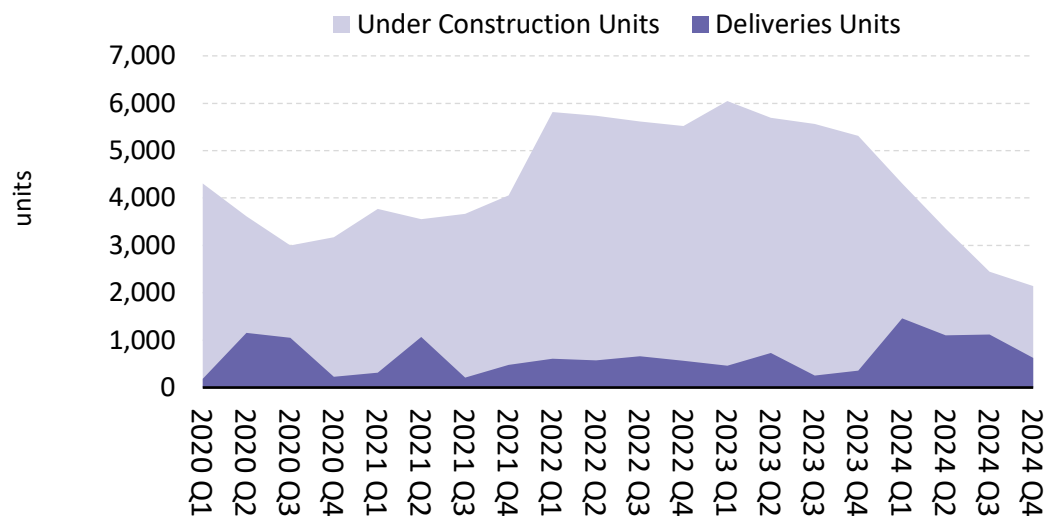
Multifamily Market - MSA Trends

HAMPTON ROADS

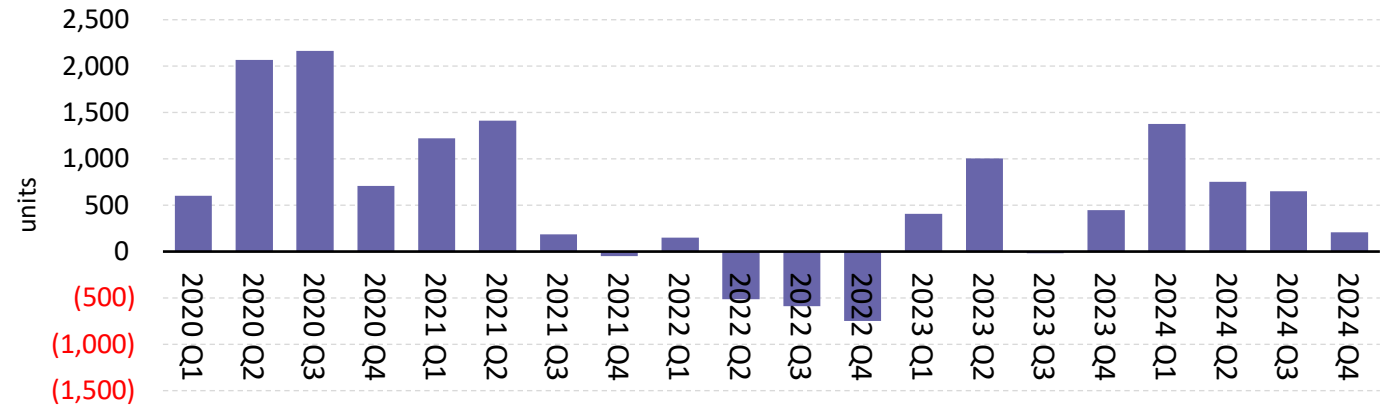
Local Market Indicator Dashboard

	Q4-2024	YoY Chg	
Total Inventory (units)	179,549	2.4%	% chg
Vacancy Rate (%)	6.4%	0.6%	pct points
Net Absorption (units)	206	-241	units
Avg. Effective Rent (\$/per unit)	\$1,456	\$39	\$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.57	\$0.04	\$ per sq. ft
Under Construction (units)	2,142	-3,166	units

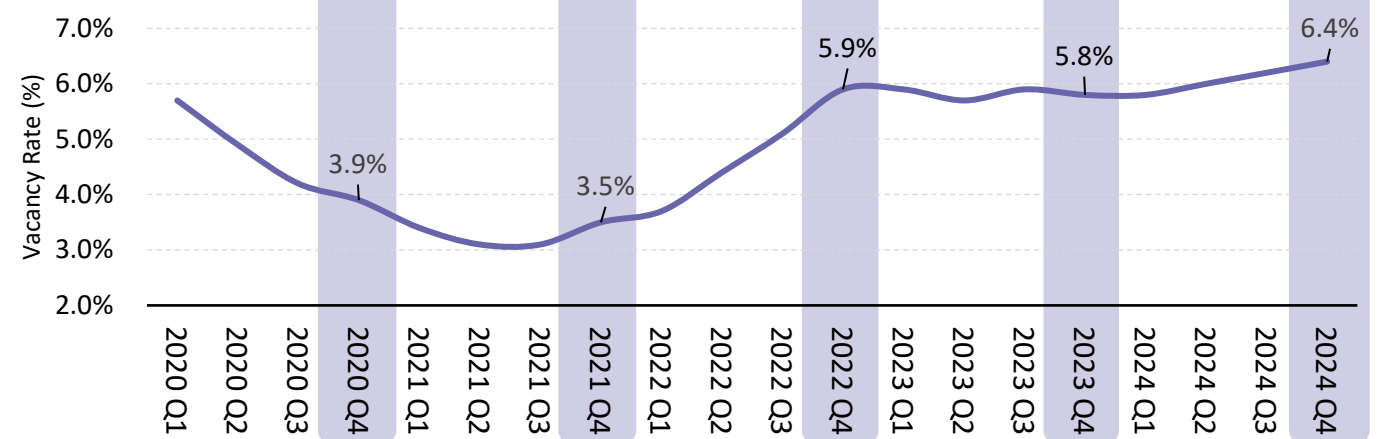
Under Construction & Net Deliveries (units)



Net Absorption (units)



Vacancy Rate (%)



Avg. Effective Rent (\$ per sq. ft)



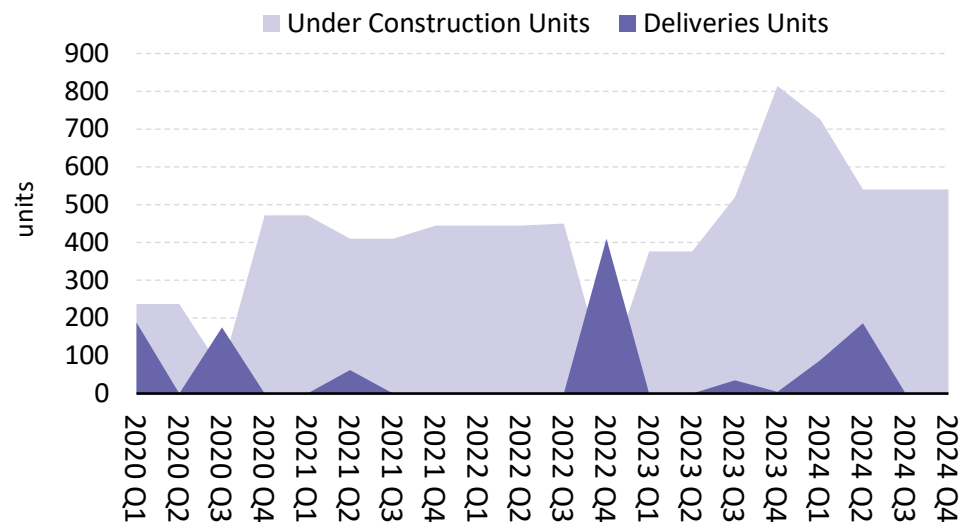
Multifamily Market - MSA Trends

ROANOKE MSA

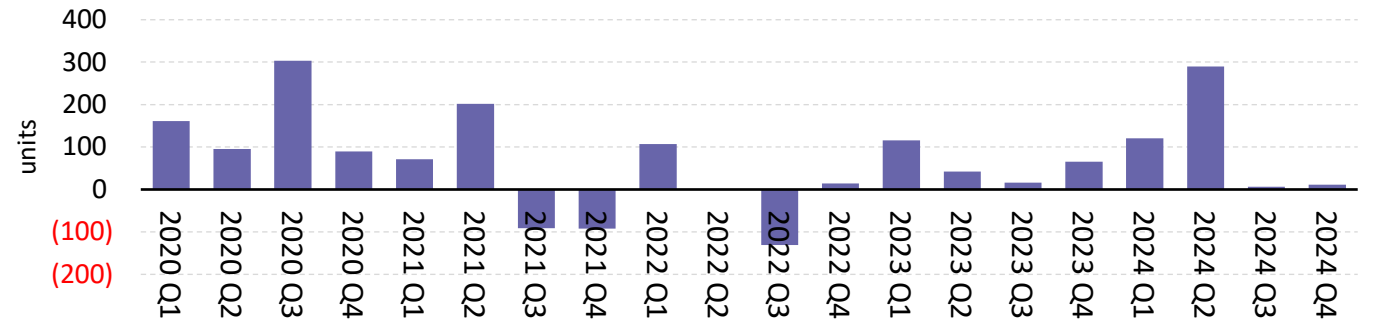
Local Market Indicator Dashboard

	Q4-2024	YoY Chg	
Total Inventory (units)	20,382	1.4%	% chg
Vacancy Rate (%)	4.1%	-0.8%	pct points
Net Absorption (units)	11	-54	units
Avg. Effective Rent (\$/per unit)	\$1,169	\$42	\$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.33	\$0.05	\$ per sq. ft
Under Construction (units)	540	-274	units

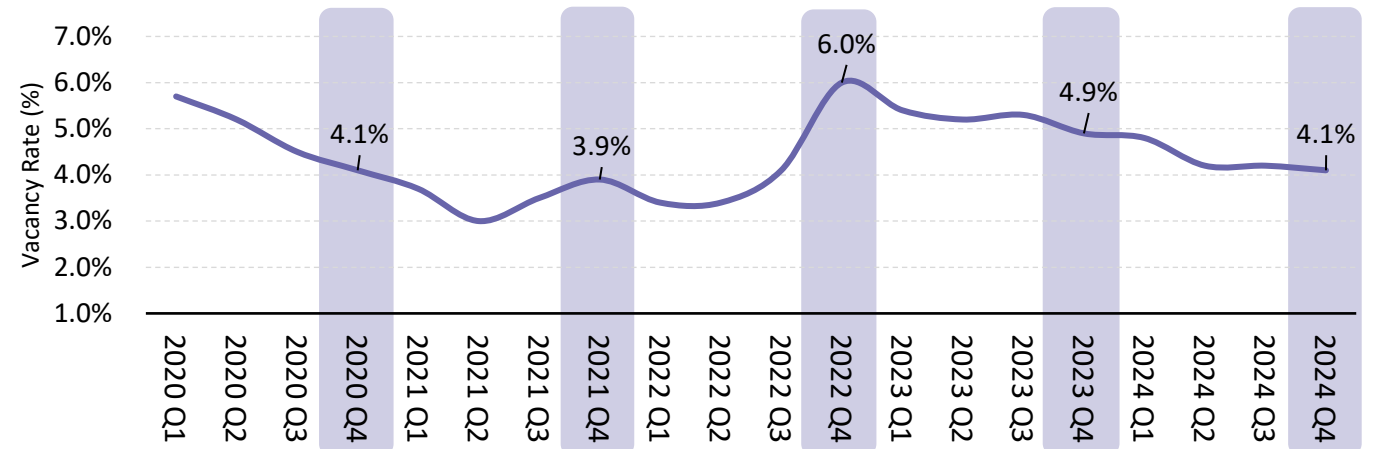
Under Construction & Net Deliveries (units)



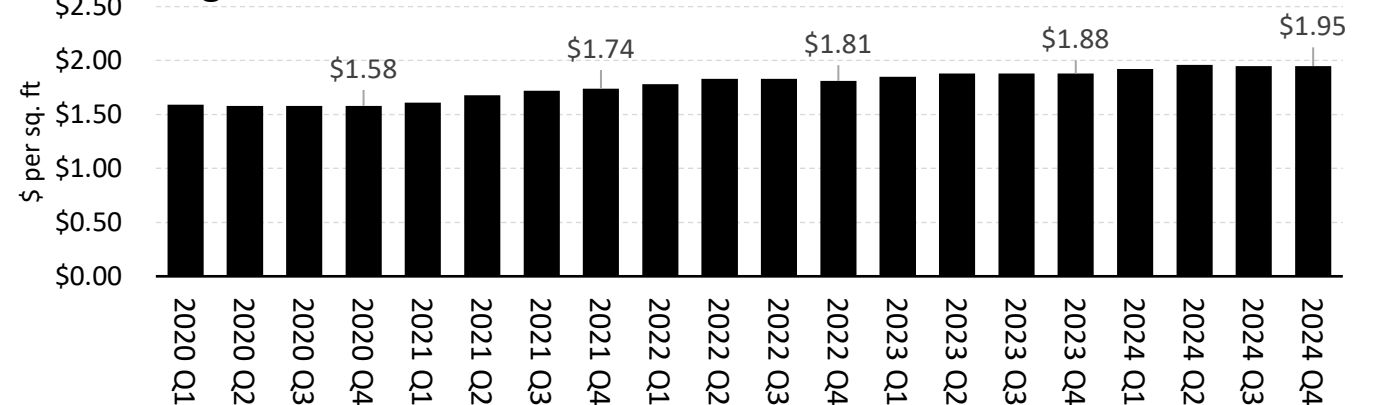
Net Absorption (units)



Vacancy Rate (%)



Avg. Effective Rent (\$ per sq. ft)



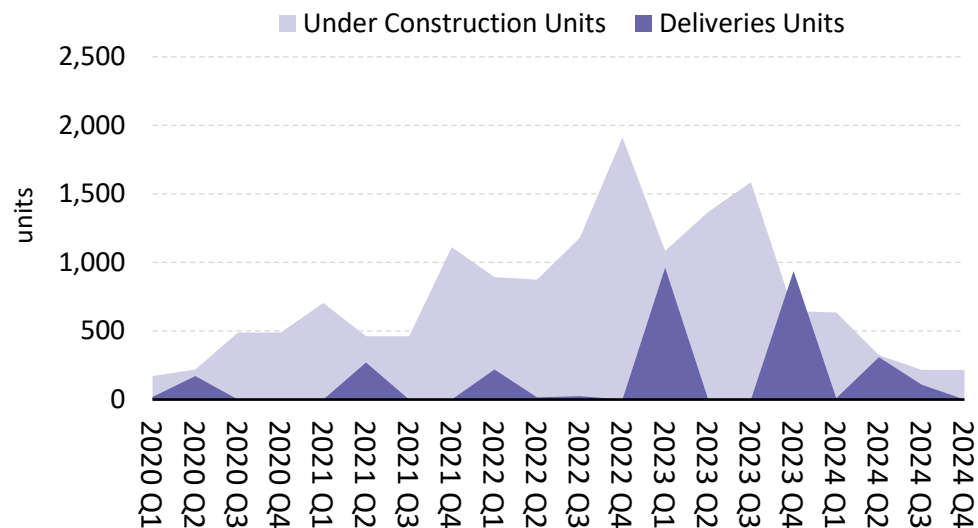
Multifamily Market - MSA Trends

LYNCHBURG MSA

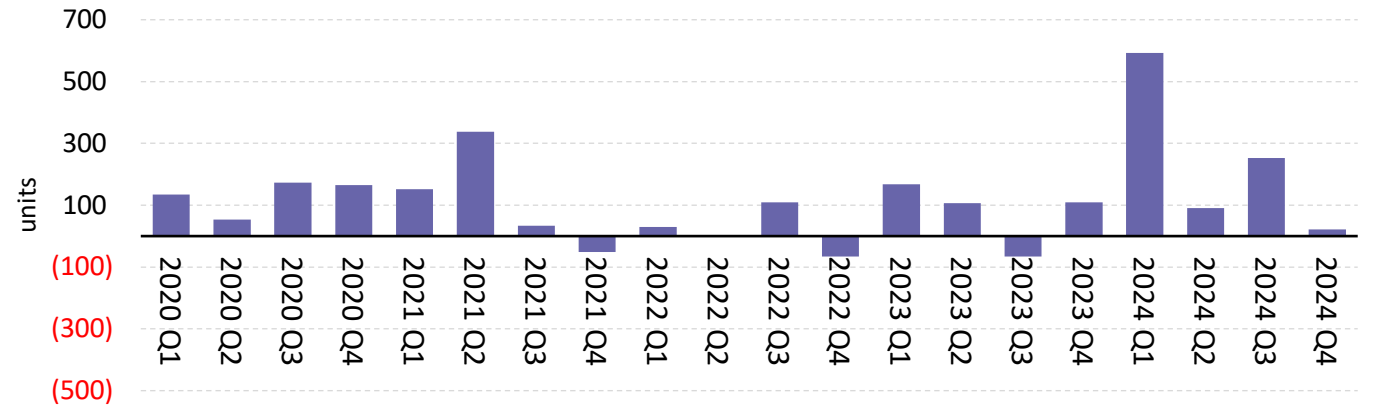
Local Market Indicator Dashboard

	Q4-2024	YoY Chg	
Total Inventory (units)	15,575	2.8%	% chg
Vacancy Rate (%)	11.3%	-3.8%	pct points
Net Absorption (units)	21	-88	units
Avg. Effective Rent (\$/per unit)	\$1,117	-\$14	\$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.15	-\$0.02	\$ per sq. ft
Under Construction (units)	216	-429	units

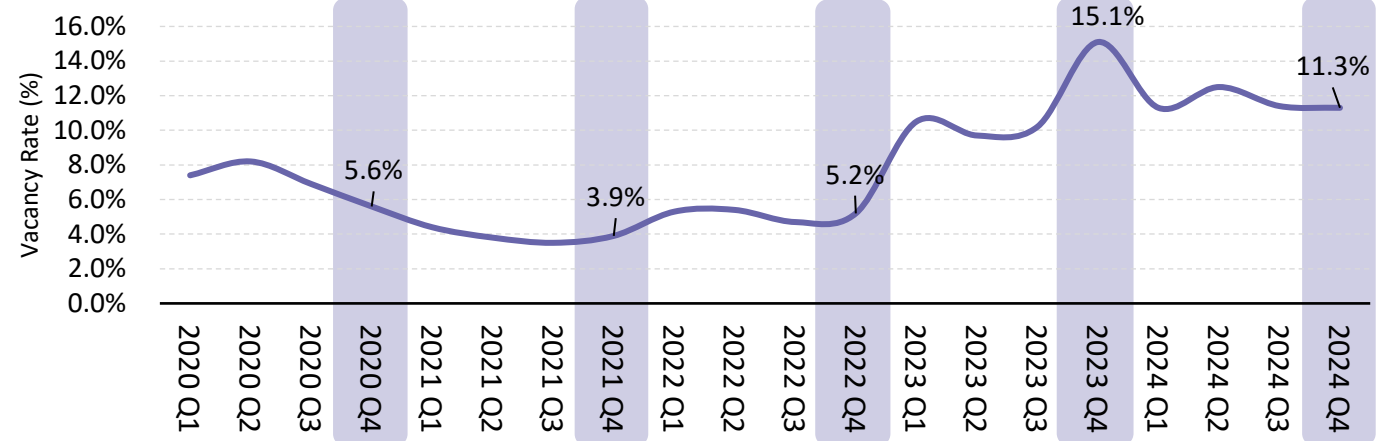
Under Construction & Net Deliveries (units)



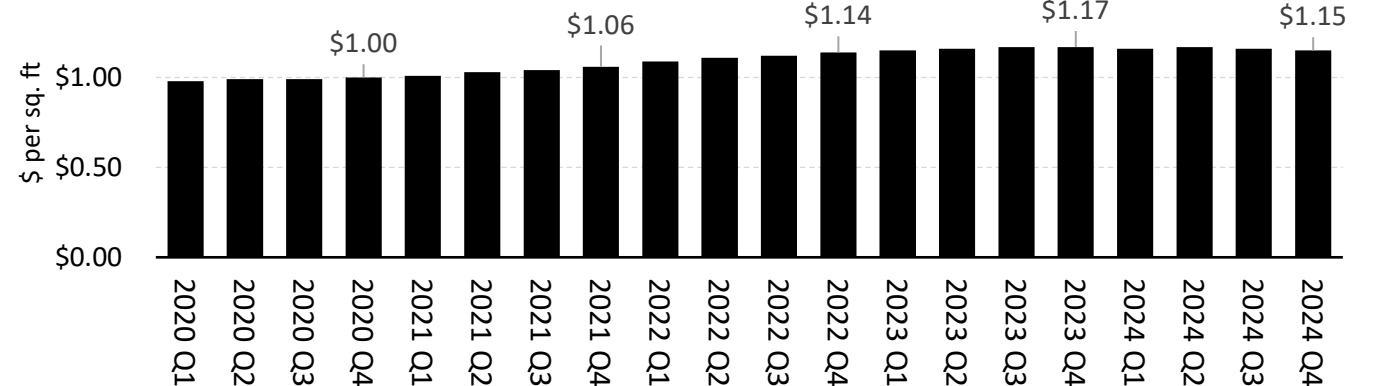
Net Absorption (units)



Vacancy Rate (%)



Avg. Effective Rent (\$ per sq. ft)



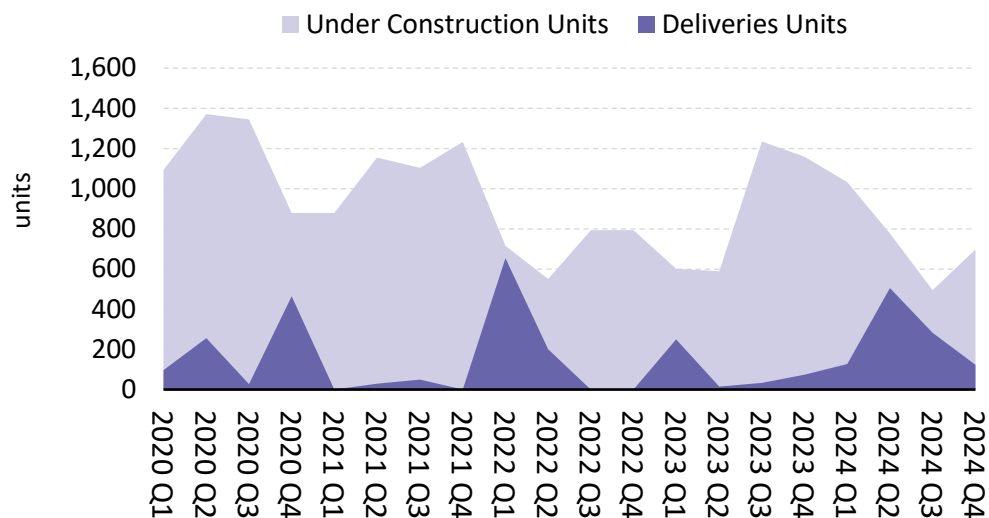
Multifamily Market - MSA Trends

CHARLOTTESVILLE MSA

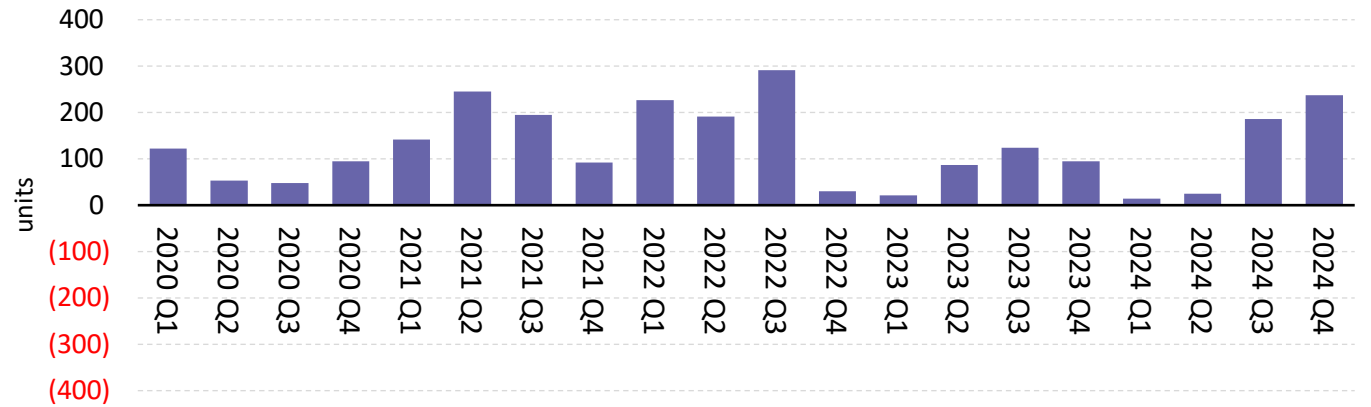
Local Market Indicator Dashboard

	Q4-2024	YoY Chg
Total Inventory (units)	15,455	7.2% % chg
Vacancy Rate (%)	7.5%	3.5% pct points
Net Absorption (units)	237	142 units
Avg. Effective Rent (\$/per unit)	\$1,759	\$55 \$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.79	\$0.06 \$ per sq. ft
Under Construction (units)	698	-462 units

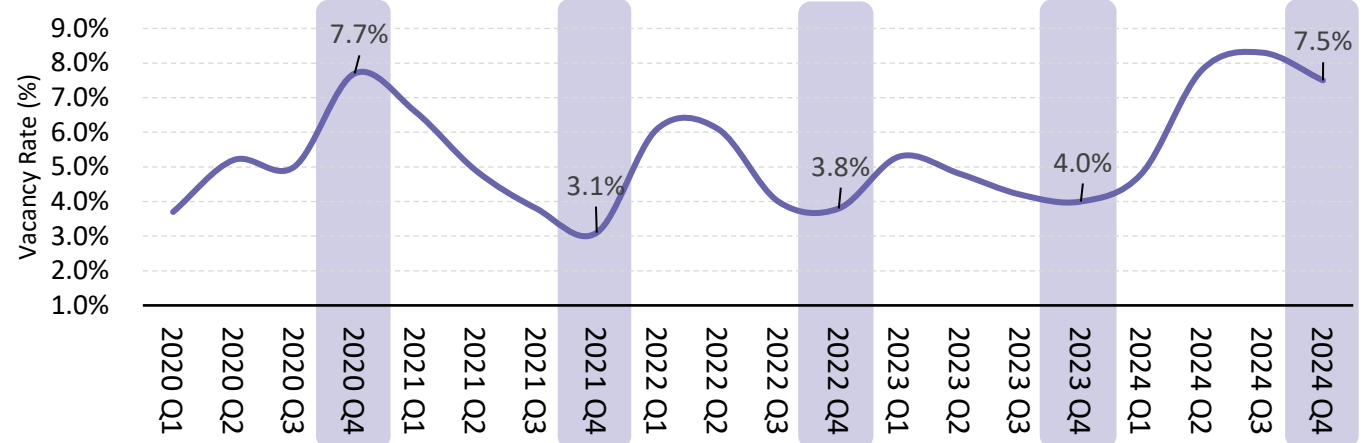
Under Construction & Net Deliveries (units)



Net Absorption (units)



Vacancy Rate (%)



Avg. Effective Rent (\$ per sq. ft)



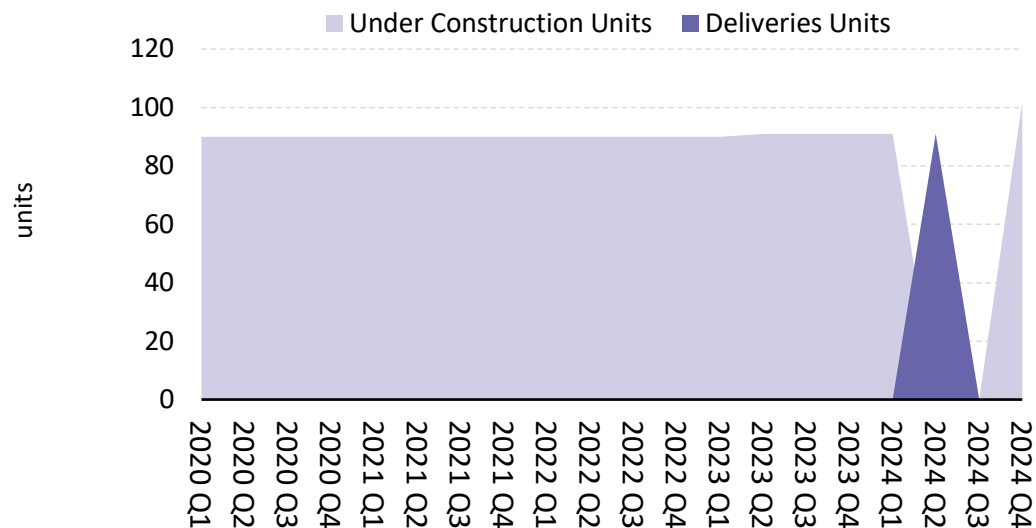
Multifamily Market - MSA Trends

BLACKSBURG MSA

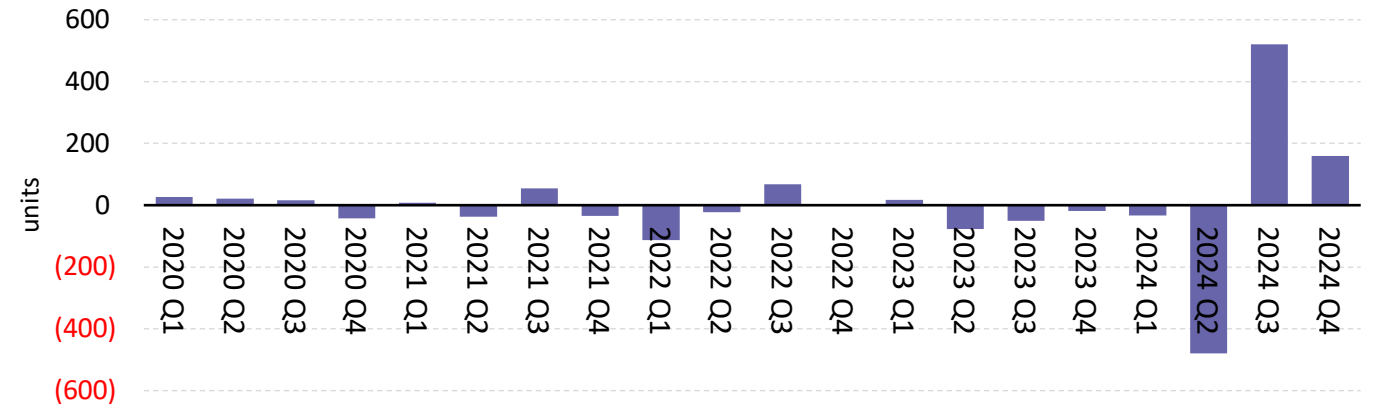
Local Market Indicator Dashboard

	Q4-2024	YoY Chg	
Total Inventory (units)	9,519	1.0%	% chg
Vacancy Rate (%)	4.4%	-0.8%	pct points
Net Absorption (units)	159	178	units
Avg. Effective Rent (\$/per unit)	\$1,281	\$27	\$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.38	\$0.03	\$ per sq. ft
Under Construction (units)	102	11	units

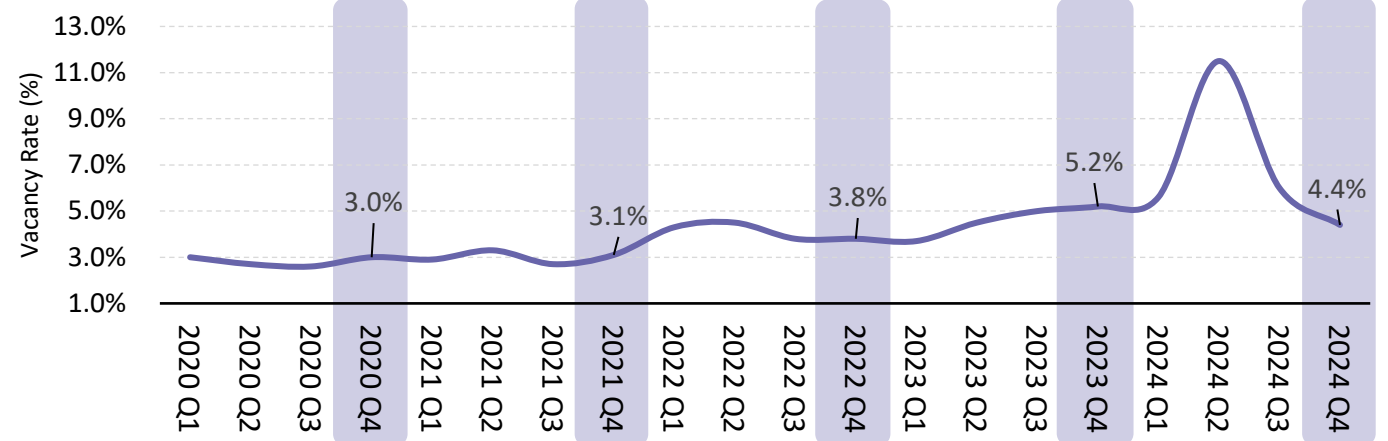
Under Construction & Net Deliveries (units)



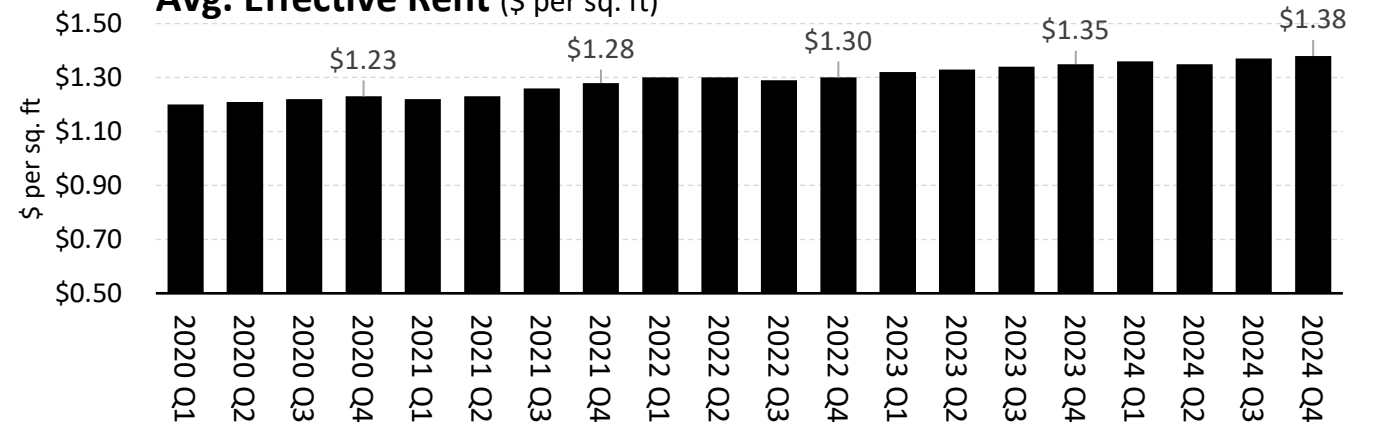
Net Absorption (units)



Vacancy Rate (%)



Avg. Effective Rent (\$ per sq. ft)



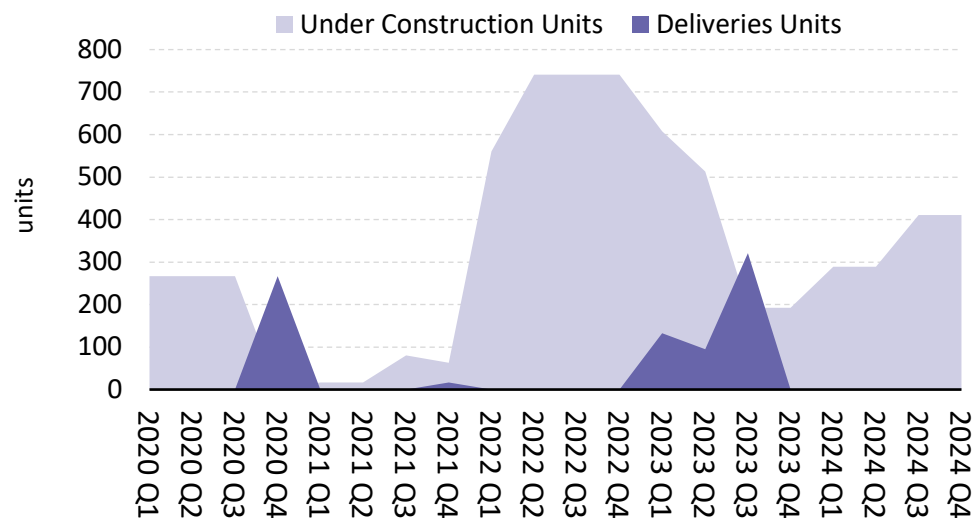
Multifamily Market - MSA Trends

WINCHESTER MSA

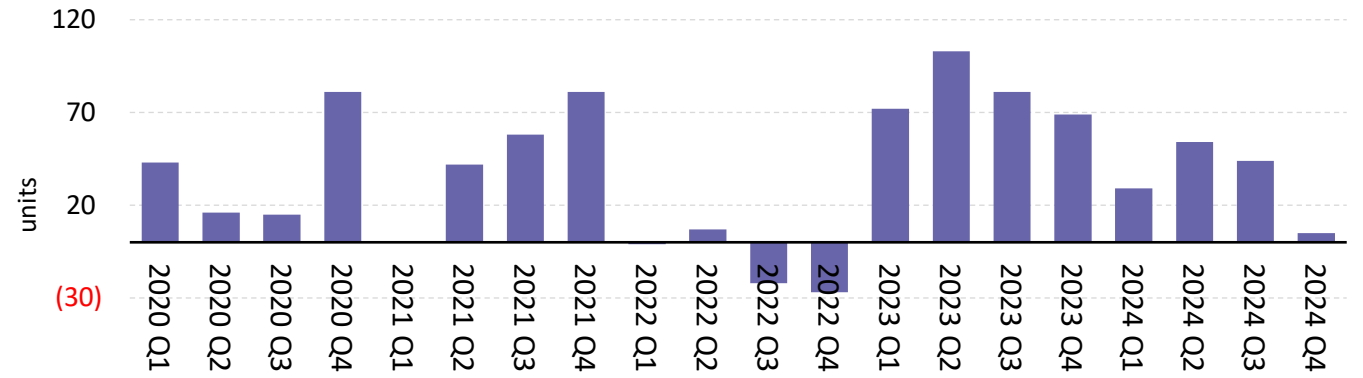
Local Market Indicator Dashboard

	Q4-2024	YoY Chg	
Total Inventory (units)	6,662	0	% chg
Vacancy Rate (%)	4.1%	-2.0%	pct points
Net Absorption (units)	5	-64	units
Avg. Effective Rent (\$/per unit)	\$1,450	\$90	\$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.57	\$0.10	\$ per sq. ft
Under Construction (units)	411	219	units

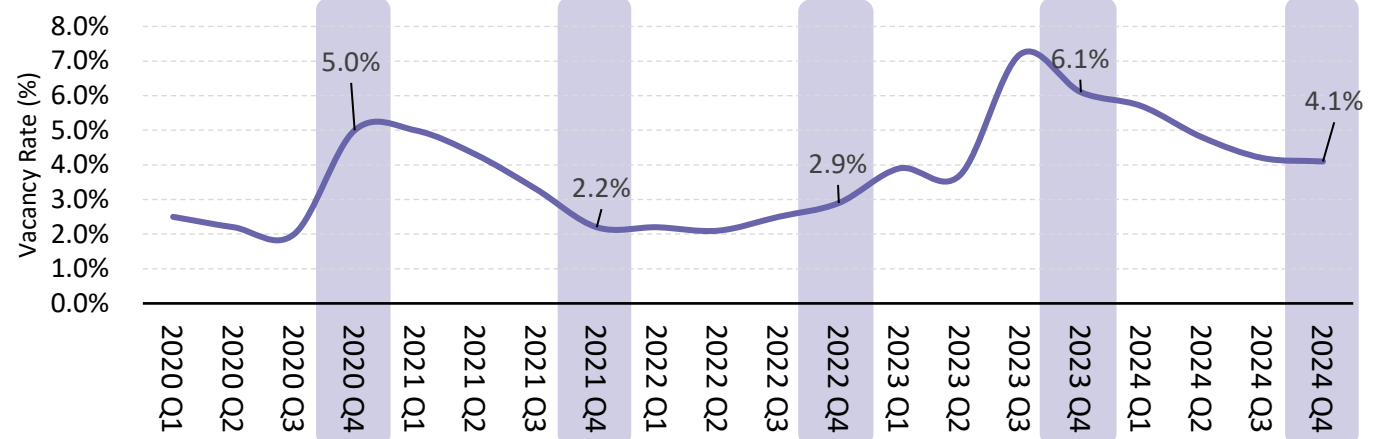
Under Construction & Net Deliveries (units)



Net Absorption (units)



Vacancy Rate (%)



Avg. Effective Rent (\$ per sq. ft)



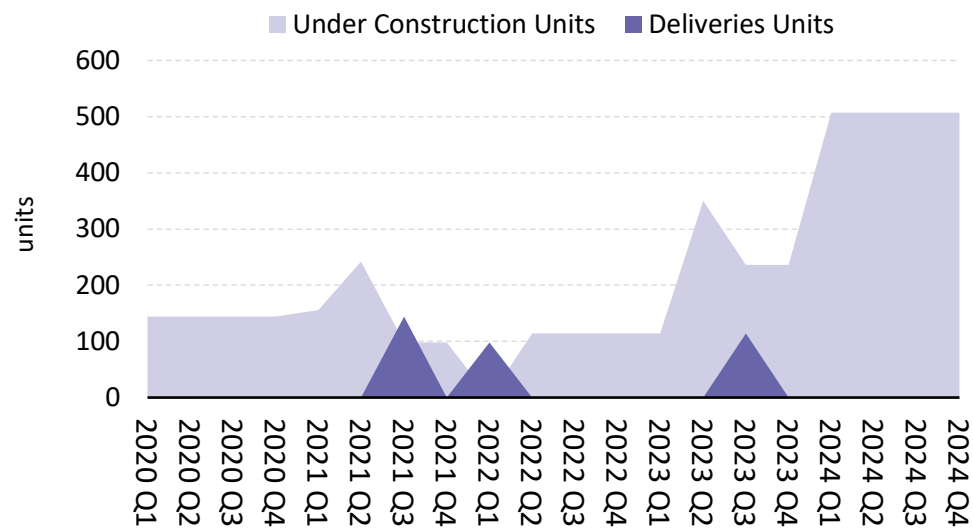
Multifamily Market - MSA Trends

HARRISONBURG MSA

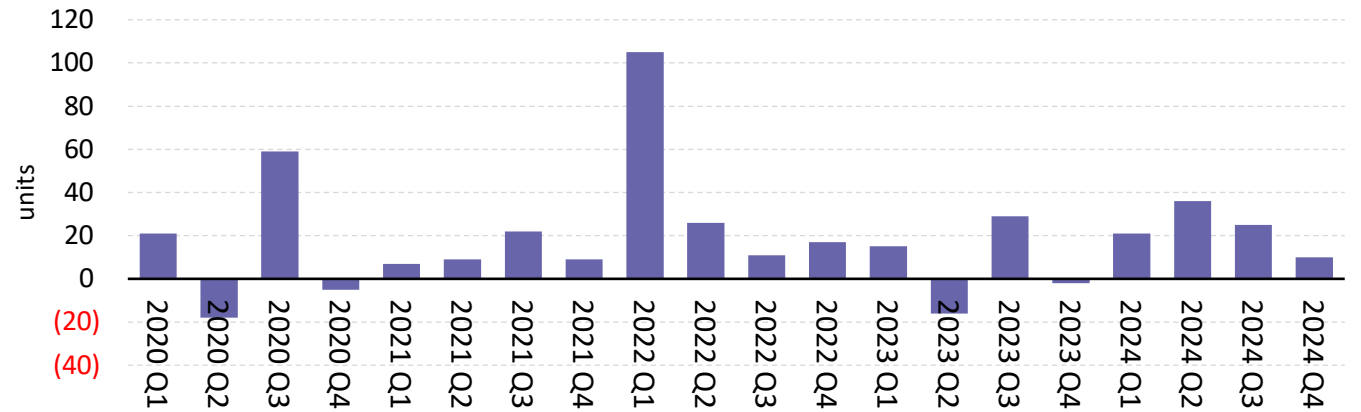
Local Market Indicator Dashboard

	Q4-2024	YoY Chg	
Total Inventory (units)	4,837	0	% chg
Vacancy Rate (%)	2.1%	-1.9%	pct points
Net Absorption (units)	10	12	units
Avg. Effective Rent (\$/per unit)	\$1,301	\$22	\$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.39	\$0.03	\$ per sq. ft
Under Construction (units)	507	271	units

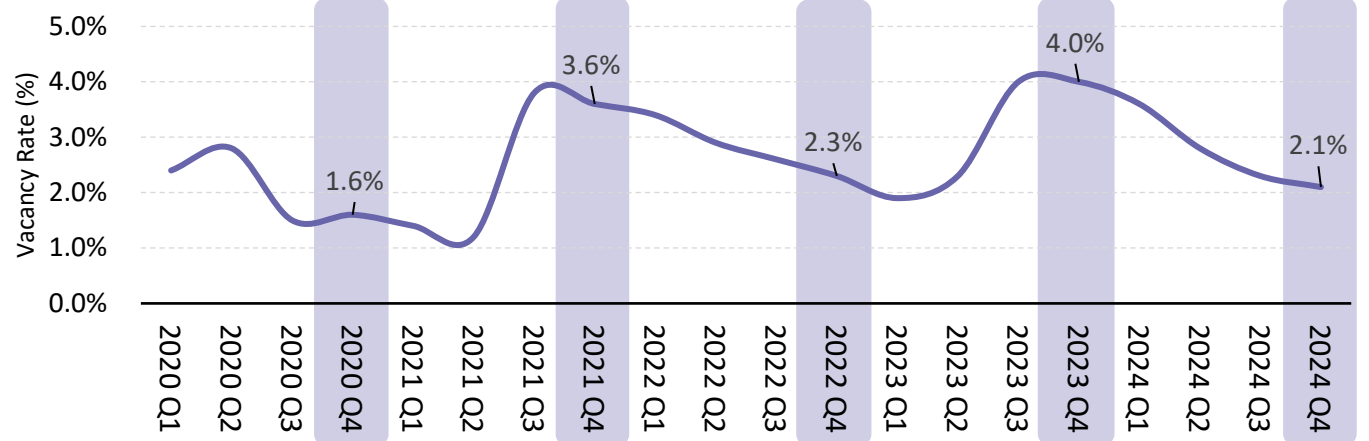
Under Construction & Net Deliveries (units)



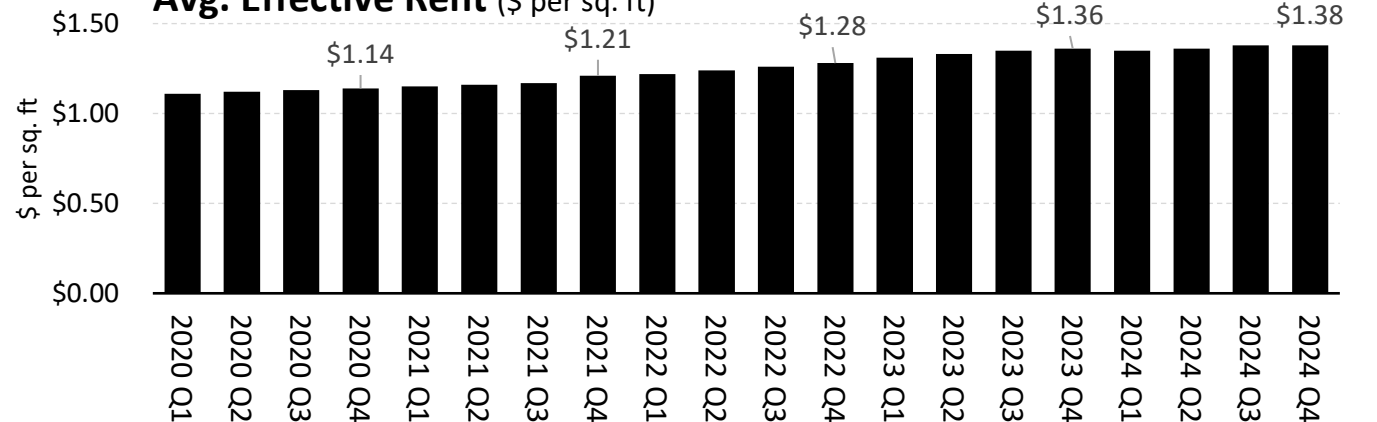
Net Absorption (units)



Vacancy Rate (%)



Avg. Effective Rent (\$ per sq. ft)



The Virginia REALTORS® association is the largest professional trade association in Virginia, representing 38,000 REALTORS® engaged in the residential and commercial real estate business. The Virginia REALTORS® association serves as the advocate for homeownership and private property rights and represents the interests of real estate professionals and property owners in the Commonwealth of Virginia.

NOTE: The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict code of ethics.

All inquiries regarding this report may be directed to:

Robin Spensieri

Virginia REALTORS® Vice President of Communications and Media Relations
rspensieri@virginiarealtors.org
404-433-6015

Data and analysis provided by Virginia REALTORS® Chief Economist.

The numbers reported here are based on data from CoStar.

Cover Photo: @somsubhra/Adobe Stock
TOC Graphic: @ornavi/Adobe Stock

