



Q3 2025 MULTIFAMILY MARKET REPORT



Multifamily Market - Key Trends Snapshot

Q3
2025
MULTIFAMILY
Market Report

Multifamily Market

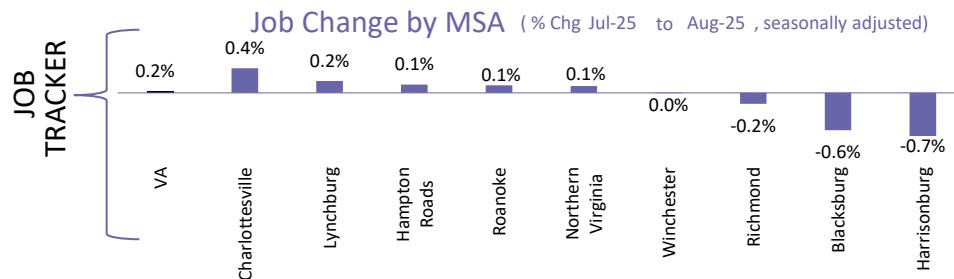
Overview: Virginia's multifamily market had positive absorption in the third quarter but slowed down from the prior year for the second quarter in a row. At the same time, the vacancy rate remained unchanged. Construction activity along with new deliveries continues to show signs of cooling. All metro markets across the Commonwealth saw a rise in rent levels.

Absorption: For the second quarter in a row, net absorption declined in Q3 2025. 2,791 units were absorbed in multifamily housing in the third quarter. Garden style/low rise apartments saw a net of 229 units absorbed while 2,420 units were absorbed for Mid/High rise apartments, both lower than the previous quarter. Richmond (1,513 units) led the list of Virginia metro areas for the highest number of leased spaces this quarter. The Winchester region experienced modest net negative absorption.

Vacancy Rate: The multifamily market in Virginia had a vacancy rate of 6.3% in the third quarter, unchanged from the same time last year. Garden/low rise (5.5%) multifamily units saw a slight increase in vacancy rates compared to a year ago and vacancy rates for mid/high rise (7.6%) multifamily units declined. The Lynchburg metro had the highest vacancy rate in the state at 10.5%. On the other hand, the metro area with the lowest multifamily vacancy rate was Roanoke at 5.4%.

Rent: Rental prices continue to remain high throughout the state with the effective rent for a unit in Virginia reaching \$1,802 in Q3 2025. All metro markets saw an increase in rental prices with the Hampton Roads area (3.2%) experiencing the highest increase in rent. The market with the lowest rent increase was Northern Virginia at 0.5%.

Supply/Delivery: The number of units under construction went down 12% to 21,418 this quarter compared to last year. Northern Virginia and Richmond markets continue to have the largest share of new construction units in the Commonwealth. The supply side saw 3,908 multifamily units delivered in Q3 2025, which was about 38% lower unit deliveries compared to the same time last year, but deliveries did recover from a significant decline in the previous quarter.



Source: CoStar (data accessed October 7, 2025), U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, Virginia REALTORS®

VIRGINIA (Statewide)

Market Indicator Dashboard

YoY Chg	Q3-2025	Indicator
% chg	2.1%	711,484 Total Inventory (units)
units	-2,039	2,791 Net Absorption (units)
pct point	0	6.3% Vacancy Rate (%)
\$ per unit	\$24	\$1,802 Avg. Effective Rent Per Unit (\$ per unit)
\$ per sq. ft	\$0.03	\$1.99 Avg. Effective Rent Per Sq. Ft (\$ per sq. ft)
units	-2,411	3,908 New Supply Delivered (units)
units	-2,931	21,418 Under Construction (units)

Economic Indicator Dashboard

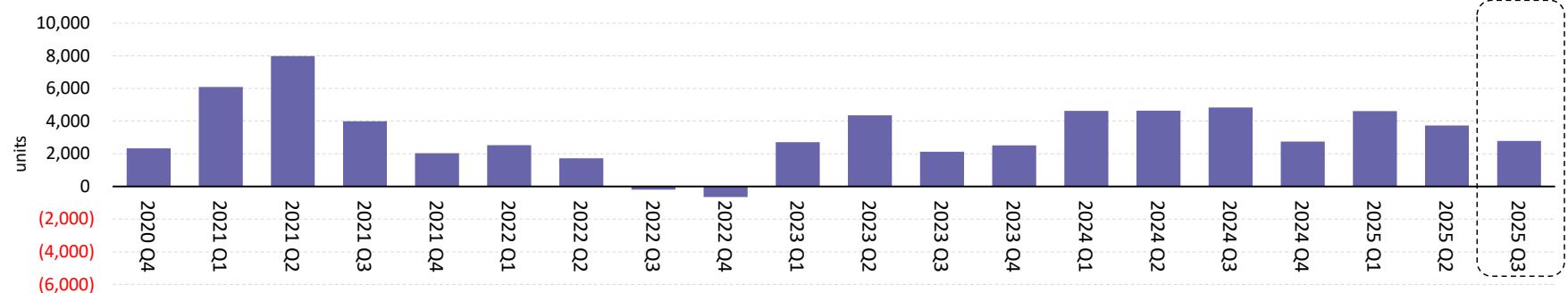
MoM % Chg	Aug-25	Indicator
% chg	0.2%	4.3 Total Jobs, Virginia (in millions, seasonally adjusted)
pct point	0	3.6% Unemployment Rate, Virginia (% seasonally adjusted)
QoQ Chg	4.4%	3.8% Gross Domestic Product, U.S. (seasonally adjusted annual rate)

Multifamily Market - Absorption & Construction Trends

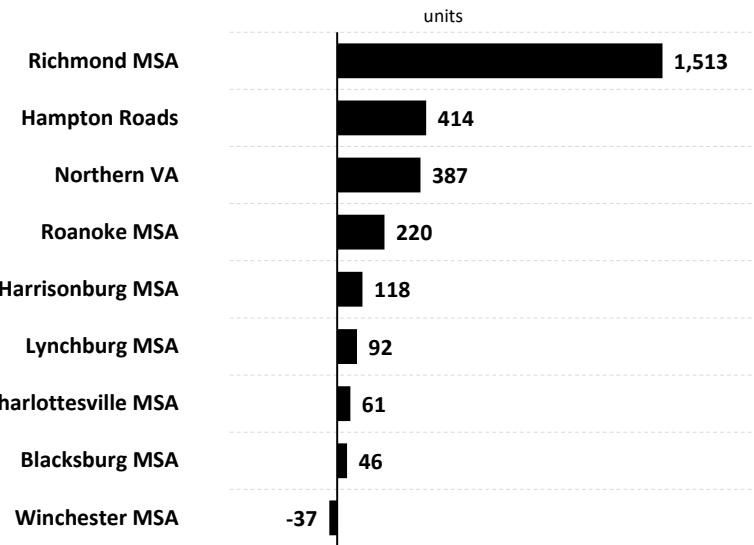
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VIRGINIA (Statewide)

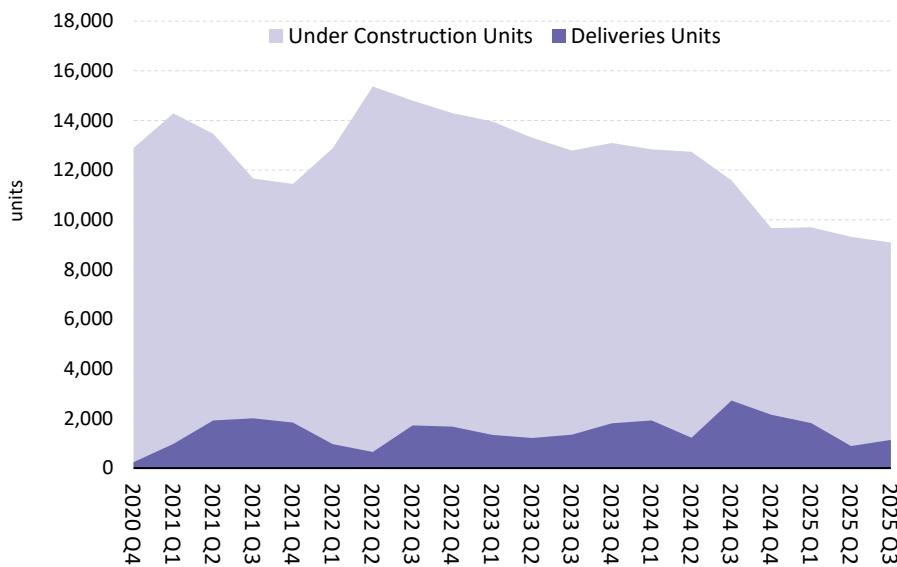
Net Absorption (units)



Q3-2025 Net Absorption by Metro Area (units)



Under Construction & Net Deliveries (units)



Virginia Multifamily Market

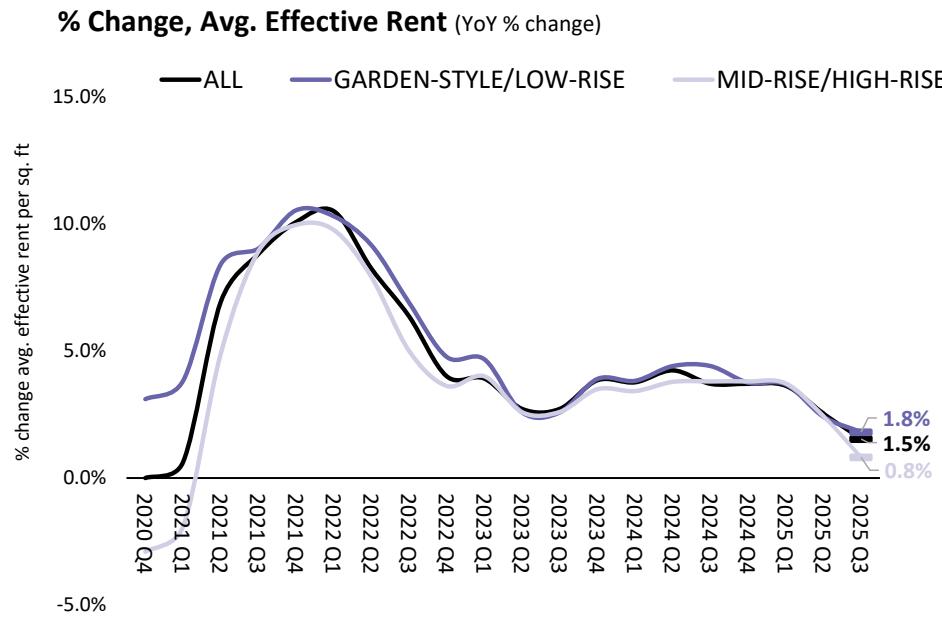
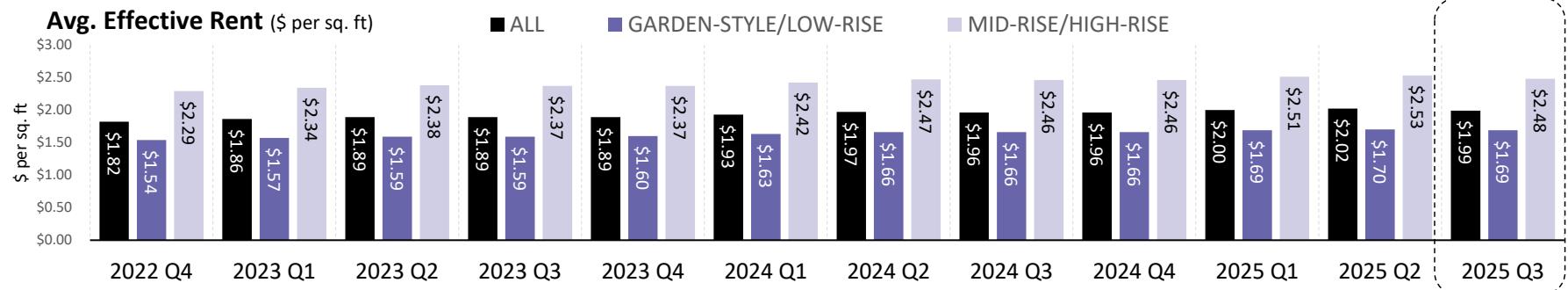
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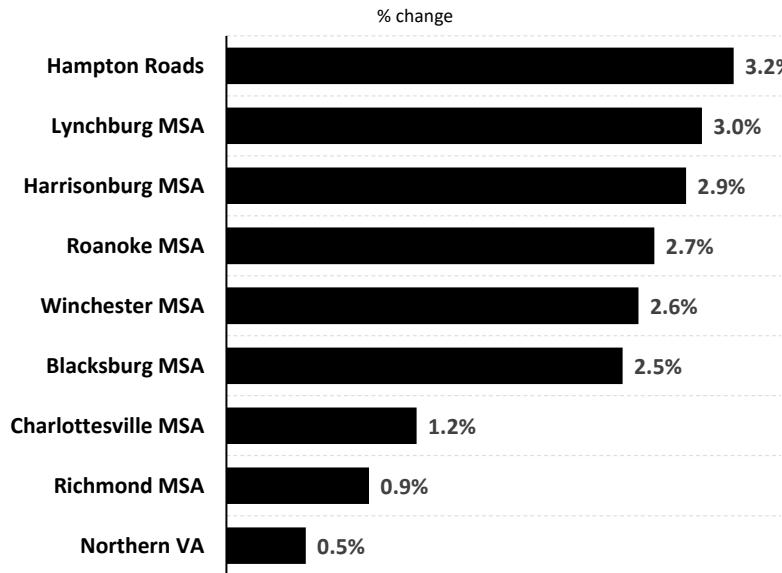
Multifamily Market - Rent Trends

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VIRGINIA (Statewide)



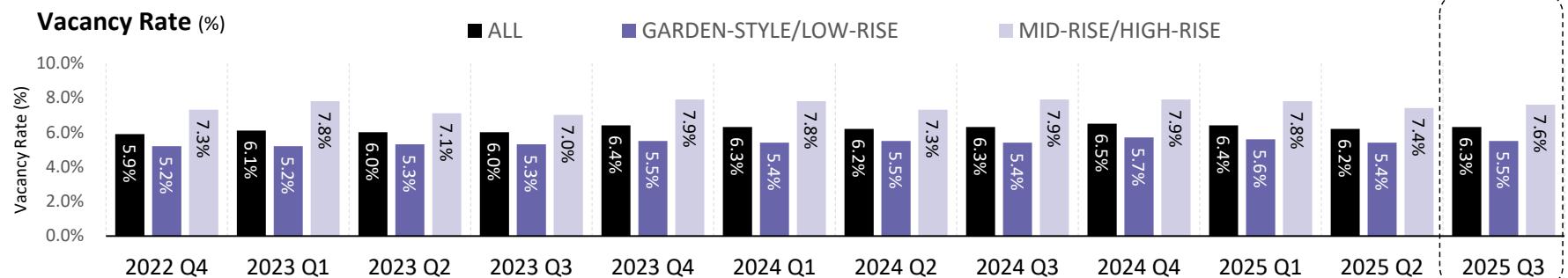
Q3-2025 by MSA: % Change, Avg. Effective Rent (YoY % change)



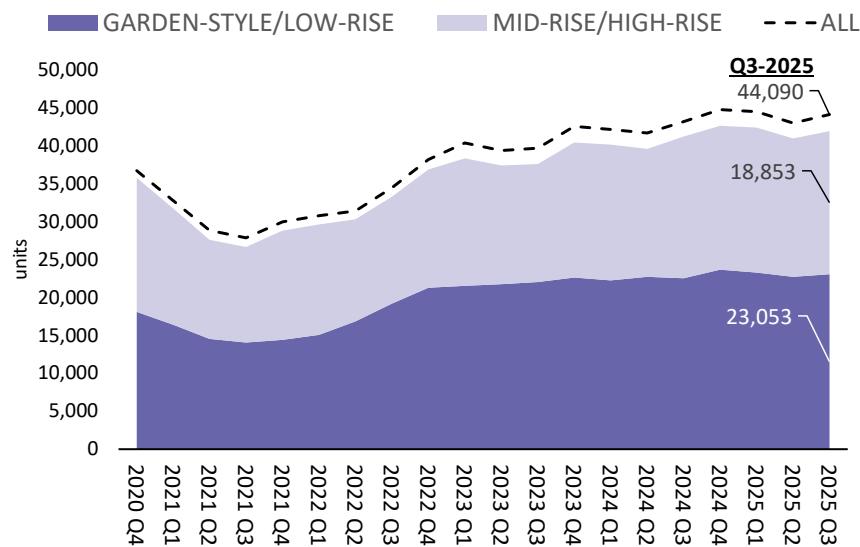
Multifamily Market - Vacancy Trends

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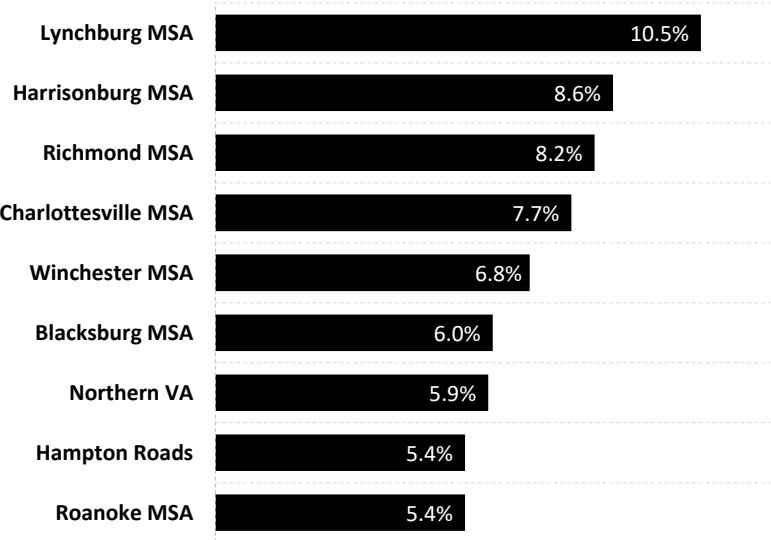
VIRGINIA (Statewide)



Vacant Inventory (units)



Q3-2025 Multifamily Vacancy Rate by MSA



MSA TRENDS

METROPOLITAN STATISTICAL AREA

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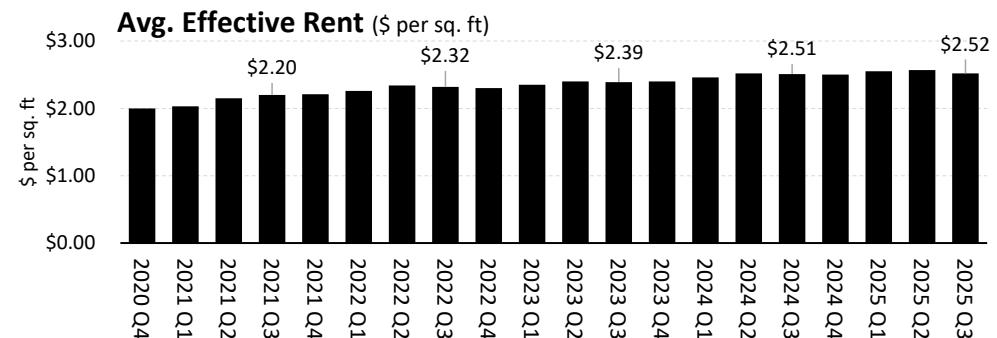
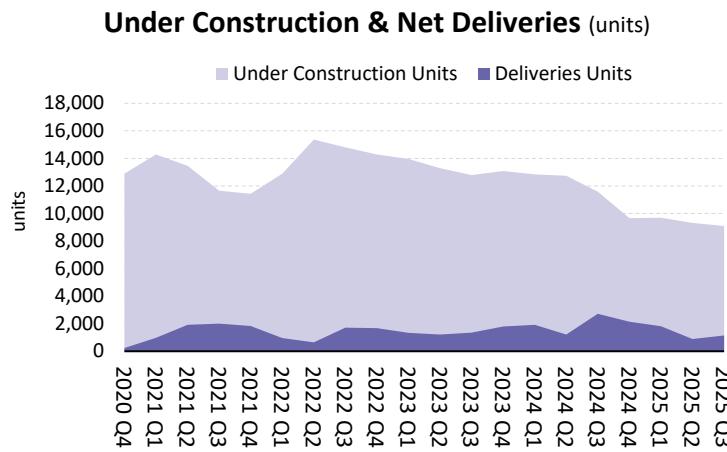
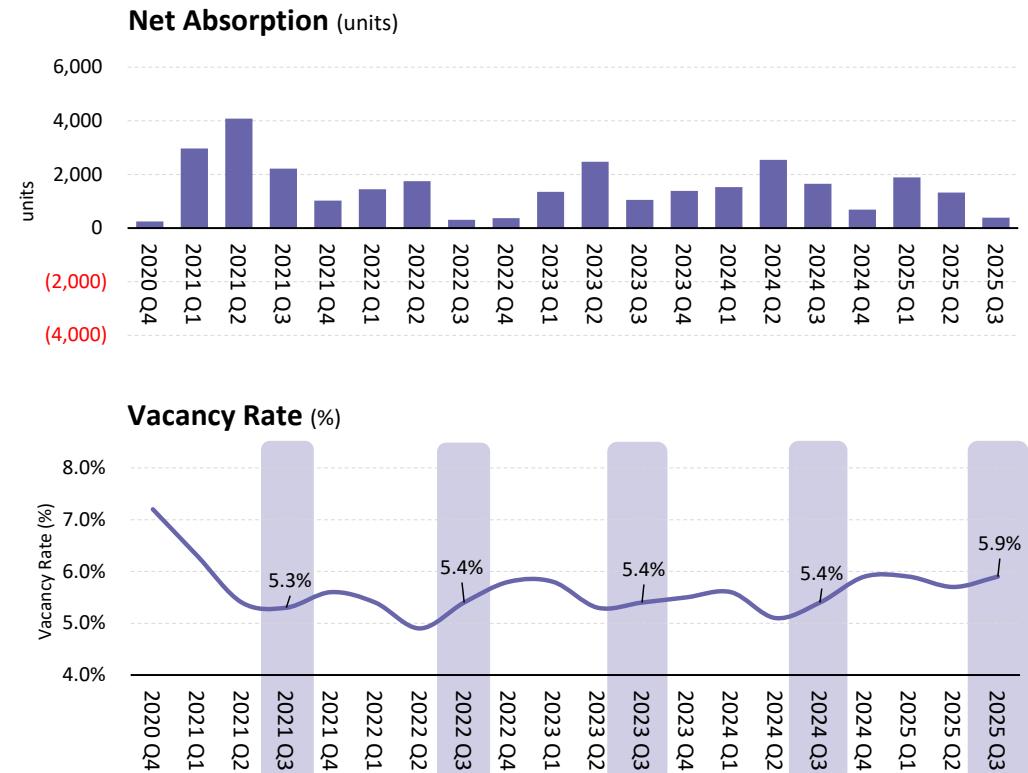
Snapshot of Multifamily Market Conditions Around Virginia

Multifamily Market - MSA Trends

NORTHERN VIRGINIA

Local Market Indicator Dashboard

	Q3-2025	YoY Chg
Total Inventory (units)	282,653	2.2% % chg
Vacancy Rate (%)	5.9%	0.2% pct points
Net Absorption (units)	387	-1,264 units
Avg. Effective Rent (\$/per unit)	\$2,266	\$12 \$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$2.52	\$0.01 \$ per sq. ft
Under Construction (units)	9,086	-2,495 units

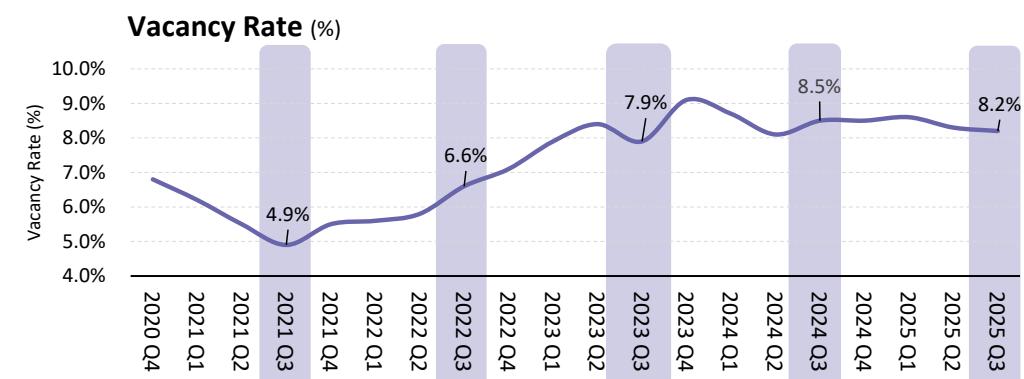
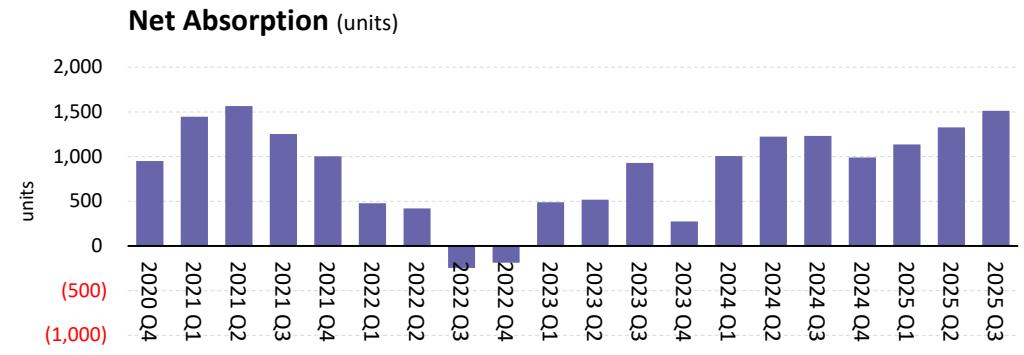


Multifamily Market - MSA Trends

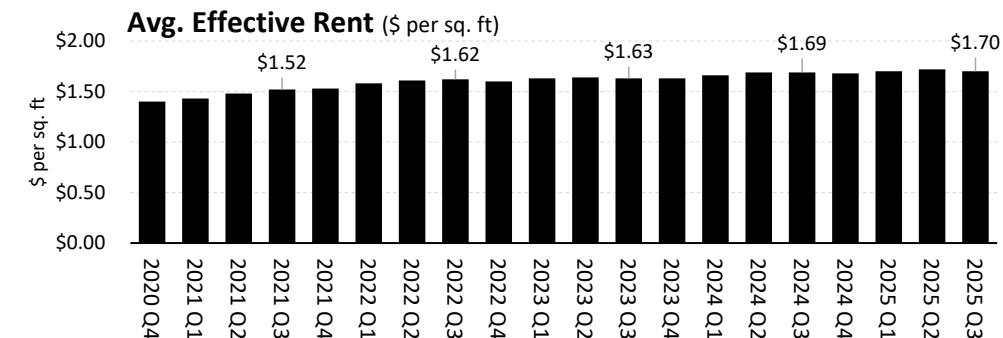
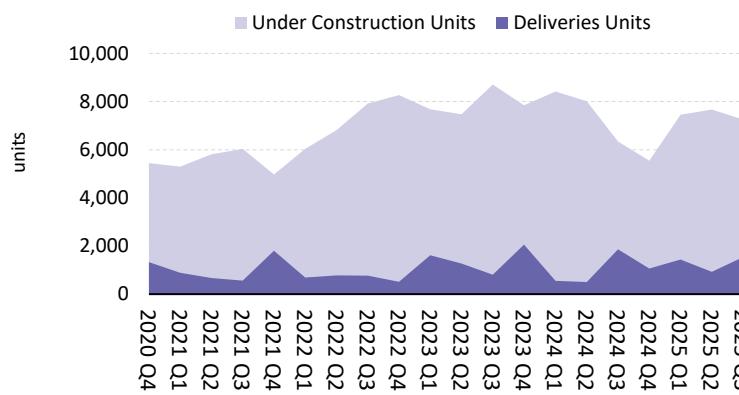
RICHMOND MSA

Local Market Indicator Dashboard

	Q3-2025	YoY Chg
Total Inventory (units)	143,262	3.6% % chg
Vacancy Rate (%)	8.2%	-0.3% pct points
Net Absorption (units)	1,513	282 units
Avg. Effective Rent (\$/per unit)	\$1,503	\$13 \$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.70	\$0.01 \$ per sq. ft
Under Construction (units)	7,257	921 units



Under Construction & Net Deliveries (units)



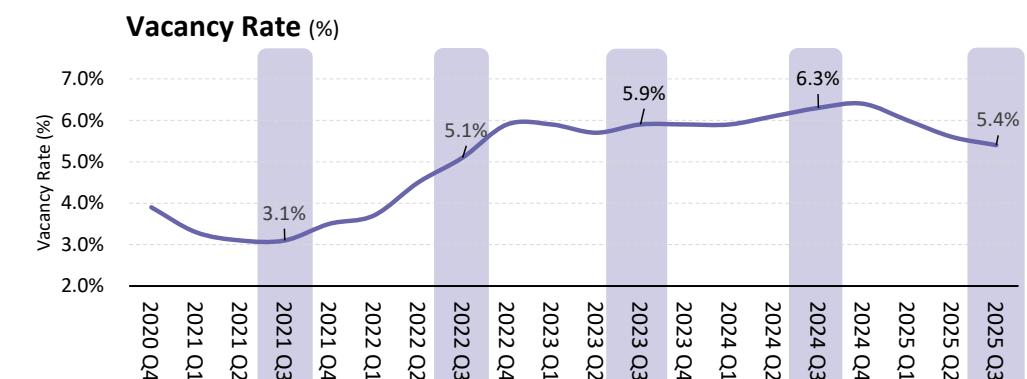
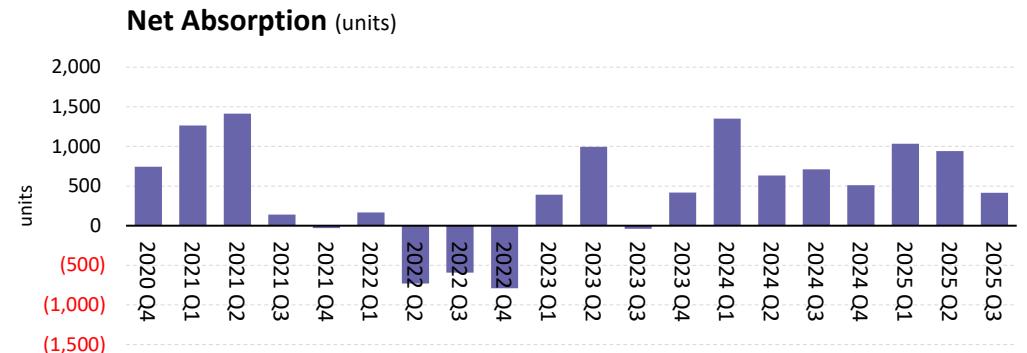
Multifamily Market - MSA Trends

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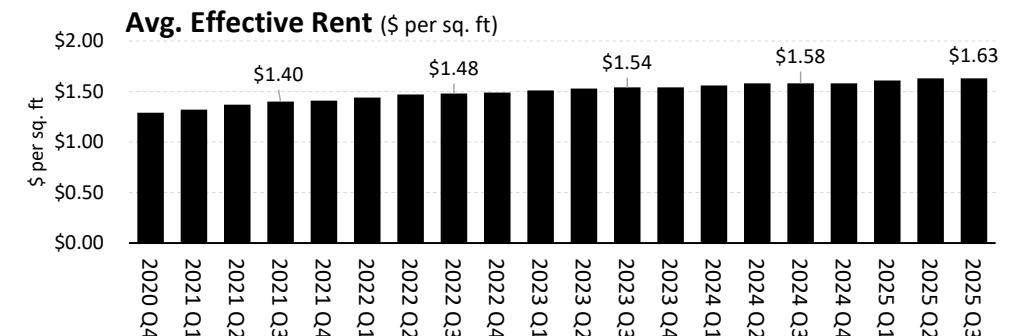
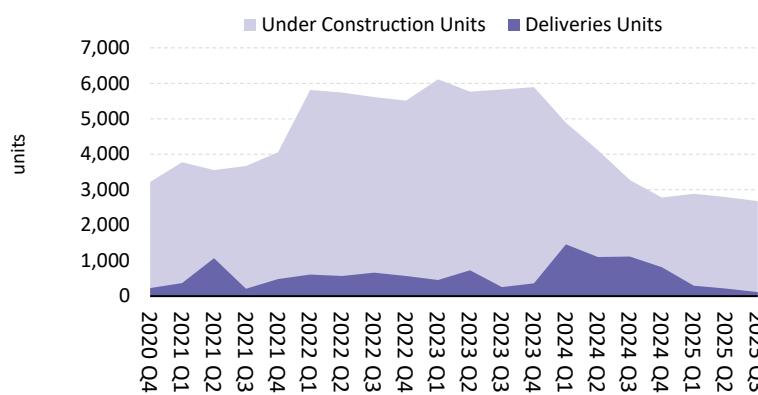
HAMPTON ROADS

Local Market Indicator Dashboard

	Q3-2025	YoY Chg
Total Inventory (units)	180,818	0.8% % chg
Vacancy Rate (%)	5.4%	-0.9% pct points
Net Absorption (units)	414	-297 units
Avg. Effective Rent (\$/per unit)	\$1,513	\$47 \$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.63	\$0.05 \$ per sq. ft
Under Construction (units)	2,681	-594 units



Under Construction & Net Deliveries (units)



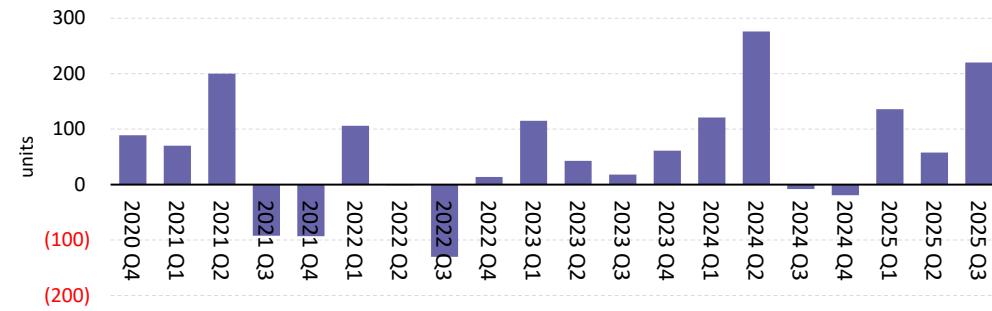
Multifamily Market - MSA Trends

📍 ROANOKE MSA

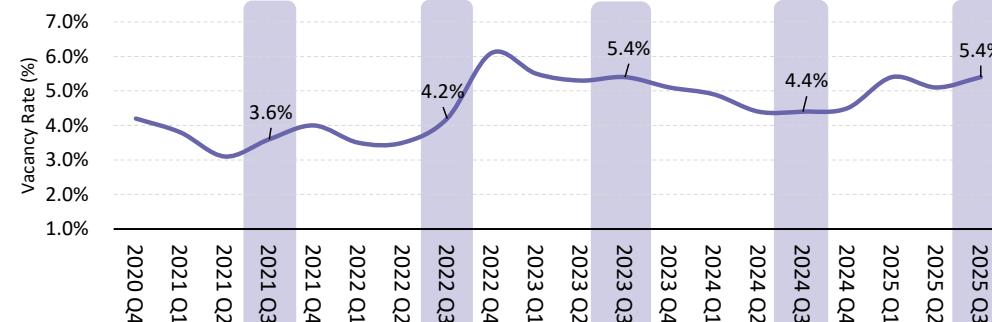
Local Market Indicator Dashboard

	Q3-2025	YoY Chg
Total Inventory (units)	20,896	3.1% % chg
Vacancy Rate (%)	5.4%	1.0% pct points
Net Absorption (units)	220	228 units
Avg. Effective Rent (\$/per unit)	\$1,194	\$31 \$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.36	\$0.03 \$ per sq. ft
Under Construction (units)	216	-408 units

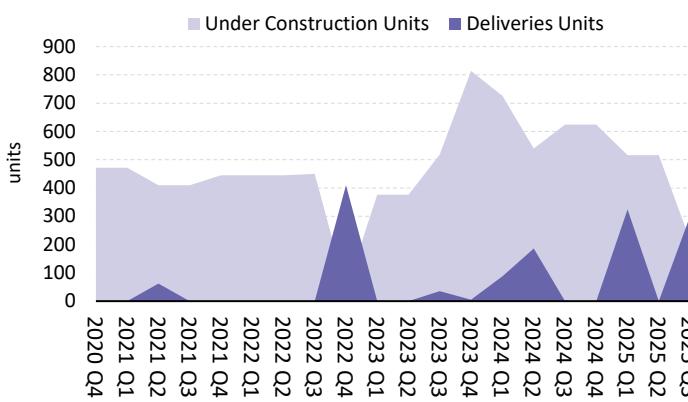
Net Absorption (units)



Vacancy Rate (%)



Under Construction & Net Deliveries (units)



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



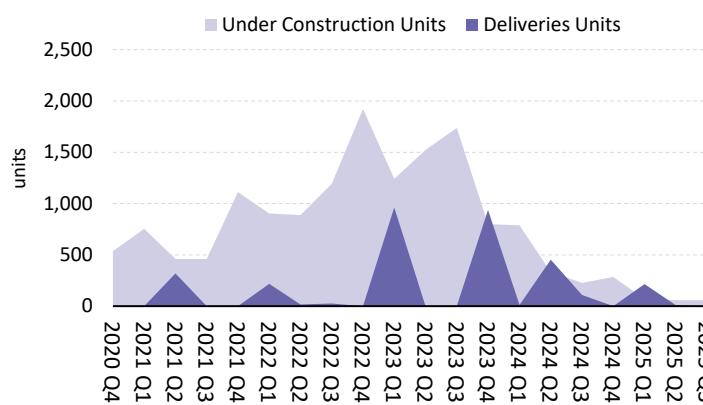
Multifamily Market - MSA Trends

LYNCHBURG MSA

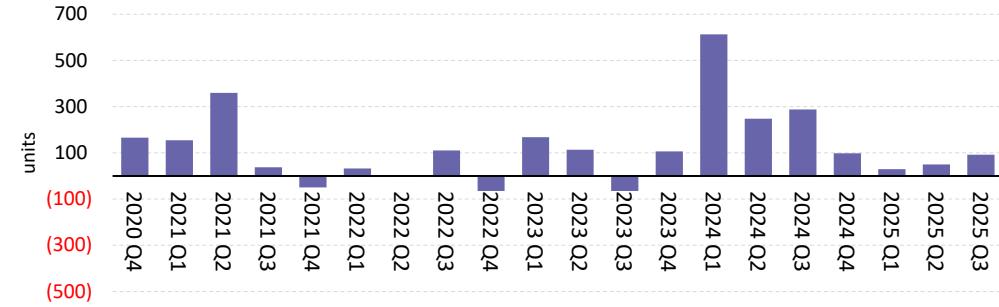
Local Market Indicator Dashboard

	Q3-2025	YoY Chg
Total Inventory (units)	16,048	1.4% % chg
Vacancy Rate (%)	10.5%	-0.4% pct points
Net Absorption (units)	92	-196 units
Avg. Effective Rent (\$/per unit)	\$1,170	\$35 \$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.19	\$0.04 \$ per sq. ft
Under Construction (units)	59	-167 units

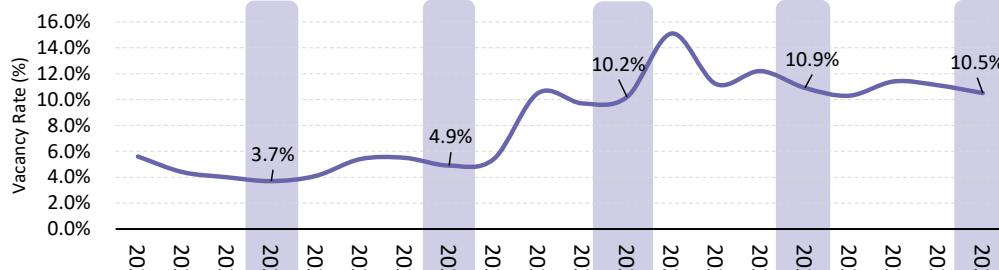
Under Construction & Net Deliveries (units)



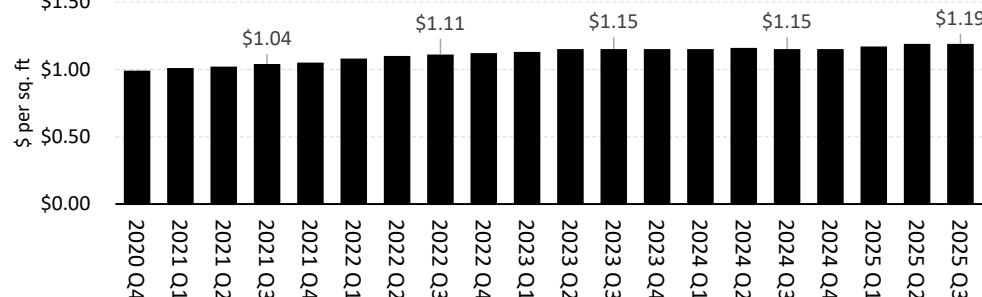
Net Absorption (units)



Vacancy Rate (%)



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



Multifamily Market - MSA Trends

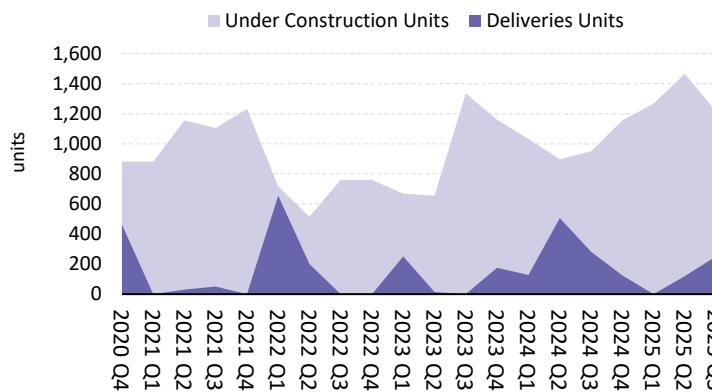
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CHARLOTTESVILLE MSA

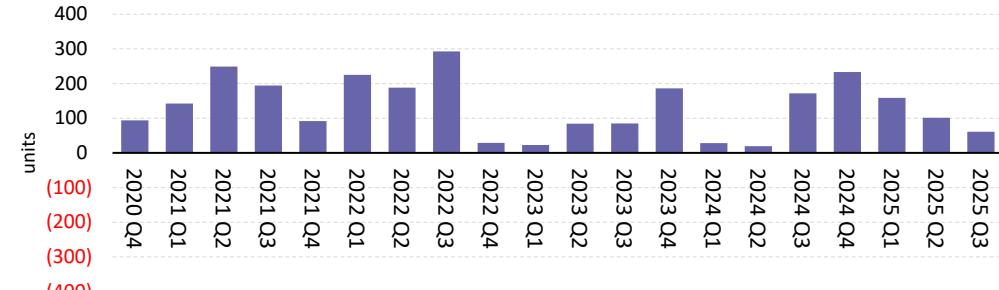
Local Market Indicator Dashboard

	Q3-2025	YoY Chg
Total Inventory (units)	16,120	3.2% % chg
Vacancy Rate (%)	7.7%	-0.6% pct points
Net Absorption (units)	61	-111 units
Avg. Effective Rent (\$/per unit)	\$1,773	\$21 \$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.82	\$0.02 \$ per sq. ft
Under Construction (units)	1,215	264 units

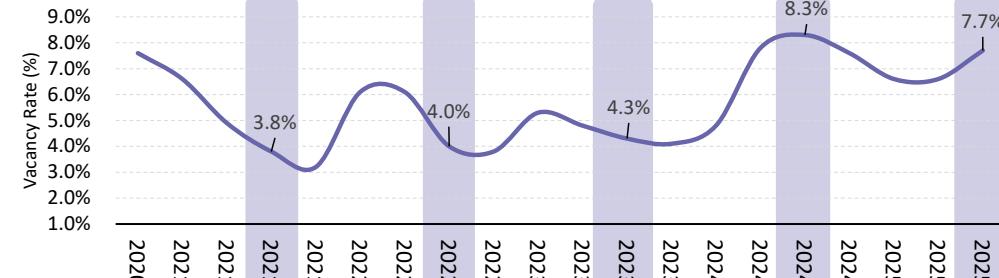
Under Construction & Net Deliveries (units)



Net Absorption (units)



Vacancy Rate (%)



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



Multifamily Market - MSA Trends

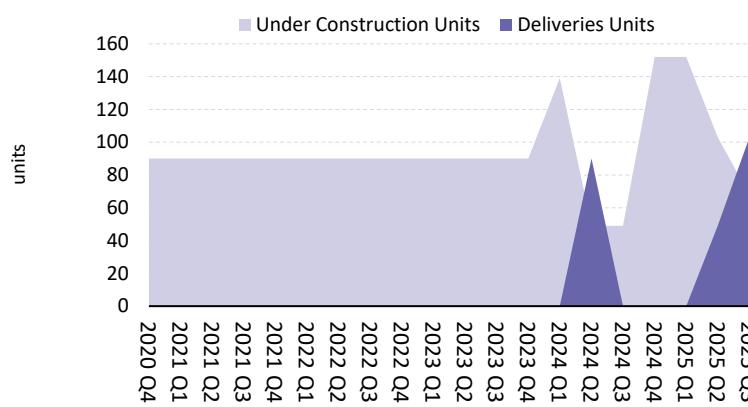
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BLACKSBURG MSA

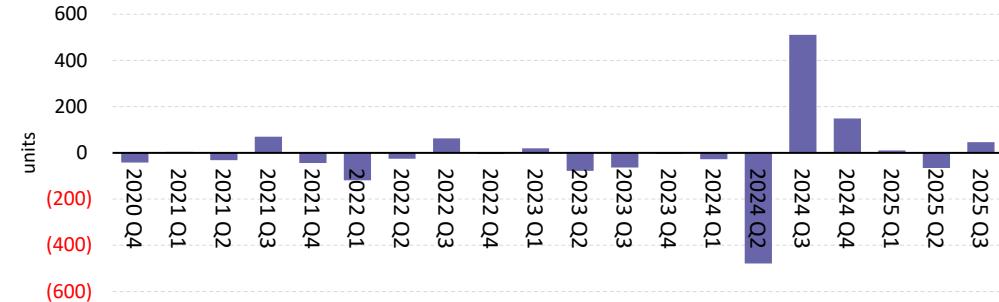
Local Market Indicator Dashboard

	Q3-2025	YoY Chg
Total Inventory (units)	9,662	1.6% % chg
Vacancy Rate (%)	6.0%	0 pct points
Net Absorption (units)	46	-465 units
Avg. Effective Rent (\$/per unit)	\$1,316	\$32 \$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.41	\$0.03 \$ per sq. ft
Under Construction (units)	68	19 units

Under Construction & Net Deliveries (units)



Net Absorption (units)



Vacancy Rate (%)



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



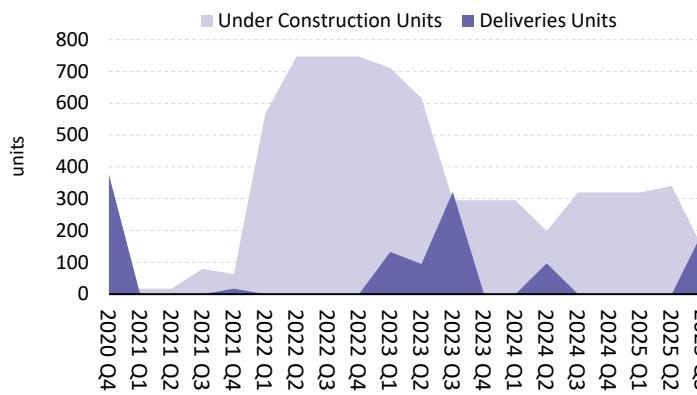
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WINCHESTER MSA

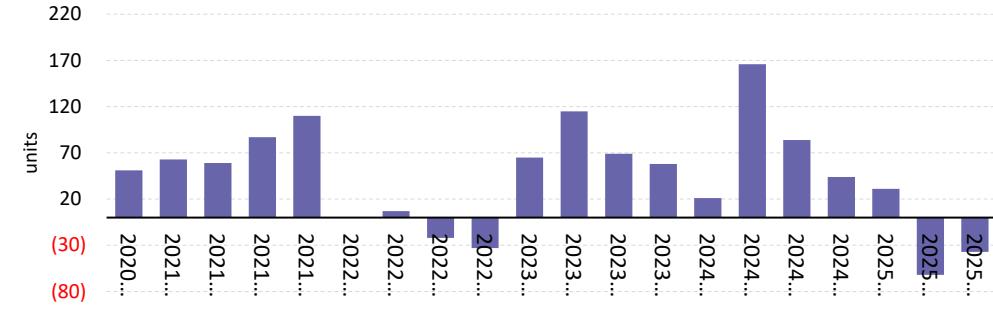
Local Market Indicator Dashboard

	Q3-2025	YoY Chg
Total Inventory (units)	7,207	2.8% % chg
Vacancy Rate (%)	6.8%	3.0% pct points
Net Absorption (units)	(37)	-121 units
Avg. Effective Rent (\$/per unit)	\$1,513	\$38 \$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.59	\$0.04 \$ per sq. ft
Under Construction (units)	142	-178 units

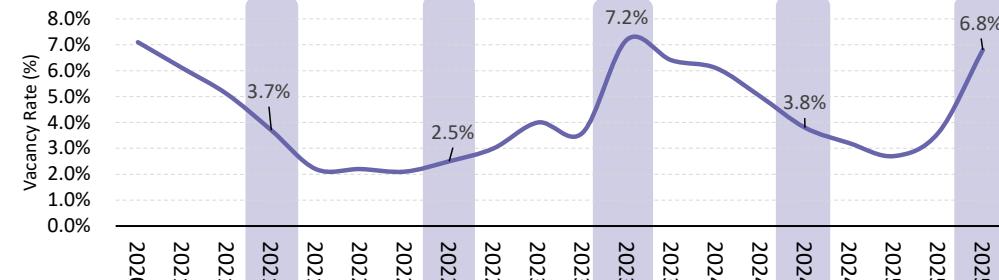
Under Construction & Net Deliveries (units)



Net Absorption (units)



Vacancy Rate (%)



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



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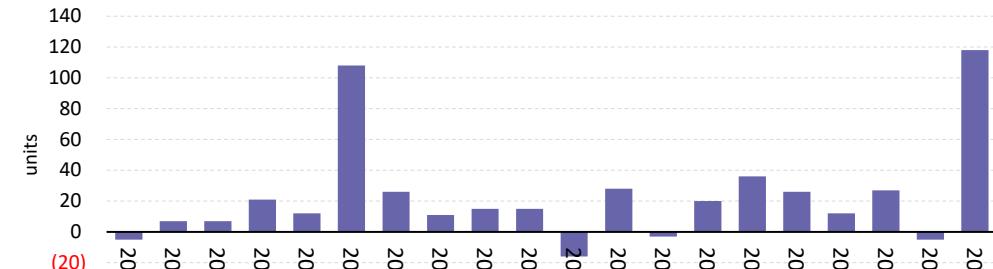
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HARRISONBURG MSA

Local Market Indicator Dashboard

	Q3-2025	YoY Chg
Total Inventory (units)	5,429	10.3% % chg
Vacancy Rate (%)	8.6%	6.3% pct points
Net Absorption (units)	118	92 units
Avg. Effective Rent (\$/per unit)	\$1,363	\$39 \$ per unit
Avg. Effective Rent (\$/per sq. ft)	\$1.47	\$0.05 \$ per sq. ft
Under Construction (units)	394	-113 units

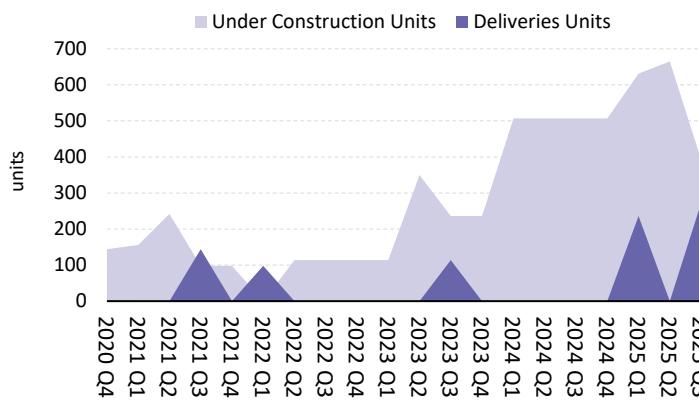
Net Absorption (units)



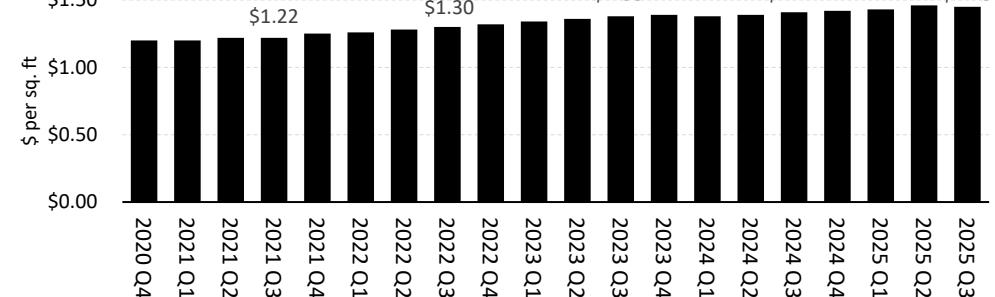
Vacancy Rate (%)



Under Construction & Net Deliveries (units)



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



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All inquiries regarding this report may be directed to:

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Data and analysis provided by Virginia REALTORS® Research Team.

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