MARKETBEAT
RICHMOND, VA
MULTIFAMILY Q2 2026

CUSHMAN & WAKEFIELD THALHIMER

MARKET FUNDAMENTALS

	YOY Chg	Outlook
9.0% Vacancy Rate	—	▼
1,132 YTD Net Absorption, units	▼	▲
$1,588 Effective Rent, per unit	▼	▲

(Overall, All Property Classes)

ECONOMIC INDICATORS

	YOY Chg	Outlook
727.3K Richmond MSA Employment	▼	▲
3.8% Richmond MSA Unemployment Rate	▲	▼
0.5% Richmond MSA Population Growth	▼	▲

Source: BLS

ECONOMY: DIVERSE INDUSTRY BASE

The Richmond region saw sustained growth through the first half of the year, with unemployment rates well below national numbers. Greater Richmond continues to outperform peer markets in job growth, and 2026 rankings from Fortune magazine name the region as one of the most corporate-headquarters-dense metros in the country with 12 locally headquartered companies in the Fortune 1000. The region's diverse industry base remains a key factor in the stability of the job market, and the expansive presence of VCU and VCU Health, which generates more than $15.8 billion in annual economic impact and supports more than 80,000 jobs, reinforces the talent pipeline and innovation ecosystem.

SUPPLY AND DEMAND: ABSORPTION KEEPING PACE

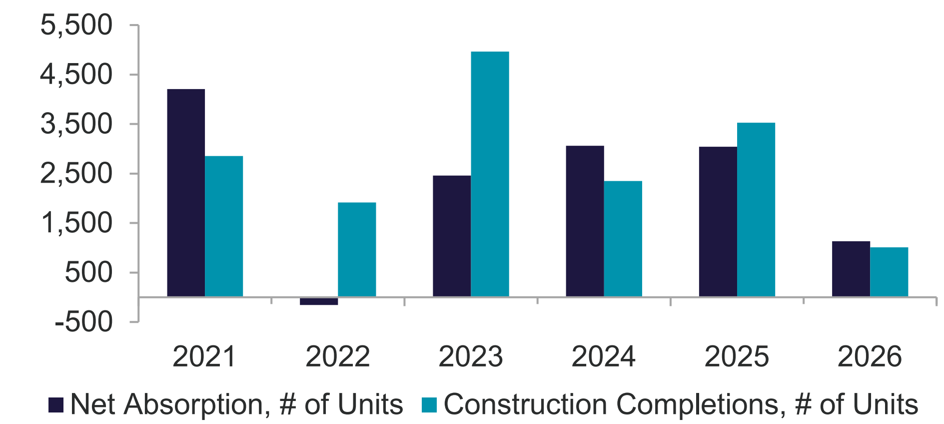
Overall vacancy closed the quarter down 10 basis points (bps) year-over-year (YOY), and down 10 bps quarter-over-quarter (QOQ) as net absorption numbers continue to keep pace with deliveries. The pipeline remains active with 4,410 units currently in development, with multiple new projects breaking ground since the start of the year. Demolition is underway at Willow Circle, a new 228-unit project that will replace three older vintage office buildings in the near West End across from the Willow Lawn shopping center. Allen Investment Partners (AIP) has started demolition of the former Greyhound bus terminal in Scott's Addition, located adjacent to the Diamond District and CarMax Park, with plans for a sizable mixed-use development that can accommodate more than 650 apartments at full buildout.

In Chesterfield County, construction is set to begin on The Silas, a 390-unit project located near the Bermuda Square shopping center, and permits have been filed for the next phase of Springline at District 60. The planned Northbend at District 60 will include 250 units and 13,000 square feet of ground-level retail with an estimated project cost of $80 million.

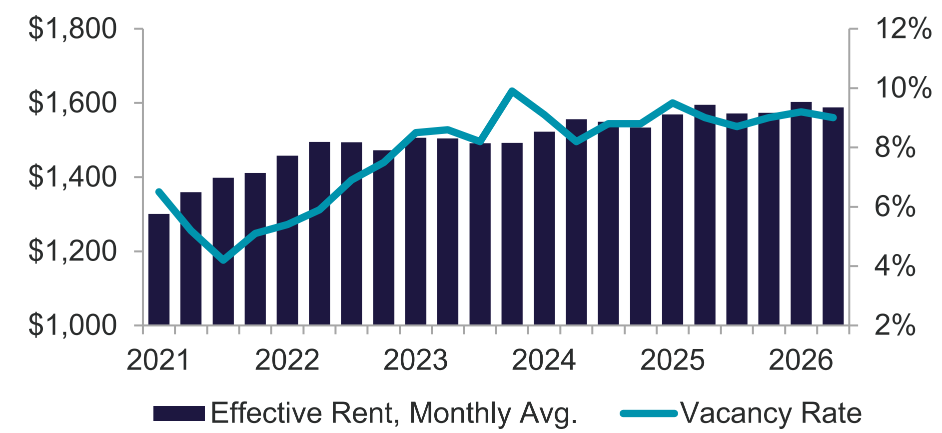
PRICING: RENT GROWTH MODERATES

Effective rents reached the midyear mark up 0.6% YOY as growth rates continue to moderate. Year-to-date sales volume has topped $369 million, a sharp increase compared to the first half of last year, with the largest transfers centered around the Innsbrook area of Western Henrico. Located in the Capitol Square area of downtown, the 174-unit Edison Apartments transferred in the second quarter from Armada Hoffler to Harbor Group International for $28 million, approximately $161,000 per unit.

DEMAND / DELIVERIES



OVERALL VACANCY & EFFECTIVE RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	YTD DELIVERIES (UNITS)	YTD % INVENTORY GROWTH	UNDER CNSTR (UNITS)	YTD NET ABSORPTION (UNITS)	VACANCY RATE	YOY VACANCY RATE CHANGE (BPS)	AVG EFFECTIVE RENT / UNIT	AVG EFFECTIVE RENT PSF	YOY % EFFECTIVE RENT GROWTH
Central	15,186	0	0.0%	1,837	419	10.8%	70	$1,657	$2.14	-0.9%
Chesterfield	13,950	104	0.7%	0	309	7.0%	70	$1,686	$1.71	1.9%
East Richmond/Henrico	4,550	0	0.0%	0	4	7.8%	-90	$1,416	$1.58	9.4%
Hanover	1,972	0	0.0%	232	-5	4.6%	-30	$1,745	$1.84	2.8%
Midlothian	8,085	0	0.0%	386	45	8.3%	-450	$1,770	$1.78	-0.2%
Near West End	1,554	0	0.0%	0	19	17.2%	-750	$1,801	$2.10	-3.8%
North Richmond	2,489	0	0.0%	0	-9	8.5%	110	$1,333	$1.66	1.4%
South Richmond	15,303	289	1.9%	746	19	10.4%	180	$1,413	$1.67	0.3%
Tri-Cities	5,611	0	0.0%	0	29	9.2%	-90	$1,223	$1.38	4.4%
Western Henrico	28,079	615	2.2%	1,209	300	8.5%	-20	$1,626	$1.78	-0.2%
RICHMOND, VA TOTALS	**96,779**	**1,008**	**1.0%**	**4,410**	**1,130**	**9.0%**	**-10**	**$1,588**	**$1.78**	**0.6%**

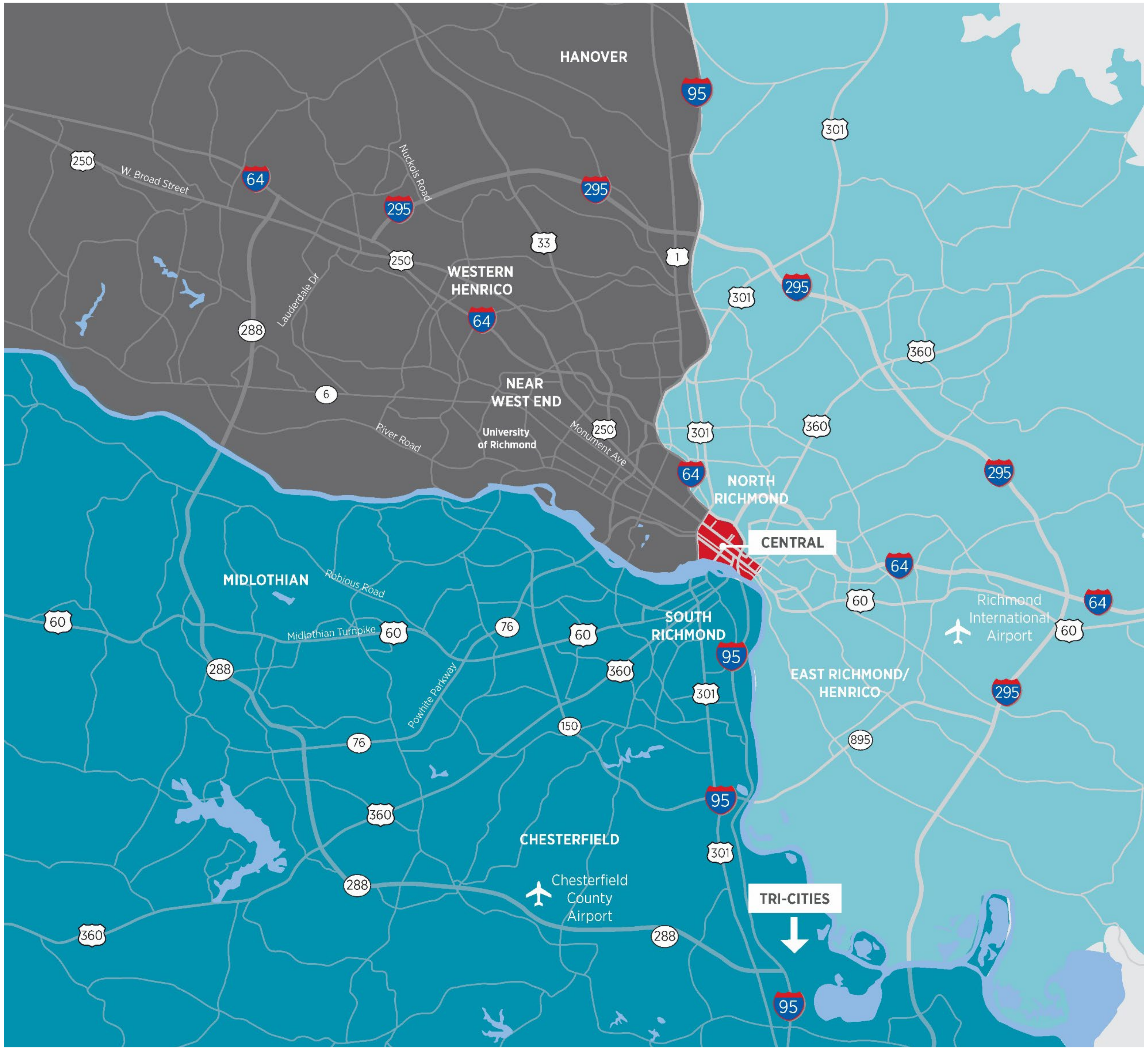
NOTABLE CONSTRUCTION PIPELINE

PROPERTY	SUBMARKET	OWNER / DEVELOPER	UNITS	COMPLETION DATE
Harp's Landing Apartments	Western Henrico	Gumenick Properties / Gumenick Properties	398	Q4 2027
2700 West Leigh Street	Midtown Richmond	Greystar Real Estate Partners / Greystar Real Estate Partners	388	Q4 2026
3200 West Moore Street	Scott's Addition	Hoffman & Associates / Hoffman & Associates & DeBartolo Development	366	Q3 2027
Three Notch'd Flats	Western Henrico	Edward Rose & Sons / Edward Rose & Sons	325	Q3 2026
The Regent at Regency	Western Henrico	Rebkee Company / Thalhimer Realty Partners	314	Q3 2026
The Porter	The Diamond	Mid-America Apartment Communities Inc. / Mid-America Apartment Communities Inc.	306	Q4 2026
Altitude on Main	City Center Richmond	RPC Realty Capital LLC / RPC Realty Capital LLC	302	Q2 2026
Scottwood	Western Henrico	Harbor Group International / Middleburg Communities	299	Q3 2027
Alexan Manchester	Swansboro	Trammell Crow Residential / Trammell Crow Residential	260	Q3 2027
200 E Marshall Street	City Center Richmond	SNP Properties / SNP Properties	254	Q1 2027
1600 Rhoadmiller St	The Diamond	Spy Rock Real Estate / Spy Rock Real Estate	247	Q3 2027
Poppy	Uptown Richmond	Audeo Partners / Audeo Partners	221	Q1 2027
The Hues at City View	Old Town Manchester	Thalhimer Realty Partners / Thalhimer Realty Partners	211	Q3 2026

KEY SALES TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	SELLER / BUYER	UNITS	PRICE / $ UNIT
The Edison Apartments	Capitol District	AH Realty Trust Inc. / Harbor Group International	174	$28M / $161k
Ivy Gates	Petersburg	Greencove Capital Group / Chaudry Capital Management	120	$17.7M / $148k
Soda Flats	Scott's Addition	Bank Street Advisors / SNP Properties	89	$17M / $191k

MULTIFAMILY SUBMARKETS



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