

DEVELOPMENT

WHAT'S NEW IN COMMERCIAL AND RESIDENTIAL REAL ESTATE IN THE CHARLOTTE REGION.

TUESDAY, FEBRUARY 12, 2013

Economist says Charlotte apartment market not in current danger of being overbuilt

If you spot a construction crane around Charlotte, chances are good it's being used to build an apartment complex.

While much of commercial real estate has remained relatively stagnant since the financial crisis hit in 2008, the multifamily sector has been running hot. Developers are currently building more than 4,000 units and thousands more are in the works.

The surge has some real estate professionals worrying the market is being overbuilt.

But Kevin Thorpe, chief economist with real estate firm Cassidy Turley tells the Observer he is not worried about the market running too hot.

In fact, he said, he thinks Charlotte needs even more units. Currently, the vacancy rate is 5.2 percent, which he described as "so low."

"There is very, very strong demand," he said. "I know there's a fear about overdevelopment. And this industry has a tendency to do that. But demand for apartment units has exceeded new supply in Charlotte for three years."

Rents are also forecast to grow steadily, a healthy four to five percent a year he said.

There could be some extra supply in 2014 or 2015, he said. But he doesn't see it being a big problem for property owners.

It could, however, provide relief for renters. If vacancy rates rise, some complexes will probably slow their rent growth to 2 percent or 3 percent annually, instead of 5 percent.

As Thorpe said: "Renters could see a little bit of a breather."

POSTED BY KERRY SINGE AT 1:15 PM 

2 COMMENTS:

Anonymous said...

Don't let these old guys sweet talk you. If there is no concrete reasoning or MATH behind someone's thinking or planning then I don't need to read or meet about hunches. Thanks Miss Brandy ! .. hope to see you soon, if I survive

SHARE IT

 [Share this on Facebook](#)

 [Tweet this](#)

[View stats](#)

 [\(NEW\) Appointment gadget >>](#)



Kerry Singe

ABOUT THIS BLOG

Kerry Singe has covered business, including writing about real estate and the economy, for the Observer for nearly 10 years. You can e-mail her or reach her at 704-358-5085

SUBSCRIBE TO

 Posts 

 Comments 

BLOG ARCHIVE

▼ 2013 (57)

▶ March (12)

▼ February (23)

[Homeowners' association gets creative with delinqu...](#)

[Foreclosures up in the Carolinas during 2012](#)

[Unlocking the strategy behind real estate listings...](#)

[Engineering/consulting firm expands into Charlotte...](#)

[New online resource available for those in short-t...](#)

[Charlotte leaders honored for creative thinking in...](#)

FEBRUARY 12, 2013 AT 11:07 PM

Anonymous said...

agree, very skeptical re these numbers...
and who in the world can read the security words below, signing off...
not worth the effort...

FEBRUARY 12, 2013 AT 11:51 PM

Post a Comment

[Newer Post](#)

[Home](#)

[Older Post](#)

Subscribe to: [Post Comments \(Atom\)](#)

[CBRE taps Charlotte woman as African American Netw...](#)

[New buyer could close on One Wells in April](#)

[Mint Hill Festival shopping center sells](#)

[New leases signed and renewed](#)

[Charlotte's ULI chapter holds first women's leader...](#)

[Economist says Charlotte apartment market not in c...](#)

[Keith Corp. sells 10 Charlotte-area industrial pro...](#)

[Wells Fargo report praises national housing market...](#)

[Crescent Resources raises more capital](#)

[Charlotte could become an Austin, Texas, former re...](#)

[Charlotte firm says office market will rebound fas...](#)

[Davidson-based Rose and Associates expands service...](#)

[Charlotte home sales surge in January](#)

[Charlotte area home prices rise in December, but l...](#)

[Firethorne Country Club sells Allen Tate opens new office](#)

[Real estate visionaries announced](#)

► [January \(22\)](#)

► [2012 \(88\)](#)

► [2011 \(28\)](#)

FACEBOOK SHARE

[Share](#)

[View stats](#)

UPTWEET

[uptweet](#)

[View stats](#)

LEGAL

[Terms of Service](#)

[Privacy Policy](#)

[About Our Ads](#)

