



Market Intelligence Norfolk/Virginia Beach, VA Multifamily Investment Market Report

August 2026

Mid-2026 Outlook

Longview Commercial's bi-annual, institutional-grade market intelligence publication — designed to give accredited investors, whether new to private real estate funds or experienced in direct asset ownership, a clear, unvarnished view of the markets we target for deployment.

Each edition focuses on a single metropolitan market, assessed across the dimensions that matter most: demographic momentum, employment health, supply/demand dynamics, capital flows, and submarket selectivity. Our goal is not simply to share data, but to translate that data into investment context relevant to a diversified multifamily portfolio.

Norfolk/Virginia Beach, Virginia serves as our twenty-third edition and the second Virginia market in this series in the Longview portfolio strategy. As one of the nation's most dynamic Sunbelt metros, Norfolk/Virginia Beach exemplifies both the opportunity and the nuance that sophisticated multifamily investing demands. The following pages present our mid-2026 assessment.

“Hampton Roads posted the third-highest annual apartment rent growth among the nation's top 50 markets, with only 648 units under construction — 0.5% of total inventory. The world's largest naval base does not care about interest rate cycles the way most Sunbelt demand drivers do.”

How to Read This Report

This publication is organized into nine substantive sections following this overview. Readers new to multifamily investing will find grounding context in the market fundamentals and demographic sections. More experienced capital allocators will find granular submarket data, risk analysis, and our forward outlook of greatest value.

New to Private Multifamily

Start with the market fundamentals and demographic sections for grounding context before moving into submarket-level detail.

Experienced Capital Allocators

Submarket data, competitive landscape, forward outlook, and our risk matrix carry the greatest weight for your review.

Data Sources

Northmarq, Newmark, CoStar Group (via licensed sources), Marcus & Millichap, U.S. Census Bureau, and institutional research, as of mid-2026.

Where sources conflict, we present the range rather than a single point estimate. Market conditions evolve; investors should conduct independent due diligence and consult offering documents.

Our Philosophy

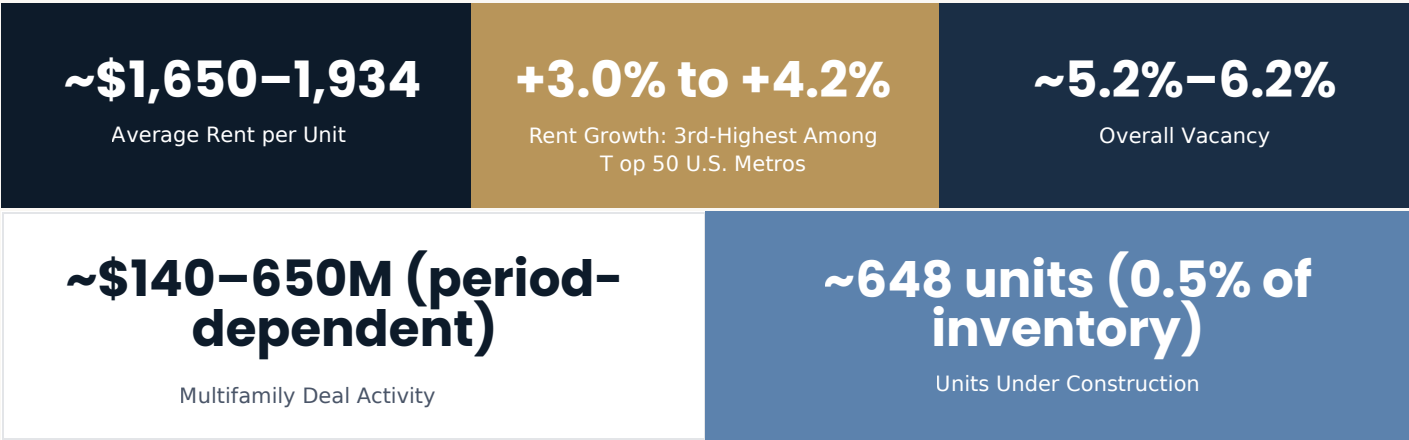
Built as a portfolio. Not a single bet. Longview constructs diversified, multi-market, multi-operator multifamily portfolios for accredited investors, grounded in disciplined capital allocation and long-term value creation rather than single-asset speculation.

A Note on This Report

This is market research, not an offer. It does not describe the terms of, or constitute a solicitation for, any specific Longview Commercial fund or offering. See disclosures on the final page.

This Is What Norfolk/Virginia Beach Looks Like

Longview Commercial specializes in constructing diversified institutional-quality multifamily portfolios for accredited and sophisticated investors. This report delivers an independent, data-driven assessment of the Norfolk/Virginia Beach (Hampton Roads) multifamily sector as of mid-2026, focusing on metrics that signal market health, investment viability, and long-term positioning.



Sources: Northmarq, Newmark, CoStar Group. Data as of Q1–Q2 2026.

One of the Tightest, Best-Performing Markets in This Entire Series

Hampton Roads posted effective rent growth of approximately 4.1% year-over-year as of Q1 2026 — the third-highest annual apartment rent growth among the top 50 U.S. markets, per Newmark — while vacancy ran approximately 5.2– 6.2%, meaningfully below the roughly 8.6% national average cited by CoStar-sourced data. This is among the tightest, best-performing multifamily markets of any profiled in this series.

The supply picture is equally striking: only approximately 648 units remained under construction as of mid-2026, representing just 0.5% of total inventory — one of the lowest construction-pipeline ratios of any market Longview tracks. Following roughly 2,250 units delivered in 2025, permitting has already pulled back further, limiting incremental supply pressure through the remainder of 2026.

Current indicators point to a structurally tight, defense-anchored market with limited near-term supply risk:

- Units under construction represent just 0.5% of total inventory, among the lowest ratios of any market in this series.
- Absorption continued to outpace deliveries in Q1 2026, even as both metrics declined year-over-year from an unusually strong prior-year comparison.
- Most major submarkets achieved vacancy rate declines exceeding 100 basis points in 2025.
- Median sale price per unit rose approximately 30% year-over-year to \$161,500, reflecting heightened investor competition for well-located, stabilized communities.

Within the Longview portfolio, Hampton Roads offers a genuinely different demand anchor than any other market in this series: the world's largest naval base and a Fortune 500 shipbuilder, both of which generate demand with limited correlation to broader economic or interest-rate cycles.

General Metro Norfolk/Virginia Beach Metrics

Economy & Demographics



The Virginia Beach-Norfolk-Newport News, VA-NC metropolitan statistical area reached approximately 1.78–1.79 million residents as of 2023 estimates, with the broader combined statistical area (including additional North Carolina counties) reaching approximately 1.89 million. This is among the larger metro populations of any market profiled in this series, though growth has historically been steadier than the faster-growing Sunbelt metros elsewhere in this report series.

Employment & Labor Force

We did not identify a current, precise metro-wide employment growth percentage with the same rigor available for several other markets in this series. Available data indicates a median household income across the broader MSA of approximately \$79,325, reflecting a mix of defense-related professional salaries and service-sector wages, with individual cities like Norfolk reporting notably lower figures (approximately \$62,382).

Job Diversity & Industry

Anchored by the U.S. Navy's largest base, Naval Station Norfolk, home to the world's largest concentration of naval assets and the hub of the Atlantic Fleet. Virginia Beach hosts Naval Air Station Oceana (the city's largest employer) and Naval Amphibious Base Little Creek, both considered the largest of their respective kinds in the world. Newport News Shipbuilding, a division of Huntington Ingalls Industries, is the only U.S. shipyard capable of building nuclear-powered aircraft carriers and represents one of the region's largest industrial employers. The Port of Virginia adds a substantial maritime logistics component.

Fortune 500 Headquarters

Huntington Ingalls Industries, the parent company of Newport News Shipbuilding and the nation's largest military shipbuilder, is headquartered in Newport News, within the Hampton Roads metro — a genuine Fortune 500 anchor for this market, distinct from several other secondary markets profiled in this series where no such headquarters was identified.

Demographics & Renter Population

A renter base heavily shaped by military personnel and their families, with peak Permanent Change of Station (PCS) season each summer driving a pronounced seasonal surge in relocations that fills vacancies largely independent of broader economic conditions. Neighborhoods near major installations, including areas north of I-264 in Virginia Beach, draw particularly strong and consistent demand from military families.

Crime & Livability Trends

A genuinely bifurcated picture across the metro's constituent cities. Norfolk specifically was ranked among the nation's worst for rising homicide rates in one 2026 analysis (8th nationally), earning an overall crime grade of C- from one tracker and prompting a state-level crime-reduction initiative announced in the city. Virginia Beach and Chesapeake, by contrast, ranked far lower on the same rising- homicide list (34th and 49th respectively) with each reporting fewer than 20 homicides for the year — a meaningfully safer profile. Investors should treat Hampton Roads as multiple distinct cities from a safety-underwriting perspective rather than a single uniform metro.

Overall, Hampton Roads combines one of the tightest, best-performing multifamily markets in this series with a defense- and shipbuilding-anchored demand base that behaves differently across economic cycles than most other markets Longview tracks — balanced against genuinely uneven public-safety conditions between its constituent cities.

Multifamily Metrics vs. National Benchmarks

- **Average Rent per Unit:** Northmarq cited \$1,650 per month in its most recent report (+3% year-over-year), while a separate consumer rental tracker cited a broader median of \$1,934 as of June 2026 (+4.24% year-over-year), which may include a wider mix of property types. Virginia Beach specifically commanded a median of approximately \$2,163.
- **Rent Escalation:** Newmark reported effective rent growth of 4.1% year-over-year as of Q1 2026 — the third-highest among the nation's top 50 apartment markets — while CoStar-sourced data cited 4.2% growth for a similar period. Both figures represent a strong.

SECTION 04 (CONT'D)

Rent, Occupancy & Transaction Detail

- **Occupancy:** Northmarq cited vacancy at 5.2%, while CoStar-sourced data cited 6.2%, both meaningfully below the ~8.6% national average. The Class B (3-Star) segment was tightest at 5.1%. Virginia Beach's vacancy measured near 3% in December, among the tightest submarket readings in this series.
- **Multifamily Deals (Volume & Value):** Reported sales volume varied significantly by period: Northmarq cited approximately \$650 million year-to-date in an earlier reading, while Newmark's Q1 2026-specific figure was approximately \$140 million, down 45.1% YoY for that narrower window. Median sale price rose ~30% YoY to \$161,500/unit. Cap rates held in a tight 5.25–5.5% range.
- **Permits & New Supply Pipeline:** Only approximately 648 units remained under construction as of mid-2026 — just 0.5% of total inventory. Following ~2,250 units delivered in 2025, permitting has already pulled back further, limiting incremental supply pressure through the remainder of 2026.



Hampton Roads stands out in this series as one of the tightest, most defense-insulated multifamily markets Longview tracks. Where most markets in this series are working through some version of a recent supply wave, Hampton Roads enters 2026 with almost no construction pipeline at all (0.5% of inventory), a genuinely rare position that reflects both the market's historically measured development pace and a demand base — anchored by the world's largest naval base — with limited correlation to broader economic cycles.

Current & Future Trends

CURRENT (2026)	5-YEAR OUTLOOK (~2031)	10-YEAR OUTLOOK
Vacancy of approximately 5.2-6.2% sits meaningfully below the national average, with most major submarkets achieving vacancy declines exceeding 100 basis points in 2025.	With only 0.5% of inventory currently under construction and permitting already pulling back further, supply pressure should remain minimal through the remainder of 2026 and into 2027.	Naval Station Norfolk, NAS Oceana, and Huntington Ingalls Industries' shipbuilding operations provide a demand base with limited correlation to broader economic or interest-rate cycles.
Norfolk City led both absorption (527 units, 2.0% of inventory) and rent growth (+4.8%) among tracked submarkets, while Virginia Beach led investment volume (\$267 million) and commanded the highest rent levels.	The heavy-industry-oriented Newport News submarket saw net absorption turn negative in late 2025, a notable exception to the broader market's strength.	Peak military Permanent Change of Station season each summer drives a pronounced, largely economically- independent seasonal surge in leasing activity, particularly in neighborhoods near major installations.
Median sale price rose approximately 30% year-over-year to \$161,500 per unit, with cap rates holding in a tight 5.25-5.5% range even as varied by reporting	Deal flow has been relatively balanced across Chesapeake, Newport News, Norfolk City, and Virginia Beach, suggesting broad-based rather than narrowly concentrated investor interest.	The combination of tight vacancy, strong rent growth, and a minimal construction pipeline supports a constructive near-term pricing environment for well-located, stabilized assets.

SECTION 05

Market Projection — Five Years From Now (~2031)

- Continued tight vacancy as the construction pipeline, currently just 0.5% of inventory, remains constrained relative to demand.
- Rent growth likely moderating from its current elevated pace (among the nation's top three) toward a more sustainable long-term rate as the market fully absorbs recent gains.
- Naval Station Norfolk, NAS Oceana, and Huntington Ingalls Industries' shipbuilding operations continuing to anchor demand largely independent of broader economic cycles.
- Persistent submarket-level safety and performance divergence between Norfolk specifically and Virginia Beach/Chesapeake, warranting differentiated underwriting across the metro's constituent cities.
- Continued investor competition for stabilized assets given the market's structurally tight supply-demand balance.

Important Statistics Snapshot

Norfolk/Virginia Beach Multifamily Market	
Units under construction as a share of total inventory — among the lowest in this series	0.5%
2025 deliveries, consistent across independent sources	~2,250 units
Vacancy —meaningfully below the ~8.6% national average	~5.2%–6.2%
Average/median rent(source and property-type-dependent range)	~\$1,650–1,934
Rent growth, year-over-year— 3rd- highest among the top 50 U.S. metros	+3.0% to +4.2%
Median sale price per unit, up ~30% year-over-year	~\$161,500
Cap rates strong asset pricing and performance in Class C properties	5.6%

Norfolk/Virginia Beach Economy Statistics	
Metro population (MSA vs. broader CSA definitions)	~1.78–1.89M
Fortune 500 headquarters — Dollar Tree, Ferguson Enterprises, Huntington Ingalls Industries	3
Unemployment Rate	~3.9%
Job Growth: dip in overall nonfarm employment	1.4%
Homicide rate year-over-year increase in homicides	64%
Key Notes/Drivers: Military (large Navy presence), port/logistics, tourism, healthcare, and shipbuilding. Defense and maritime economy dominate.	

Main Companies & Market Players

Local & Regional: We did not identify a single, dominant Hampton Roads-headquartered multifamily developer comparable to the local anchors profiled in other editions of this series in our sourcing for this edition.

National Platforms: Deal flow across the metro has been relatively balanced among Chesapeake, Newport News, Norfolk City, and Virginia Beach, suggesting broad-based rather than concentrated developer and investor activity.

Investors: Cap rates have held in a tight 5.25–5.5% range, with Class A product trading near the lower end and Class B/C assets clustering closer to 5.5%, signaling continued investor competition for well-located, stabilized communities. Longview Commercial structures diversified portfolios to give investors access to institutional-quality multifamily without concentrating risk in any single metro's demand driver or economic base.

Opportunities

- **Structurally Minimal Supply Pipeline:** At just 0.5% of inventory under construction, Hampton Roads carries one of the lowest near-term supply risks of any market in this series.
- **Defense-Anchored, Cycle-Resistant Demand:** The world's largest naval base and a Fortune 500 shipbuilder provide demand drivers with limited correlation to broader economic or interest-rate cycles.
- **Top-Tier Rent Growth:** Third-highest annual apartment rent growth among the nation's top 50 markets reflects genuinely strong, broad-based demand.
- **Seasonal Demand Predictability:** Annual military PCS season provides a recurring, largely economically-independent leasing surge concentrated around major installations.
- **Balanced Geographic Deal Flow:** Investment activity spread across Chesapeake, Newport News, Norfolk City, and Virginia Beach suggests broad-based confidence rather than concentration in a single submarket.

Submarket Intelligence

Hampton Roads' constituent cities perform meaningfully differently, and investors should evaluate this metro as several distinct markets rather than one uniform area.

SUBMARKET	PROFILE & THEME	LONGVIEW VIEW
Virginia Beach	Leads investment volume (\$267 million) and commands the metro's highest rent levels, with vacancy near 3% in December — among the tightest readings in this entire series. Also the safer of the metro's two largest cities by recent crime trend.	FAVORABLE
Norfolk City	Leads absorption (527 units, 2.0% of inventory) and rent growth (+4.8%) among tracked submarkets, though the city carries a genuinely elevated public-safety risk profile requiring separate underwriting attention.	SELECTIVE
Chesapeake	Offers a strong combination of occupancy and rent-growth momentum in the workforce-housing (3-Star/Class B) segment specifically.	SELECTIVE
Newport News	The metro's heavy-industry-oriented submarket saw net absorption turn negative in late 2025, a notable exception to the broader market's strength.	CAUTIOUS

Data Note

Submarket views reflect qualitative positioning drawn from broker and proprietary market research as of mid-2026. Granular submarket-level rent and occupancy data were not available at point-estimate resolution for this edition and are flagged rather than estimated.

Risks

- **Bifurcated Public Safety Profile:** Norfolk ranked among the nation's worst for rising homicide rates in 2026, while Virginia Beach and Chesapeake ranked far lower on the same measure; underwriting should not apply metro-wide safety assumptions uniformly.
- **Newport News Softness:** The heavy-industry-oriented Newport News submarket saw net absorption turn negative in late 2025, a genuine exception to the broader market's strength.
- **Data Source Variance on Sales Volume:** Reported sales volume figures varied by more than 4x depending on the reporting period and source; underwriting should confirm current transaction activity directly.
- **Defense-Sector Concentration:** While the naval and shipbuilding base provides cycle resistance, it also represents a concentration risk tied to federal defense spending and Navy basing decisions specifically.
- **Elevated Poverty in Urban Cores:** Poverty rates in Norfolk and Portsmouth run notably above the broader MSA average, a genuine consideration for workforce-tier renter-income underwriting.
- **Post-Peak Rent Growth Sustainability:** Current rent growth ranks among the nation's highest; underwriting should not assume this pace persists indefinitely rather than moderating.

In a Nutshell

Hampton Roads in 2026 is one of the tightest, best-performing multifamily markets in this series: vacancy well below the national average, rent growth ranking third-highest among the nation's top 50 metros, and a construction pipeline representing just 0.5% of total inventory. The world's largest naval base and a Fortune 500 shipbuilder anchor a demand base with genuine insulation from broader economic cycles, though investors should treat this metro as several distinct cities rather than one uniform market — Norfolk's public- safety profile diverges sharply from Virginia Beach's and Chesapeake's, and Newport News has shown recent softness even as the broader metro remains strong.

Longview Commercial is positioned to help accredited investors access high-quality, professionally managed multifamily exposure in this evolving market. All projections involve uncertainty; investors should conduct independent due diligence and consult offering documents.

Contact and Next Steps

To learn more about Longview Commercial fund offerings or to request placement on the investor distribution list for the Market Intelligence series:

Email: invest@longviewcommercial.com **Website:** www.longviewcommercial.com



This publication is for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any security. Investment in private real estate funds involves significant risks, including loss of principal, illiquidity, and reliance on management. This report contains forward-looking statements and projections that are inherently uncertain and are labeled illustrative, not promised. Past performance of any market, asset class, or Longview Commercial vehicle is not indicative of future results. All data is sourced from third-party providers (Marcus & Millichap, Yardi Matrix, Northmarq, U.S. Census Bureau, Atlanta Regional Commission) as of mid-2026 and is subject to revision. Prospective investors must review all applicable offering documents and consult with their own legal, tax, and financial advisors prior to investing. Longview Commercial LLC operates under Regulation D Rule 506(c) and accepts investments only from verified accredited investors as defined under SEC Rule 501(a).