



MULTIFAMILY REPORT

Baltimore's Rent Stability

August 2024



T3 Rents Ahead of US

Construction Starts Decline

Investment Returns to Normal Levels

BALTIMORE MULTIFAMILY



Rents Recover, Completions Slow

Baltimore's multifamily market continued to navigate economic hurdles in the first half of the year. Average advertised asking rents were up 0.5% on a trailing three-month basis through June, to \$1,717, 20 basis points higher than the U.S. rate. The metro's occupancy rate for stabilized properties was down 30 basis points, to 94.5%, as of May, on par with the national figure.

Employment in Baltimore stagnated in the 12 months ending in April, while the U.S. figure was up 1.4%. The area's unemployment rate stood at 2.4% as of May, 160 basis points lower than the U.S. figure, according to preliminary data from the Bureau of Labor Statistics. Over this period, Baltimore recorded a net loss of 1,400 jobs, while education and health services was the only sector with significant gains. Despite these losses, new developments and projects promise to help revitalize the metro. Hellenic Cables Americas will develop a \$300 million cable manufacturing facility in South Baltimore. Construction is slated to begin by the end of the year.

A total of 753 units came online in the first six months of 2024, representing 0.3% of existing stock and 80 basis points lower than the national rate of completions. Investments returned closer to historic averages, with \$266 million in assets changing hands year-to-date through June, only about \$20 million less than 2023's first half.

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Recent Baltimore Transactions

Alta Federal Hill



City: Baltimore
Buyer: Global Securitization
Services
Purchase Price: \$69 MM
Price per Unit: \$249,091

Alister Town Center Columbia



City: Columbia, Md.
Buyer: Olive Tree Management
Purchase Price: \$40 MM
Price per Unit: \$225,000

Alister Columbia



City: Columbia, Md.
Buyer: Olive Tree Management
Purchase Price: \$34 MM
Price per Unit: \$201,786

Middlebrooke



City: Westminster, Md.
Buyer: Corner Lot Advisors
Purchase Price: \$22 MM
Price per Unit: \$107,212