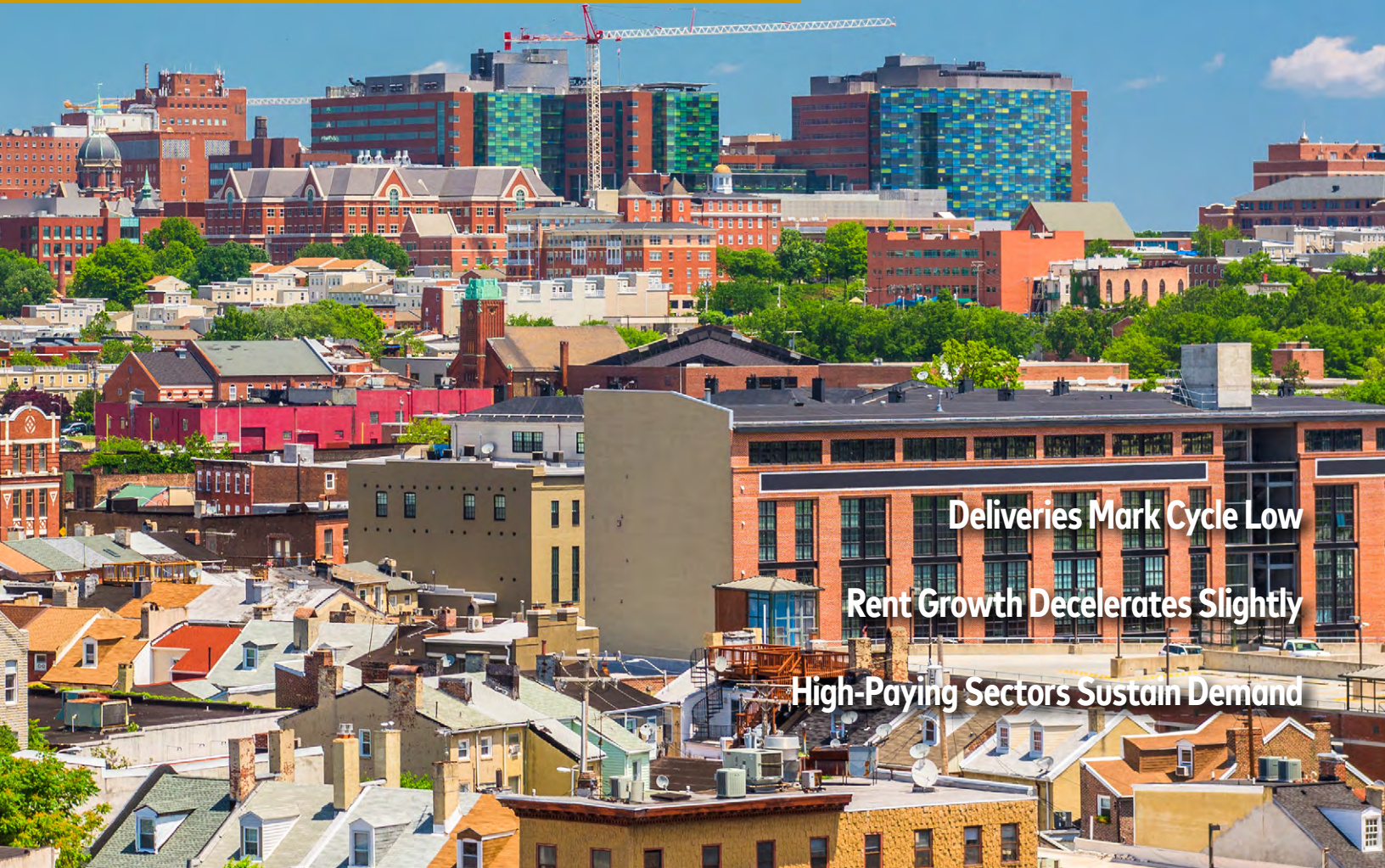


Yardi® Matrix

MULTIFAMILY REPORT

Moderation Is Key In Baltimore

Winter 2020



Deliveries Mark Cycle Low

Rent Growth Decelerates Slightly

High-Paying Sectors Sustain Demand

BALTIMORE MULTIFAMILY

Yardi® Matrix

Downtown Resurgence Powers Charm City

Baltimore's emerging economic opportunities, bolstered by its downtown revitalization, continued to boost the metro's multifamily market. Rent growth was relatively steady last year but remained 110 basis points below the 3.0% national average, partially kept in check by a dwindling pipeline. Meanwhile, the occupancy rate in stabilized properties went up 10 basis points in the 12 months ending in November, to 94.7%.

The metro gained 28,400 jobs for a 1.0% uptick, below the 1.8% national rate. Professional and business services led expansion, adding 11,900 jobs in the 12 months ending in November, while education and health services and leisure and hospitality gained almost the same number of positions combined. These three sectors—which offset some losses across other industries—will likely continue to grow in the foreseeable future, with support from a highly educated and skilled talent pool and from several projects currently underway. The list of major developments includes the multibillion-dollar Port Covington mixed-use project and the 3,100-acre Tradepoint Atlantic, slated to reach full development in 2025.

Investment and development softened in 2019. Less than \$1 billion in multifamily assets traded last year for an average per-unit price of \$165,708. Meanwhile, developers added only 1,833 units, with an additional 5,028 apartments underway as of January.

Market Analysis | Winter 2020

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Recent Baltimore Transactions

Concord Park at Russett



City: Laurel, Md.
Buyer: Starwood Capital Group
Purchase Price: \$87 MM
Price per Unit: \$258,806

209@Pickwick



City: Baltimore
Buyer: Quest Management Group
Purchase Price: \$72 MM
Price per Unit: \$109,832

322 Baldwin



City: Odenton, Md.
Buyer: The Duffie Cos.
Purchase Price: \$61 MM
Price per Unit: \$288,679

Berkshires at Town Center



City: Towson, Md.
Buyer: AJH Management
Purchase Price: \$40 MM
Price per Unit: \$198,492