



MULTIFAMILY REPORT

Baltimore Keeps Its Balance

Fall 2021

Investment Reaches Record Volume

Rent Growth Hits Double Digits

Employment Market Expands

BALTIMORE MULTIFAMILY



Charm City Presses On

The Baltimore market is moving forward and registering record gains, on par with nationwide trends. Rents averaged \$1,601 in October, a 1.4% gain on a trailing three-month (T3) basis and up 13.0% year-over-year. Lifestyle rates increased by 1.6% on a T3 basis, outpacing the working-class Renter-by-Necessity uptick of 1.3%. On a year-over-year basis, all submarkets registered growth, but the largest increases occurred in the metro's suburbs.

The metro's economy is making gains, with 93,300 jobs added during the 12 months ending in August, a 5.0% uptick over the year. The largest number of new jobs was added to the professional and business sector (24,300 positions, or 6.8% year-over-year). Baltimore is positioned to benefit from its diversified economy, particularly in the rapidly growing trade and transportation and life sciences industries.

Multifamily investment reached nearly \$2.2 billion in the first 10 months of 2021, already 48.3% higher than the 2020 total and above any other year on record. Investors targeted both Lifestyle and RBN assets, and sales prices averaged \$182,241 per unit, very close to the U.S. figure. Development has slowed, with 4,300 units under construction as of October, though deliveries totaled only 953 units, with the year's deliveries likely to remain at the lowest level since the late 1990s.

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Recent Baltimore Transactions

Nautilus Point



City: Annapolis, Md.
Buyer: Bainbridge Cos.
Purchase Price: \$154 MM
Price per Unit: \$252,046

Highland Village Townhomes



City: Halethorpe, Md.
Buyer: OliveTree Group
Purchase Price: \$140 MM
Price per Unit: \$127,368

Avana Red Run



City: Owings Mills, Md.
Buyer: Greystar
Purchase Price: \$134 MM
Price per Unit: \$257,692

The Point at Crofton



City: Crofton, Md.
Buyer: Trinity Property Consultants
Purchase Price: \$113 MM
Price per Unit: \$277,094