



MULTIFAMILY REPORT

Baltimore's Sinuous Road

March 2022

2021's Low Deliveries Avert Oversupply

Demographic Decline Continues

Rent Growth Lags Nation

BALTIMORE MULTIFAMILY



Deliveries Bottom Out, Deal Volume Hits Peak

Confronted with a stagnating demographic trend and an aging population, Baltimore's rental market continued to slowly move forward in its recovery. Through January, Baltimore rates rose only 0.1% on a trailing three-month basis and 12.3% on a year-over-year basis. Rents averaged \$1,611, \$7 above the national figure.

As of December, the metro's unemployment rate was 3.8%—the lowest level reported since the beginning of the health crisis—according to preliminary Bureau of Labor Statistics data. Baltimore added 59,000 jobs in the 12 months ending in November, with professional and business services leading employment growth. Johns Hopkins, the University of Maryland and the Social Security Administration are among the largest employers in the metro and have significantly contributed to the metro's economic stability over the past couple of years. The logistics sector is also posting exceptional performance. To support the expected growth in cargo flow, a \$466 million reconstruction of the Howard Street Tunnel is now underway.

Total sales doubled last year in Baltimore and hit \$3 billion, as several high-profile assets in the metro changed ownership. On the flip side, multifamily completions reached a record low, with only 1,730 units coming online in 2021. With deliveries slowing, Baltimore will likely see above-average rent growth in 2022.

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Recent Baltimore Transactions

The Quarters at Towson Town Center



City: Towson, Md.
Buyer: UDR
Purchase Price: \$124 MM
Price per Unit: \$287,209

Hanover Cross Street



City: Baltimore
Buyer: Galium Capital
Purchase Price: \$93 MM
Price per Unit: \$309,365

The Hills at Kenilworth



City: Towson, Md.
Buyer: OliveTree Group
Purchase Price: \$62 MM
Price per Unit: \$161,880

Eagle Rock at Towson



City: Towson, Md.
Buyer: Eagle Rock Properties
Purchase Price: \$53 MM
Price per Unit: \$315,208