

Yardi® Matrix

Baltimore's Rising Downtown

Multifamily Report Summer 2017

**New Supply Tempers
Rent Growth**

**Investors Focus on
Suburbs, Value-Add**

**Developers Embrace
Live-Work-Play**



BALTIMORE MULTIFAMILY

Yardi® Matrix

Market Analysis

Summer 2017

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New Supply Keeps Rent Growth Tepid

Spearheaded by the revival of its core and by the emergence of the Baltimore-Washington corridor as a strategic location, the metro's multifamily fundamentals have stabilized. Baltimore's economy is slowly diversifying and once again adding residents after a decades-long demographic drop. However, with rents up 1.2% in the year ending in June, progress is slow and Baltimore continues to underperform the nation as a whole.

Anchored by academic institutions, health-care facilities and research centers, Baltimore is generating white-collar jobs, while also losing positions in traditional working-class sectors, including manufacturing and trade, transportation and utilities. However, the city continues to draw developers and several large projects are under construction or on the drawing board. Alongside Sagamore's \$6.5 billion Port Covington master-plan, the list includes the 3,100-acre TradePoint Atlantic, the 3 million-square-foot Harbor Point, the 500-foot-tall 414 Light St. residential high-rise and the multi-phase, \$800 million Center/West redevelopment project.

Almost \$750 million in assets traded in the first two quarters, marking a slight deceleration after three years of bullish investor activity. There were 8,238 units under construction as of June, 30% of which are slated to come online in the second half of 2017. As inventory growth remains solid, while population gains stay tepid, we expect a 1.4% rent increase for the year.

Recent Baltimore Transactions

The Seasons



City: Laurel, Md.

Buyer: GoldOller Real Estate Investments

Purchase Price: \$187 MM

Price per Unit: \$172,105

Paragon at Columbia Overlook



City: Elkridge, Md.

Buyer: Amy E. Wyss

Purchase Price: \$86 MM

Price per Unit: \$269,655

The Beacon at Waugh Chapel



City: Gambrills, Md.

Buyer: PRP Real Estate Management

Purchase Price: \$84 MM

Price per Unit: \$280,705

Crosswinds at Rolling Road



City: Baltimore

Buyer: Morgan Properties

Purchase Price: \$80 MM

Price per Unit: \$98,422

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