



MULTIFAMILY REPORT

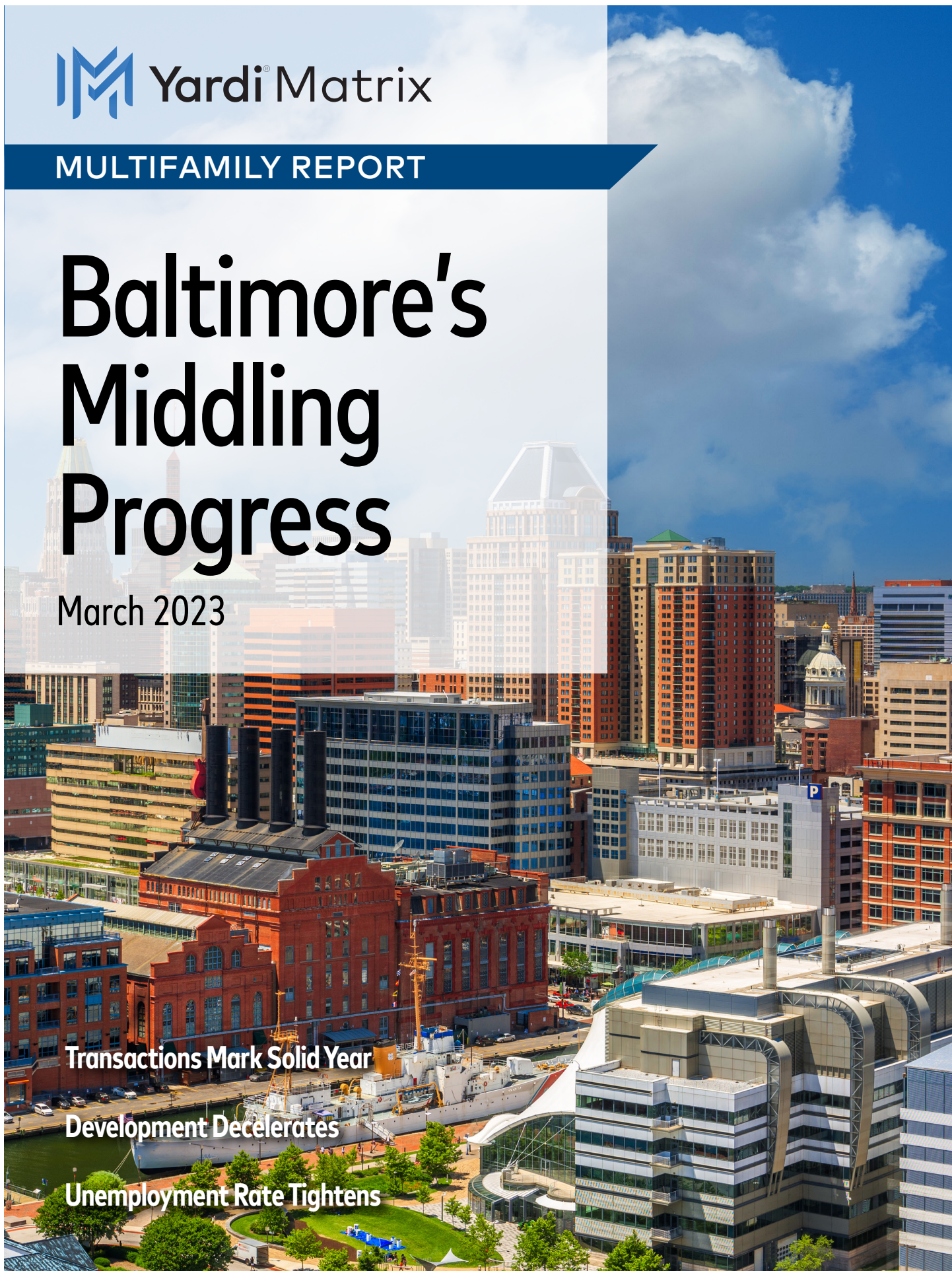
Baltimore's Middling Progress

March 2023

Transactions Mark Solid Year

Development Decelerates

Unemployment Rate Tightens



BALTIMORE MULTIFAMILY



Rents Slip, Deal Volume Endures

After a strong run, in line with nationwide performance, Baltimore multifamily is recalibrating and returning to historic figures, with both rents and occupancy contracting. The average rate was down 50 basis points on a trailing three-month basis as of January, while the occupancy rate in stabilized assets slid 1.2% in 2022.

Metro Baltimore added 41,000 positions in the 12 months ending in November 2022, marking a 3.0% expansion. Like neighboring Washington, D.C., the city benefited from the gentler economic shakeup that coastal markets felt when COVID-19 hit, and this helped it recover more quickly. The area's unemployment clocked in at a tight 3.1% as of December, down 140 basis points in 12 months. Meanwhile, high-profile projects such as Baltimore Peninsula, Tradepoint Atlantic and the \$200 million renovation of CFG Bank Arena moved forward.

A total of \$2.9 billion in assets traded in 2022 in Baltimore, marking the second-best volume of the decade, on the heels of the record-breaking \$3.3 billion registered in 2021. Meanwhile, completions decelerated sharply, with 996 units coming online last year and an additional 4,524 apartments underway at the beginning of 2023. With many markets returning to pre-pandemic dynamics and considering the supply and demand balance, Yardi Matrix expects Baltimore rents to grow 2.1% this year.

Market Analysis | March 2023

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Recent Baltimore Transactions

Columbia Pointe



City: Columbia, Md.
Buyer: Excelsa Holding
Purchase Price: \$78 MM
Price per Unit: \$240,000

Annapolis Bay



City: Annapolis, Md.
Buyer: Dweck Properties
Purchase Price: \$69 MM
Price per Unit: \$319,444

Lakeside Mill



City: Owings Mills, Md.
Buyer: TruAmerica Multifamily
Purchase Price: \$48 MM
Price per Unit: \$250,000

Flats at 703



City: Towson, Md.
Buyer: Kaplan Cos.
Purchase Price: \$34 MM
Price per Unit: \$321,905