



## MULTIFAMILY REPORT

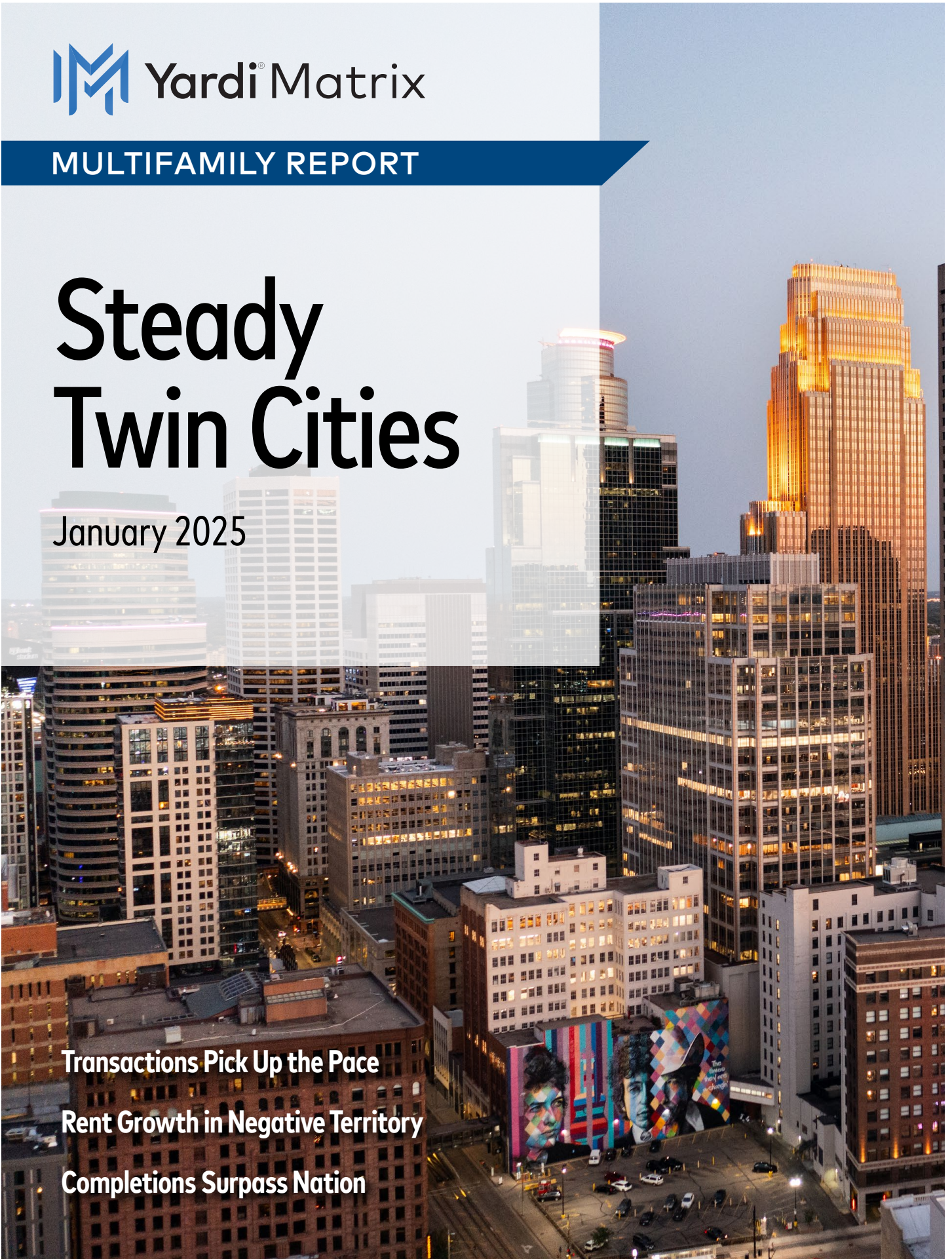
# Steady Twin Cities

January 2025

**Transactions Pick Up the Pace**

**Rent Growth in Negative Territory**

**Completions Surpass Nation**





# TWIN CITIES MULTIFAMILY



## Rents Down, Occupancy Improves

The Minneapolis-St. Paul multifamily market remained balanced toward the end of 2024. Average advertised asking rents were down 0.2%, on a trailing three-month basis through November, to \$1,529, mirroring the dip in the national growth rate. Meanwhile, the occupancy rate in stabilized properties increased 20 basis points year-over-year, to 95.2%.

Employment in Minneapolis-St. Paul was up a modest 0.3% year-over-year as of September. The metro's growth rate was 110 basis points below the national average. Education and health services led growth with 20,400 positions, marking a 5.4% improvement. The area's unemployment rate stood at 2.7% as of October, 140 basis points below the U.S. figure, according to data from the Bureau of Labor Statistics. In Monticello, Minn., some 40 miles from Minneapolis, Frattalone Cos. submitted a proposal to build a 3 million-square-foot data center campus.

A total of 8,957 units, or 3.4% of existing stock, came online last year through November in Minneapolis-St. Paul. The figure was 70 basis points higher than the national rate of completions. Apartments were mostly evenly distributed between urban and suburban submarkets. With \$956 million in assets changing hands through November, the transaction volume picked up and surpassed 2023's \$655 million total.

## Market Analysis | January 2025

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### Recent Twin Cities Transactions

#### Rya



City: Richfield, Minn.  
Buyer: Timberland Partners  
Purchase Price: \$52 MM  
Price per Unit: \$220,253

#### Cityscape



City: St. Louis Park, Minn.  
Buyer: Bigos Management  
Purchase Price: \$32 MM  
Price per Unit: \$202,724

#### Quarry Commons



City: St. Cloud, Minn.  
Buyer: Weidner Apartment Homes  
Purchase Price: \$11 MM  
Price per Unit: \$105,392

#### Wheelock Parkway



City: St. Paul, Minn.  
Buyer: Encephalo Investments  
Purchase Price: \$8 MM  
Price per Unit: \$72,816