



MULTIFAMILY REPORT

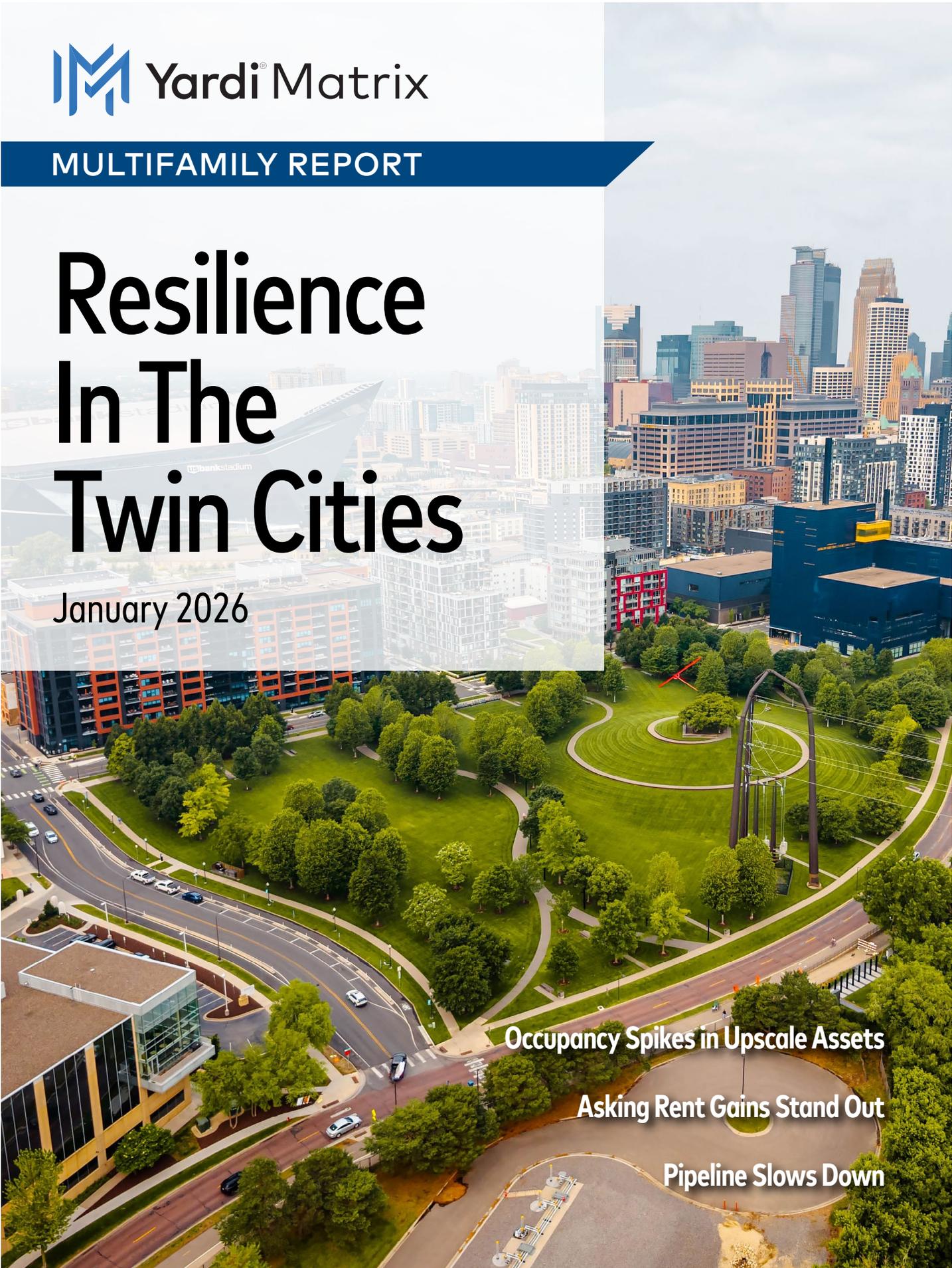
Resilience In The Twin Cities

January 2026

Occupancy Spikes in Upscale Assets

Asking Rent Gains Stand Out

Pipeline Slows Down



TWIN CITIES MULTIFAMILY



Asking Rents Rise, Occupancy Shoots Up

The Twin Cities displayed mostly positive performance as 2025 wrapped up, with some fundamentals outperforming. The average advertised asking rent was up 0.2%, on a trailing three-month basis through November, to \$1,609. In fact, the metro was the only major market that recorded growth during this time frame. Year-over-year, rents were up 3.2%, placing the metro third among larger U.S. markets. Meanwhile, occupancy in stabilized assets shot up 60 basis points over 12 months, clocking in at 95.7% as of October, due to strong performance in Lifestyle assets.

Employment in the Twin Cities expanded by 0.7% as of August, with the metro adding 15,000 net jobs over 12 months. Education and health services led gains with 16,800 jobs, marking a 4.3% expansion year-over-year. The area's unemployment rate stood at 4.1% as of August, 20 basis points below the U.S. rate, according to preliminary data from the Bureau of Labor Statistics. Canterbury Park's planned 27-acre entertainment district is expected to further boost the leisure and hospitality sector. The project would be located south of the current 19,000-seat amphitheater, which is set to open next summer.

Only 4,911 units, or 1.8% of existing stock, came online this year through November across the metro, 100 basis points below the national rate. Meanwhile, transaction activity remains particularly strong, with \$1.5 billion in assets trading in 2025 through November.

Market Analysis | January 2026

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Recent Twin Cities Transactions

Bristol Village



City: Bloomington, Minn.
Buyer: Hegenes Properties
Purchase Price: \$58 MM
Price per Unit: \$200,172

ReNew Minnehaha



City: Minneapolis
Buyer: FPA Multifamily
Purchase Price: \$16 MM
Price per Unit: \$89,915

ReNew Meadow Lake



City: New Hope, Minn.
Buyer: FPA Multifamily
Purchase Price: \$15 MM
Price per Unit: \$103,000

The Venue on Knox



City: Minneapolis
Buyer: FPA Multifamily
Purchase Price: \$12 MM
Price per Unit: \$118,557