



HARBOR STONE
ADVISORS



BALTIMORE METRO MULTIFAMILY MARKET REPORT - Q1 2026

Baltimore County - Baltimore City - Anne Arundel County - Howard County - Harford County
Carroll County - Queen Anne's County

BALTIMORE METRO MULTIFAMILY SUMMARY - 2026 Q1

Baltimore Metro's apartment market remained relatively steady in the first quarter of 2026, as fundamentals continued to stabilize while the region moved beyond its recent supply wave. Renter demand has moderated as job growth has slowed, and pricing power has become more measured as operators work through higher vacancy in parts of the market that have seen elevated supply.

Conditions continue to vary by county. Suburban jurisdictions have generally maintained tighter fundamentals, with Baltimore County outperforming due to its measured development and continued investor interest. Anne Arundel and Howard Counties also continue to benefit from steady renter demand, supported by their proximity to both Washington, D.C., and Baltimore, as well as strong public school systems. Baltimore City, by contrast, continues to experience more competitive conditions as it carries the bulk of new development activity, creating greater lease-up pressure than in the surrounding counties.

Overall development activity has slowed significantly, reinforcing the view that future supply pressure should become more limited over time. Just over 450 units were delivered in the first quarter, while fewer than 2,750 market-rate units remain under construction across the metro, representing a decline of more than 50% from peak levels in 2023. Although Baltimore City still dominates the development pipeline, the broader slowdown in permitting suggests the market is entering a more constrained supply environment after several years of elevated deliveries. This shift should help support fundamentals over the longer term, especially in submarkets where new construction remains limited.

Investment sales activity in the first quarter reflected a market that is still selective but active. Larger suburban transactions continued to attract capital, while smaller and middle-market, value-add deals remained a meaningful source of volume throughout the region. Buyers remain disciplined in a higher-rate environment, but Baltimore's relative affordability, economic diversity, and improving supply backdrop continue to support transaction activity across multiple segments of the market.

MARKET INDICATORS



**Stabilized
Vacancy Rate**

6.8%



**Average
Asking Rent**

\$1,780



**Annual
Rent Growth**

0.7%



**Units Under
Construction**

2,740



**Units
Delivered***

457

Source: CoStar, HSA Research | * Denotes YTD

LABOR MARKET SOFTENS, BUT EDUCATION AND HEALTH SERVICES CONTINUES TO SUPPORT RENTER DEMAND

Economic conditions across the Baltimore Metro weakened entering 2026, as job growth turned negative and labor market momentum slowed meaningfully. Total nonfarm employment fell 1.5% year over year as of Jan, while the unemployment rate rose to 4.5%. Although the region's economy remains supported by a large and diverse employment base, government, trade, professional and business services, and information all posted year-over-year declines in Jan, while manufacturing and leisure and hospitality also moved lower. The main areas of job growth came from education and health services, which continued to expand, and construction, which posted the strongest year-over-year growth among major sectors.

That continued growth in education and health services remains especially important for the multifamily market. The sector now accounts for roughly 20.7% of total nonfarm employment in the Baltimore Metro, making it one of the region's largest and most reliable sources of renter demand. Major employers such as GBMC, Johns Hopkins, Towson University, MedStar, and Sinai Hospital continue to anchor renter demand in nearby submarkets, particularly in suburban portions of Baltimore City and the surrounding counties. As a result, while metro-wide demand has softened, multifamily performance and investor interest have remained firmer in locations supported by these long-term institutional employment drivers.

KEY LABOR STATISTICS



Annual Job Growth

-1.5%



Unemployment Rate

4.5%

THE JOHNS HOPKINS HOSPITAL

CONSTRUCTION ACTIVITY CONTINUES TO SLOW ACROSS THE BALTIMORE METRO

Overall development activity has slowed significantly across the Baltimore Metro, reinforcing the view that future supply pressure should become more limited over time. Just over 450 units were delivered in the first quarter, while fewer than 3,000 units remain under construction across the metro, representing a decline of more than 50% from peak levels in 2023. That pullback reflects a much more cautious development environment as higher interest rates, tighter lending standards, and rising construction costs continue to weigh on new starts.

The broader slowdown in permitting suggests the market is entering a more constrained supply environment after several years of elevated deliveries. Permitting activity remains well below long-term averages, pointing to a thinner development pipeline in the years ahead. This should gradually reduce supply pressure across much of the region, particularly in counties where new construction has already remained limited.

Even so, supply conditions continue to vary by geography. Baltimore City remains the most supply-heavy market in the metro and is still absorbing the bulk of recent deliveries, while Anne Arundel County continues to work through a sharp increase in new construction that peaked in 2024. By contrast, Baltimore County and Howard County have seen more measured development activity, helping preserve tighter fundamentals and more stable operating conditions.

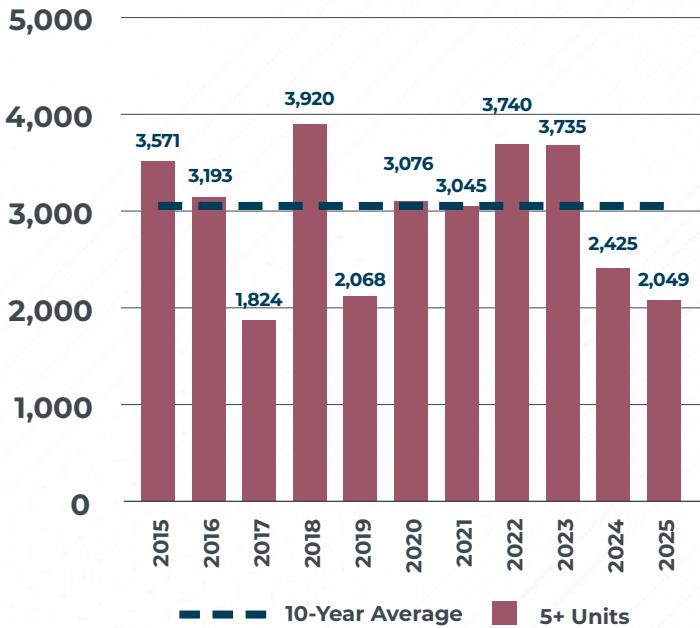
Pictured: The Residences at Milestone Under Construction | Anne Arundel County

Image Source: *Soto Architecture and Urban Design*

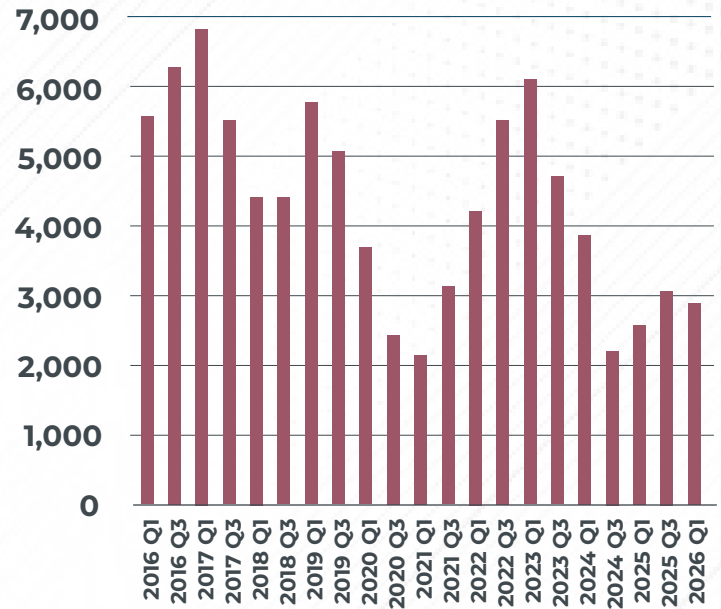


CONSTRUCTION ACROSS THE BALTIMORE METRO

Multifamily Permits Remain Well Below Baltimore's Average

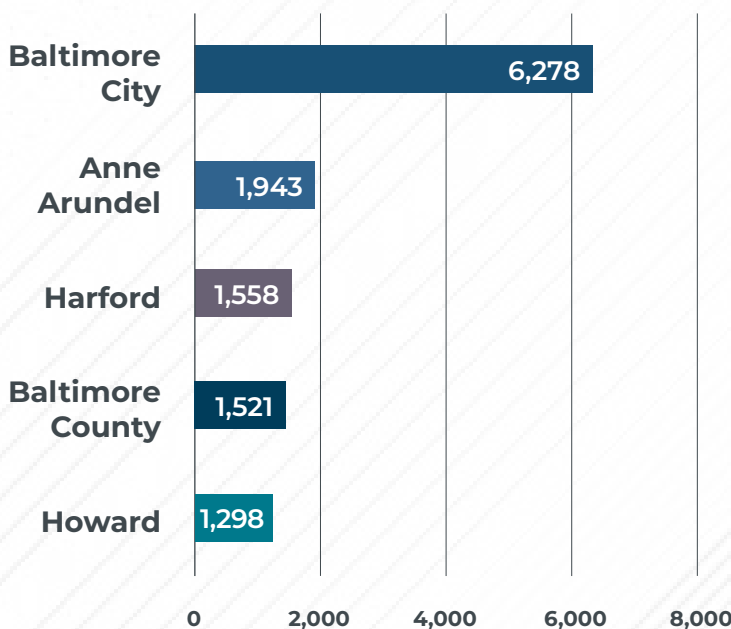


Construction Levels Down by 50% Since 2023

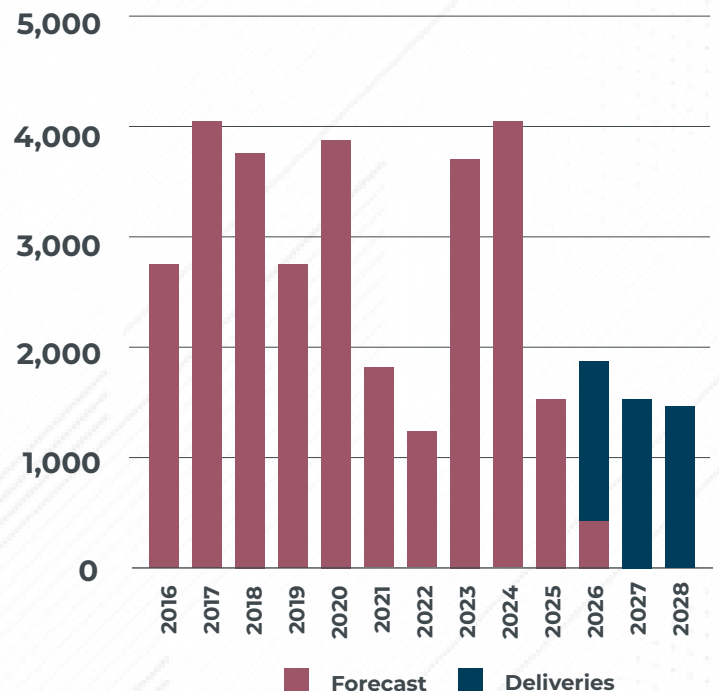


Source: U.S. Census

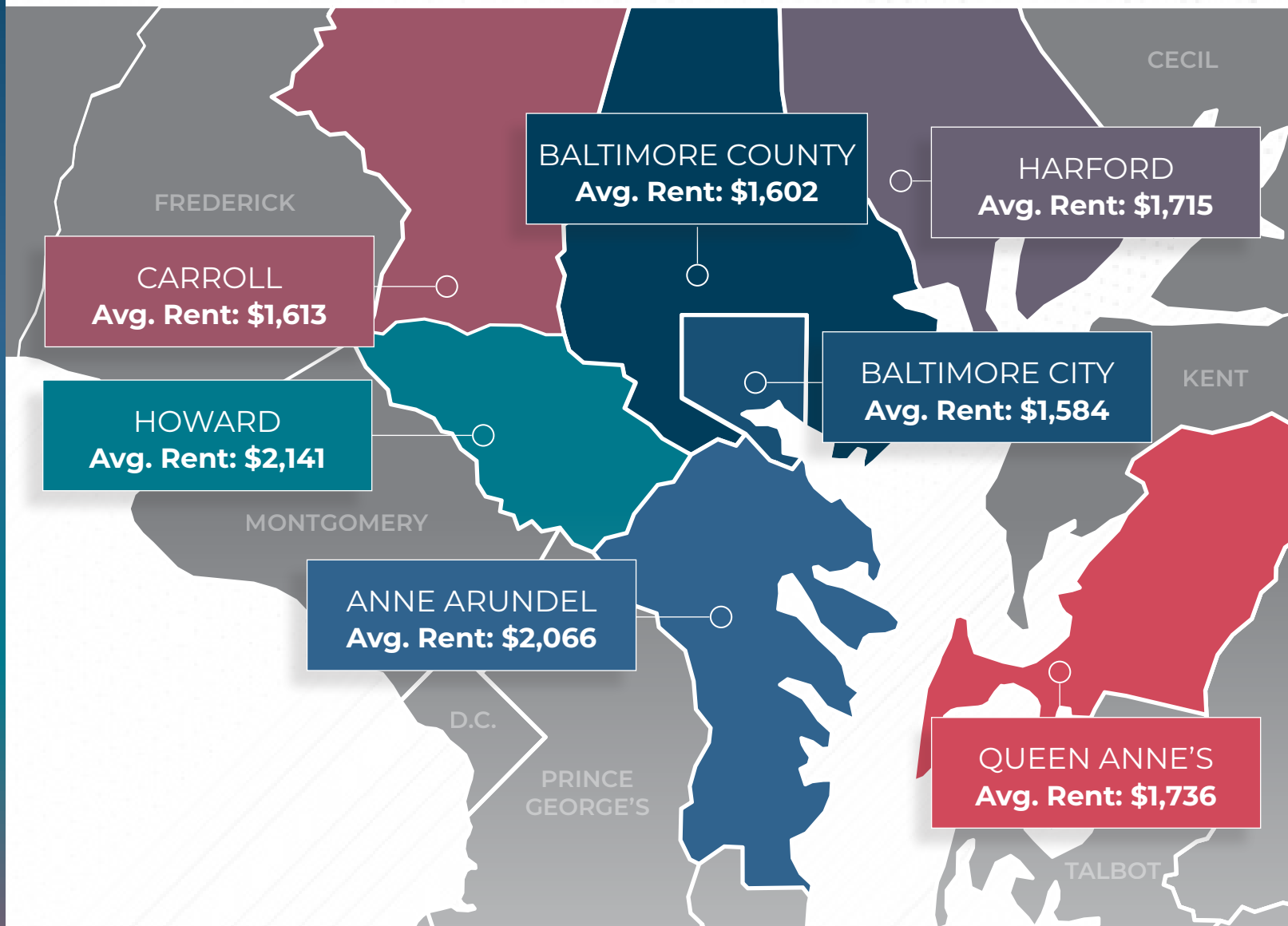
Total Units Added Since 2020



Multifamily Deliveries to Remain Near Decade Lows



BALTIMORE METRO COUNTY STATISTICS



County	Inventory	Avg. Rent	Stabilized Vacancy	Deliveries (YTD)	Under Construction (Units)
Baltimore County	82,617	\$1,602	6.6%	293	571
Baltimore City	63,974	\$1,584	9.5%	14	1,846
Anne Arundel	31,040	\$2,066	7.1%	150	193
Howard	24,668	\$2,141	6.3%	0	0
Harford	10,904	\$1,715	7.1%	0	130
Carroll	2,585	\$1,613	4.1%	0	0
Queen Anne's	561	\$1,736	6.9%	0	0

Source: CoStar, HSA Research | *End of 2026Q1

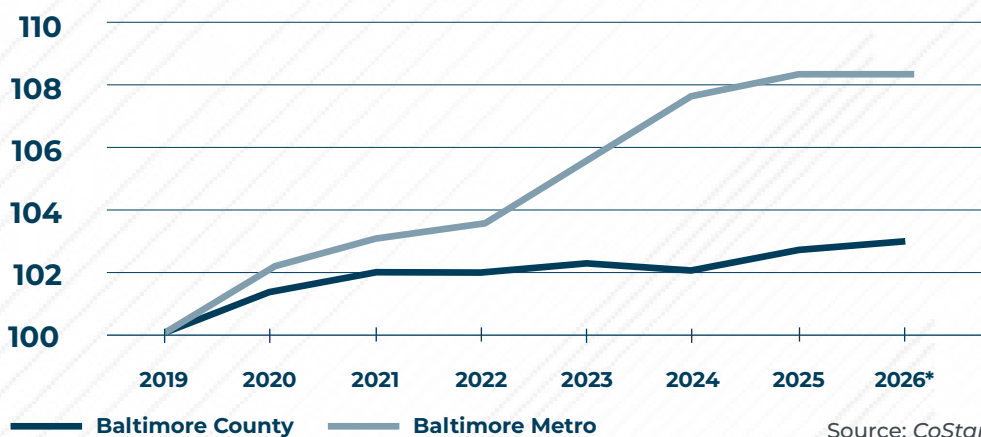
STABLE FUNDAMENTALS WITH LIMITED NEW SUPPLY IN BALTIMORE COUNTY

Baltimore County remains one of the strongest and most balanced multifamily markets in the Baltimore Metro. Limited new supply has helped keep fundamentals on firmer footing than many surrounding areas. That combination of scale, steady renter demand, and manageable supply pressure continues to support one of the region's most stable operating environments.

Baltimore County has also remained relatively insulated from the metro's recent supply wave. Deliveries totaled 293 units year-to-date in the first quarter, while 571 units were under construction, a modest figure given the county's size. Inventory growth has remained consistently modest for years, generally staying below 1.0% annually and remaining below 0.5% in each of the past four years. That limited supply backdrop has helped existing assets avoid the same level of lease-up pressure seen in more competitive urban submarkets and should continue to support occupancy and rent growth over time.

Looking ahead, while the county has identified opportunities for future transit-oriented development, new multifamily projects can be difficult to advance. Development activity often faces a combination of community opposition, entitlement challenges, and broader market constraints, which can limit the pace of new construction. As a result, Baltimore County is likely to remain a more supply-constrained market over time, reinforcing its position as one of the metro's more stable and attractive apartment investment environments.

Cumulative Inventory Growth Since 2019



*Cumulative Inventory Growth Indexed to 2019

ANNUAL INVENTORY GROWTH

3.1%

Since 2019

NOTABLE DEVELOPMENTS

The Aspen at Greenleigh

6220 Greenleigh Ave.
Middle River, MD | **381 Units**
Under Construction

Ellicott Mill Apartments

27 Frederick Rd.
Ellicott City, MD | **190 Units**
Under Construction

Forge Overlook

4151 Maple Ave.
Halethorpe, MD | **182 Units**
Completed in 2026

The Villas at Patapsco Glen

1827 Hidden Dale Rd.
Baltimore, MD | **111 Units**
Completed in 2026

Avalon Hunt Valley West

11503 McCormick Rd.
Hunt Valley, MD | **322 Units**
Completed in 2025

Mercury Apartments

17 W Pennsylvania Ave.
Towson, MD | **26 Units**
Completed in 2025

SLOWING DEVELOPMENT IN BALTIMORE CITY ALLOWS VACANCY TO REMAIN LEVEL

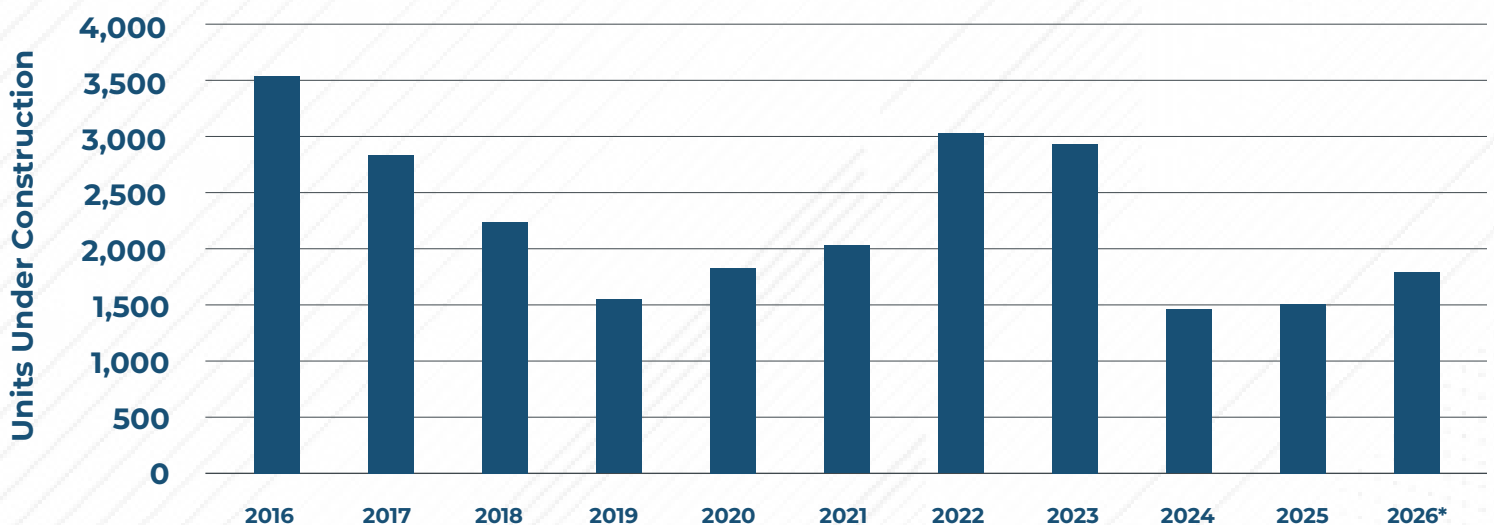
Baltimore City remains the center of multifamily development activity in the Baltimore Metro, and as a result, continues to experience the most competitive operating environment in the region. While renter demand remains present, the concentration of new deliveries in recent years has elevated vacancy and increased competition among landlords, particularly in newer Class A communities.

Much of the development pipeline remains concentrated in core urban submarkets, including Downtown, Canton, and the Baltimore Peninsula. These areas continue to absorb a significant share of new units, creating ongoing lease-up pressure and driving the use of concessions to attract tenants. As a result, rent growth in these supply-heavy submarkets has been more limited compared to the surrounding counties.

At the same time, conditions within Baltimore City are not uniform. Northern and neighborhood-oriented submarkets, particularly across North, Northwest, and Northeast Baltimore City, have seen far less new construction and continue to attract investor interest. These areas are primarily characterized by workforce housing and garden-style or townhome communities, where value-add strategies remain a consistent driver of transaction activity. With limited new supply and stable renter demand, these submarkets have emerged as one of the more active segments of the city's investment market.

Looking ahead, Baltimore City's outlook will continue to be shaped by its development pipeline. While elevated supply has created short-term pressure in certain submarkets, the broader slowdown in new construction should gradually ease competitive conditions over time. As that occurs, well-located assets, particularly those outside of the most supply-heavy areas, are likely to benefit from improving fundamentals and sustained renter demand.

Baltimore City Construction Pipeline Slows



Source: CoStar | *End of Q1

BALTIMORE CITY UNITS UNDER CONSTRUCTION

1,846

NOTABLE DEVELOPMENTS

1. Brewers Hill AvalonBay

3700 Boston St.
Brewers Hill | **418 Units**
Under Construction



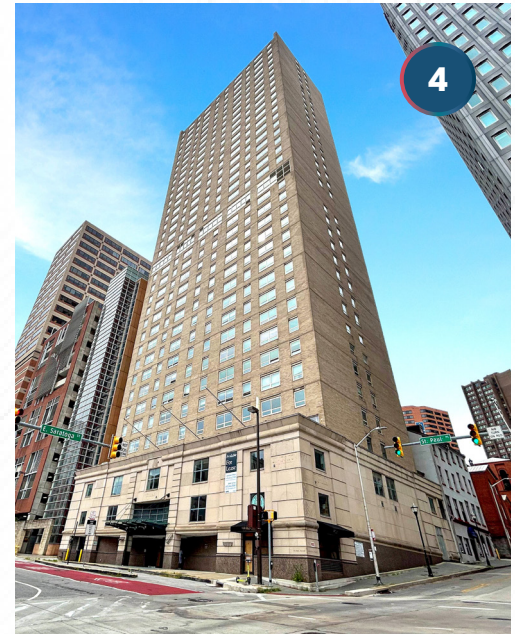
2. The Village of Cross Keys

6 Hamill Rd.
North Baltimore | **350 Units**
Under Construction



3. Stadium Square

150 W Ostend St.
South Baltimore | **316 Units**
Under Construction



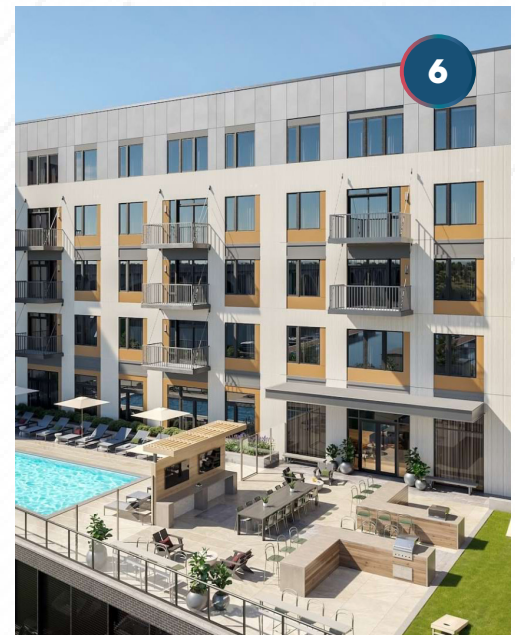
4. 222 Saint Paul Pl.

222 St Paul Pl.
Downtown | **303 Units**
Under Construction



5. 210 N Charles St.

210 N Charles St.
Downtown | **231 Units**
Under Construction



6. The Frank

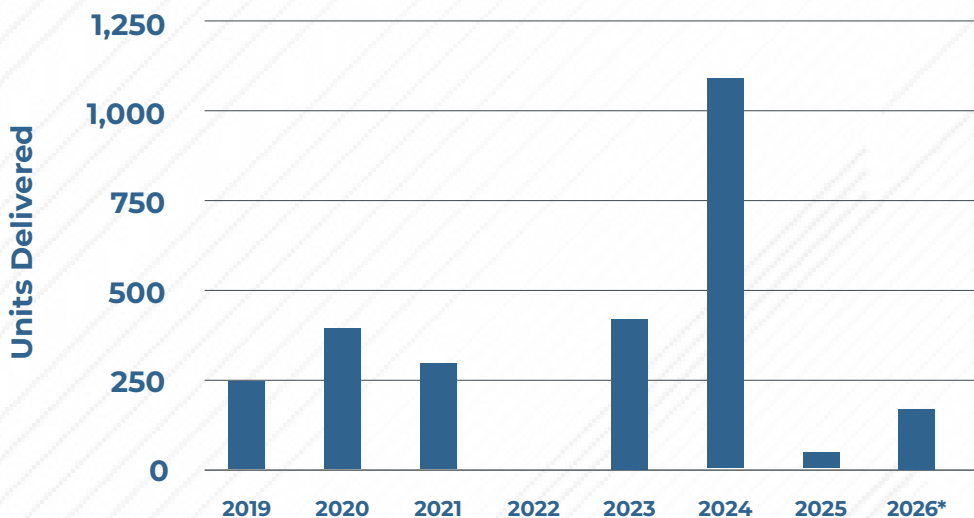
2500 Insulator Dr.
Baltimore Peninsula | **420 Units**
Completed in 2025

ANNE ARUNDEL COUNTY CONTINUES TO WORK THROUGH ITS RECENT CONSTRUCTION SURGE

Anne Arundel County remains one of the more active suburban development markets in the Baltimore Metro, though the sharp increase in new construction seen in 2024 is still working through the market. After more than 1,000 units were delivered that year, the pace of completions slowed significantly in 2025 and has remained more moderate entering 2026. Even so, recently delivered properties are still leasing up, with some 2024 deliveries offering concessions of up to 1.5 months free. That suggests the county is moving beyond its most recent burst of supply, but the market is still absorbing the impact of those deliveries.

Recent growth has been concentrated in two primary areas of the county. The first is the Annapolis and Parole area, where new apartment communities have expanded housing options in a high-demand location with strong access to Annapolis and surrounding employment centers. The second is the western portion of the county, including areas such as Odenton, Jessup, and Severn, where transit-oriented and highway-accessible development has taken shape near major transportation infrastructure. These locations offer direct connectivity to both Baltimore and Washington, D.C., helping explain why Anne Arundel has remained an attractive location for new apartment development.

More than 1,000 New Units Hit the Market in 2024



Source: CoStar
*End of Q1

UNITS COMPLETED SINCE 2024

1,276

NOTABLE DEVELOPMENTS

The Residences at Milestone

7962 Milestone Pkwy.
Jessup, MD | **183 Units**
Under Construction

Blue Oaks at Odenton

1566 Annapolis Rd.
Odenton, MD | **150 Units**
Completed in 2026

Brock Bridge Landing

2001 Lazelle Dr.
Jessup, MD | **38 Units**
Completed in 2025

Avalon Annapolis

2494 Riva Rd.
Annapolis, MD | **508 Units**
Completed in 2024

Elms at The Refuge

3201 Fluvial Ln.
Laurel, MD | **220 Units**
Completed in 2024

Aventon Annapolis

2553 Riva Rd.
Annapolis, MD | **250 Units**
Completed in 2024

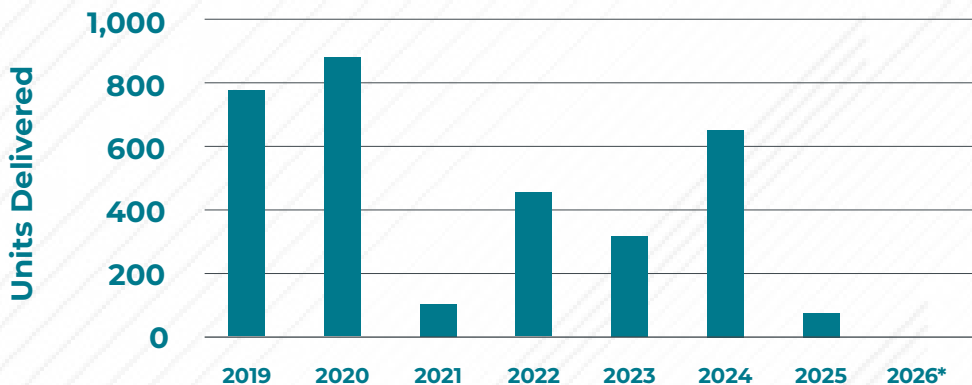
HOWARD COUNTY DEVELOPMENT PAUSES IN 2025

Howard County remains one of the strongest-performing multifamily markets in the Baltimore Metro, supported by its high household incomes, strong public school systems, and central location between Baltimore and Washington, D.C. These advantages continue to support one of the highest rent profiles in the region and help sustain renter demand even as broader job growth has cooled across the metro. As a result, Howard has maintained relatively stable operating conditions compared with more supply-heavy parts of the market.

While Howard County has seen periodic bursts of new multifamily development over the past several years, the recent pace of deliveries has slowed materially. After more than 600 units delivered in 2024, completions dropped sharply in 2025, and no new units were delivered in the first quarter of 2026. The active pipeline also remains modest at just over 200 units under construction, well below the levels seen in prior development cycles.

Much of the county's longer-term growth has been centered in Downtown Columbia, where continued mixed-use redevelopment has steadily expanded the residential base and reinforced the area's role as Howard County's primary urban center. More recently, however, market-rate multifamily development has slowed, with near-term supply concentrated in affordable and senior housing. At the same time, additional multifamily development has continued to emerge along the county's outer edges near the I-70 and I-95 corridors.

Multifamily Development Slows in Howard



Source: CoStar
*End of Q1

TOTAL UNITS
DELIVERED SINCE
2025

76

NOTABLE DEVELOPMENTS

Legacy at Cedar Lane I/II

5627 Cedar Ln.
Columbia, MD | **123 Units**
Under Construction

The Vision at Parkway

6001 Turnabout Ln.
Columbia, MD | **83 Units**
Under Construction

Patuxent Commons

6441 Freetown Rd.
Columbia, MD | **76 Units**
Completed in 2025

The Forge

6771 Dorsey Rd.
Elkridge, MD | **210 Units**
Completed in 2024

Mt. Villa Apartments

2760 Turf Valley Golf Rd.
Ellicott City, MD | **192 Units**
Completed in 2024

Legacy at Twin Rivers

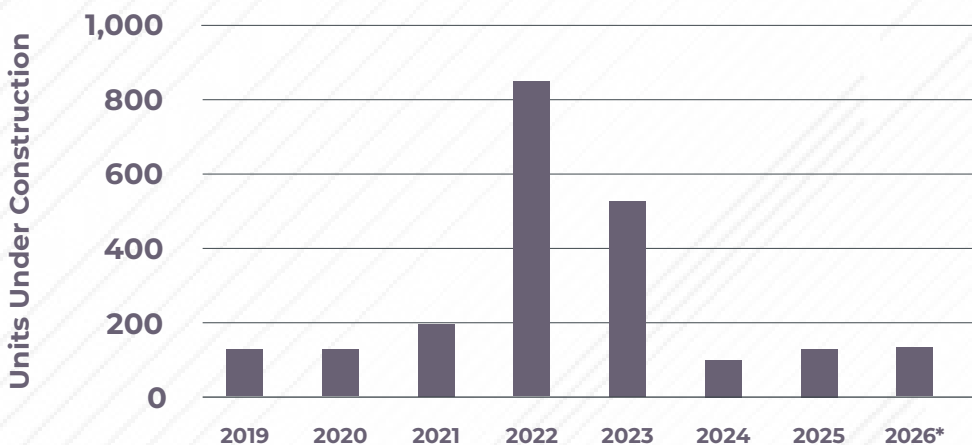
10401 Twin Rivers Rd.
Columbia, MD | **153 Units**
Completed in 2024

TARGETED GROWTH IN HARFORD, LIMITED SUPPLY IN CARROLL

Harford and Carroll Counties remain smaller multifamily markets within the Baltimore Metro, but Harford has seen more recent development activity. New projects in Harford have been concentrated along the I-95 corridor and in Bel Air, reflecting access to regional employment nodes, commuter routes, and ongoing reinvestment in the county's commercial centers. Bel Air has become the clearest example of this targeted growth, with projects such as The Standard on Bond and Hickory Flats adding new rental housing near the town's commercial core, while the planned Harford Mall redevelopment would replace a portion of the mall with a mixed-use project that includes more than 200 apartments, new retail, and open-air gathering space.

At the same time, new density restrictions in Bel Air point to local concern over the pace and scale of apartment development, which could limit future supply growth. Harford's development outlook is likely to remain targeted around select nodes, supported by I-95 access, industrial corridor activity, and healthcare expansion tied to University of Maryland Upper Chesapeake Health. Carroll County remains much more supply-constrained, with limited new apartment development and fewer large-scale multifamily nodes. As a result, future growth across Harford and Carroll is likely to remain selective, with Harford capturing most new activity and Carroll continuing to be defined by limited supply.

Harford Construction Returns to Norms After 2022-2023 Surge



Source: CoStar
*End of Q1

UNITS UNDER CONSTRUCTION

130

NOTABLE DEVELOPMENTS

Hickory Flats

26 N Hickory Ave.
Bel Air, MD | **100 Units**
Under Construction

The Standard on Bond

128 N Bond St.
Bel Air, MD | **30 Units**
Under Construction

Fields of Aberdeen

900 Gilbert Rd.
Aberdeen, MD | **94 Units**
Completed in 2025

James Run Apartments

2786 Megan Wy.
Bel Air, MD | **304 Units**
Completed in 2024

Five43 Apartments

2219 Jack Ln.
Bel Air, MD | **184 Units**
Completed in 2024

Holly Oaks

4800 Mantlewood Wy.
Aberdeen, MD | **60 Units**
Completed in 2024

2026 Q1 SALE TRANSACTIONS

Property Name	Address	Submarket	# of Units	Sale Date	Sale Price	Price/ Unit
St. Charles At Olde Court	7900 Brookford Cir	Baltimore County	612	Mar 2026	\$98,580,000	\$161,078
Rodgers Forge	6809 Bellona Ave	Baltimore County	498	Mar 2026	Not Disclosed	-
Crossings At White Marsh	1 Lincoln Woods Way	Baltimore County	396	Mar 2026	Not Disclosed	-
Oak Hill Townhomes*	2821 Mathews St	Baltimore City	310	Feb 2026	Not Disclosed	-
Parkview Apartments*	3905 Parkview Ave	Baltimore City	40	Jan 2026	Not Disclosed	-
Glen Arms Apartments*	3405 Glen Ave	Baltimore City	21	Feb 2026	Not Disclosed	-
The Druid Apartments*	2028 Mount Royal Ter	Baltimore City	21	Mar 2026	Not Disclosed	-
Leithwalk Apartments*	1213 E Northern Pky	Baltimore City	20	Jan 2026	Not Disclosed	-
Walker House Apartments*	1208-1218 Walker Ave	Baltimore City	19	Feb 2026	Not Disclosed	-
Cathedral Commons*	511-513 Cathedral St	Baltimore City	16	Feb 2026	Not Disclosed	-
2300 N Calvert St*	2300 N Calvert St	Baltimore City	15	Jan 2026	Not Disclosed	-
Kennedy Court Apartments	2643 Kennedy Ave	Baltimore City	12	Mar 2026	\$1,235,409	\$102,951

* DENOTES HSA TRANSACTION

Pictured: Oak Hill Townhomes*



2026 Q1 SALE TRANSACTIONS

Property Name	Address	Submarket	# of Units	Sale Date	Sale Price	Price/Unit
1605 Homestead St	1605 Homestead St	Baltimore City	13	Mar 2026	\$725,591	\$55,815
3500-3504 Liberty Heights Ave	3500-3504 Liberty Heights Ave	Baltimore City	12	Jan 2026	\$1,727,500	\$143,958
709 St Paul St	709 St Paul St	Baltimore City	10	Feb 2026	\$1,295,000	\$129,500
5204 Leeds Ave	5204 Leeds Ave	Baltimore County	9	Jan 2026	\$823,909	\$91,545
The Dorchester Apartments	3901 Dorchester Rd	Baltimore City	9	Jan 2026	Not Disclosed	-
905 Druid Park Lake Dr	905 Druid Park Lake Dr	Baltimore City	8	Feb 2026	\$720,000	\$90,000
1225 N Calvert St*	1225 N Calvert St	Baltimore City	7	Mar 2026	Not Disclosed	-
627 Ridgely Ave	627 Ridgely Ave	Anne Arundel	7	Jan 2026	\$714,000	\$102,000
5112 Leeds Ave	5112 Leeds Ave	Baltimore County	7	Jan 2026	\$640,818	\$91,545
2445 Lakeview Ave	2445 Lakeview Ave	Baltimore City	6	Feb 2026	\$682,500	\$113,750
2304 Tioga Pky	2304 Tioga Pky	Baltimore City	5	Feb 2026	Not Disclosed	-
1600 Bolton St	1600 Bolton St	Baltimore City	5	Jan 2026	Not Disclosed	-

* DENOTES HSA TRANSACTION

Pictured: The Druid Apartments*

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HARBOR STONE ADVISORS 2026 Q1 PERFORMANCE HIGHLIGHTS

9

Properties
Sold

468

Units
Sold

220

Units Under
Contract/LOI

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