

# BALTIMORE METRO

## Q2 2025 Multifamily Market Report





## MARKET INDICATORS

6.8%

Stabilized  
Vacancy Rate

\$1,730

Average  
Asking Rent

2,456

Under Construction  
(Units)

766

Deliveries\*  
(Units)

*\*Year-to-Date*

## BALTIMORE METRO MULTIFAMILY SUMMARY

As of mid-2025, Baltimore's apartment market remains defined by steady renter demand and constrained new supply. Overall vacancy rates have held relatively stable this year as the metro continues to absorb nearly 8,000 units delivered over the past two years, marking the largest supply wave in its history. The influx of newly built Class A communities has heightened competition for tenants, with more than 60% of these properties now offering concessions to attract renters.

Rent growth moderated in the second quarter of 2025 as a result of this competitive environment. Asking rents still increased by 1.6 percent, nearly double the national average and outperforming nearby markets such as Washington, D.C. This growth varied across submarkets, and Baltimore County remained a standout for rent appreciation, supported by sustained demand and minimal new construction.

Development activity is heavily concentrated in Baltimore City, which accounts for 85 percent of all units underway. Much of this construction is clustered in Downtown, Canton, Fells Point, and the Baltimore Peninsula. Annual deliveries are projected to reach their lowest level since 2010, representing a decline of more than 65 percent from 2024 to 2025.

Investment activity has moderated slightly in  
**CONTINUED** →

2025 compared to the first half of last year. Institutional capital remains cautious, and only three properties have sold over 100 units in the first two quarters of this year. Baltimore’s middle market, however, remains active as buyers find creative ways to make deals pencil in a higher-rate environment. All-cash transactions, owner financing, and short-term loans from select regional banks have helped bridge the gap left by traditional financing.

Despite lower deal volume, buyer activity has picked up significantly in the summer months. If borrowing costs ease in the months ahead, Baltimore could see a surge of capital into its multifamily market.

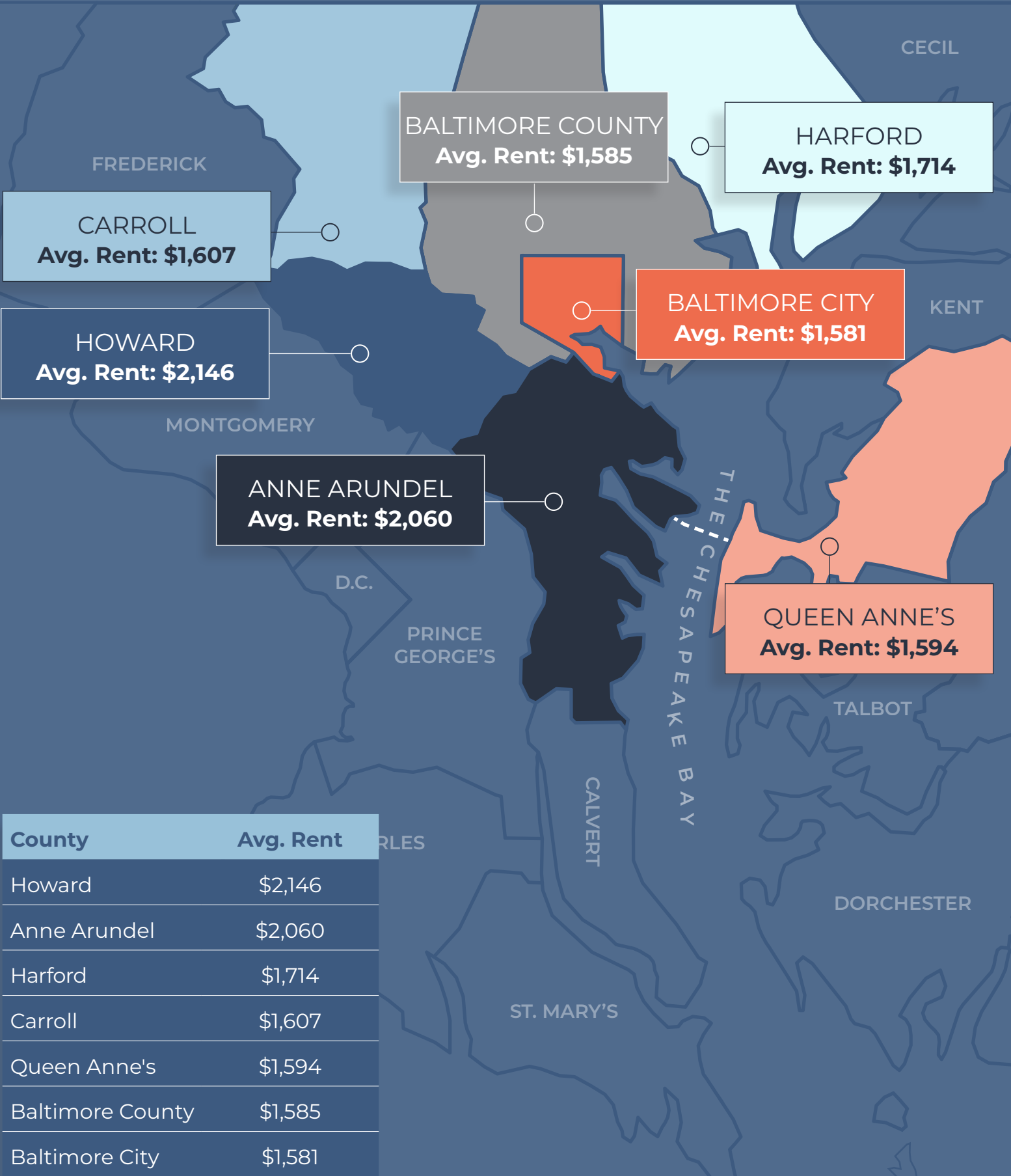
BALTIMORE METRO SUBMARKET STATISTICS

County	Inventory	Avg. Rent	Overall Vacancy	Deliveries (12 Month)	Under Construction (Units)
Baltimore County	82,351	\$1,585	6.9%	322	26
Baltimore City	63,295	\$1,581	9.1%	1,056	2,096
Anne Arundel	30,929	\$2,060	6.8%	546	240
Howard	24,615	\$2,146	5.8%	0	76
Harford	10,397	\$1,714	9.3%	398	30
Carroll	2,580	\$1,607	3.1%	0	0
Queen Anne's	513	\$1,594	10.3%	60	0

Source: CoStar, HSA Research  
\*End of 2025Q2



BALTIMORE METRO AVERAGE RENTS



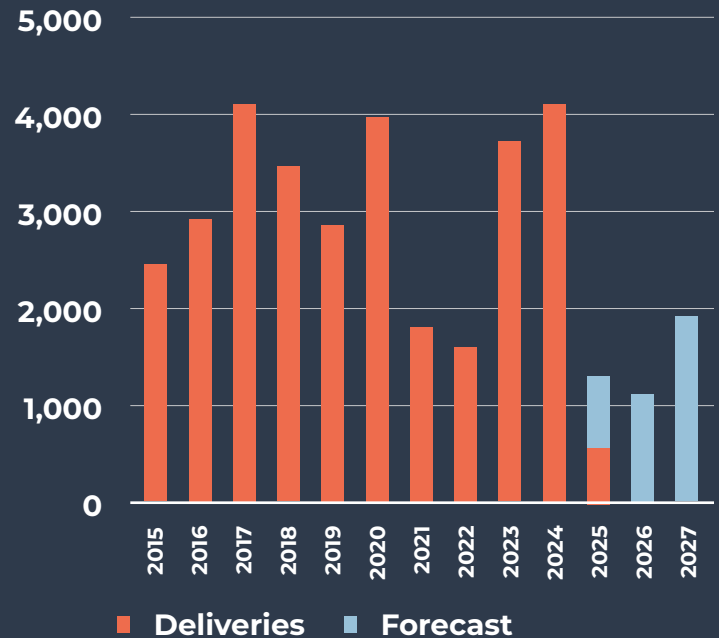
## BALTIMORE ENTERS PERIOD OF DEVELOPMENT SLOWDOWN

Baltimore's multifamily market is transitioning from an unprecedented building boom to a more restrained development environment. Elevated interest rates, tighter lending standards, and rising construction costs have slowed the pace of new project starts, with many developers delaying or shelving planned communities.

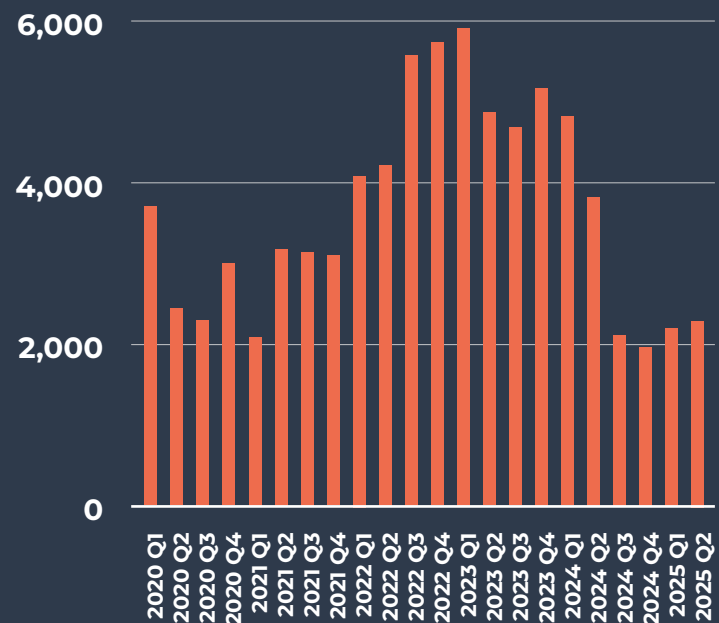
This marks a significant shift following nearly 8,000 new units delivered over the past two years, the largest wave of completions in the metro's history. Much of that pipeline originated during the low-rate years prior to the recent run-up in borrowing costs, and with those projects now largely completed, fewer developments are moving forward.

The slowdown will likely be felt most in submarkets that have recently seen substantial construction, such as Fells Point and Federal Hill within Baltimore City. Over time, reduced supply growth could help stabilize vacancies and improve rent growth potential, particularly in locations where demand remains strong and barriers to new construction are high. For investors, the changing supply landscape may create opportunities in well-located existing assets, especially Class B and value-add properties positioned to attract renters seeking alternatives to newer Class A product.

### Multifamily Deliveries Near Decade Lows



### Construction Levels Drop by 30% Annually



FEATURED SALE TRANSACTIONS - 2025 Q2

2025 Q2 SALE TRANSACTIONS					
Property Name	County	# of Units	Sale Date	Sale Price	Price/ Unit
Addison Place Apartments 2111 Garrison Blvd	Balt. City	36	May 2025	\$1,950,000	\$54,167
Portfolio Sale 3913 Chatham Rd; 4001 Derby Manor Dr; 3600 Eldorado Ave	Balt. City	33	April 2025	\$2,240,250	\$67,886
The Imperial at Conkling* 201 S Conkling St	Balt. City	27	May 2025	\$4,320,000	\$160,000
1923 Ashland Ave* 1923 Ashland Ave	Balt. City	22	June 2025	\$4,700,000	\$213,636
The Genesis 9 N Howard St	Balt. City	15	June 2025	\$3,018,989	\$201,266
Manchester Towns* 3205 Chestnut St	Carroll	22	May 2025	\$2,586,000	\$117,545
Calvert and Saint Paul Portfolio* Calvert and Saint Paul Portfolio	Balt. City	28	April 2025	Not Disclosed	-
South Baltimore Apartments* Baltimore, MD	Balt. City	28	June 2025	Not Disclosed	-
Portfolio Sale 1814, 1900, 1908, 1910, 1912-1916 Sulgrave Ave	Balt. City	27	April 2025	Not Disclosed	-
Suites at Saint Paul* 717-721 St Paul St	Balt. City	18	June 2025	Not Disclosed	-
Aberdeen Towns* 80 E Bel Air Ave	Harford	17	May 2025	Not Disclosed	-
115 W Monument St* 115 W Monument St	Balt. City	9	May 2025	Not Disclosed	-

\* Denotes HSA Transaction

Pictured: The Imperial at Conkling\*





## FEATURED SALE TRANSACTIONS - 2025 Q1

2025 Q1 SALE TRANSACTIONS					
Property Name	County	# of Units	Sale Date	Sale Price	Price/Unit
Mariner Bay at Annapolis Town Center 1910 Towne Centre Blvd	Anne Arundel	208	Feb. 2025	\$87,000,000	\$418,269
Crosswinds at Annapolis Town Center 1903 Towne Centre Blvd	Anne Arundel	215	Feb. 2025	\$73,000,000	\$339,535
The Sail Cloth Factory* 121 S Fremont Ave	Balt. City	107	Feb. 2025	\$16,000,000	\$149,533
Hendrickson Townhomes* 281 Hendrickson Ln	Balt. City	29	Jan. 2025	\$4,305,000	\$148,448
The Clarksvew* 3701 Clarks Ln.	Balt. City	34	Jan. 2025	Not Disclosed	-
Chase Street Apartments* Baltimore, MD	Balt. City	24	Mar. 2025	Not Disclosed	-
North Commons* 1808-1812, 1816 Saint Paul St	Balt. City	16	Feb. 2025	Not Disclosed	-
Madison Lofts* 712 St. Paul St	Balt. City	10	Feb. 2025	Not Disclosed	-

\* Denotes HSA Transaction

Pictured: The Sail Cloth Factory\*

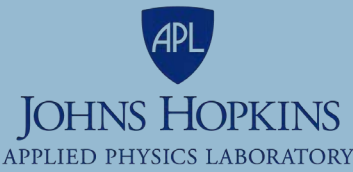


ECONOMIC OVERVIEW: MID-YEAR 2025

The Baltimore metro added 38,000 jobs from January to June 2025, up from 26,000 during the same period in 2024, a 46% year-over-year increase. Job gains were led by health care, education, and social assistance, while the metro’s unemployment rate rose slightly to 3.7% in June (from 3.4% a year earlier). Despite modest declines in both the labor force and household employment, the region showed early strength in 2025 before momentum began to taper in the second quarter.

Nationally, job growth slowed sharply. The U.S. added just 73,000 jobs in July, the third consecutive month of weak gains, and revisions erased a combined 258,000 jobs from May and June reports. The unemployment rate held at 4.2%, while labor force participation declined slightly to 62.2%.

SELECT MAJOR BALTIMORE METRO EMPLOYERS





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*Senior Research Analyst*

**GINA BELL**

*Senior Marketing Specialist*

**JOHANNA HUSENA**

*Marketing & Design Specialist*

### HARBOR STONE ADVISORS 2025 YTD PERFORMANCE HIGHLIGHTS

**25**

Properties  
Sold

**421**

Units Under  
Contract/  
LOI

**489**

Units  
Sold

**16**

Active  
Listings

**8**

Listings in  
Process

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