



**D.C. &
SUBURBAN
MARYLAND
MULTIFAMILY
MARKET
REPORT
Q1 2026**

DC & SUBURBAN MARYLAND MULTIFAMILY SUMMARY - 2026 Q1

The DC and Suburban Maryland multifamily market entered 2026 with fundamentals increasingly diverging by county. Differences in new supply, federal workforce uncertainty, and local policy changes have reshaped investor sentiment and development activity across the region. Washington, DC, experienced the region's largest inventory expansion since 2019, with multifamily supply growing roughly 30% at an annual rate of 4.4%, adding nearly 40,000 units. In contrast, Montgomery County and Prince George's County saw much slower inventory growth. As a result, fundamentals in the suburban counties have remained comparatively more stable despite some recent softening.

Capital market conditions and legislative uncertainty continue to influence transaction activity across the region. Investor activity has remained more measured in recent quarters due to cautious lending conditions and ongoing policy discussions. Potential proposals, including a DC rent freeze, restrictions on algorithmic rent pricing, and expanded compliance requirements, have contributed to a more cautious investment environment. While many of these policies remain under discussion, they have added to underwriting complexity.

At the same time, these pressures are contributing to a growing long-term opportunity narrative. Multifamily pricing has reset meaningfully from 2021–2022 peaks, while development pipelines across the region have thinned substantially due to elevated construction costs, declining permitting activity, and rent stabilization policies that have slowed new development across both Maryland counties. Many investors increasingly view current conditions as cyclical rather than structural, supported by durable long-term demand drivers including the region's diverse employment base, affluent renter demographics, and large-scale redevelopment initiatives such as the RFK Stadium project.

MARKET INDICATORS



**Stabilized
Vacancy Rate**

8.3%



**Average
Asking Rent**

\$2,172



**Units Under
Construction**

5,669

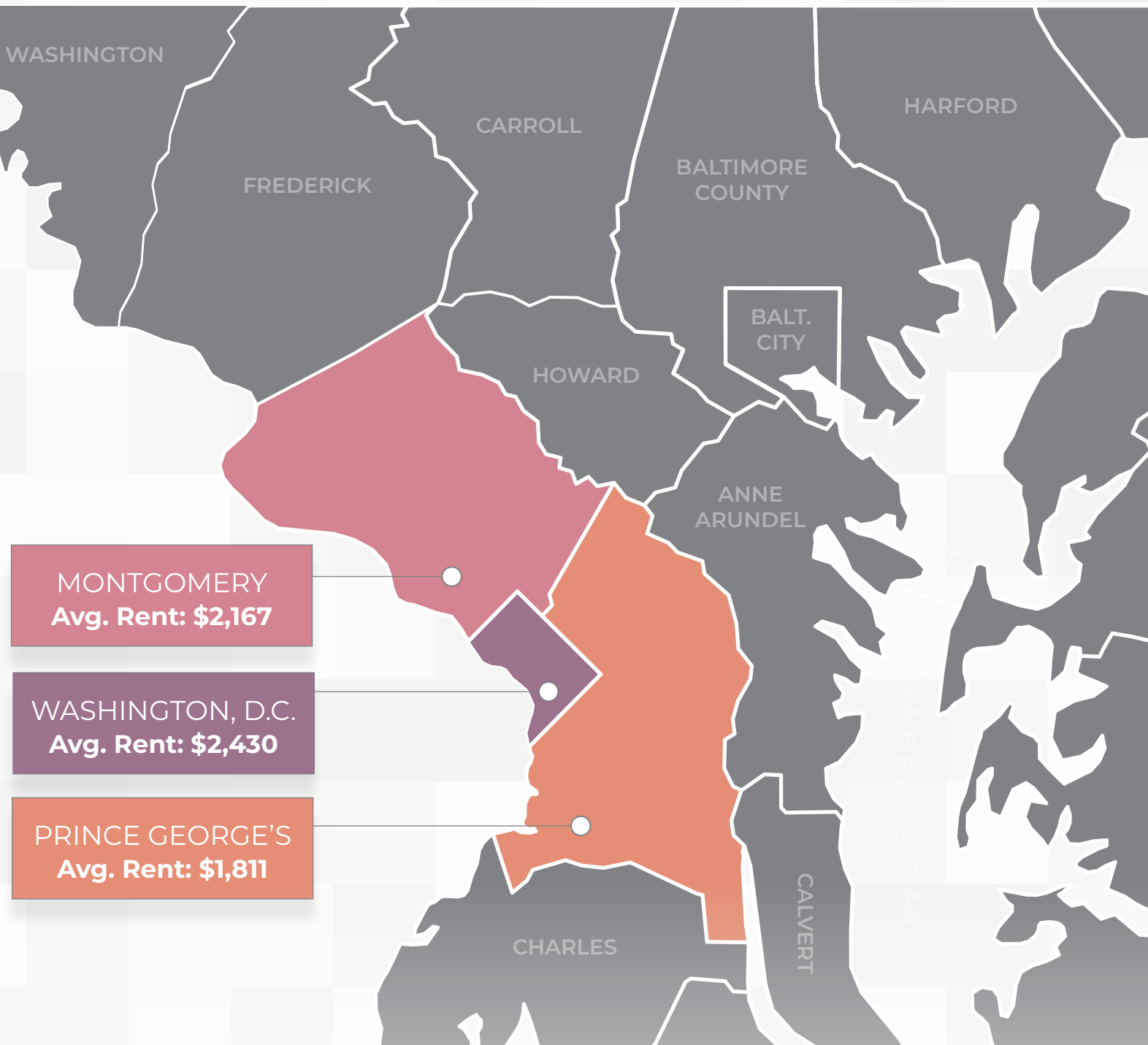


**Units
Delivered***

724

Source: CoStar, HSA Research | * End of 26Q1

DC-MD COUNTY STATISTICS



County	Inventory	Avg. Rent	Stabilized Vacancy	Deliveries (YTD)	Under Construction (Units)
District of Columbia	148,126	\$2,430	8.9%	69	2,913
Montgomery	97,117	\$2,167	7.0%	655	894
Prince George's	94,896	\$1,811	8.8%	0	1,221

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

CONSTRUCTION

The development pipeline across the DC & Suburban Maryland multifamily market is contracting rapidly following several years of elevated construction activity. Aggressive development, particularly in the District of Columbia, contributed to rising vacancy and softer rent growth across much of the region. However, higher financing costs, elevated construction expenses, slowing demand, and changing policy dynamics have materially reduced new development activity across all three jurisdictions. As starts continue trailing deliveries, supply pressure is expected to ease progressively over the next several years.

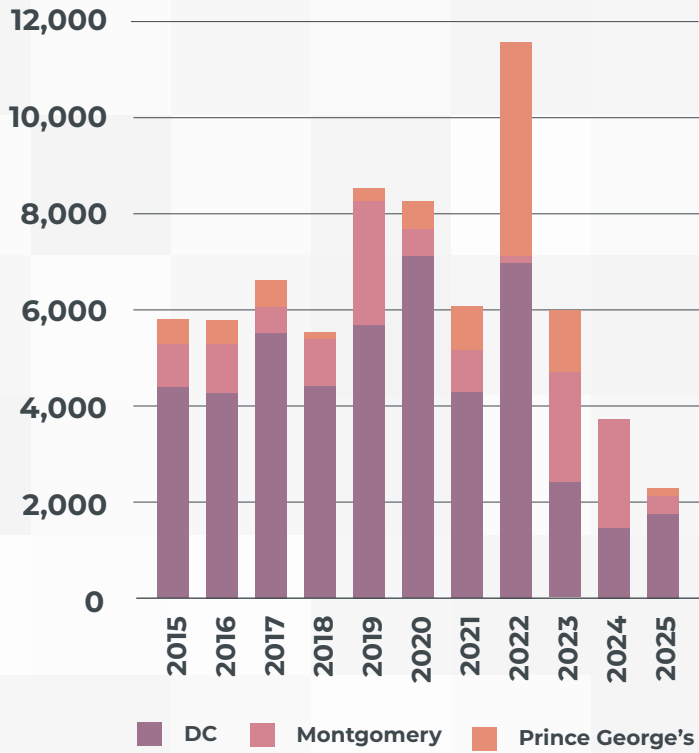
The District of Columbia remains at the center of the region's supply cycle, having delivered the largest concentration of new units since 2019. Development activity accelerated sharply between 2020 and 2023, particularly in neighborhoods such as Navy Yard, NoMa, Southwest, and along the H Street corridor, where large-scale mixed-use projects reshaped the city's multifamily inventory. While projects currently underway will continue pressuring leasing conditions in the near term, permitting activity has slowed considerably from post-pandemic highs, signaling a much lighter future pipeline.

Both Suburban Maryland counties are experiencing an even more abrupt slowdown in development activity, driven by both capital market conditions and rent stabilization policies enacted during 2024. In Montgomery County, many developers have paused entitled projects as investors reassess underwriting assumptions and return expectations in a more restrictive policy environment. Prince George's County has seen an even sharper pullback, with market-rate development activity slowing to historically low levels following implementation of the county's rent control legislation. As development activity slows across the region, future supply additions are expected to remain limited for the foreseeable future.

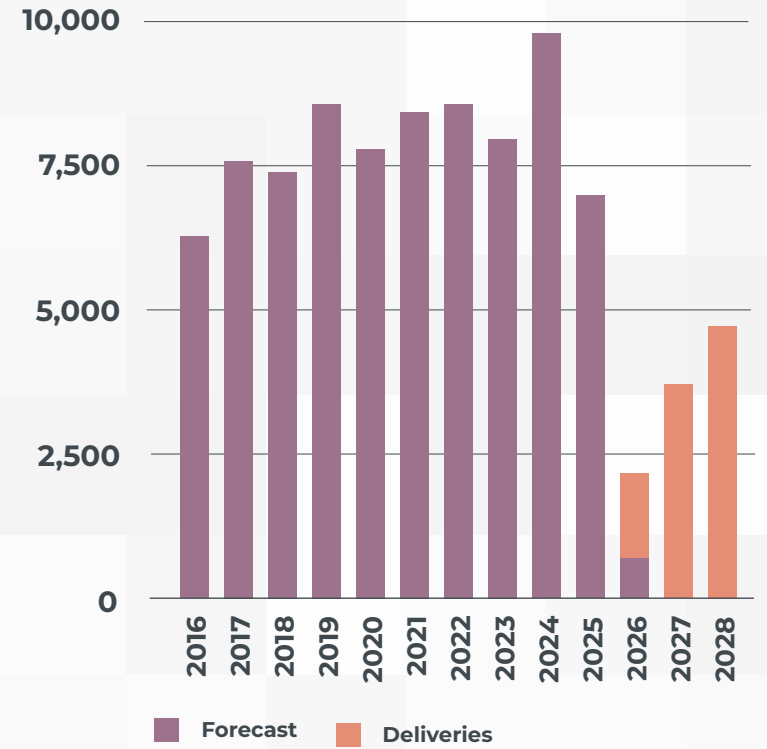


CONSTRUCTION

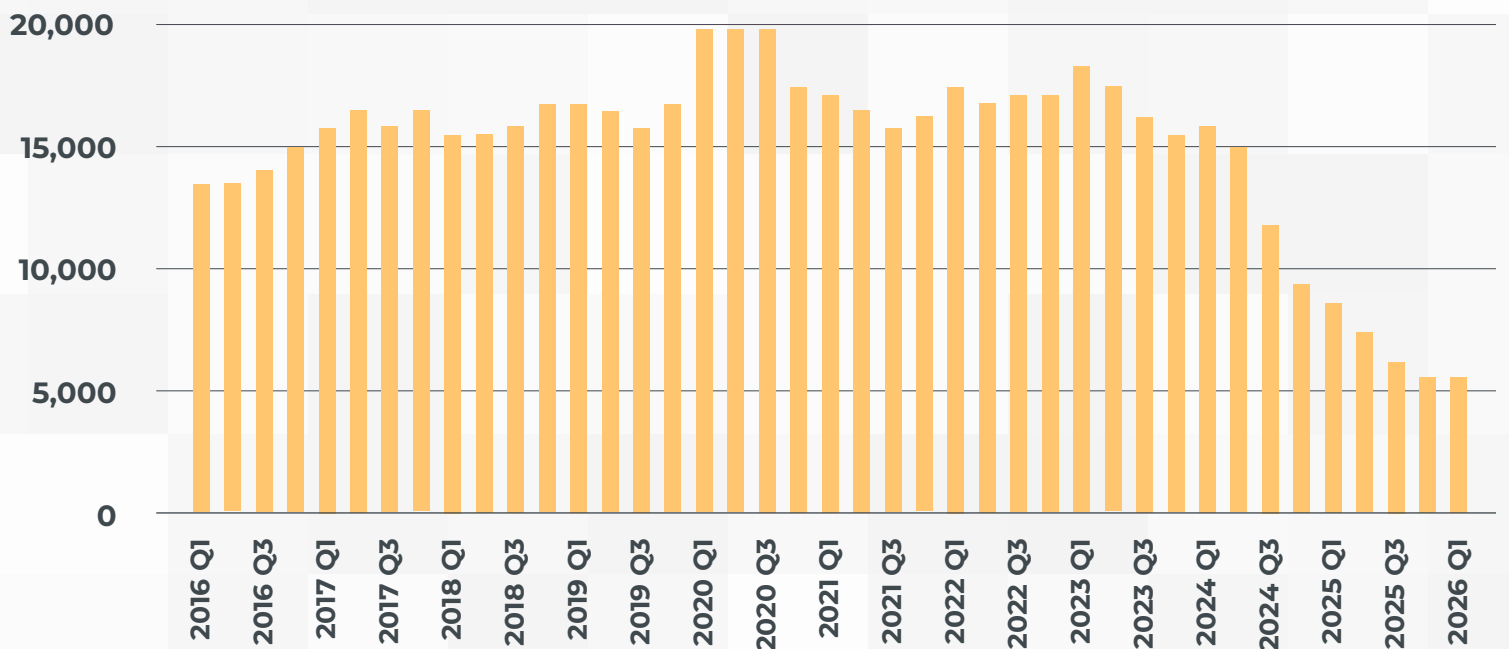
Multifamily Permits Fall Off in DC & Suburban Maryland



Multifamily Deliveries to Remain Near Decade Lows



Construction Levels Fall More Than 70% Since 2020 Peak

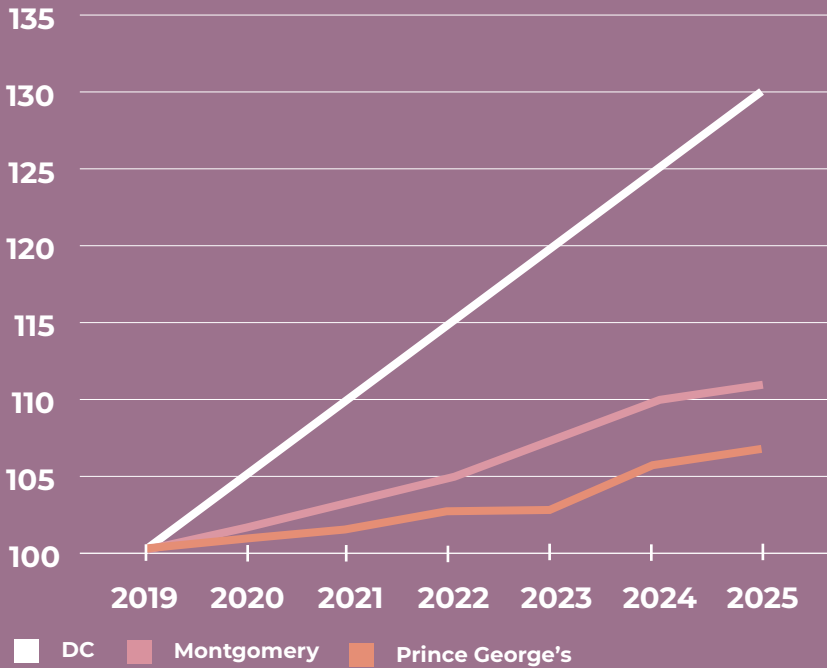


Source: CoStar, U.S. Census

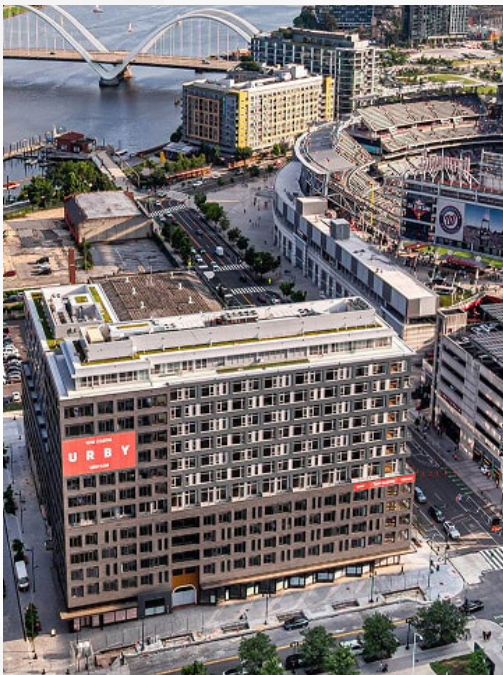
DISTRICT OF COLUMBIA

The District of Columbia continues to face the most pressure, having expanded multifamily inventory by 30% since 2019 at a 4.4% annual rate. Elevated deliveries over the past several years have contributed to higher vacancy, softer rents, and increased concession activity, particularly in urban corridors such as Navy Yard, NoMa, and Southwest. However, while leasing conditions remain competitive, the supply cycle appears to be reversing quickly, with permitting falling sharply from more than 7,000 units in 2022 to just below 1,400 in 2025.

D.C. Continues to See Inventory Expansion



Source: CoStar | Cumulative Inventory Growth Indexed to 2019



NOTABLE DEVELOPMENTS

The Geneva

2000 2nd St. SW
Adams Morgan | **525 Units**
Under Construction

The Tucker

1 K St. SW
Southwest D.C. | **353 Units**
Under Construction

Zephyr at Wardman Park

2601 Calvert St. NW
Woodley Park | **577 Units**
Completed: 2025

1250 Maryland Ave SW

1250 Maryland Ave. SW
Waterfront | **428 Units**
Under Construction

The Byron, Everly & Colette

2000 2nd St. SW
Buzzard Point | **1,227 Units**
Completed: 2025

Navy Yard Urby (pictured: left)

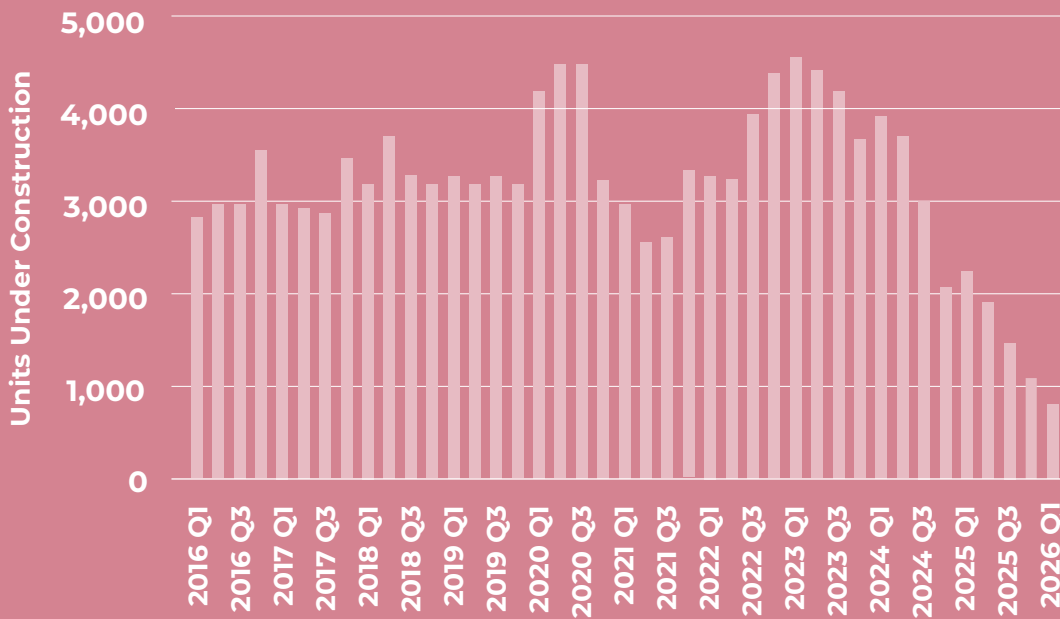
1331 Yards Pl. SE
Navy Yard | **476 Units**
Completed: 2025

MONTGOMERY COUNTY

Montgomery County entered 2026 with softer multifamily fundamentals following several years of elevated deliveries and moderating renter demand. While inventory growth has remained relatively moderate compared to Washington, DC, averaging roughly 1.8% annually since 2019, vacancy has increased as newly delivered projects continue to stabilize.

The county's multifamily market has also been influenced by rent stabilization legislation enacted in 2024, which has contributed to a significant slowdown in development activity as developers and investors reassess underwriting assumptions within a more restrictive operating environment. Despite these headwinds, Montgomery County continues to benefit from strong household incomes, a highly educated renter base, and major employment anchors across healthcare, government, and life sciences.

Montgomery County Development Declines Rapidly



Source: CoStar, HSA Research

NOTABLE DEVELOPMENTS

The Sage

16000 Columbus Ave.
Derwood, MD | **413 Units**
Under Construction

Lumina at Hillandale Gateway

10140 New Hampshire Ave.
Silver Spring, MD | **308 Units**
Under Construction

Hampden House

4700 Hampden Ln.
Bethesda, MD | **221 Units**
Under Construction

Envoi

5400 McGrath Blvd.
North Bethesda, MD | **354 Units**
Completed: 2025

Logic White Oak

12230 Longfield Dr.
Silver Spring, MD | **387 Units**
Completed: 2025

Hampden House

4700 Hampden Ln.
Bethesda, MD | **366 Units**
Completed: 2025

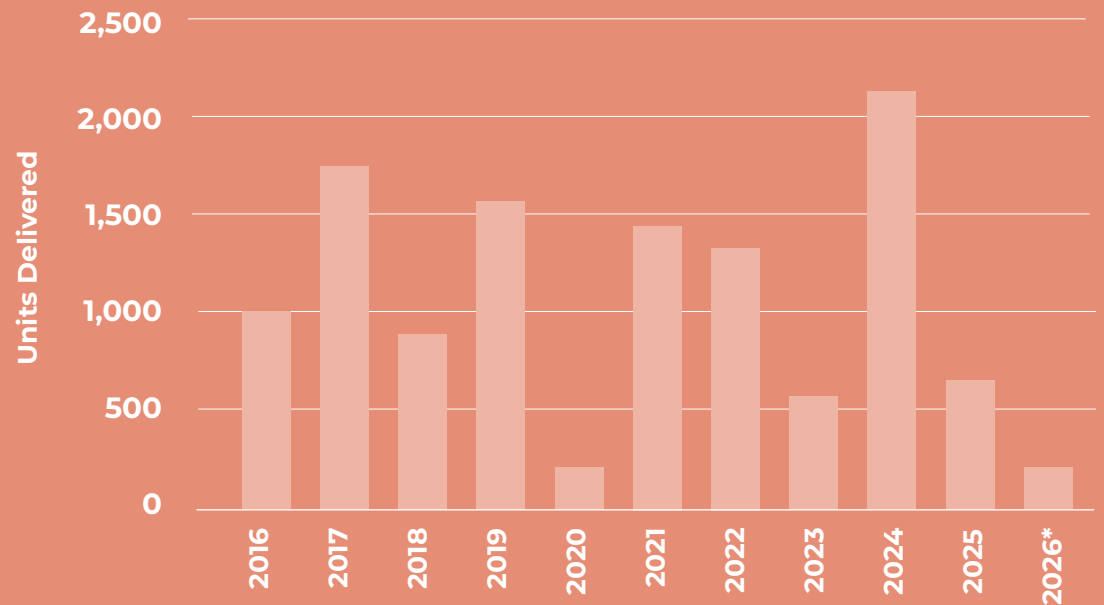
PRINCE GEORGE'S COUNTY

Prince George's County remained the most stable multifamily market entering 2026, supported by limited new supply. Since 2019, inventory growth has remained the most constrained among the three counties at approximately 1.1% annually, helping occupancy remain relatively durable while supporting modest rent growth.

Development activity has slowed substantially following the implementation of the county's rent stabilization legislation, with virtually no new multifamily permitting activity recorded since the start of 2024. The lack of future supply is particularly notable along the Green Line corridor, where market-rate development activity had already remained limited for years. At the same time, Prince George's County continues benefiting from its relative affordability compared to neighboring jurisdictions, supporting demand from workforce, healthcare, government, and logistics-related households.



Total Deliveries Forecasted Near Historical Lows in 2026



Source: CoStar, HSA Research | *Forecast

NOTABLE DEVELOPMENTS

Aviation Landing

5240 Campus Dr.
College Park, MD | **250 Units**
Under Construction

The Bellevue (pictured: right)

3300 Toledo Rd.
Hyattsville, MD | **361 Units**
Completed: 2025

Alexan Brandywine

7821 Matapeake Business Dr.
Brandywine, MD | **221 Units**
Under Construction

Alta New Carrollton

4825 Ellin Rd.
Hyattsville, MD | **320 Units**
Completed: 2025



2026 Q1 SALE TRANSACTIONS

Property Name	Address	County	# of Units	Sale Date	Sale Price	Price/Unit
Ascend Apollo	9400 Grand Blvd	Prince George's	424	Feb 2026	\$102,500,000	\$241,745
The Reed	15955 Frederick Rd	Montgomery	417	Mar 2026	\$110,000,000	\$263,789
Aspire Apollo	4451 Telfair Blvd	Prince George's	417	Feb 2026	\$100,000,000	\$239,808
Allure Apollo	4401 Telfair Blvd	Prince George's	384	Feb 2026	\$97,900,000	\$254,948
The Albemarle	4501 Connecticut Ave NW	District of Columbia	234	Mar 2026	\$69,797,246	\$298,279
Hillside Terrace	1812 23 rd St SE	District of Columbia	192	Jan 2026	\$21,000,000	\$109,375
Ken Mil Apartments	9119 Manchester Rd	Montgomery	66	Mar 2026	\$8,150,000	\$123,485
Eastern Avenue Apartments	7603-7615 Eastern Ave	Montgomery	43	Mar 2026	4,850,000	\$112,791
Coronado Apartments	5200-5201 Quincy St	Prince George's	40	Feb 2026	\$4,325,000	\$108,125
1717 S St SE	1717 S St SE	District of Columbia	36	Feb 2026	\$4,980,000	\$138,333
4010-4014 3 rd St SE	4010-4014 3 rd St SE	District of Columbia	26	Jan 2026	\$1,820,000	\$70,000
L'Enfant Apartments	1731 28 th St SE	District of Columbia	25	Mar 2026	\$3,500,000	\$140,000
4021 Benton St NW	4021 Benton St NW	District of Columbia	20	Feb 2026	\$3,375,000	\$168,750
2222 Q St NW	2222 Q St NW	District of Columbia	20	Feb 2026	\$5,650,000	\$282,500
1001 18 th St NE	1001 18 th St NE	District of Columbia	19	Mar 2026	\$1,200,000	\$63,158
4214 Benning Rd NE	4214 Benning Rd NE	District of Columbia	19	Jan 2026	\$2,339,419	\$123,127
4213 Brooks St NE	4213 Brooks St NE	District of Columbia	16	Jan 2026	\$1,664,081	\$104,005
Minnesota Flats	1840 Minnesota Ave SE	District of Columbia	16	Mar 2026	\$1,710,000	\$106,875
7310 Columbia Ave	7310 Columbia Ave	Prince George's	10	Jan 2026	\$1,742,500	\$174,250

Source: CoStar, HSA Research

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HARBOR STONE ADVISORS 2026 YTD PERFORMANCE HIGHLIGHTS

14

Properties
Sold

645+

Units
Sold

190+

Units Under
Contract/LOI

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