



2022 MULTIFAMILY RENTAL HOUSING TRENDS FOR THE COG REGION

Analysis of CoStar data

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Cooperative Forecasting and Data Subcommittee
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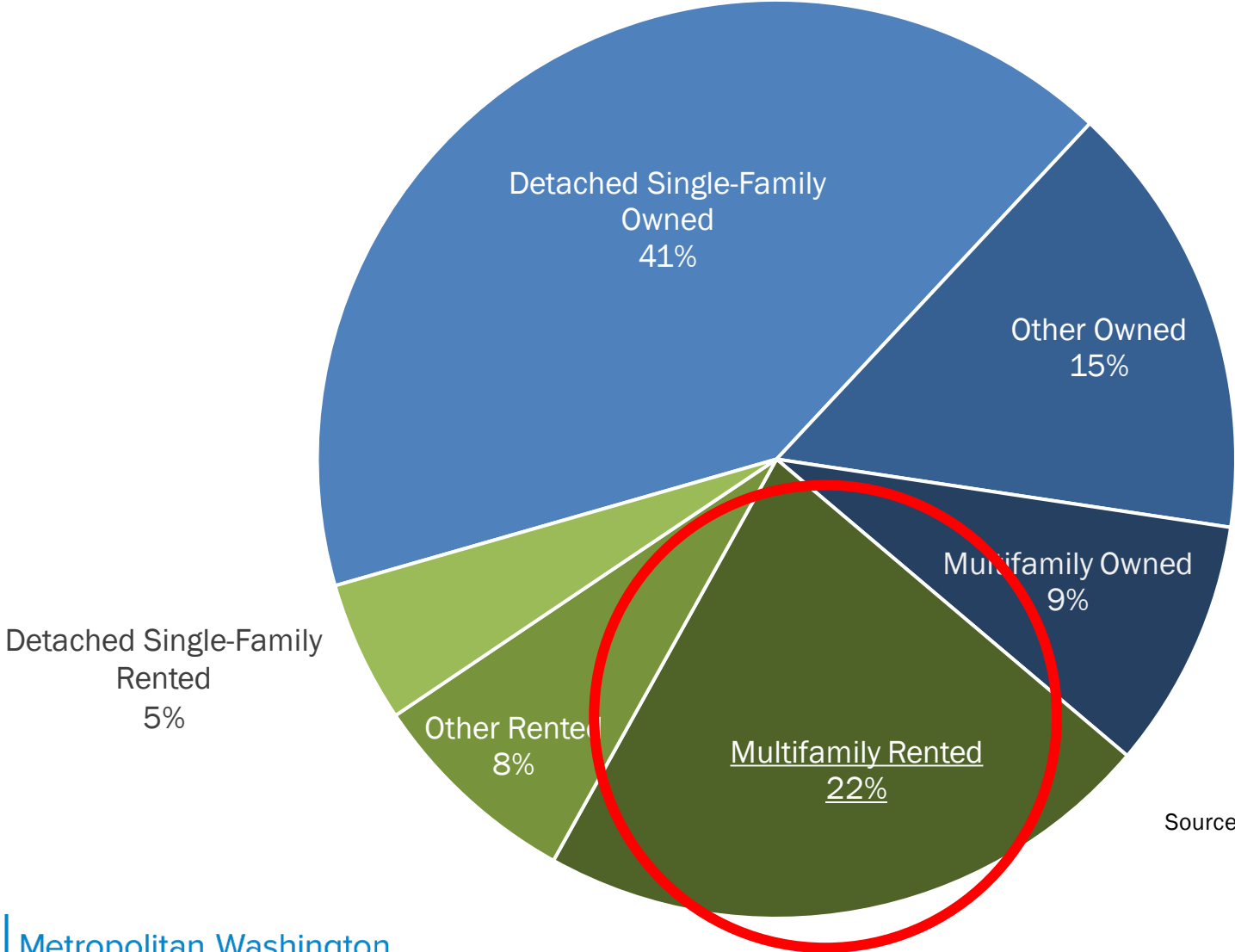
About the Multifamily Rental Construction Report

- Annual analysis of completed multifamily rental real estate projects in COG region using data from CoStar's database of properties.
 - Excludes
 - All Single-Family residences
 - Projects with 4 units or fewer
 - Condos and Co-ops
 - Military, student and assisted living housing
- Database contains average rents for each building but subsidized/rent restricted unit data is unreliable

What is CoStar?

- DC-based firm providing inventory of commercial properties and available spaces
- primarily marketed to real estate investors, developers, property managers and brokers
- Property data has over 180 attributes including...
 - Land use
 - Number of Units in Building
 - Year Built
 - Rents
 - Longitude and latitude
 - Vacant space
 - Market class
 - Square Feet of Units
- Database behind Apartments.com

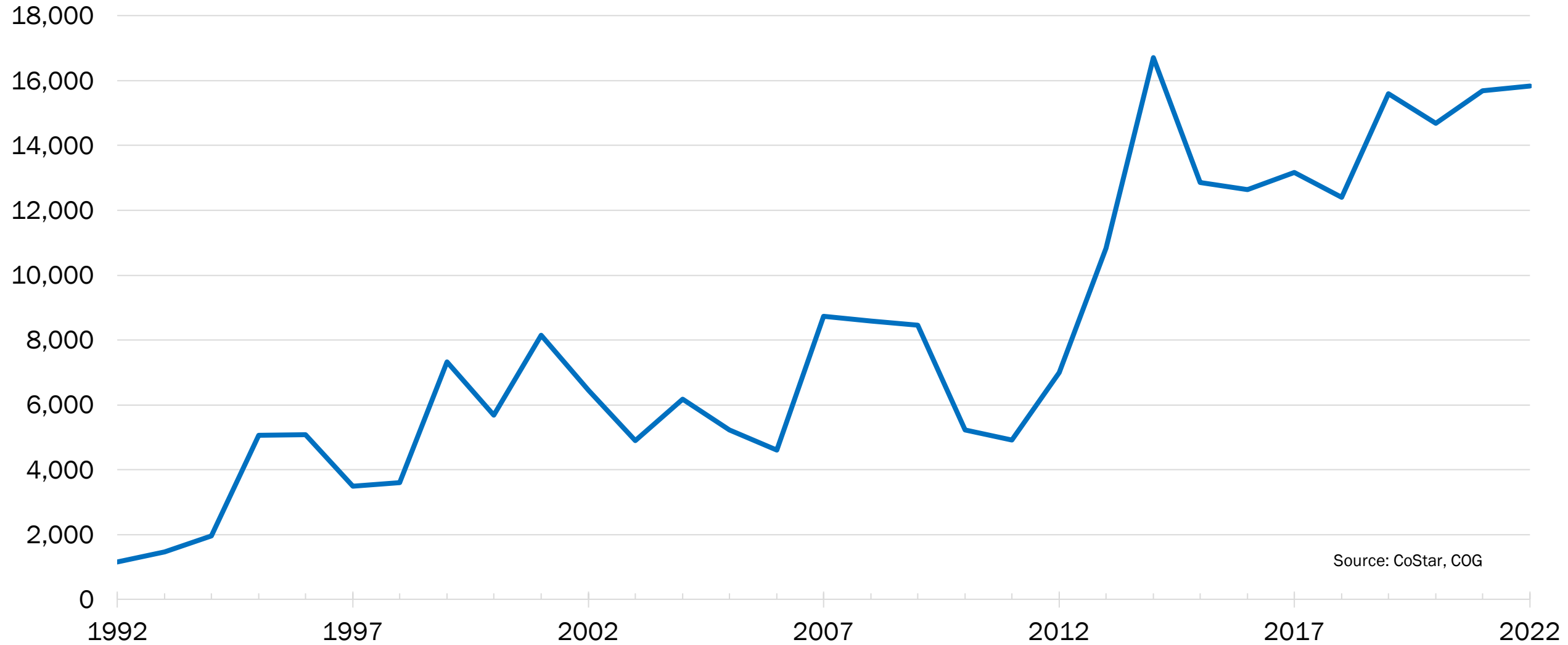
Occupied Housing in Washington MSA by Tenure and Number of Units in Structure



"Other" housing includes attached single-family, duplexes, triplexes, quadplexes, house boats, trailer parks and vehicles

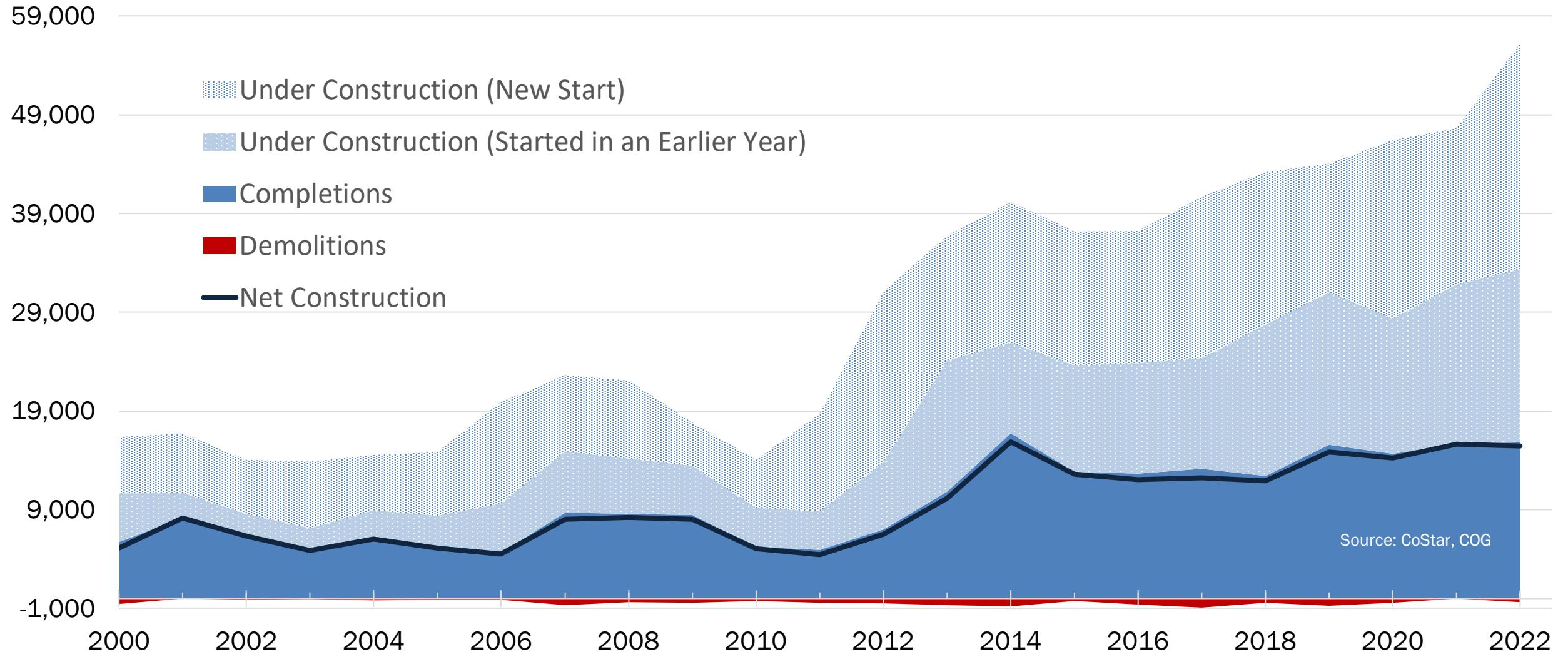
Source: 2021 American Housing Survey, Washington MSA

Number of New Units of Multifamily Rental Housing, 1992 - 2022

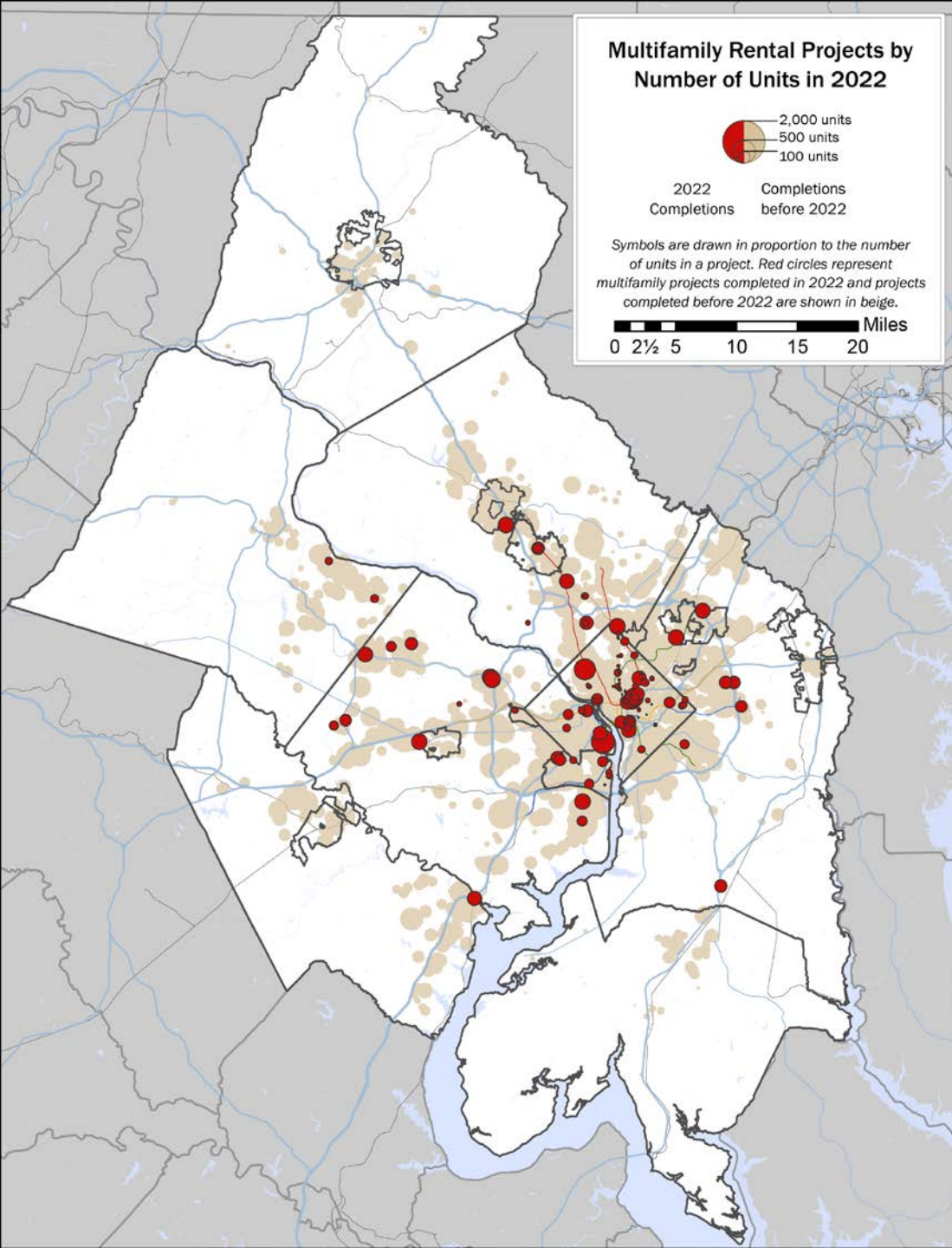


Source: CoStar, COG

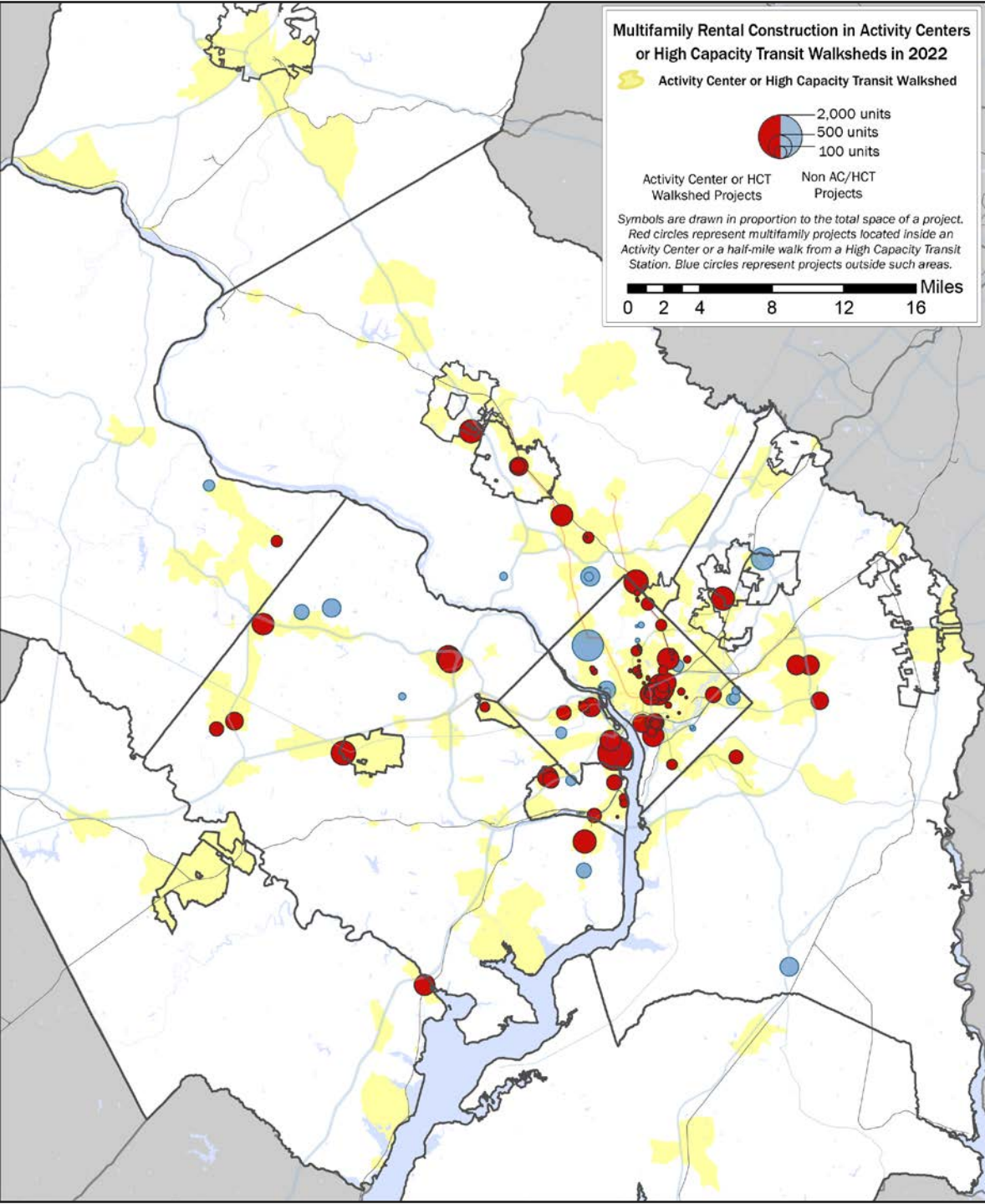
Net Construction of Multifamily Rental Housing, 1992 - 2022



Source: CoStar, COG

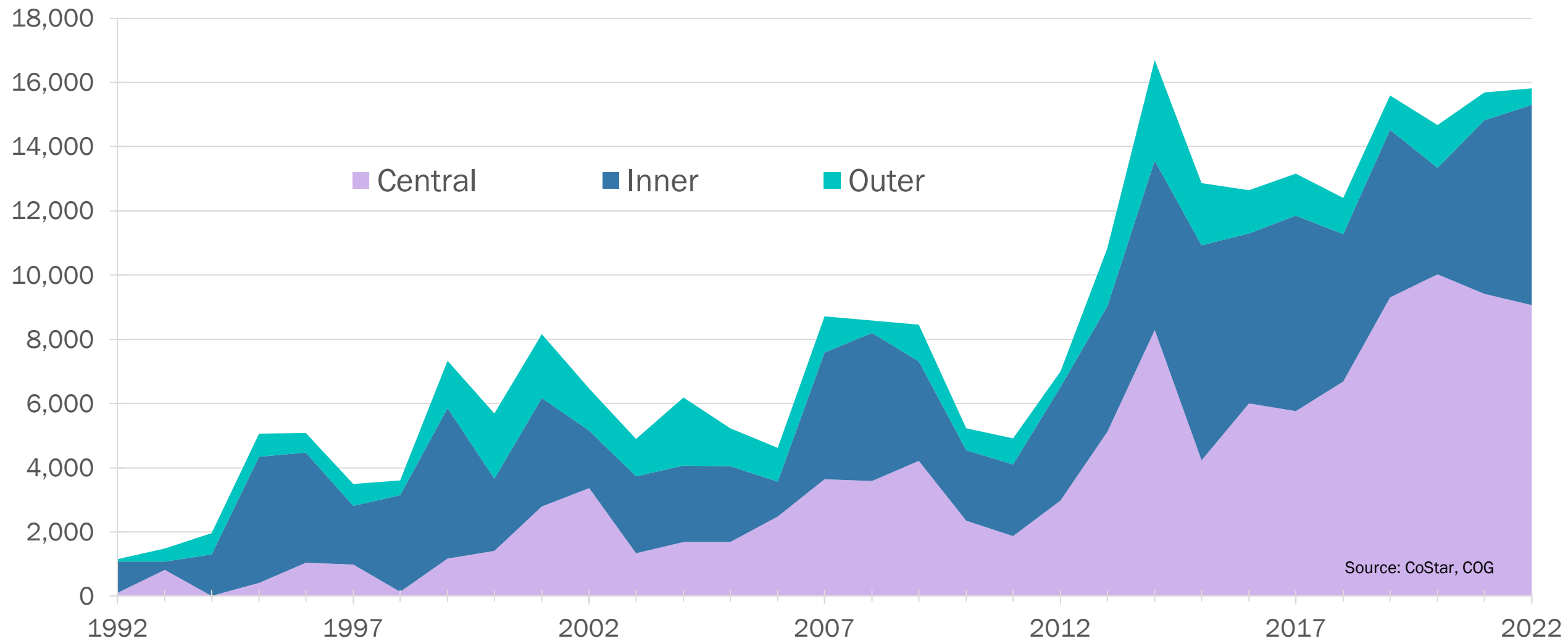


- Units completed in 2022 and shown in red
- Units built in earlier years are beige
- In 2022, new construction was primarily in the core and near Metrorail stations
- 67 percent of 2022 construction was built inside the Beltway



- In 2022, 82% of new multifamily rental units were within one of the region's 141 Activity Centers or within a half-mile walk of one of the 199 High-Capacity Transit Stations.
- This exceeds the target of 75% set by the COG Board in 2019.
- The NoMa Activity Center had 2,630 new units, the most of any Activity Center.

Number of New Units of Multifamily Rental Housing by Jurisdictional Groups, 1992 - 2022



Source: CoStar, COG

Central Jurisdictions

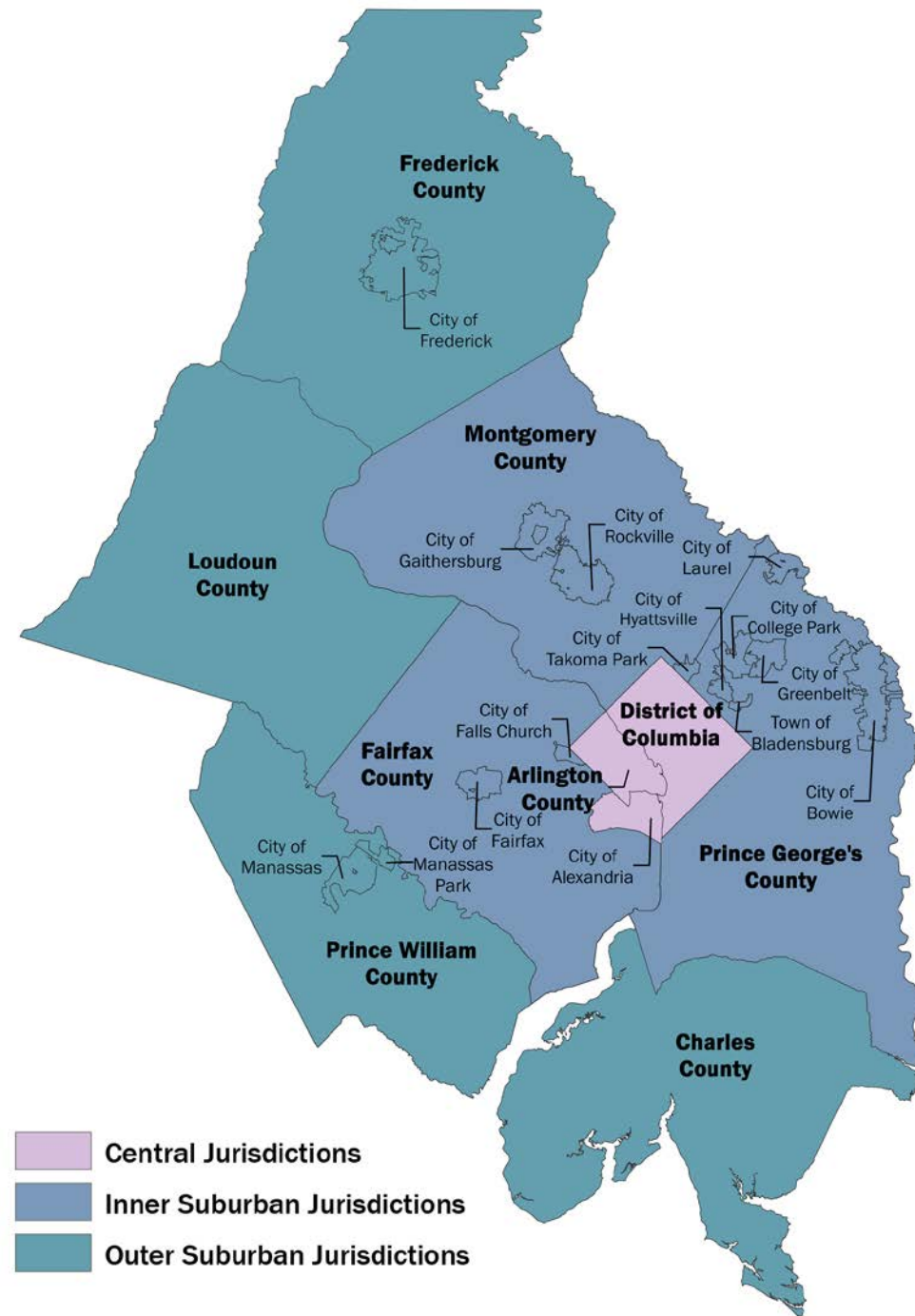
District of Columbia
Arlington County
City of Alexandria

Inner Jurisdictions

Fairfax County
Montgomery County
Prince George's County
City of Falls Church
City of Fairfax

Outer Jurisdictions

Charles County
Frederick County
Loudoun County
Prince William County
City of Manassas
City of Manassas Park

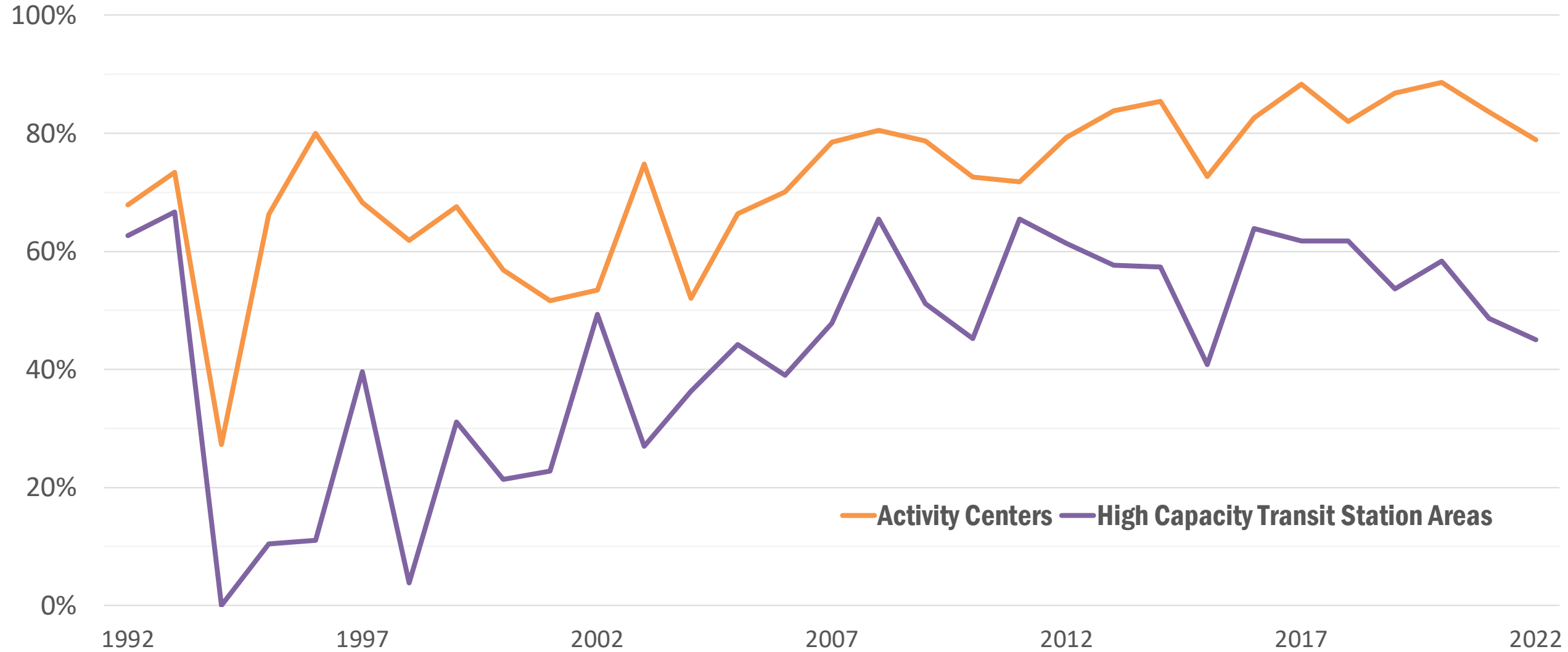


Largest Projects in 2022

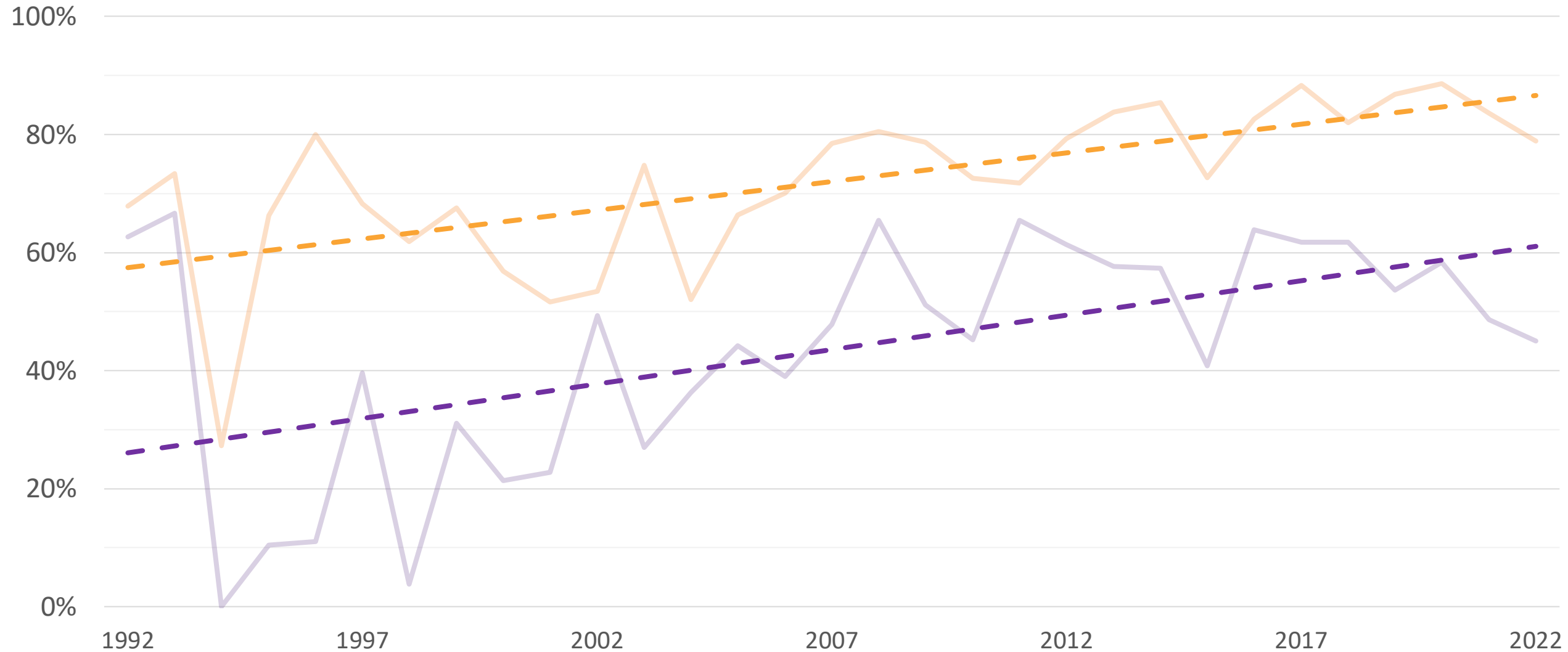
| Project Name | Street Address | Jurisdiction | Buildings | Stories | Units | 1BR Effective Rent |
|----------------------------------------|-----------------------------------|----------------------|-----------|---------|-------|--------------------|
| City Ridge | 20 Ridge Sq NW, Washington, DC | District of Columbia | 9 | 6 | 690 | \$3,145 |
| Revel at NoMaCNTR | 1005 1st St NE, Washington, DC | District of Columbia | 1 | 13 | 500 | \$2,433 |
| Market House at Central Armature Works | 1240 3rd St NE, Washington, DC | District of Columbia | 1 | 10 | 468 | \$2,409 |
| Cielo | 300 M St NE, Washington, DC | District of Columbia | 1 | 12 | 457 | \$2,233 |
| Hanover Tysons | 1500 Westbranch Dr, McLean, VA | Fairfax County | 1 | 6 | 412 | \$2,270 |
| Brentford at the Mile | 7970 Maitland St, McLean, VA | Fairfax County | 1 | 6 | 411 | \$1,930 |
| Solaire 8200 Dixon | 8200 Dixon Ave, Silver Spring, MD | Montgomery County | 1 | 26 | 406 | \$2,052 |
| The Moxley | 4040 Gateway Dr, Fairfax, VA | Fairfax city | 4 | 5 | 403 | \$2,050 |
| South Alex | 2803 Poag St, Alexandria, VA | Fairfax County | 1 | 5 | 400 | \$1,986 |
| Aster | 4400 Calvert Rd, College Park, MD | City of College Park | 1 | 4 | 393 | \$2,145 |

- The ten largest apartment projects represent 29% of the region's 15,824 new multifamily rental units built in 2022.
- Nine of the largest projects were within Activity Centers but only one was in a Metrorail station walkshed (Market House in the NoMa-Gallaudet U Station walkshed)

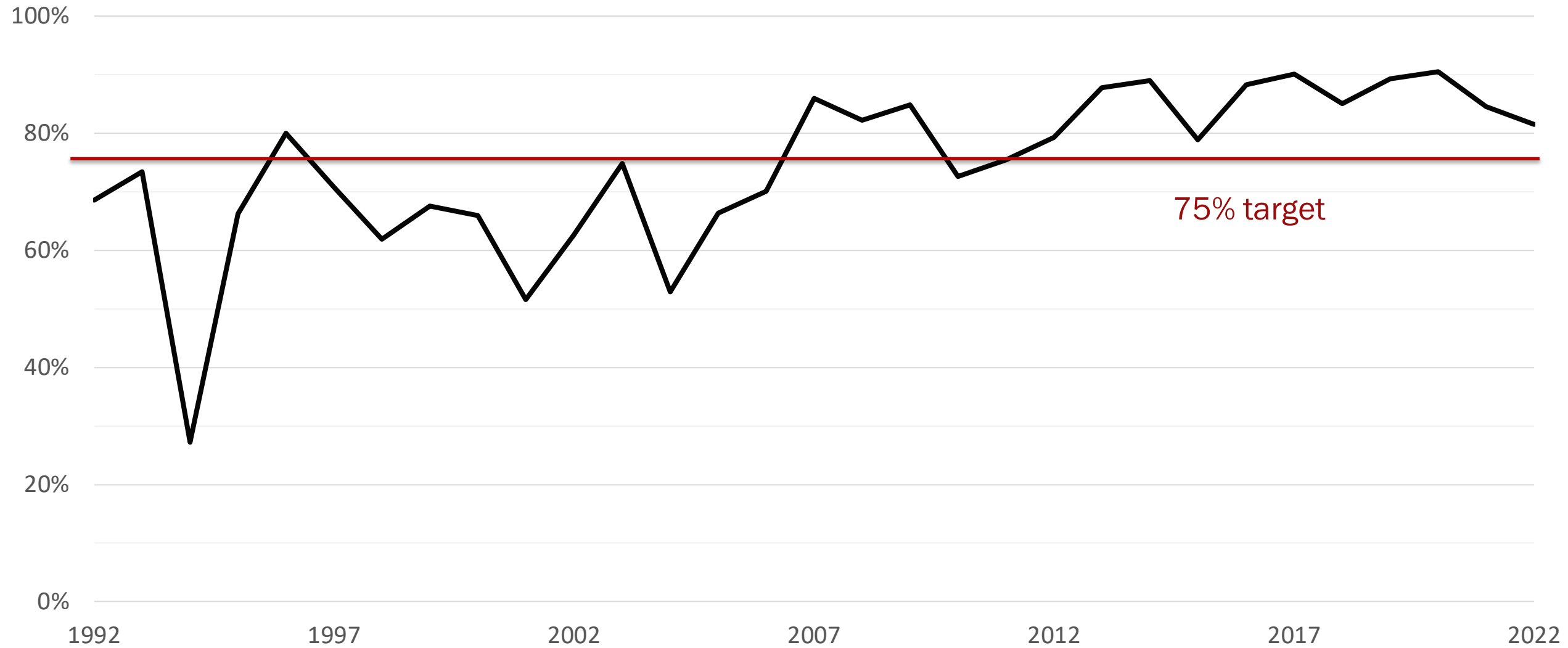
Activity Center and HCT Station Half-Mile Walkshed Share of New Multifamily Rental Units



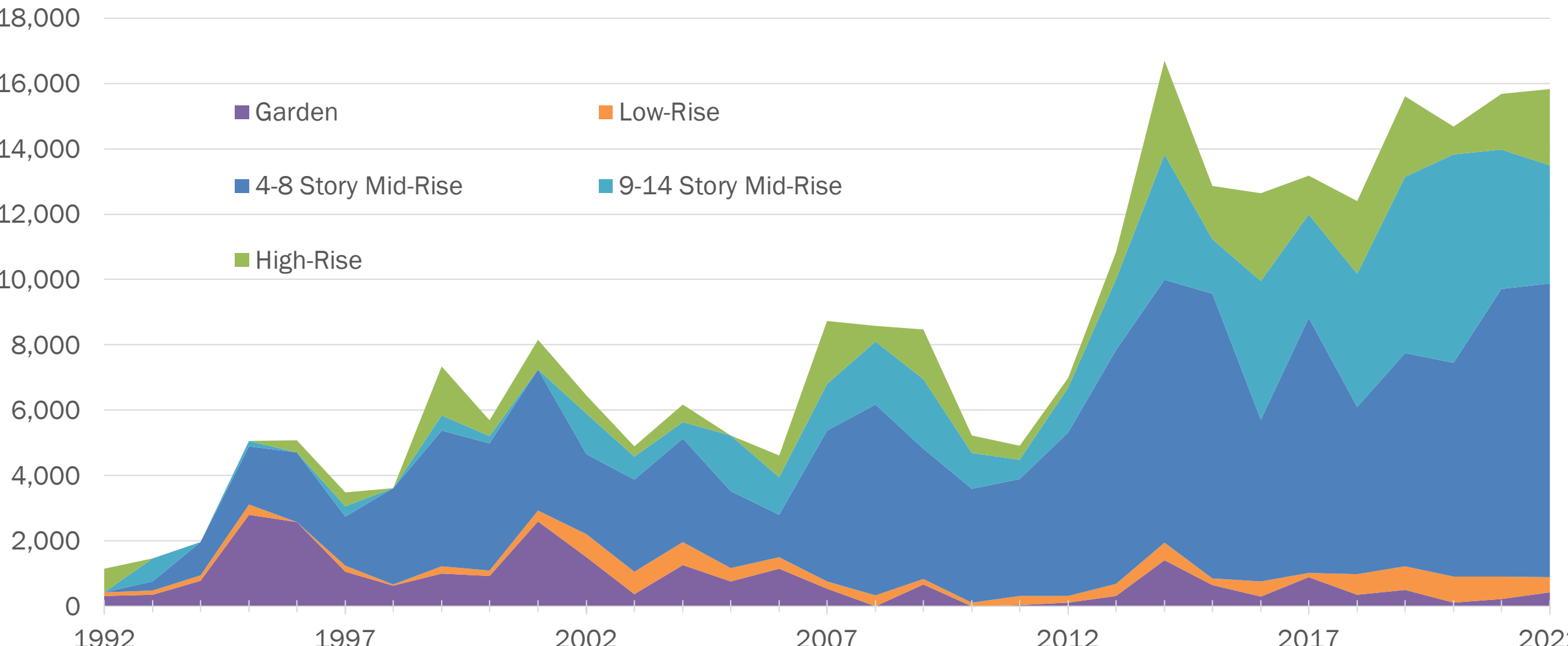
Activity Center and HCT Station Half-Mile Walkshed Share of New Multifamily Rental Units



Either Activity Center or HCT Station Half-Mile Walkshed Share of New Multifamily Rental Units

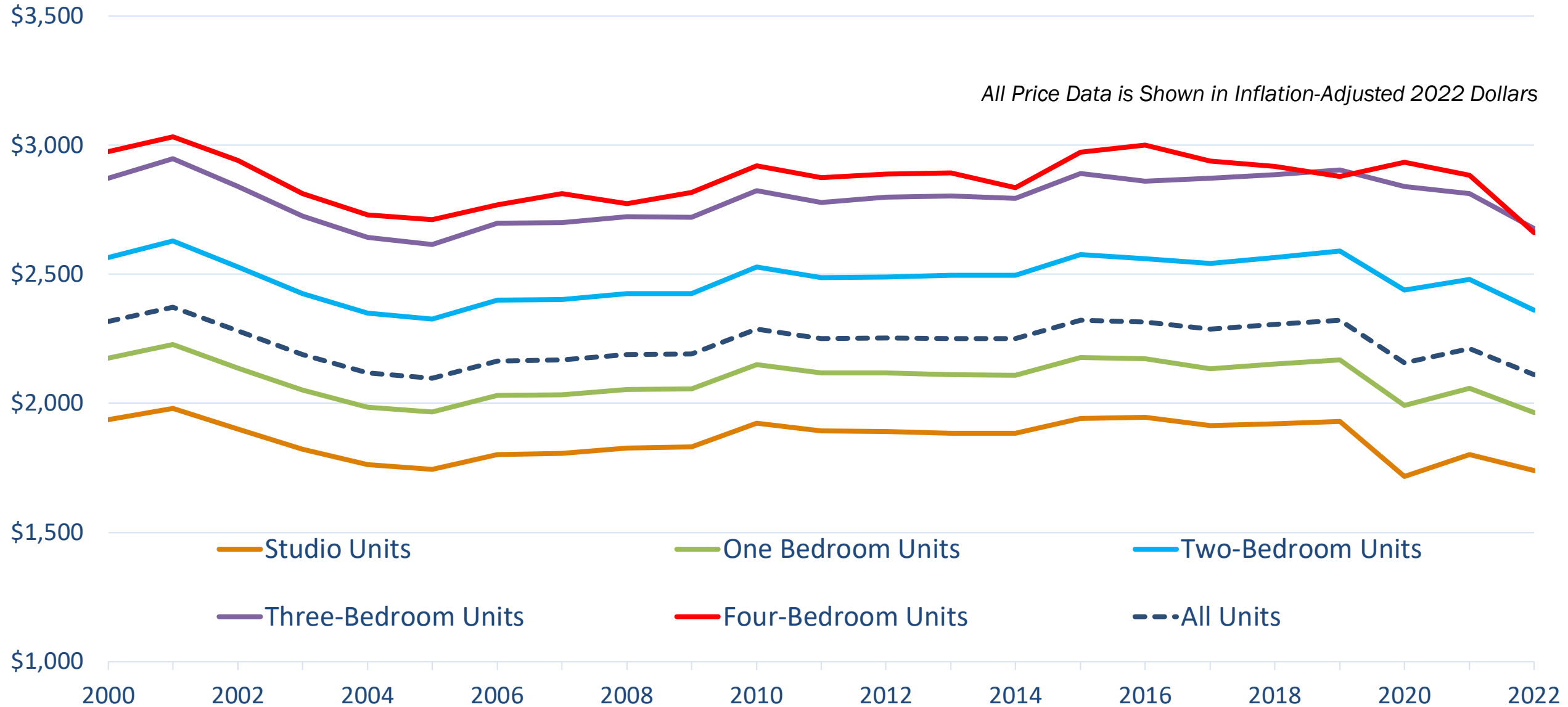


New Units of Multifamily Rental Housing by Building Style

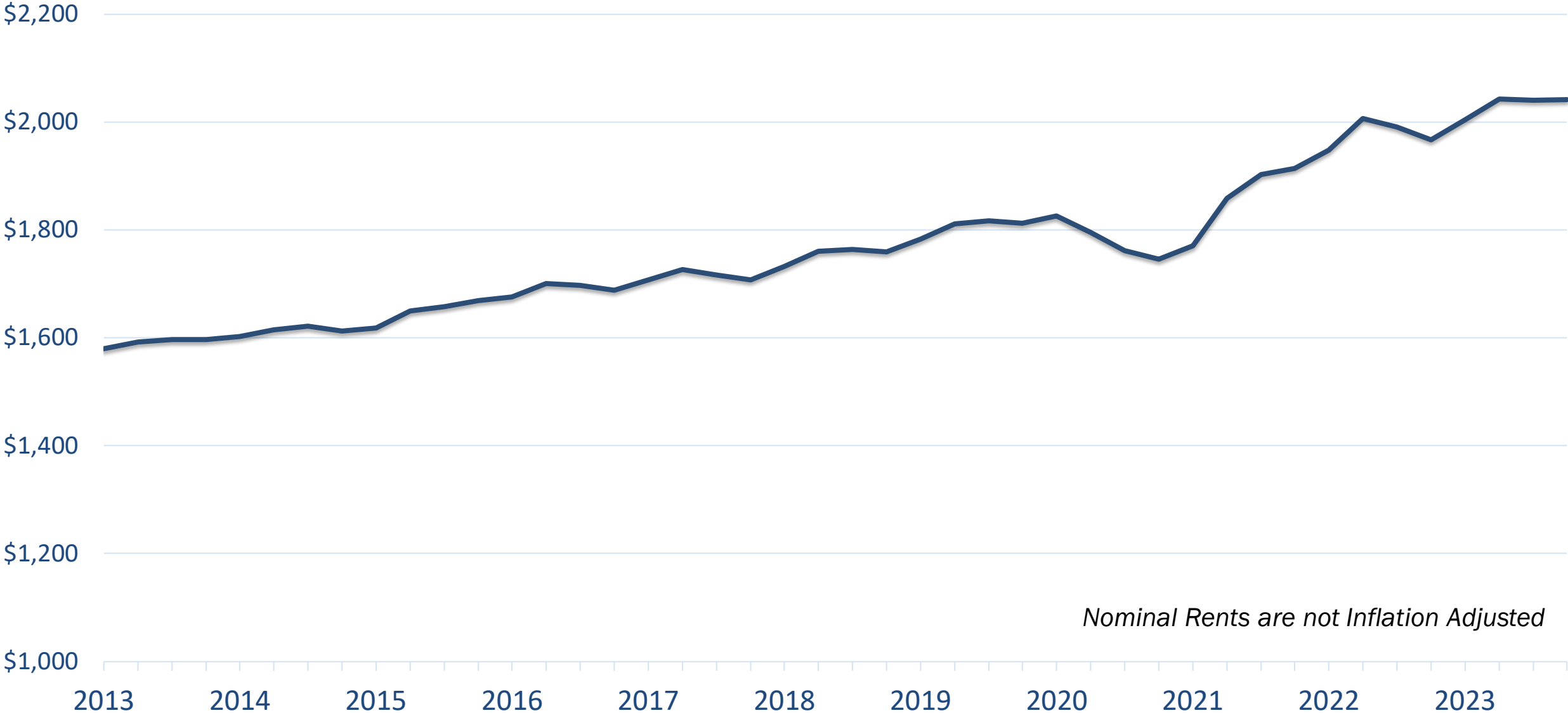


Average Effective Rents for Rental Apartments

All Price Data is Shown in Inflation-Adjusted 2022 Dollars



Nominal Average Effective Rents



Nominal Rents are not Inflation Adjusted

Key Findings

- In 2022, 140 new multifamily buildings were completed, adding 15,824 units
- 140,388 new units have been built since 2013, which is the most of any ten-year period in 50 years
- When accounting for inflation, rents fell by 4.6 percent from 2021 to 2022.
- Median rents in multifamily buildings were between 25% and 40% of median renter income, depending on bedrooms per unit
- Just under half of all units built in 2022 were within a half-mile walk from a Metrorail station, while 30 percent of units built before 2022 are in a Metro walkshed.
- About 82% of new units were located within one of the region's 141 Activity Centers or HCT Station Areas, surpassing the Board target.

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