

# MULTIFAMILY RENTAL HOUSING CONSTRUCTION INDICATORS

Information on the number, location, size, and cost of multifamily residential development projects in metropolitan Washington in 2023

July 2025



Metropolitan Washington  
**Council of Governments**

## **MULTIFAMILY RENTAL HOUSING CONSTRUCTION INDICATORS 2023**

July 2025

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The Metropolitan Washington Council of Governments (COG) is an independent, nonprofit association that brings area leaders together to address major regional issues in the District of Columbia, suburban Maryland, and Northern Virginia. COG's membership is comprised of 300 elected officials from 24 local governments, the Maryland and Virginia state legislatures, and U.S. Congress.

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MSA**



# EXECUTIVE SUMMARY

This report describes recent trends in the multi-family rental housing market within the 24 member jurisdictions of the Metropolitan Washington Council of Governments (COG). Residential property records from the CoStar subscription database ([www.costar.com](http://www.costar.com)) for buildings completed through the end of 2023 were analyzed to document the number, size, and location of new apartment units, as well as describe changes in the market rents across the region.

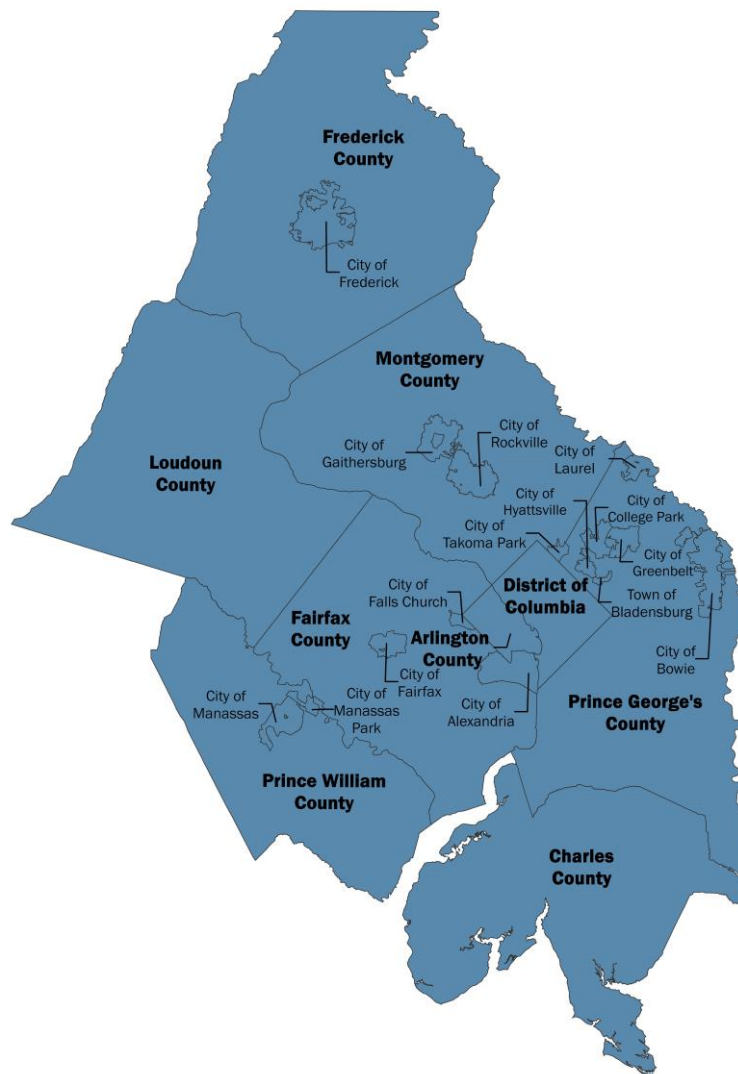
- New construction rose ten percent from 2022 to 2023. In 2023, 252 new multifamily buildings were completed, adding 16,213 housing units to the region.
- With 6,320 new units, from 59 buildings, the District of Columbia was the fastest growing jurisdiction in the region in the region, accounting for 39 percent of all rental apartment growth.
- More than 145,000 new units were added since 2014, which is the most of any ten-year period in 51 years.
- Rents in the COG region are high compared with the median income of renters. At the end of 2023, median rents in multifamily buildings were between 24 and 38 percent of median renter income, depending on the number of bedrooms in a unit.

# INTRODUCTION

The annual Multifamily Rental Housing Construction Inventory focuses on rental apartment projects of five units or more that have been completed in metropolitan Washington. These include market rate, mixed-income, and affordable residences, including public housing. Corporate and senior housing are included, but this inventory does not include student housing, military housing, housing cooperatives, or condominium units. Included senior housing is limited to age-restricted communities, while assisted and other senior care facilities are excluded. Building styles include high-rise, mid-rise, low-rise, and garden-style apartments, but not single-family residences, attached housing projects of four units or fewer, or mobile home parks. Metropolitan Washington Council of Governments (COG) staff compiled this report by analyzing residential property records from the CoStar subscription database ([www.costar.com](http://www.costar.com)).

In this report, the metropolitan Washington region refers to the areas surrounding the District of Columbia that are members of COG, as shown below in Figure 1 below.

**Figure 1. COG represents 24 local governments in the multi-state metropolitan Washington region.**

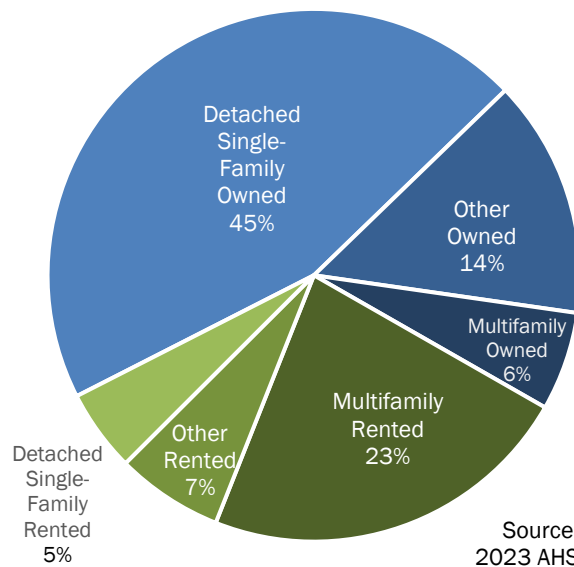




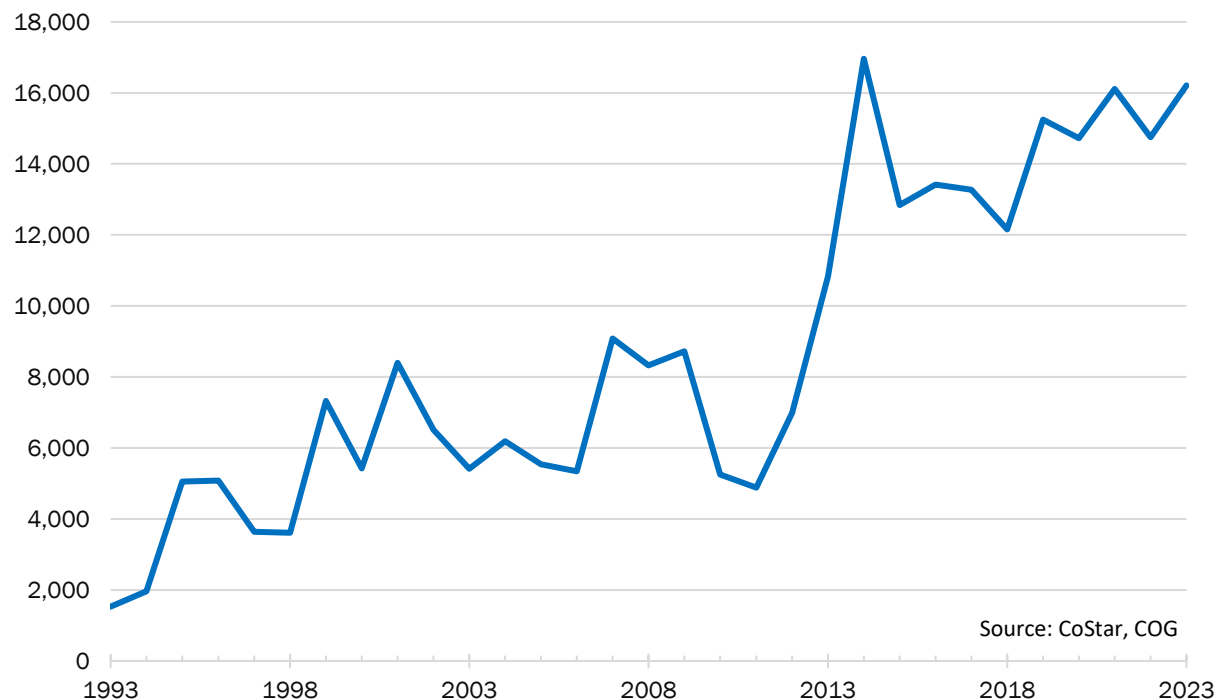
According to data from the 2023 American Housing Survey (AHS), the single-family detached house is the most common dwelling type in the Washington Metropolitan Statistical Area. The subject of this report, the multi-family rental apartment market, comprises the second largest sector of the housing market, representing over a quarter of the region's housing, shown in dark green in Figure 2 to the right. However, apartments have represented a much larger share of recent construction.<sup>1</sup>

Multifamily rental housing construction in the metropolitan Washington region increased by ten percent in 2023. That year, 252 new multifamily buildings were completed with 16,213 total apartment units.

**Figure 2. Household Types in Washington MSA in 2023**



**Figure 3. Number of New Units of Multifamily Rental Housing, 1993 - 2023**



The 145,705 new apartment units built since 2014 are the highest ten-year total in 51 years. Apartment construction peaked in 2014 but the number of permitted units under construction

<sup>1</sup> Exact data for recent construction is hard to come by as the data falls below the Census's minimum thresholds for privacy. The 2021 AHS data suggests that between 29 and 52 percent of housing units built between 2010 and 2019 in the Washington MSA were multifamily rental units. Permit data for approved housing construction from the U.S. Census shows that 52 percent of the units approved between 2017 and 2021 in the COG region were in multifamily buildings (permit data does not specify whether a building will be renter or owner-occupied).

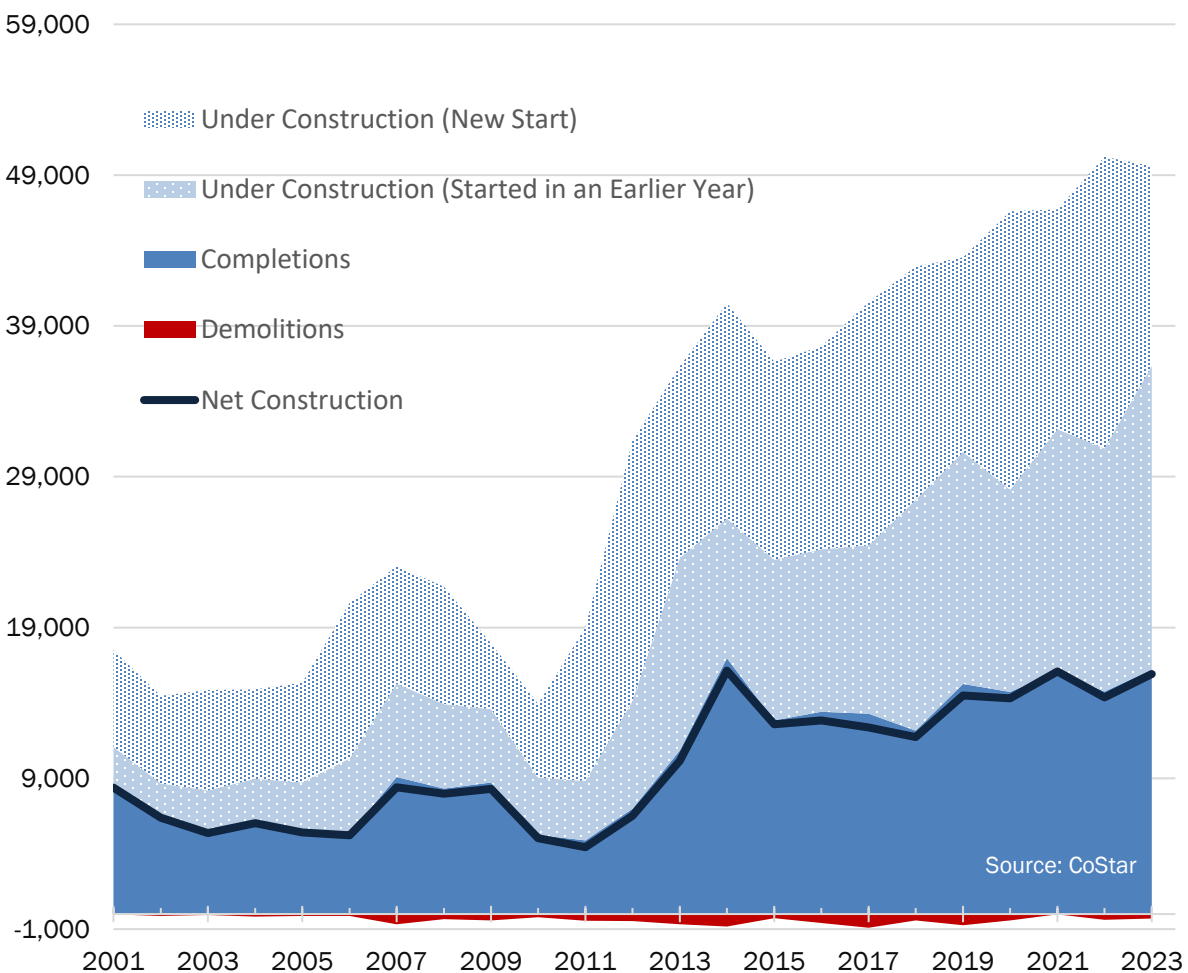
continues to remain high, despite a small decline in the number of new construction starts, shown in Figure 4 below.

Demolitions of older multi-family housing are low relative to new construction. In 2023, 289 units were demolished, representing less than two percent of the units built last year, with 56 new units being added for each one unit lost to demolition.

During the past five years, 1,869 apartment units were demolished—a 38 percent decline compared to the previous five-year period. All the demolished buildings were at least 37 years old. The most recently completed apartment building to be demolished was the three building, three-story, 38-unit Fairfax Gardens apartments in the City of Fairfax, which was completed in 1986.

New apartments are being added to the COG region at the fastest pace in five decades and rents in the region are rising at a lower rate than the national average. However, new starts of apartment construction have begun to slow down.

**Figure 4. Net Multifamily Rental Housing Construction, 2001 - 2023**





Upton Place Apartments in the District of Columbia (CoStar)

The largest multifamily project completed in 2023 was the two building, 689-unit Upton Ridge project near the Tenleytown-AU Metrorail station (shown to the left). Five of the ten largest of the new projects were located in the District of Columbia. Together, the ten largest projects from 2023 (Figure 5) make up 32 percent of the region's 16,213 new units of multifamily rental housing.

The average (mean) effective rent in the region for a one-bedroom apartment was \$1,913 at the end of 2023. The average for all unit sizes

was \$2,087 per month. Nominal rents increased from 2022 to 2023, but when accounting for inflation, average rents fell for all unit sizes except those with four or more bedrooms. Inflation-adjusted rents were the highest in the early 2000s but, more recently, inflation-adjustment rents have been declining since 2021.

**Figure 5. Ten Largest Projects by Total Number of Units in 2023**

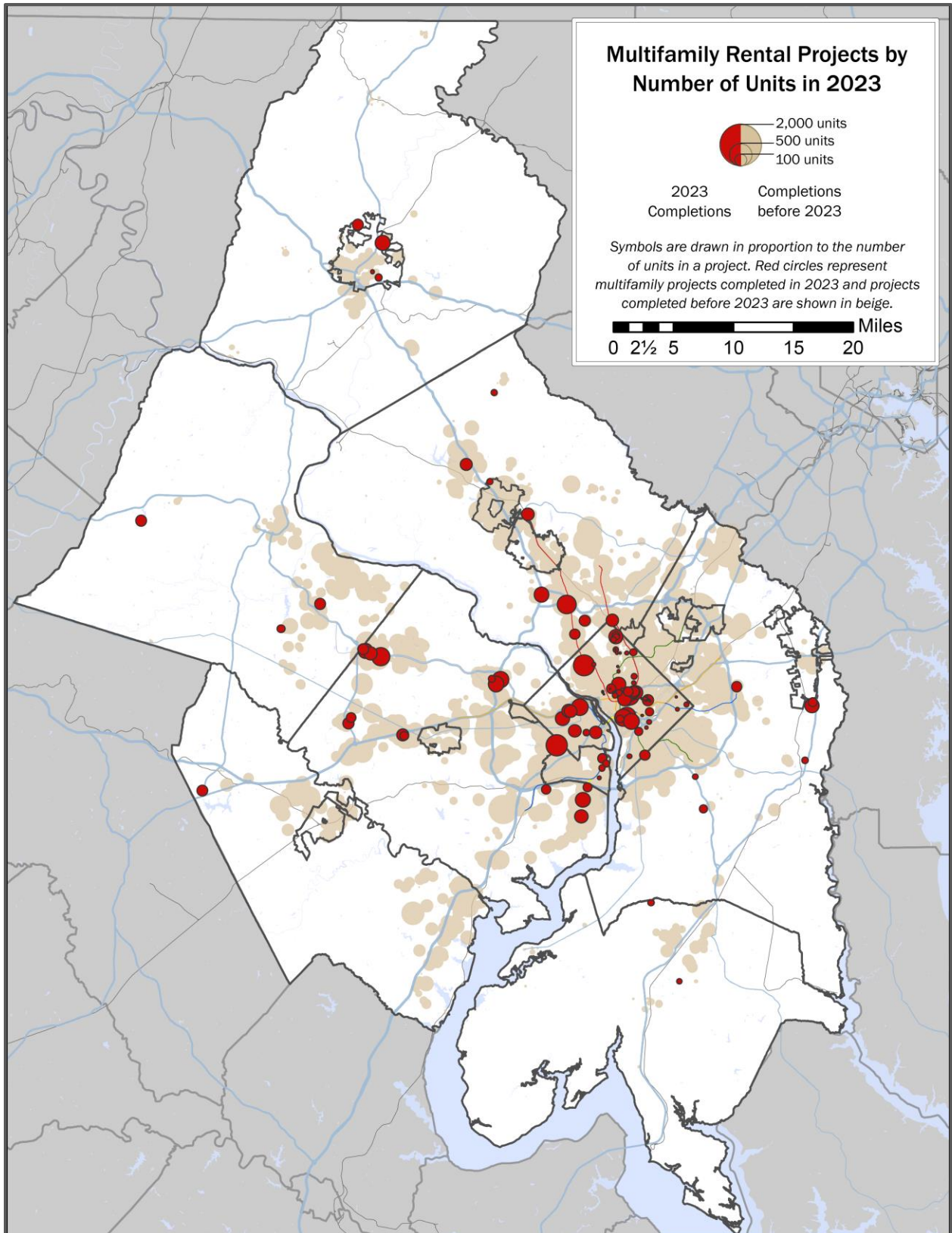
Project Name	Street Address	Jurisdiction	Buildings	Stories	Units	1BR Effective Rent <sup>2</sup>
Upton Place	4000 Wisconsin Ave NW, Washington, DC	District of Columbia	2	5	689	\$3,185
Three Collective	5205 Leesburg Pike, Falls Church, VA	Fairfax County	3	16	675	\$2,325
The Astrid	5159 Pooks Hill Rd, Bethesda, MD	Montgomery County	2	11	562	\$2,173
Banner Lane	44 Banner Ln, Washington, DC	District of Columbia	2	9	561	\$2,224
The Hale	1150 1st St NE, Washington, DC	District of Columbia	1	15	500	\$2,179
Gallery 64	64 H St SW, Washington, DC	District of Columbia	1	12	492	\$2,692
The Westerly	350 Maple Dr SW, Washington, DC	District of Columbia	1	12	449	\$2,802
The Commodore	2055 15th St N, Arlington, VA	Arlington County	1	20	423	\$2,737
The Heming Apartments at Scotts Run	1800 Chain Bridge Rd, McLean, VA	Fairfax County	1	28	410	\$2,542
The Rylan, Building A	1768 Old Meadow Rd, McLean, VA	Fairfax County	2	5	390	\$2,501

Source: CoStar

Figure 6 on the following page maps the location of projects completed in 2023. New construction of multifamily rental housing, shown in red, is primarily located in the region's core and along transit corridors. Existing units are shown in beige—about 63 percent of all apartment units in the region are located inside the Capital Beltway.

<sup>2</sup> Average (mean) effective rent for one-bedroom apartments in the property that were available to be rented at the end of 2022.

Figure 6

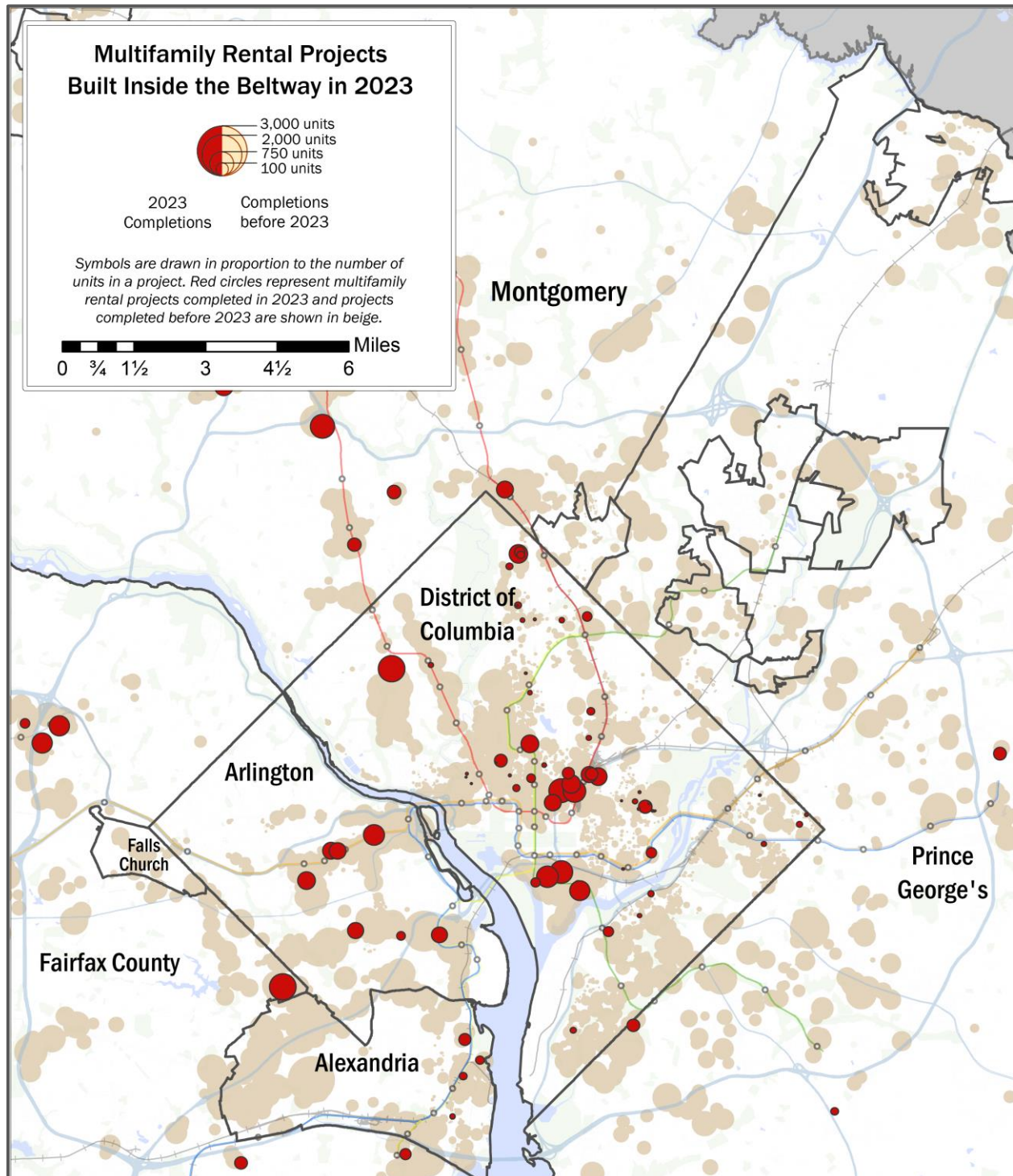


Source: CoStar



Figure 7 below shows construction inside the Capital Beltway. In 2023, 68 percent of all new units were built within I-495.

**Figure 7**



Source: CoStar

## Multifamily Rental Housing Construction by State

The District of Columbia added 59 new apartment buildings and 6,320 units in 2023 (Figure 8). The number of new units completed in the District fell by three percent from 2022 (Figure 9). The average (mean) effective rent for a one-bedroom apartment in the District of Columbia was \$2,075 at the end of 2023.

In 2023, 139 new buildings and 3,782 new rental units were added to suburban Maryland jurisdictions (Figure 8). In suburban Maryland, the number of new apartment units grew by five percent from 2022 (Figure 9). At the end of 2023, the Maryland jurisdiction average (mean) effective rent for a one-bedroom apartment was \$1,681 per month.

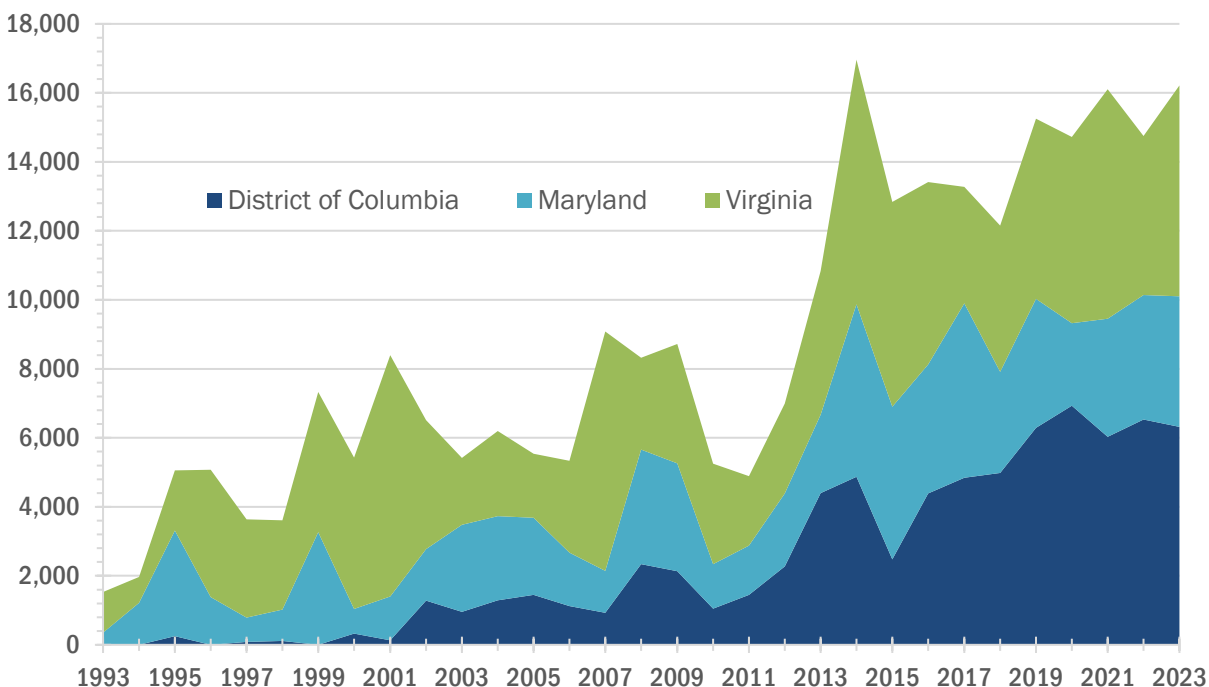
Northern Virginia jurisdictions added 54 new buildings and 6,111 new units in 2023, an increase of 32 percent from 2022. The Northern Virginia average (mean) effective rent for a one-bedroom was \$1,994 at the end of 2023.

**Figure 8. 2023 Projects by Number of Units**



**Figure 9. Number of New Units of Multifamily Rental Housing by State, 1993 - 2023**

Source: CoStar



Note: This stacked area chart shows cumulative values.

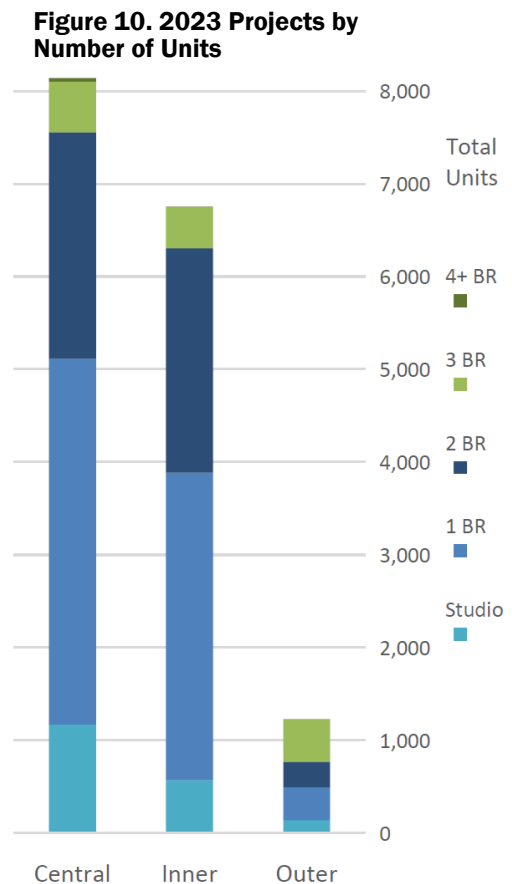
Source: CoStar

## Multifamily Rental Construction by Regional “Ring”

COG groups jurisdictions into three “rings” for analysis purposes (see Appendix A). The Central Jurisdictions—D.C., Alexandria, and Arlington—added 67 new apartment buildings and 8,232 new units in 2023 (Figure 10). The total number of new rental units in Central Jurisdictions fell by less than one percent from 2022 (Figure 11). At the end of 2023, the average (mean) effective rent for one-bedroom units in Central Jurisdictions was \$2,083.

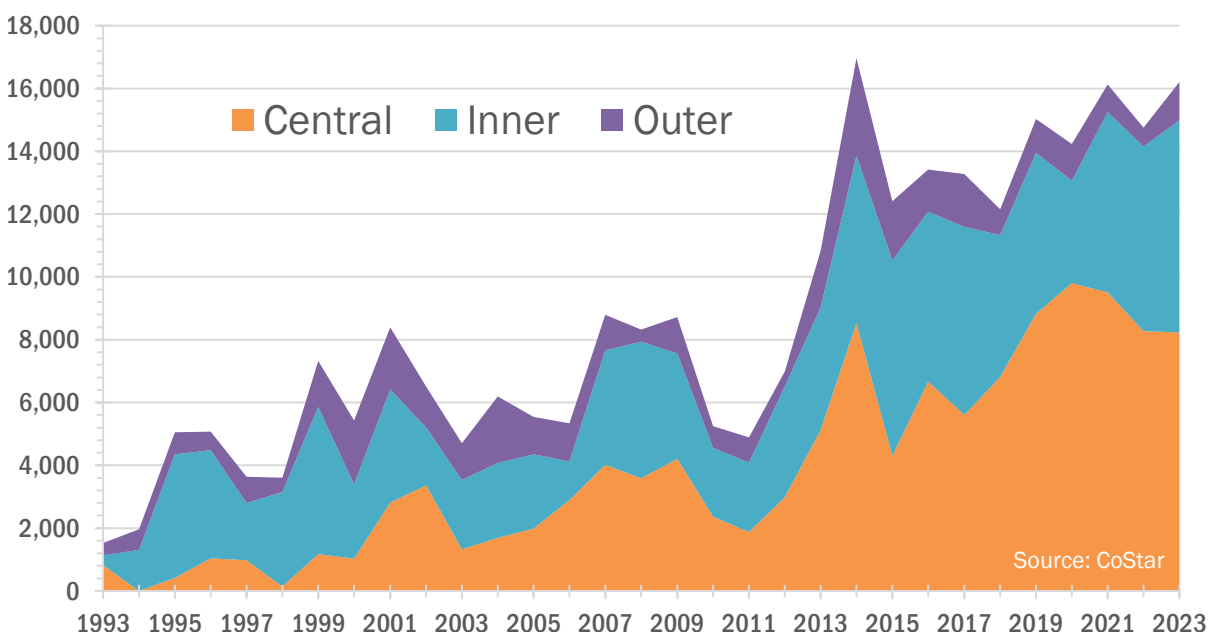
In 2023, 50 new buildings and 6,752 new units were added to the Inner Suburban Jurisdictions of Fairfax, Montgomery, and Prince George’s Counties, Falls Church, and City of Fairfax (Figure 10). The number of new units increased by 15 percent from 2022 (Figure 11). The average (mean) effective rent for one-bedroom unit in Inner Jurisdictions was \$1,773 per month at the end of 2023.

The Outer Jurisdictions of Charles, Frederick, Loudoun, and Prince William Counties, Manassas, and Manassas Park added 135 buildings and 1,229 new apartment units in 2022 (Figure 10). New construction increased by 103 percent from 2022 (Figure 11). At the end of 2023, the average (mean) effective rent for one-bedroom units in Outer Jurisdictions was \$1,729 per month.



Source: CoStar

**Figure 11. Number of New Units of Multifamily Rental Housing by Jurisdictional Groups, 1993 - 2023**



Source: CoStar

Note: This stacked area chart shows cumulative values.

# Multifamily Rental Housing Construction by Jurisdiction

The District of Columbia led COG jurisdictions in construction for the eighth consecutive year—accounting for 39 percent of the region’s new apartments. Since the beginning of the pandemic, the District of Columbia has accounted for 42 percent of all regional construction. Fairfax County had the second most apartment construction with 23 percent of new construction. At the end of 2023, Arlington County had the highest average effective rent for one-bedroom units among jurisdictions, at \$2,170 per month. The City of Takoma Park had the lowest one-bedroom rent, at \$1,256 per month. No new units have been built in Takoma Park since 1983, the longest span of any member-jurisdiction.

**Figure 12. Apartment Construction Totals for Each COG Member Jurisdiction**

Jurisdiction	Built Prior to 2023			2023 Completions			Avg. Effective Rent in 1 BR Units at End of 2023
	Buildings	Units	Regional Share	Buildings	Units	Regional Share	
<b>District of Columbia</b>	<b>5,545</b>	<b>173,664</b>	<b>26.7%</b>	<b>59</b>	<b>6,320</b>	<b>39.0%</b>	<b>\$2,075</b>
<b>Suburban Maryland Jurisdictions</b>							
Charles	440	6,210	1.0%	86	122	0.8%	\$1,653
Frederick	660	12,239	1.9%	32	613	3.8%	\$1,591
<i>City of Frederick</i>	<i>428</i>	<i>8,411</i>	<i>1.3%</i>	<i>32</i>	<i>613</i>	<i>3.8%</i>	<i>\$1,597</i>
<i>Rest of County</i>	<i>232</i>	<i>3,828</i>	<i>0.6%</i>	<i>0</i>	<i>0</i>	<i>0.0%</i>	<i>\$1,593</i>
Montgomery	4,006	106,205	16.4%	10	2,162	13.3%	\$1,854
<i>Gaithersburg</i>	<i>572</i>	<i>11,103</i>	<i>1.7%</i>	<i>1</i>	<i>67</i>	<i>0.4%</i>	<i>\$1,861</i>
<i>Rockville</i>	<i>262</i>	<i>10,607</i>	<i>1.6%</i>	<i>0</i>	<i>0</i>	<i>0.0%</i>	<i>\$1,904</i>
<i>Takoma Park</i>	<i>166</i>	<i>2,788</i>	<i>0.4%</i>	<i>0</i>	<i>0</i>	<i>0.0%</i>	<i>\$1,256</i>
<i>Rest of County</i>	<i>3,006</i>	<i>81,707</i>	<i>12.6%</i>	<i>9</i>	<i>2,095</i>	<i>12.9%</i>	<i>\$1,856</i>
Prince George's	6,189	107,739	16.6%	11	885	5.5%	\$1,518
<i>Bladensburg</i>	<i>127</i>	<i>2,716</i>	<i>0.4%</i>	<i>0</i>	<i>0</i>	<i>0.0%</i>	<i>\$1,402</i>
<i>Bowie</i>	<i>82</i>	<i>1,993</i>	<i>0.3%</i>	<i>5</i>	<i>325</i>	<i>2.0%</i>	<i>\$1,897</i>
<i>College Park</i>	<i>46</i>	<i>2,563</i>	<i>0.4%</i>	<i>0</i>	<i>0</i>	<i>0.0%</i>	<i>\$1,740</i>
<i>Greenbelt</i>	<i>186</i>	<i>5,332</i>	<i>0.8%</i>	<i>0</i>	<i>0</i>	<i>0.0%</i>	<i>\$1,692</i>
<i>Hyattsville</i>	<i>182</i>	<i>3,919</i>	<i>0.6%</i>	<i>0</i>	<i>0</i>	<i>0.0%</i>	<i>\$1,571</i>
<i>Laurel</i>	<i>250</i>	<i>5,754</i>	<i>0.9%</i>	<i>0</i>	<i>0</i>	<i>0.0%</i>	<i>\$1,589</i>
<i>Rest of County</i>	<i>5,316</i>	<i>85,462</i>	<i>13.2%</i>	<i>6</i>	<i>560</i>	<i>3.5%</i>	<i>\$1,465</i>
<b>Maryland subtotal</b>	<b>11,295</b>	<b>232,393</b>	<b>35.8%</b>	<b>139</b>	<b>3,782</b>	<b>23.3%</b>	<b>\$1,681</b>
<b>Northern Virginia Jurisdictions</b>							
Alexandria	1,239	42,148	6.5%	1	62	0.4%	\$1,971
Arlington	1,482	62,072	9.6%	7	1,850	11.4%	\$2,170
Fairfax	3,755	89,927	13.8%	29	3,705	22.9%	\$1,941
Fairfax City	102	2,314	0.4%	0	0	0.0%	\$2,063
Falls Church	49	2,699	0.4%	0	0	0.0%	\$2,115
Loudoun	598	15,732	2.4%	16	299	1.8%	\$1,878
Manassas City	143	2,604	0.4%	0	0	0.0%	\$1,507
Manassas Park	50	1,360	0.2%	0	0	0.0%	\$1,800
Prince William	1,367	24,493	3.8%	1	195	1.2%	\$1,750
<b>Virginia subtotal</b>	<b>8,785</b>	<b>243,349</b>	<b>37.5%</b>	<b>54</b>	<b>6,111</b>	<b>37.7%</b>	<b>\$1,994</b>
<b>COG Region Total</b>	<b>25,625</b>	<b>649,406</b>	<b>100.0%</b>	<b>252</b>	<b>16,213</b>	<b>100.0%</b>	<b>\$1,913</b>

Source: CoStar



# Construction by Number of Bedrooms in a Unit

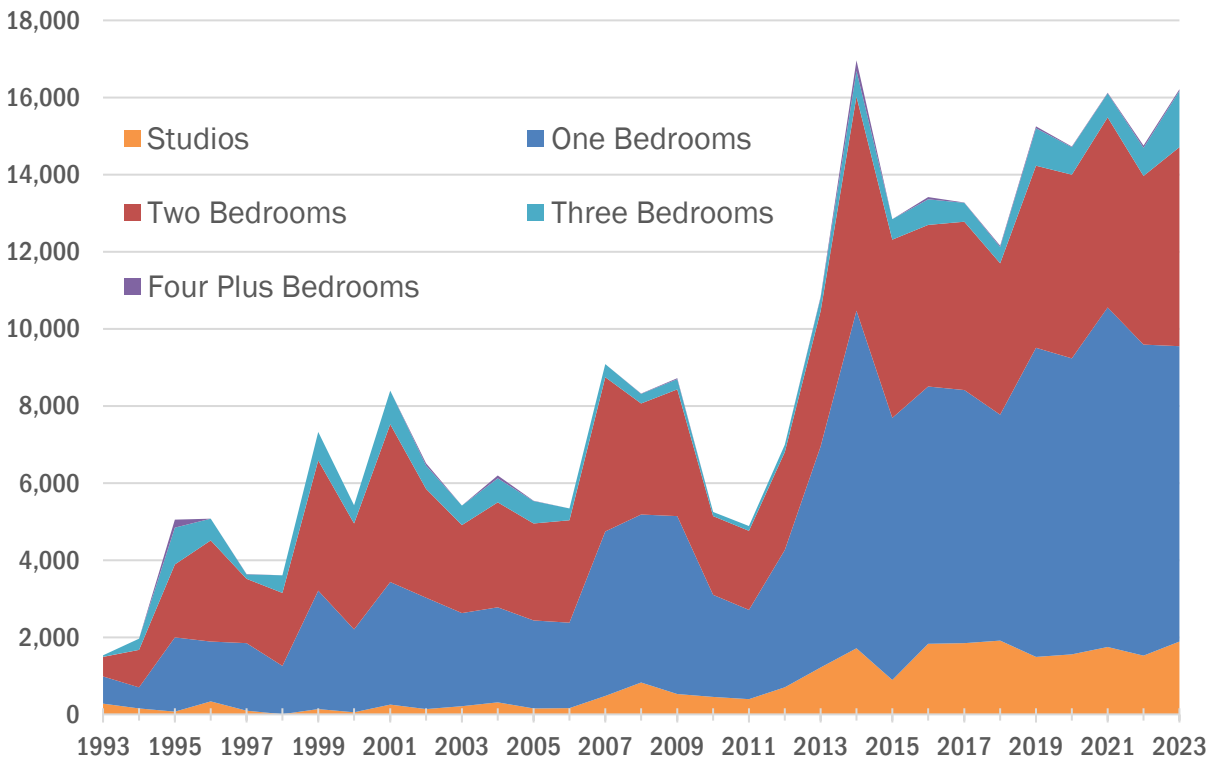
Most apartment units in the region have either one or two-bedrooms, and those two apartment styles continued to be the most common in 2023. The share of studio apartments increased significantly since the beginning of the century, and while studio construction peaked in 2018, studio construction in 2023 was higher than the historical norm. The square footage of an average one-bedroom apartment peaked in the mid-2000s and has consistently declined since. The downsizing trend has been more pronounced in terms of the total number of rooms in the apartment. Historically, about half of apartments have fewer than two bedrooms; over the past five years, 63 percent of new apartments have fewer than two bedrooms.

Figure 13. Existing Multifamily Rental Units Completed by Apartment Type and Year Built

Apartment Type	Prior to 2023		2023	
	Units	Share	Units	Share
Studio	56,877	8.8%	1,893	11.7%
One-Bedroom	287,237	44.2%	7,655	47.2%
Two-Bedrooms	253,466	39.0%	5,167	31.9%
Three-Bedrooms	48,696	7.5%	1,459	9.0%
Four-Plus Bedrooms	3,130	0.5%	39	0.2%

Source: CoStar

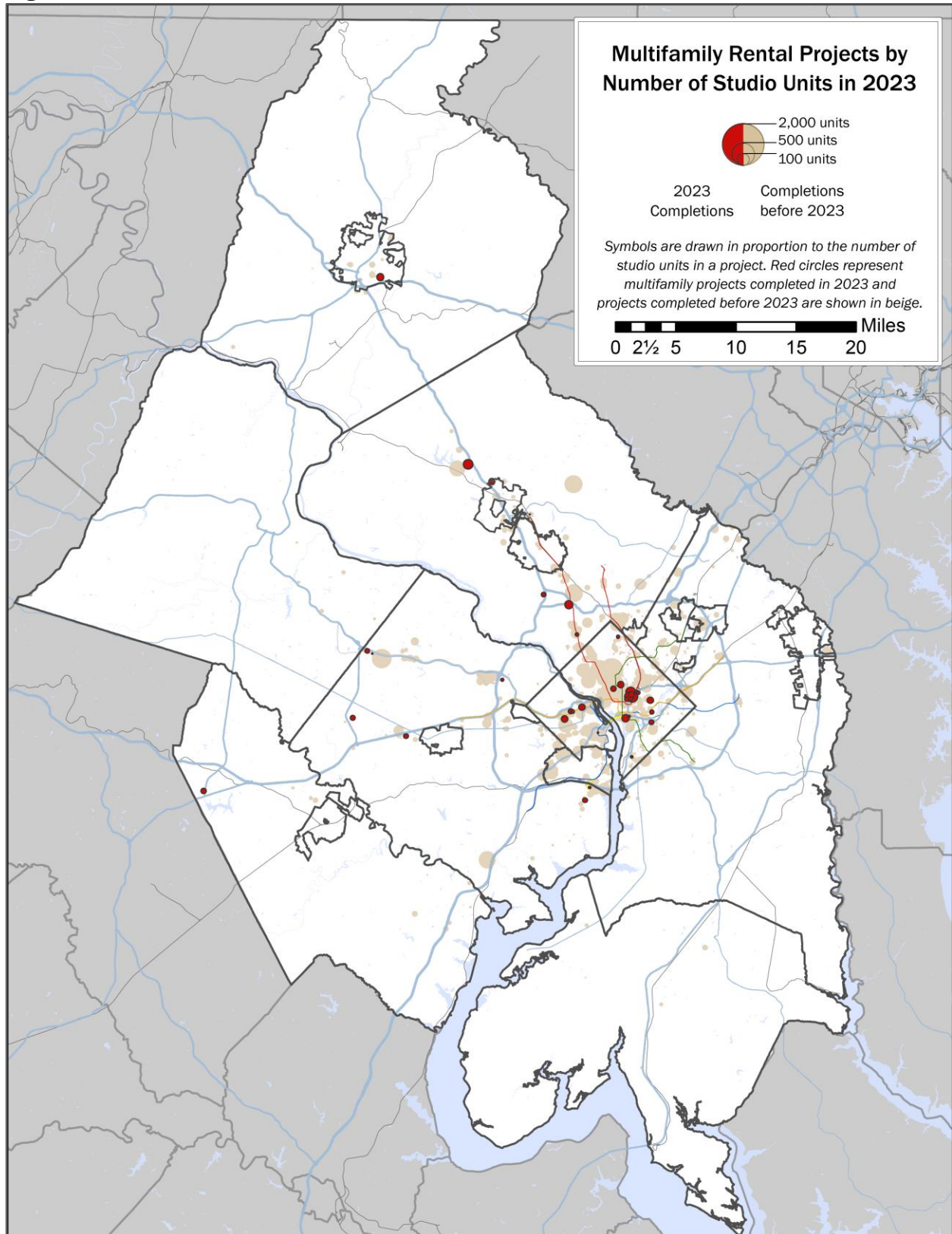
Figure 14. Number of New Units of Multifamily Rental Housing by Unit Size, 1993 - 2023



Note: This stacked area chart shows cumulative values.

Source: CoStar

**Figure 15**

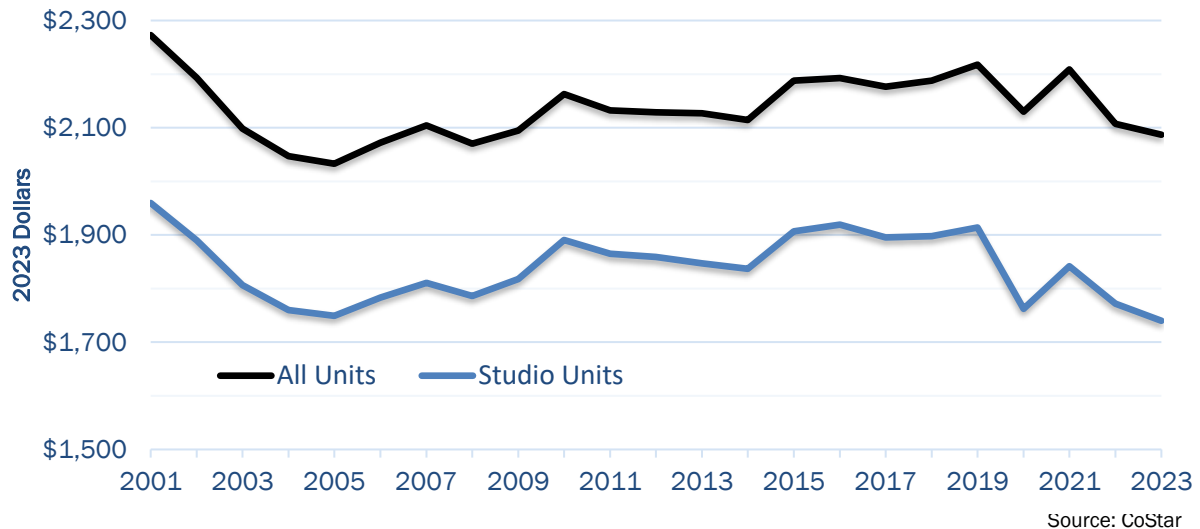


Source: CoStar

## Studio Apartments

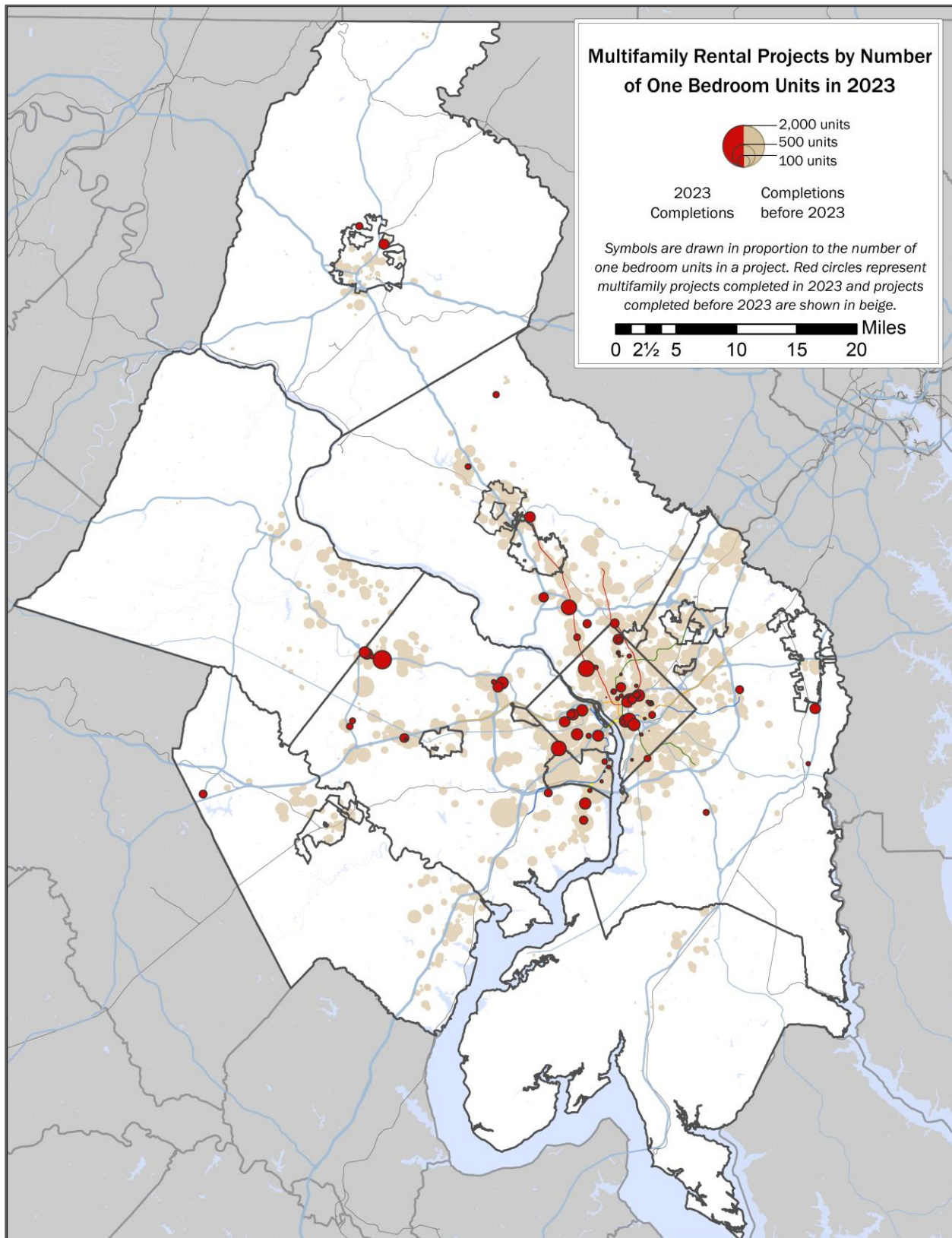
Construction of studio apartments increased by 24 percent from 2022 to 2023. A little over half of the 1,893 studio apartments built in 2023 were located in the District of Columbia. The average effective rent for newly built studio apartments built in 2023 was \$2,108 per month, and new studio units had an average of 516 square feet in area.

**Figure 16. Inflation-Adjusted Average Effective Rent for Studio Apartments, 2001 - 2023**



The median effective rent for all studio units in the region was \$1,670 at the end of 2023, an increase of two percent from 2022. The increase in the median effective studio rent was below the rate of inflation.

**Figure 17**

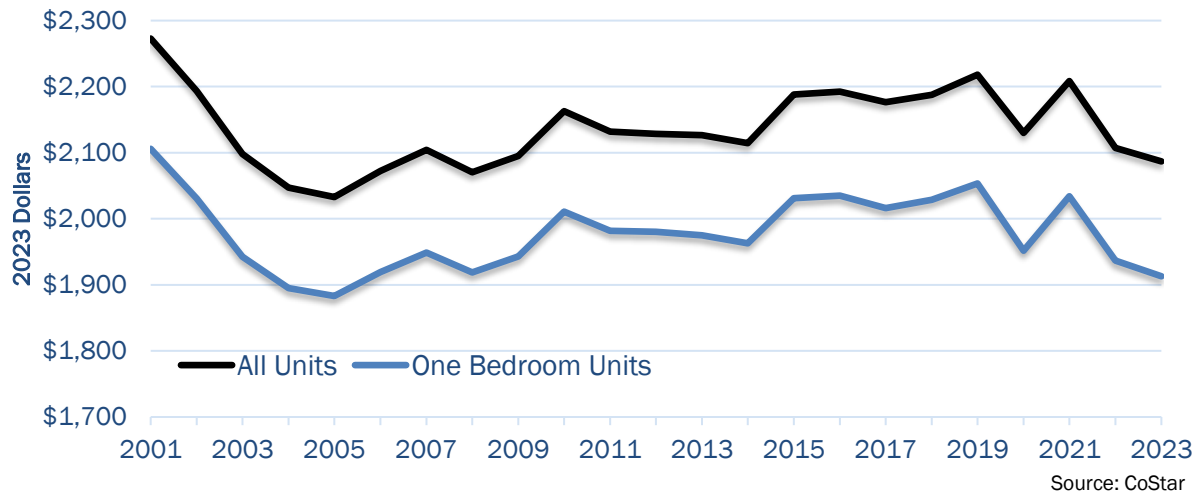


Source: CoStar

## One-Bedroom Apartments

Construction of one-bedroom units fell by five percent from 2022 to 2023. One-bedroom apartments still remained the most common apartment type built with new 7,655 units—47 percent of total construction. The average effective rent for newly built one-bedroom apartment units built in 2023 was \$2,327 per month and the average area for new one-bedrooms was 719 square feet.

**Figure 18. Inflation-Adjusted Average Effective Rent for One-Bedroom Apartments, 2001 - 2023**

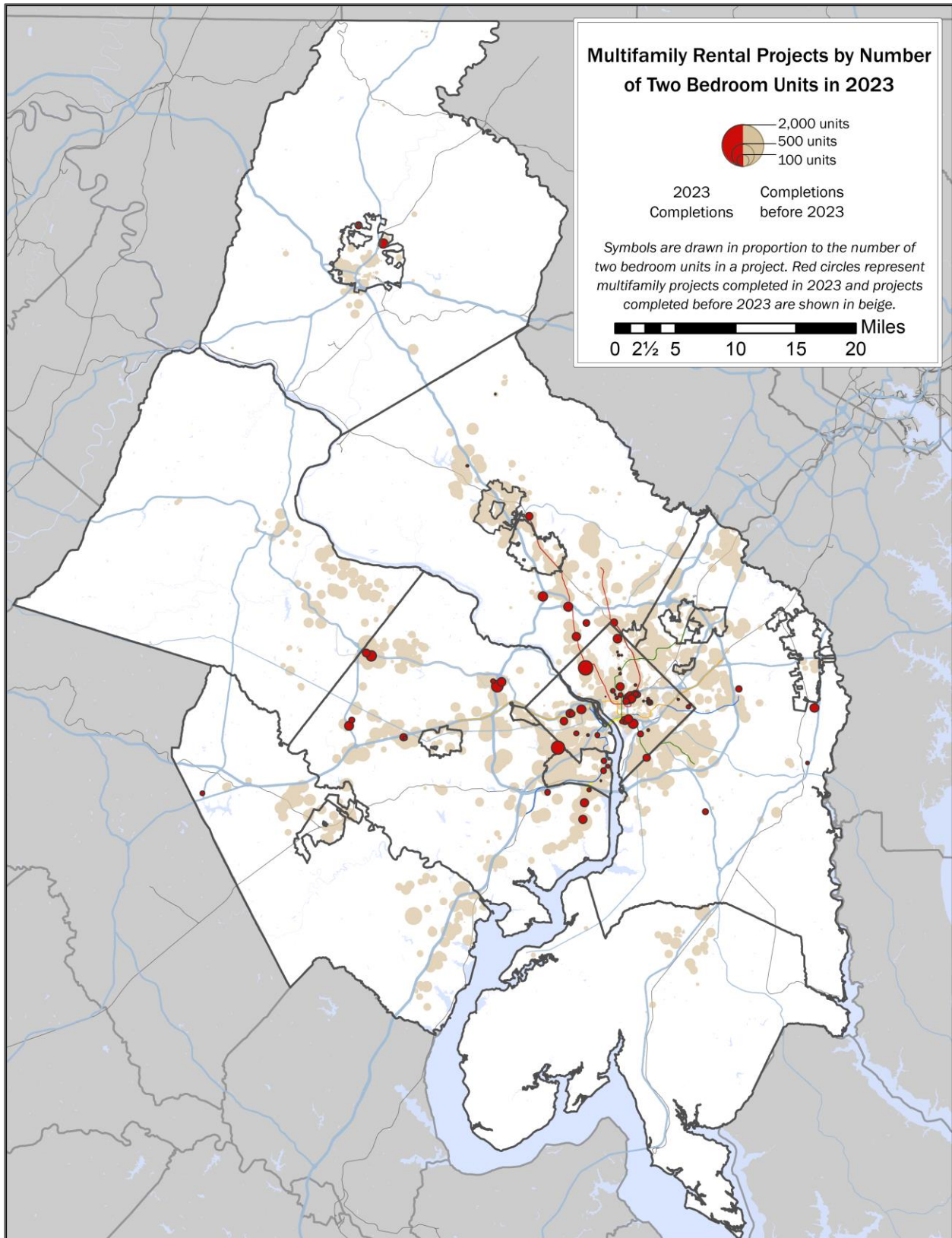


Data from the AHS places the 2023 median household income for one-bedroom renters in the MSA at approximately \$65,000 per year. In 2023, the median effective rent for one bedroom apartments in COG jurisdictions was \$1,868. The median effective rent in COG jurisdictions is roughly 35 percent of the median income of a one-bedroom unit renter, suggesting that typical one-bedroom renters are cost-burdened in the COG region.<sup>3</sup>

<sup>3</sup> See Appendix G for cost-burdened threshold calculation methodology.



**Figure 19**

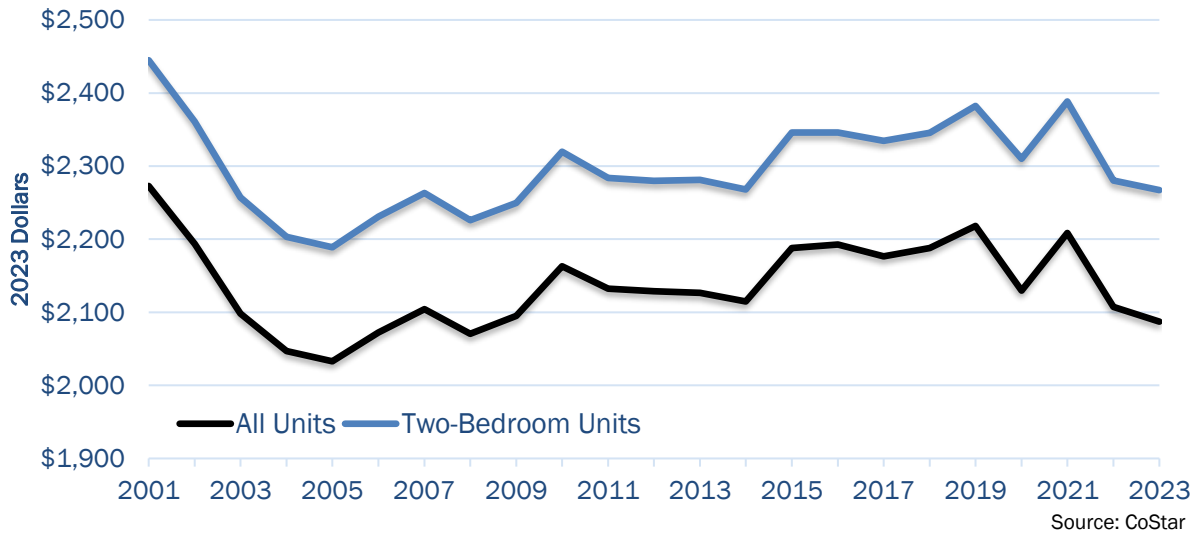


Source: CoStar

## Two-Bedroom Apartments

Construction of two-bedroom apartment units grew by 18 percent from 2022 to 2023. Two-bedroom units represented 32 percent of all multifamily rental construction, with 5,167 units built. The average effective rent for a two-bedroom unit built in 2023 was \$3,164 and the average area was 1,078 square feet.

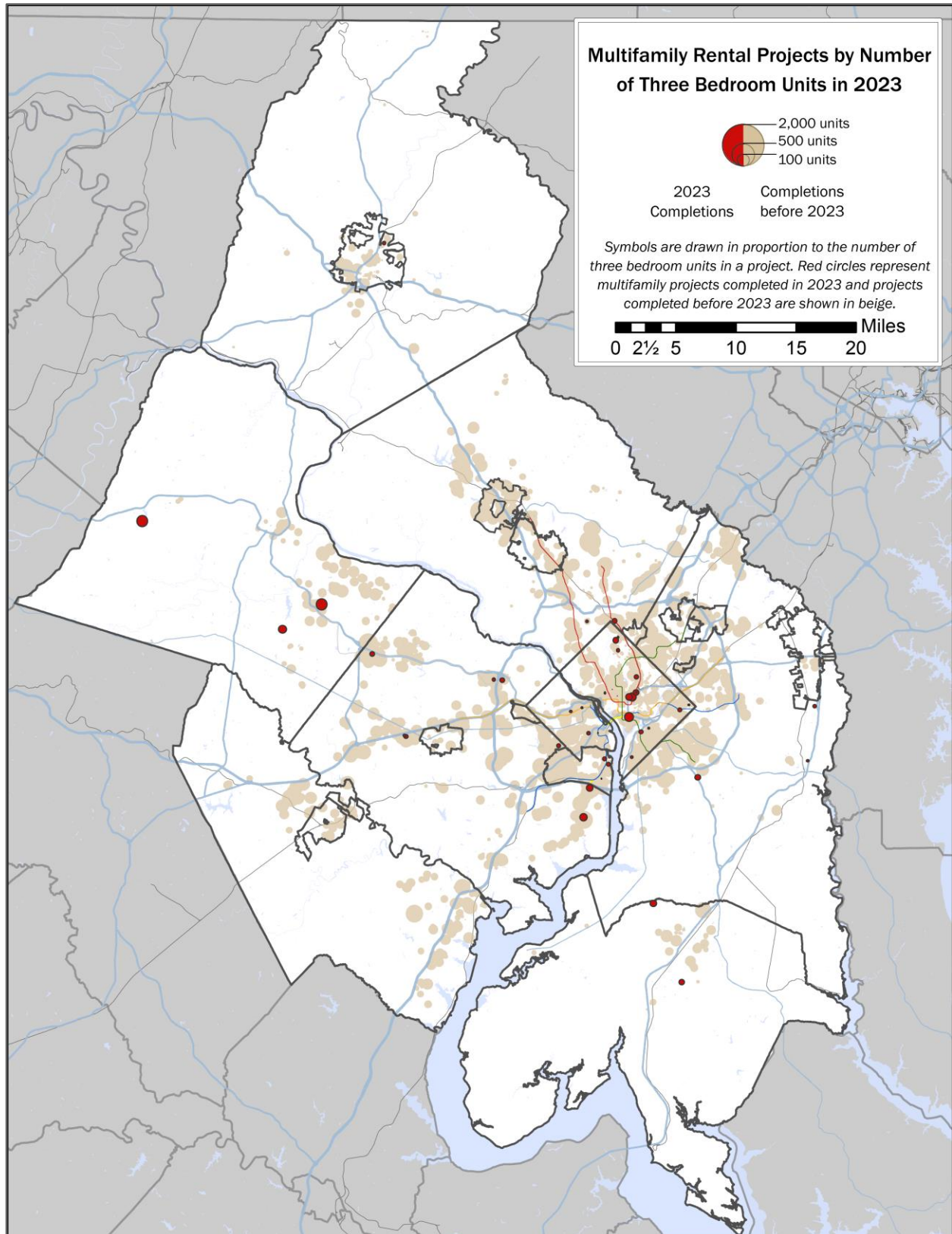
**Figure 20. Inflation-Adjusted Average Effective Rent for Two-Bedroom Apartments, 2001 - 2023**



According to data from the AHS, the estimated median household income in 2023 for renters of two-bedroom units in the Washington Metropolitan Statistical Area was about \$66,000 per year. The median effective rent for two-bedroom apartments in the region was \$2,065 at the end of 2023. The median effective rent in COG jurisdictions is approximately 38 percent of the median income of a two-bedroom apartment renter, suggesting that typical two-bedroom renters are cost-burdened in the COG region.<sup>4</sup>

<sup>4</sup> See Appendix G for cost-burdened threshold calculation methodology.

**Figure 21**



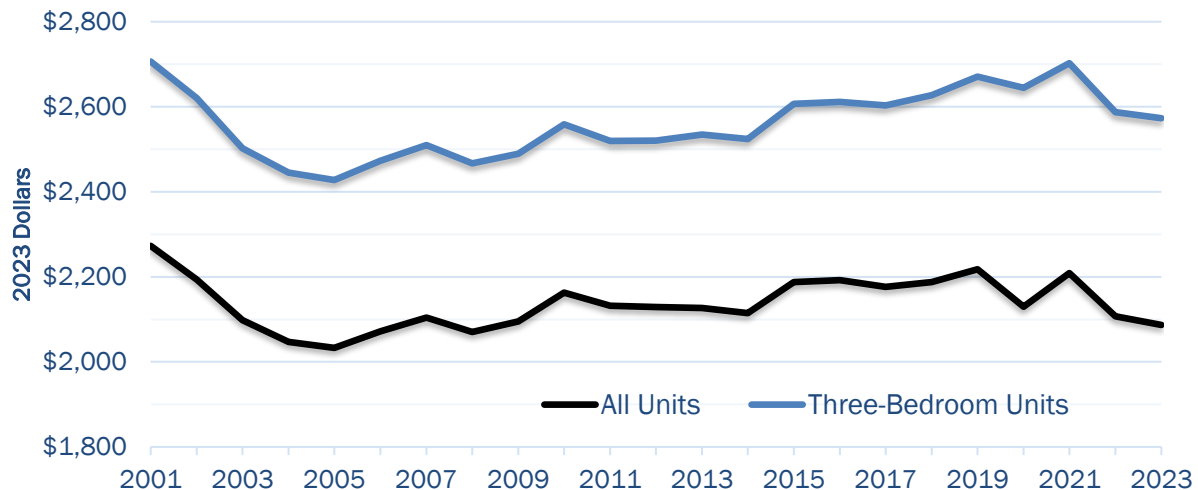
Source: CoStar



## Three-Bedroom Apartments

Construction of three-bedroom units grew by 101 percent from 2022 to 2023. The 1,459 units completed in 2023 accounted for nine percent of all new construction in 2023. The average effective rent for new three-bedroom units built in 2022 was \$3,644 per month and the average new three-bedroom unit was 1,518 square feet.

**Figure 22. Inflation-Adjusted Average Effective Rent for Three-Bedroom Apartments, 2001 - 2023**

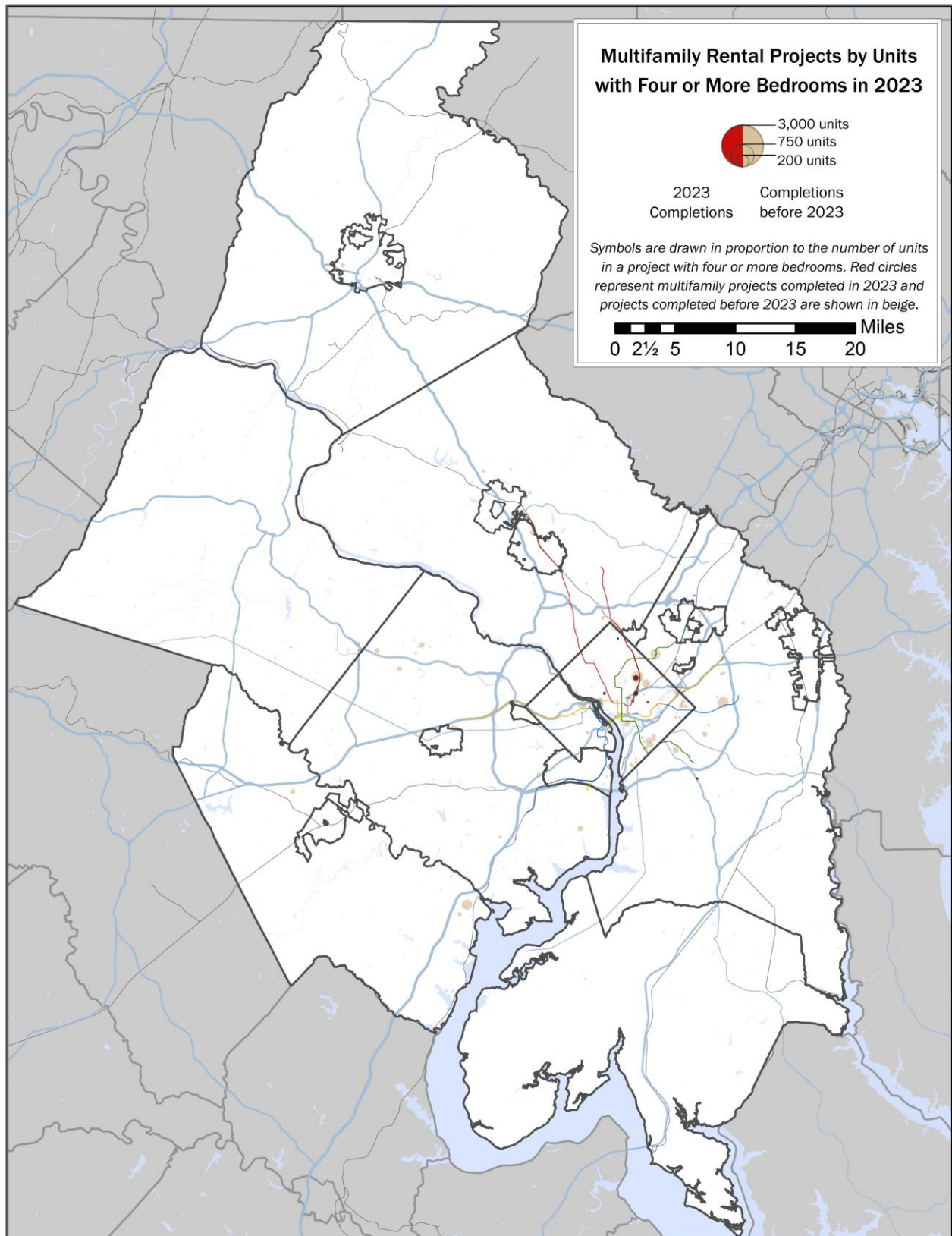


Source: CoStar

According to data from the AHS, the median household income in 2023 for renters of three-bedroom units in the Washington Metropolitan Statistical Area was approximately \$75,000 per year. The median effective rent for three-bedroom apartments in the region was \$2,243 at the end of 2023. The median effective rent in COG jurisdictions is roughly 36 percent of the median income of a three-bedroom apartment renter, suggesting that typical three-bedroom renters are cost-burdened in the COG region.<sup>5</sup>

<sup>5</sup> See Appendix G for cost-burdened threshold calculation methodology.

**Figure 23**

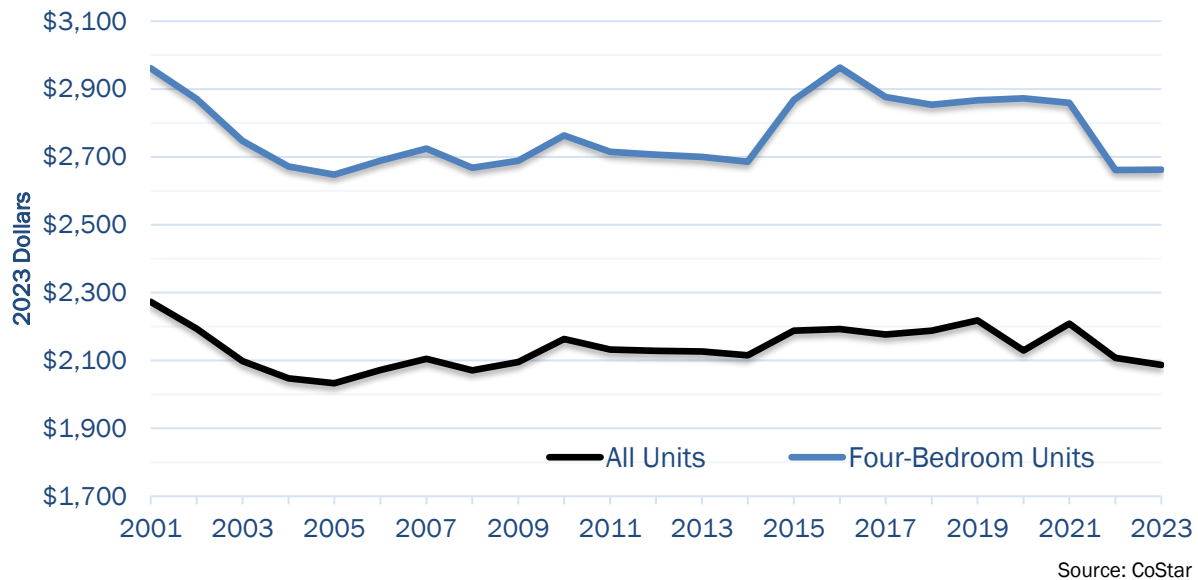


Source: CoStar

## Apartments with Four or More Bedrooms

In 2023, 39 apartment units with four or more bedrooms were added to the COG region. The average effective rent for the newly built four-bedroom units was \$5,944 per month. These larger apartments are a very small part of the rental market. Over the past five years, the District of Columbia has been the only jurisdiction to have new construction include units with more than three bedrooms, with 178 total units with four or more bedrooms.

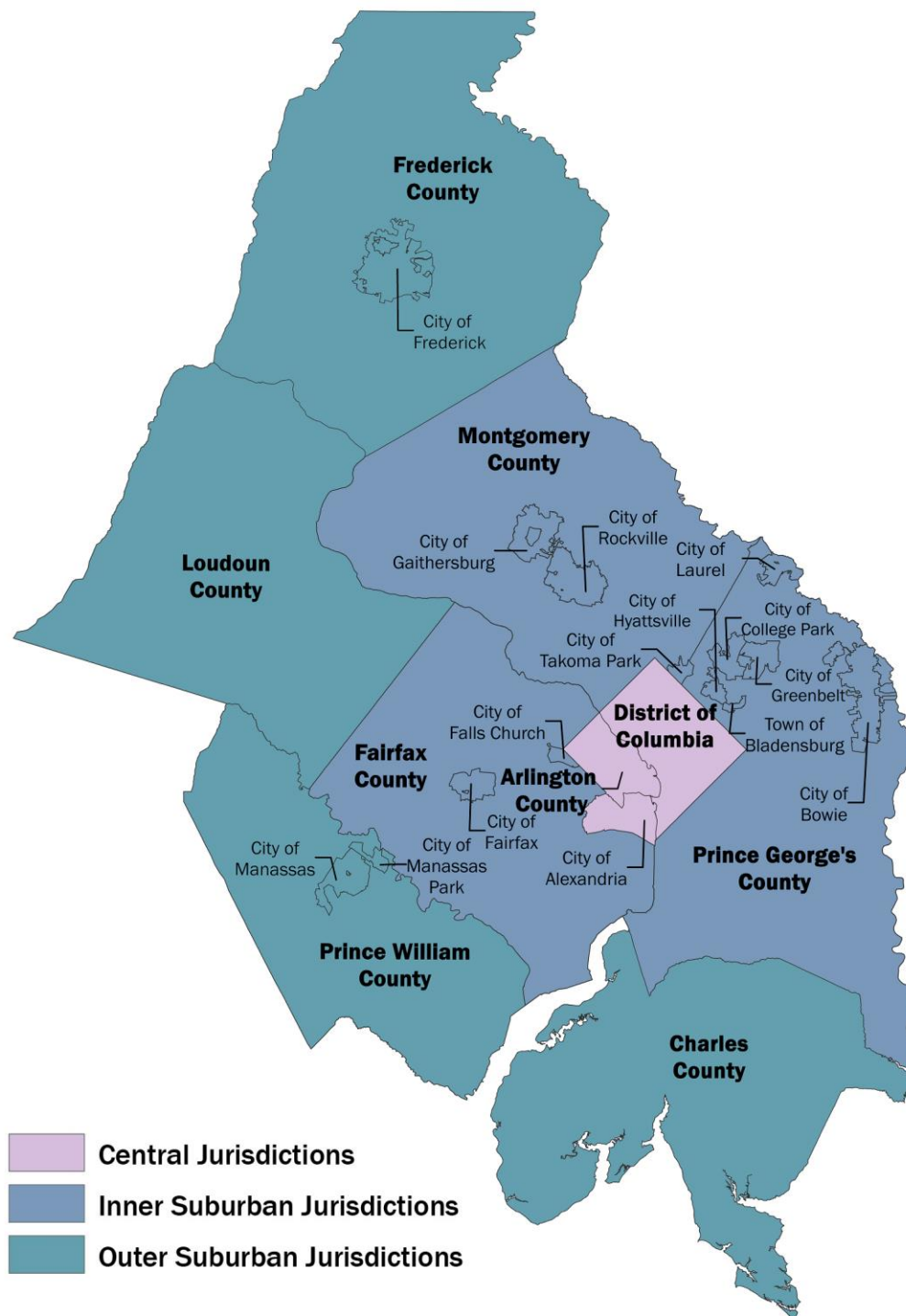
**Figure 24. Inflation-Adjusted Average Effective Rent for Four-Bedroom Apartments, 2001 - 2023**



According to data from the AHS, the estimated median household income in 2023 for renters of units with four or more bedrooms in the Washington Metropolitan Statistical Area was \$90,000 per year. The median effective rent for such apartment units in the region was \$2,367 at the end of 2023. The median effective rent in COG jurisdictions is around 24 percent of the median income of a four or more-bedroom apartment renter, which suggests typical renters of units with four or more bedrooms were not cost-burdened in 2023.<sup>6</sup>

<sup>6</sup> See Appendix G for cost-burdened threshold calculation methodology.

## APPENDIX A. MAP OF REGIONAL “RING” JURISDICTIONAL GROUPINGS



Source: CoStar

## APPENDIX B

### Multifamily Construction Definitions (adapted from CoStar Glossary<sup>7</sup>)

#### **AVERAGE EFFECTIVE RENT**

Weighted mean rent of all units within a defined area. Effective rents for buildings with more units are weighed more heavily, in proportion to share of the total market. Rents are for units that are available to be rented by a new tenant.

#### **COMPLETION**

Projects with buildings that are completed and are ready for occupancy. A certificate of occupancy has been received.

#### **EFFECTIVE RENT**

Expressed as a monthly amount, the average rent paid during the term adjusted downward for concessions paid for by the landlord (such as free rent, moving expenses, or other allowances).

#### **MULTIFAMILY RENTAL HOUSING PROJECT**

A residential property with one or more completed buildings that leases five or more apartment units. Condominiums, cooperative housing, mobile home parks, assisted-living facilities, military housing and student housing are not included.

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<sup>7</sup> <http://www.costar.com/about/costar-glossary>

## APPENDIX C. INCOME AND RENTS

### American Housing Survey Data

This report relies on data from CoStar for mean and median monthly rents but uses data from the U.S. Census's [American Housing Survey](#) (AHS) for median renter income. An alternative source that is commonly used in housing research is the annual American Community Survey (ACS). For this report, the AHS is preferable to ACS data because the ACS reports median income by occupant tenure (renter vs. owner), as well as the number of bedrooms in unit.

The AHS reports median income for the Washington Metropolitan Statistical Area (MSA), which consists of 24 counties and county-equivalents, including the District of Columbia and parts of Maryland, Virginia, and West Virginia. The MSA region has a larger geography and population than the 14-county and county-equivalent COG region.

**Figure 25. Affordable Rents for Renters with Median Income for the Washington MSA**

Unit Size	2023 AHS Median Renter Income	2023 Monthly Income for Renters	Rent Threshold for Cost-Burden (One-Fourth Monthly Income)
Studio	Unavailable	Unavailable	Unavailable
1 BR	\$65,000	\$4,560	\$1,140
2 BR	\$66,000	\$6,210	\$1,552
3 BR	\$75,000	\$7,008	\$1,752
4+ BR	\$117,000	\$7,984	\$1,996

### Calculating Housing Cost-Burden for Renters

The US Department of Housing and Urban Development (HUD) [defines](#) those spending more than 30 percent of monthly gross income on housing to be cost burdened. Five percent of income is set aside for utilities and other fees, leaving 25 percent for rent.<sup>8</sup> The final column of Table 36 shows the highest possible rent that a renter earning the median income in the Washington MSA can pay without being cost-burdened.

<sup>8</sup> Housing programs also have more exact ways of calculating utility allowances but five percent is appropriate for a general allowance (See page 5-78 in Chapter 5 of the [HUD Occupancy Handbook](#)).





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