



## MULTIFAMILY REPORT

# Boston's Hill Panorama

November 2022



# BOSTON MULTIFAMILY



## Softening Across Fundamentals

Boston has been making good strides toward a full recovery, but economic cooling and the Federal Reserve's measures to stop inflation are causing a slowdown. This shift is reverberating across the multifamily market, which is already facing a dire housing shortage—with occupancy at 96.0% in August—and a high cost of living. Although rent development moderated in Boston—up 0.4% on a T3 basis through September—the environment has reignited talks about rent control. While no decision had been made as of September, the debate alone is already impacting the metro's pipeline.

The jobless rate in Boston stood at 3.0% in August, according to data from the Bureau of Labor Statistics, outperforming the state (3.6%) and nation (3.7%). Employment expanded by 4.7% in the 12 months ending in July, 20 basis points above the U.S. rate. Government and financial activities lost 6,300 jobs combined. The rebound in tourism helped leisure and hospitality drive growth, with 46,100 jobs gained, followed by professional and business services (35,400 jobs).

Development moderated, with 3,497 units delivered this year through September, roughly 60% of the volume recorded during the same period last year; another 16,231 units were underway. Investment surpassed \$2.5 billion, but most of the deals closed during the first half of the year. Meanwhile, the per-unit price decreased 6.8% year-over-year.

## Market Analysis | November 2022

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### Author

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### Recent Boston Transactions

#### Bradlee Danvers



City: Danvers, Mass.  
Buyer: UDR  
Purchase Price: \$207 MM  
Price per Unit: \$478,868

#### Heritage at Merrimack



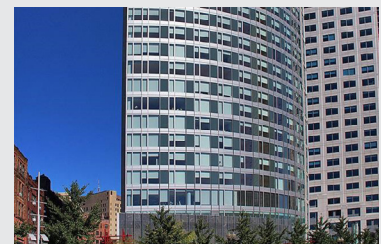
City: Manchester, N.H.  
Buyer: Priderock Capital Partners  
Purchase Price: \$165 MM  
Price per Unit: \$257,188

#### Ryder



City: Revere, Mass.  
Buyer: Invesco Real Estate  
Purchase Price: \$105 MM  
Price per Unit: \$523,250

#### Radian Boston



City: Boston  
Buyer: Pacific Life Insurance Co.  
Purchase Price: \$98 MM  
Price per Unit: \$406,250