

Yardi® Matrix

The Hub's Winning Streak

Multifamily Report Winter 2018

Job Growth Accelerates

Investor Interest Softens

Rent Growth Picks Up

BOSTON MULTIFAMILY

Yardi® Matrix

Market Analysis

Winter 2018

Contacts

Paul Fiorilla

Associate Director of Research
Paul.Fiorilla@Yardi.com
(800) 866-1124 x5764

Jack Kern

Director of Research and Publications
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Author

Bogdan Odagescu

Senior Associate Editor

Rents Rebound, Building Boom Continues

Fueled by a growing economy and consistent job growth, Boston remains one of the country's most stable and reliable multifamily markets. After decelerating to 1.2% in spring 2017 due to heavy supply, year-over-year rent growth picked up in the second half of the year, reaching 2.3% in November.

Education and health services continued to lead growth, having generated 23,500 positions. Anchored by large academic institutions, health-care providers and firms involved in high-tech research and financial activities, the metro's economy remains on sound footing, generating high-paying jobs at a fast rate and pushing up demand for upscale housing. With several large-scale developments under construction, the city also has a spate of substantial mixed-use projects clearing legal hurdles and inching closer to breaking ground. The list includes Boston Properties' 7.6 million-square-foot Seaport Square, which recently got the green light for a denser master plan; the \$1 billion Winthrop Square high-rise, reduced from 775 to 702 feet high to meet MassPort standards; and the massive MIT Kendall Square project in Cambridge, which landed rezoning approval in October.

With investors more cautious as prices keep rising, roughly \$1.3 billion in assets traded in 2017 through November, marking a slight deceleration. Boston's development boom is poised to continue: The metro has almost 13,000 units under construction, the majority of which are slated to come online in 2018.

Recent Boston Transactions

The Commons at Windsor Gardens



City: Norwood, Mass.
Buyer: AllianceBernstein
Purchase Price: \$199 MM
Price per Unit: \$217,724

Harborview at the Navy Yard



City: Charlestown, Mass.
Buyer: John Hancock Mutual
Purchase Price: \$149 MM
Price per Unit: \$666,295

Bell Olmsted Place



City: Jamaica Plain, Mass.
Buyer: Bell Partners
Purchase Price: \$103 MM
Price per Unit: \$524,112

Villas at Old Concord



City: Billerica, Mass.
Buyer: Barings
Purchase Price: \$87 MM
Price per Unit: \$266,975

To Subscribe

Hollie Zepke

Audience Development Specialist
Hollie.Zepke@Yardi.com
(800) 866-1124 x5389