



## MULTIFAMILY REPORT

# Boston Holds Steady

November 2023

**YoY Rent Growth Outperforms US**

**Construction Starts Pick Up**

**PPU Continues to Rise**



# BOSTON MULTIFAMILY



## Seasonality Further Affects Fundamentals

Boston's multifamily fundamentals held on well through the summer, but in line with seasonal patterns, figures began to soften at the end of the third quarter. Rent growth turned negative, down 0.1% on a trailing three-month basis through September, to \$2,774. Meanwhile, the national rate also decreased 0.1%, to \$1,722. Yet the occupancy rate in stabilized properties remained one of the highest in the country, at 96.8% in August, following a 0.1% uptick year-over-year.

In the 12 months ending in July, Boston's employment market gained 89,500 jobs, or a 2.5% expansion, trailing the U.S. rate by 10 basis points. Education and health services and professional and business services led growth, with a respective 26,500 and 22,000 positions. Meanwhile, the unemployment rate stayed flat, at 2.6%, in August for the third consecutive month, on par with the state and outperforming the 3.8% national rate. The Boston Planning and Development Agency approved the \$1.6 billion mixed-use Fenway Corners project.

Developers delivered 4,088 units during the first three quarters of 2023 and had 17,280 units under construction. Although the current supply volume trails previous years, unlike most metros, the number of construction starts increased in 2023. Meanwhile, investors traded \$1.9 billion in multifamily assets through September, for a price per unit that increased 11.3% year-over-year, to \$422,136.

## Market Analysis | November 2023

### Contacts

#### Jeff Adler

Vice President & General  
Manager of Yardi Matrix  
[Jeff.Adler@Yardi.com](mailto:Jeff.Adler@Yardi.com)  
(303) 615-3676

#### Ron Brock, Jr.

Industry Principal, Matrix  
[JR.Brock@Yardi.com](mailto:JR.Brock@Yardi.com)  
(480) 663-1149 x2404

#### Doug Ressler

Media Contact  
[Doug.Ressler@Yardi.com](mailto:Doug.Ressler@Yardi.com)  
(480) 695-3365

#### Author

#### Anca Gagiuc

Senior Associate Editor

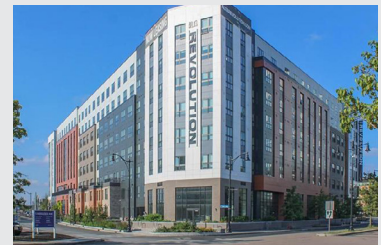
### Recent Boston Transactions

#### Church Park



City: Boston  
Buyer: Brookfield Properties  
Purchase Price: \$439 MM  
Price per Unit: \$864,173

#### Revolution at Assembly Row



City: Somerville, Mass.  
Buyer: Mesirow Financial  
Purchase Price: \$188 MM  
Price per Unit: \$571,429

#### The Aven at Newton Highlands



City: Newton, Mass.  
Buyer: Abacus Capital Group  
Purchase Price: \$169 MM  
Price per Unit: \$576,095

#### The Residences at Rivers Edge



City: Medford, Mass.  
Buyer: Pacific Urban Investors  
Purchase Price: \$104 MM  
Price per Unit: \$466,216