



MULTIFAMILY REPORT

Boston's Resilience Shines

February 2025

Investment Surpasses \$2.2B for the Year

Limited New Supply Favors Occupancy

YoY Rent Growth Double the US Rate

BOSTON MULTIFAMILY



Occupancy Tight, Inches Up Further

Boston proved its resilience again in 2024, with relatively limited supply growth helping occupancy and rent movement. Occupancy in stabilized properties, at 96.5% as of November, was up 10 basis points year-over-year. Rents contracted on a trailing three-month basis through December, by 0.7%, but remained in line with seasonal trends. Year-over-year, average advertised asking rents rose 1.2%, to \$2,836 in metro Boston, double the 0.6% U.S. figure.

Employment growth picked up in the second half of 2024, marking a 0.9% expansion as of November, but was still below the 1.3% national average. Four sectors, including manufacturing and information, lost a combined 8,500 net jobs. Education and health services led gains, adding 18,200 net positions, followed by leisure and hospitality, with 9,700 jobs. Meanwhile, unemployment rose to 3.7% as of November, according to preliminary data from the Bureau of Labor Statistics, but outperformed the U.S. (4.2%) and Massachusetts (4.0%).

Supply growth totaled 7,083 units in 2024. The volume was close to the previous two years but still the lowest recorded over the last decade. Another 17,752 units were under construction going into 2025. Meanwhile, investment hit \$2.2 billion, marking metro Boston's lowest total since 2020. Meanwhile, the price per unit declined 8.7% year-over-year, to \$393,195.

Market Analysis | February 2025

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Recent Boston Transactions

Residences at Stevens Pond



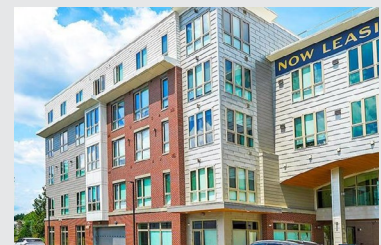
City: Saugus, Mass.
Buyer: Waterton
Purchase Price: \$156 MM
Price per Unit: \$477,761

The Batch Yard



City: Everett, Mass.
Buyer: LCOR
Purchase Price: \$141 MM
Price per Unit: \$430,183

Modera Newton



City: Newton, Mass.
Buyer: Mill Creek Residential
Purchase Price: \$114 MM
Price per Unit: \$556,098

Matrix Hudson



City: Hudson, Mass.
Buyer: Zurich Alternative
Asset Management
Purchase Price: \$67 MM
Price per Unit: \$379,261