



MULTIFAMILY REPORT

Boston Decelerates

November 2025



Rent Gains Inch Down

Occupancy Slides, Still Healthy

Investment Volume Surpasses \$2B

BOSTON MULTIFAMILY



Mixed Metrics, Slowing Momentum

Boston multifamily fundamentals began to decelerate coming out of the late leasing season, with average advertised asking rents inching down 0.1%, on a trailing three-month basis through September, to \$2,942. Yet the figure was up 1.5% year-over-year, well ahead of the 0.6% U.S. rate. Occupancy in stabilized assets remained healthy, at 96.2% in August. That marked a 40-basis-point slide over 12 months, but remained above the 94.7% U.S. average.

Employment growth was flat through July, and the unemployment rate held at 4.5% in August, ahead of the state (4.8%) but slightly behind the U.S. (4.3%). Boston added 18,200 net jobs year-over-year through July, led by education and health services, leisure and hospitality and government. Meanwhile, four sectors contracted, led by professional and business services and information. Life science and mixed-use projects continued to dominate Boston's pipeline, including Harvard's Enterprise Research Campus Phase A, Mass General's Phillip and Susan Ragon Building, as well as the next phase of Fenway Center.

Developers delivered 4,820 units in 2025 through September, with Lifestyle accounting for roughly two-thirds of that. Another 14,325 units were underway, even as starts slowed. Investment remained steady, with \$2.1 billion in assets trading through September. In fact, a steady volume of transactions involving large Lifestyle assets has been a rare constant for the past five years.

Market Analysis | November 2025

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Recent Boston Transactions

Hanover Crossing Residences



City: Hanover, Mass.
Buyer: AEW Capital Management
Purchase Price: \$156 MM
Price per Unit: \$524,747

The Robinson



City: Revere, Mass.
Buyer: TA Realty
Purchase Price: \$122 MM
Price per Unit: \$528,261

Avana Cliffside



City: Malden, Mass.
Buyer: Greystar
Purchase Price: \$113 MM
Price per Unit: \$381,356

Redbrook

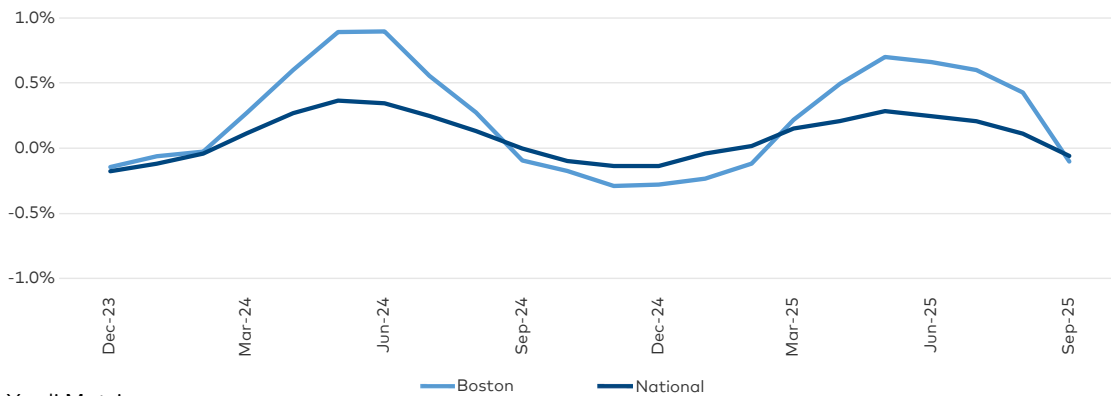


City: Plymouth, Mass.
Buyer: DSF Group
Purchase Price: \$106 MM
Price per Unit: \$368,057

RENT TRENDS

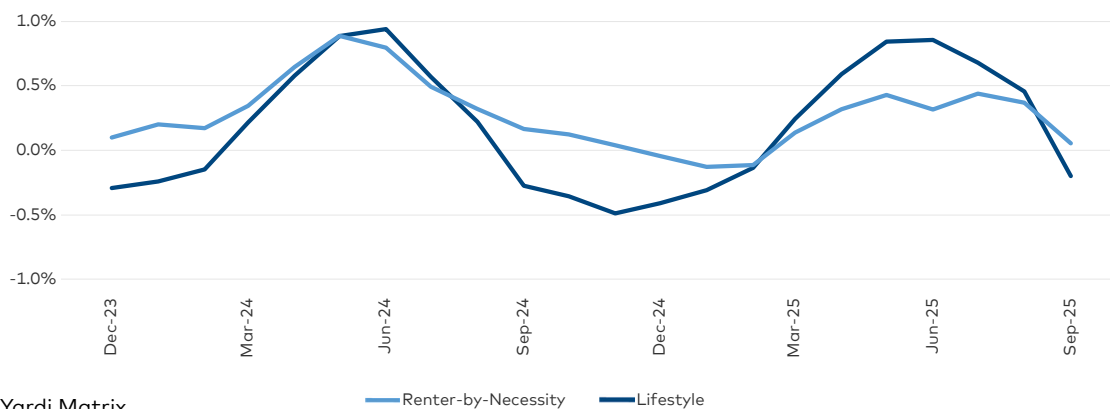
- ▶ Boston advertised asking rents inched down 0.1% on a trailing three-month (T3) basis through September, to \$2,942, mirroring a national slowdown in both demand and economic activity. Still, year-over-year Boston rents rose 1.5%, while the U.S. rate increased just 0.6%, to \$1,750. This yearly disparity is mostly due to strong Lifestyle growth in the second and third quarters.
- ▶ Lifestyle advertised asking rents fell 0.2% on a T3 basis through September, to \$3,337. The decline ended a solid six-month streak of increases, which peaked at 0.9% in June. Meanwhile, working-class Renter-by-Necessity rates inched up 0.1%, to \$2,422. The segment recorded softer rent growth in the 2025 leasing season, hitting a 0.4% ceiling on a T3 basis, well below last year's 0.9% peak.
- ▶ Boston occupancy in stabilized properties slid 40 basis points year-over-year, but remained relatively healthy at 96.2% in August, above the 94.7% U.S. average. RBN occupancy posted a steeper decline, down 60 basis points, while Lifestyle slid 20 basis points, both to 96.2%.
- ▶ Of the 58 submarkets tracked by Yardi Matrix, eight posted rent contractions year-over-year through September. Two were among the 10 priciest submarkets: Fenway Kenmore (-0.3% to \$3,786) and Brookline (-0.1% to \$3,453). Meanwhile, submarkets with average rents above the \$4,000 mark increased to five, led by the South End (2.8% to \$4,616) and South Boston (\$4,318). Five submarkets had average rates below \$2,000.

Boston vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Boston Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- ▶ Boston employment growth was flat as of July, even as the national average stood at 0.8%. The market's unemployment rate remained at 4.5% for the third consecutive month as of August, up by 30 basis points since January, according to preliminary data from the Bureau of Labor Statistics. At this level, it outperformed Massachusetts (4.8%) but trailed the U.S. (4.3%).
- ▶ Boston added 18,200 net jobs in the 12 months ending in July, sustained by six sectors. Education and health services led (7,900 jobs), followed by leisure and hospitality (6,900) and government (5,200). Four sectors slid, with higher losses in professional and business services (-3,800), information (-1,100) and manufacturing (-900).
- ▶ Boston's CRE pipeline remained anchored by life science and large mixed-use districts. Harvard's Enterprise Research Campus Phase A in Allston has been underway since 2023 and initial deliveries are expected in 2025. All buildings within the mixed-use project are designed to achieve LEED Gold—two lab buildings, two partially affordable buildings with 345 units, a hotel and a conference center. In the West End, Mass General's \$1.9 billion Phillip and Susan Ragon Building topped out in early 2025 and is set to open in two phases, in 2027 and 2030. Meanwhile, Phase II of Fenway Center is nearing the start of vertical construction that will include a 22-story tower and a 12-story office and lab space building.

Boston Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	656	21.9%
70	Leisure and Hospitality	319.1	10.6%
90	Government	328	10.9%
55	Financial Activities	196.2	6.5%
40	Trade, Transportation and Utilities	427.4	14.2%
80	Other Services	110.7	3.7%
15	Mining, Logging and Construction	136.9	4.6%
30	Manufacturing	189.7	6.3%
50	Information	81.9	2.7%
60	Professional and Business Services	554.9	18.5%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- ▶ Boston's population increased by 9.4% between 2010 and 2022, just above the 8.9% U.S. rate.
- ▶ Growth moderated and nearly halted in 2022, when it inched up less than 0.1%, lagging the national average, which was up by 0.4%.

Boston vs. National Population

	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Boston Metro	4,832,346	4,854,808	4,912,030	4,912,449

Source: U.S. Census

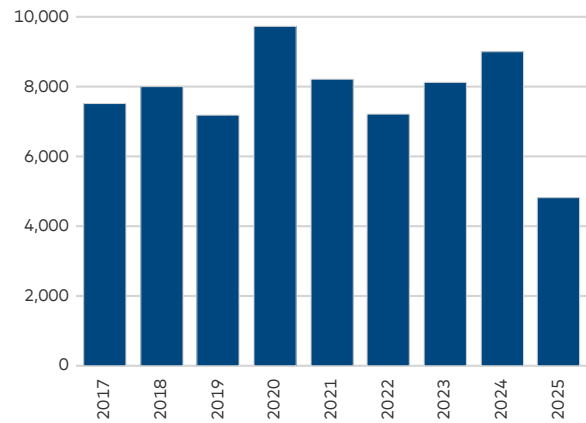
SUPPLY

- ▶ Developers added 4,820 units to Boston's inventory in 2025 through September, 1.7% of total stock and 50 basis points below the U.S. rate. The completions pace fell below the U.S. figure in 2024 as well. This year, deliveries skewed toward Lifestyle—about two-thirds of units—while RBN and fully affordable properties represented roughly 12% each.
- ▶ Boston had 14,325 units underway and another 99,000 in the planning and permitting phases as of September, with the market hot off a development peak. Since 2020, more than 47,000 units have come online. The pipeline's composition remained heavier on the Lifestyle side, accounting for 78.7%, while the fully affordable share increased to 15.3% and RBN dropped to 6.0%.
- ▶ Construction starts fell to 1,437 units across 12 properties in 2025 through September, a significant drop from 5,253 units across 29 properties during the same period last year.
- ▶ Developers were active in 36 of the 58 submarkets tracked by Yardi Matrix. Leading by a considerable margin, East Boston–Chelsea had 2,440 units underway as of September. While this submarket accounted for half of Boston's deliveries in 2025 through September, aver-

age advertised rents continued to rise, up 0.7% year-over-year, to \$2,942. Next in line were Brighton (856 units) and Dover (853 units).

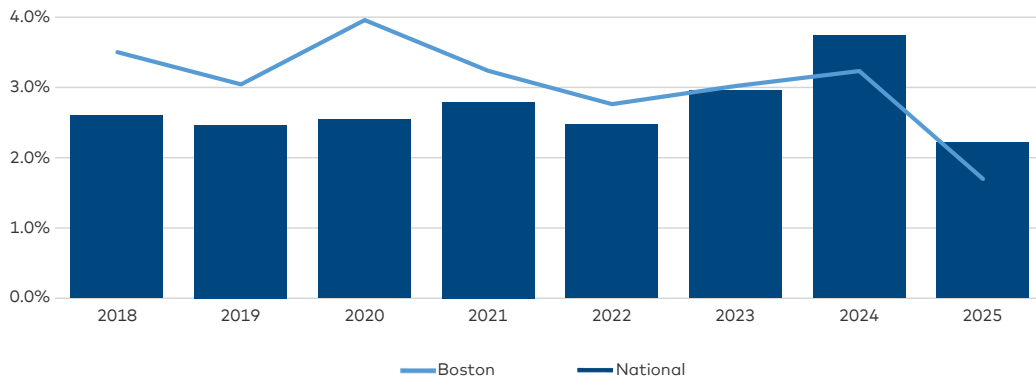
- ▶ The largest project delivered in Boston in 2025 through September was Anthem Everett, a 450-unit, Lifestyle property in an Opportunity Zone in East Boston–Chelsea. Greystar's asset includes 6,500 square feet of retail and benefited from a \$126 million construction loan originated by U.S. Bank in 2022.

Boston Completions (as of September 2025)



Source: Yardi Matrix

Boston vs. National Completions as a Percentage of Total Stock (as of September 2025)

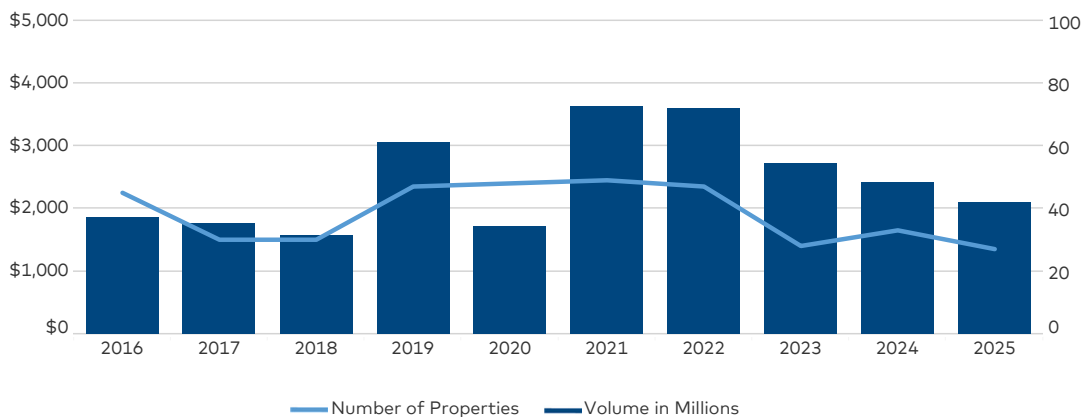


Source: Yardi Matrix

TRANSACTIONS

- ▶ Multifamily investment remained moderate, yet relatively steady in Boston, with sales amounting to \$2.1 billion in the first three quarters of 2025, close to the metro's 10-year average of \$2.4 billion. Volume decreased each year since 2022 but remained above the 2015-2019 average.
- ▶ Investor interest was higher in Lifestyle assets, which accounted for three-quarters of the transactions recorded in 2025 through September. However, the average price per unit slid by 0.7% year-to-date to \$386,909, while the U.S. rate rose 8.3%, to \$209,188.
- ▶ During the first three quarters of 2025, 11 of the 28 assets sold commanded prices above the \$100 million mark. Three of these were acquired by Harbor Group International for a combined \$478 million. Another was AEW Capital Management's acquisition of Hanover Crossing Residences, a 297-unit property in Hanover, Mass., from The Hanover Co. for \$155.9 million, or a hefty \$524,747 per unit.

Boston Sales Volume and Number of Properties Sold (as of September 2025)



Source: Yardi Matrix

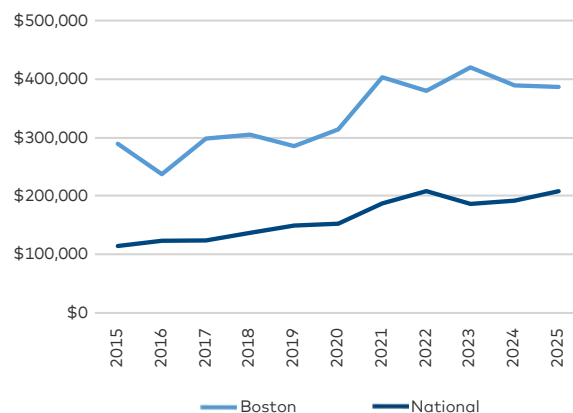
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
East Boston–Chelsea	287
Reading	264
Malden	210
Marlborough	208
Plymouth	193
Foxborough	191
Marshfield–Pembroke	182

Source: Yardi Matrix

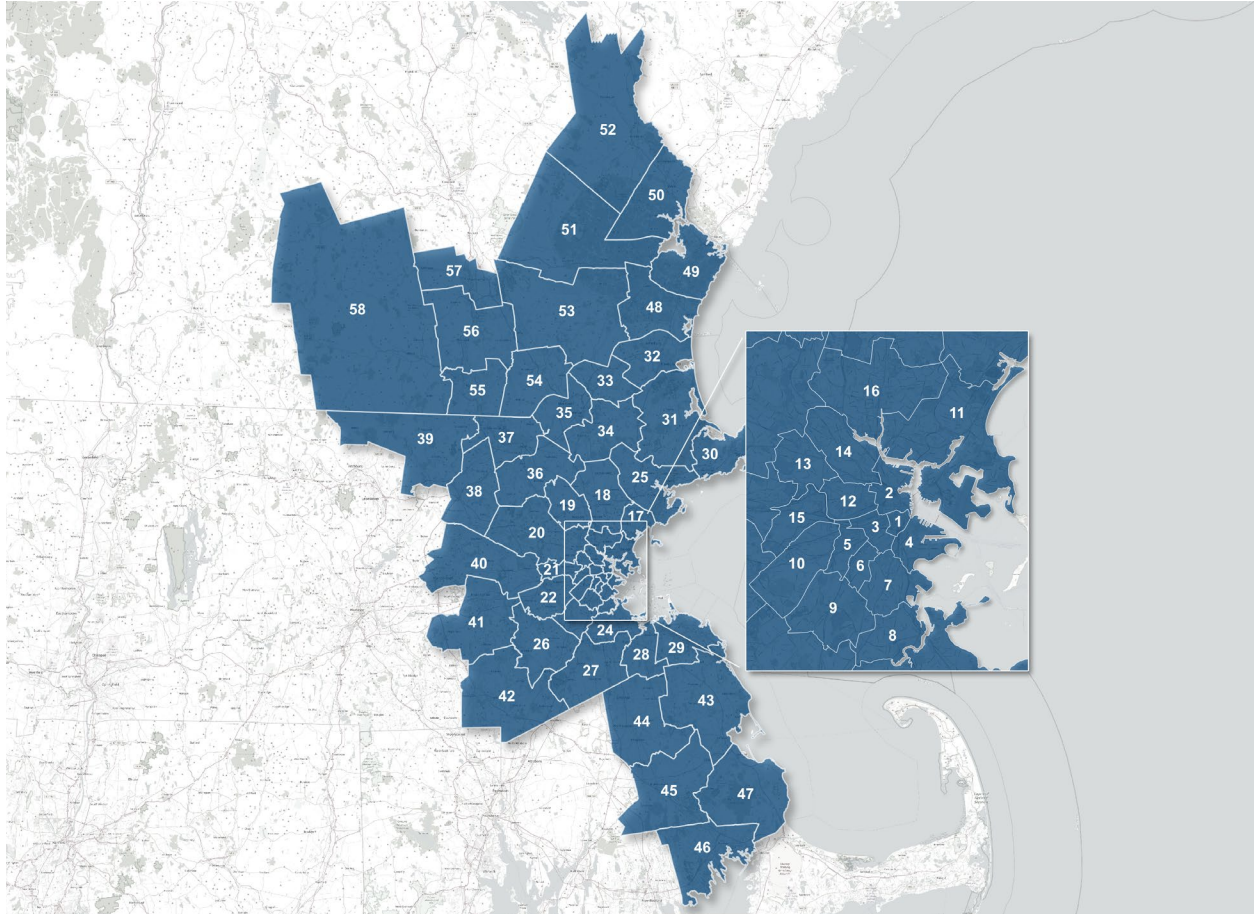
¹ From October 2024 to September 2025

Boston vs. National Sales Price per Unit



Source: Yardi Matrix

BOSTON SUBMARKETS



Area No.	Submarket
1	Boston-Downtown
2	North End-Charlestown
3	South End
4	South Boston
5	Fenway Kenmore
6	Roxbury
7	Mid Dorchester
8	Dorchester
9	Roslindale
10	Brookline
11	East Boston-Chelsea
12	Cambridge-South
13	Cambridge-North
14	Somerville
15	Brighton
16	Malden
17	Lynn
18	Reading
19	Woburn
20	Lakeview

Area No.	Submarket
21	Waltham
22	Newton
23	Dedham
24	Quincy
25	Peabody
26	Westwood
27	Stoughton
28	Weymouth
29	Cohasset
30	Gloucester
31	Ipswich
32	Amesbury
33	Haverhill
34	Andover
35	Lawrence
36	Tewksbury
37	Lowell
38	West Concord
39	Townsend
40	Marlborough

Area No.	Submarket
41	Framingham
42	Foxborough
43	Marshfield-Pembroke
44	Brockton
45	Middleborough
46	Wareham
47	Plymouth
48	Hampton
49	Portsmouth
50	Dover
51	Raymond-Newmarket
52	Rochester
53	Derry
54	Salem
55	Nashua
56	Merrimack
57	Manchester
58	Milford

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

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