

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

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## 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

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