



MULTIFAMILY REPORT

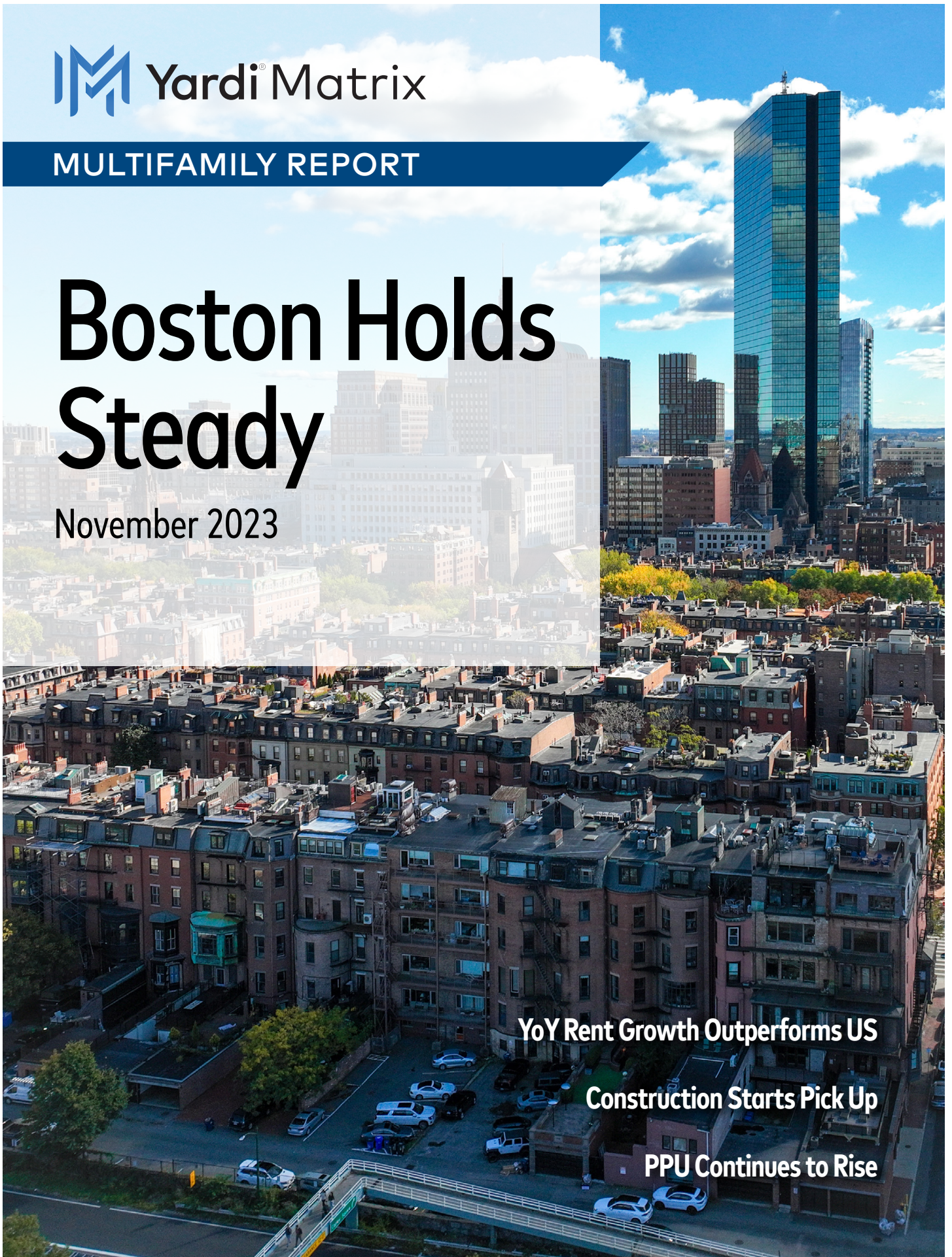
Boston Holds Steady

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

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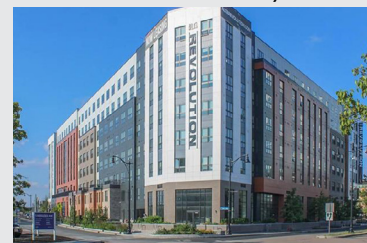
Recent Boston Transactions

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