

## MARKET AT A GLANCE



### OCCUPANCY RATE

96.2%

Up 10 bps since 1Q19



### EFFECTIVE RENT

\$2,399

Up 3.6% since 1Q19



### DELIVERIES

2,035

Units YTD

## MULTIFAMILY TRENDS

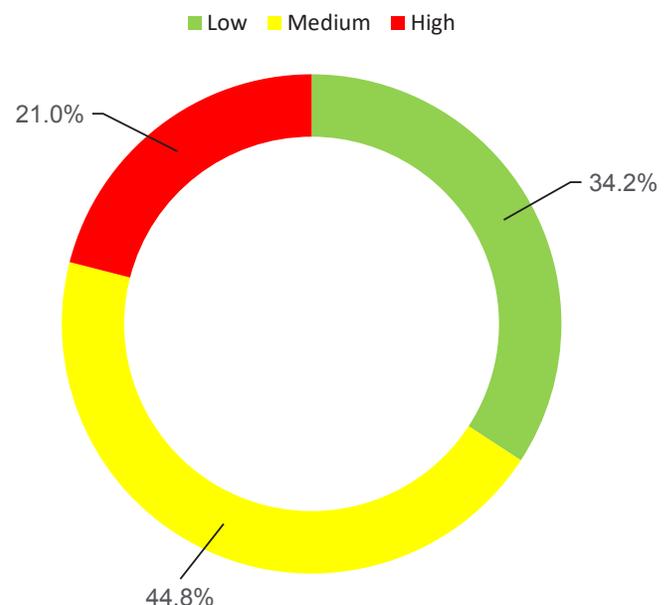
### BOSTON ADDRESSING HEALTH & ECONOMIC EFFECTS OF PANDEMIC

Facing the possibility of being a hot spot for a large COVID-19 outbreak, local government bodies have worked to flatten the curve in the Boston metropolitan area through stringent legislation. The commonwealth is under a stay-at-home advisory at least through May 4. This measure led to the closure of nonessential businesses, resulting in massive furlough and layoffs across many industries. The city of Boston and several adjacent cities and towns deemed construction nonessential, suspending work on all but emergency projects. This move will curb what was to be the highest annual output of new apartment inventory in the metro this century. In the near term, Class A operators will face less competition in a time when renters nationwide are increasing lease renewals rather than moving. Class C apartment operators face the biggest risk for a loss of renters. This stock houses many in the service industries, which have undergone the most severe layoffs. For these residents, Massachusetts has one of the highest employment insurance payouts in the country, which will be boosted by additional federal funding from the CARES Act. The commonwealth is also offering unemployment benefits for self-employed workers, independent contractors, and gig workers. With nearly 11,000 renter households in the first wave of unemployment applications, Boston dedicated \$3 million to provide up to \$4,000 in direct financial assistance to income-eligible tenants for rental payments.

### INDUSTRY COMPOSITION

| Risk Level                                    | % of Market  | National Avg |
|---|--------------|--------------|
| <b>LOW</b>                                    |              |              |
| Agriculture, forestry, fishing and hunting    | 0.3%         | 1.1%         |
| Finance and insurance                         | 5.9%         | 4.7%         |
| Health care and social assistance             | 18.4%        | 16.0%        |
| Information                                   | 3.3%         | 2.2%         |
| Transportation and warehousing                | 2.6%         | 4.4%         |
| Utilities                                     | 0.2%         | 0.4%         |
| Wholesale trade                               | 3.5%         | 4.7%         |
| <b>Total</b>                                  | <b>34.2%</b> | <b>33.4%</b> |
| <b>MEDIUM</b>                                 |              |              |
| Administrative and waste services             | 6.1%         | 7.4%         |
| Educational services                          | 4.8%         | 2.3%         |
| Manufacturing                                 | 7.2%         | 10.1%        |
| Mining, quarrying, and oil and gas extraction | 0.0%         | 0.5%         |
| Other services, except public administration  | 3.7%         | 3.6%         |
| Professional and technical services           | 12.6%        | 7.5%         |
| Retail trade                                  | 10.4%        | 12.2%        |
| <b>Total</b>                                  | <b>44.8%</b> | <b>43.6%</b> |
| <b>HIGH</b>                                   |              |              |
| Accommodation and food services               | 9.8%         | 11.1%        |
| Arts, entertainment, and recreation           | 2.0%         | 1.9%         |
| Construction                                  | 5.0%         | 6.1%         |
| Management of companies and enterprises       | 2.6%         | 1.9%         |
| Real estate and rental and leasing            | 1.6%         | 1.8%         |
| Unclassified                                  | 0.0%         | 0.1%         |
| <b>Total</b>                                  | <b>21.0%</b> | <b>23.0%</b> |

### JOBS EXPOSURE



Analysis based on RealPage Market Analytics' first quarter 2020 data, which sources more than 3 million units across more than 400 U.S. markets in real time. Data may be revised in future publications as additional information becomes available after the initial release. Risk level based on the percentage of essential vs. nonessential jobs for that sector, along with work-from-home opportunity and impacted revenue.



**CORPORATE HEADQUARTERS**

521 Fifth Avenue  
20th Floor  
New York, NY 10175  
(646) 600-7800 | Fax: (646) 600-7838  
[www.Berkadia.com](http://www.Berkadia.com)

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