BOSTON, MA

2025 MARKET AT A GLANCE

OCCUPANCY RATE
(Q4 2025)
96.3%
UP 100 BPS YOY

EFFECTIVE RENT
(Q4 2025)
$3,102
UP 3.0% YOY

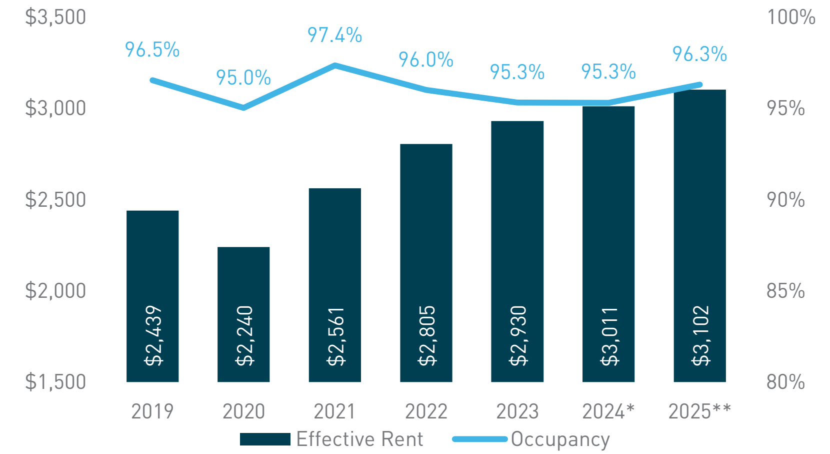
RENT SHARE OF WALLET
(Q4 2025)
31.8%
UNCHANGED YOY

Surge in Apartment Absorption to Boost Rent and Occupancy

Multifamily performance continues to strengthen heading into 2025 as apartment demand and effective rent are forecast to crest market trends by year-end. Leasing activity is projected to reach 13,474 units, surpassing the levels of new rentals leased in each of the past three years. Among the 15 submarkets in the Boston market, rental demand in the East Middlesex County submarket at 2,494 units will lead net absorption. Middlesex County is home to numerous Fortune 500 companies, three universities, and world-class healthcare and research facilities. Boston-based employers will expand payrolls by 25,800 new jobs this year, lifting overall headcounts 0.9%. Boston's stature as a global hub for the biotech community is boosted by company expansions and the availability of talent. Among those expanding their footprint in the metro is Vertex Pharmaceuticals Inc. and Takeda, the largest life sciences employer in Massachusetts. One-in-five employees are working in the private education and healthcare sector, where businesses will add 6,400 jobs this year. To meet economic-driven demand, developers are busy on one of the largest construction pipelines in the country: 86 apartment communities are underway with commitments for 8,793 units to be delivered this year. Apartment demand and the availability of new high-end rentals will raise the metrowide average effective rent to $3,102 in the fourth quarter, a 3.0% annual increase, up from 2.8% growth the previous year. In-migration of 36,800 new residents this year, combined with job growth, is expected to boost leasing activity, resulting in a 100-basis-point increase in the occupancy rate to 96.3% by year-end.

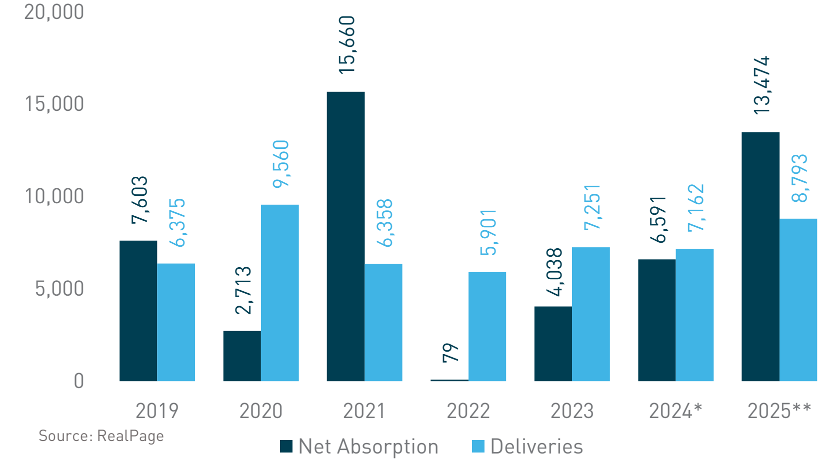
Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2024 are projected values. 2025 figures are forecast projections.

APARTMENT TRENDS



Source: RealPage
*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.



Source: RealPage

*Projected **Forecast

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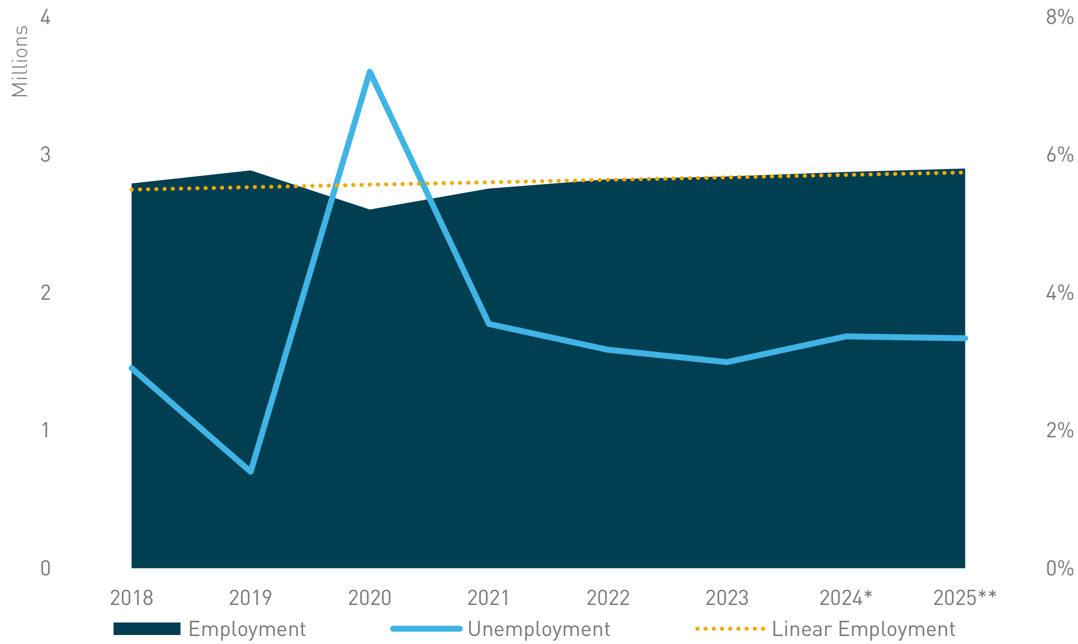
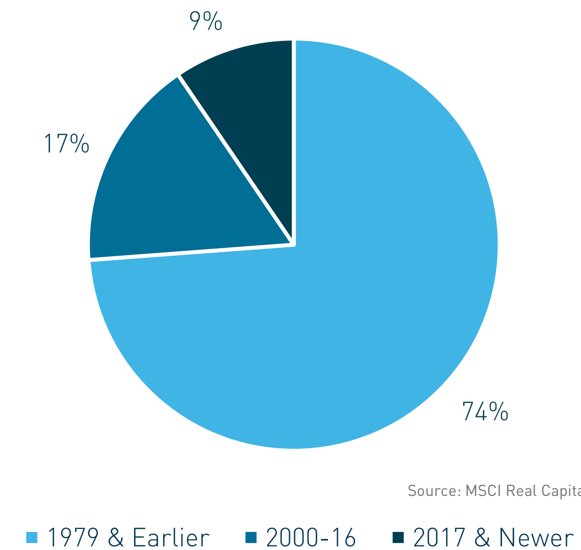
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

2024 SALES TRENDS*



Source: MSCI Real Capital Analytics

*YTD through Oct.

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT (DEC. 2025)	UNEMPLOYMENT (DEC. 2025)	MEDIAN HOUSEHOLD INCOME (DEC. 2025 SAAR)	PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
2,901,200	3.3%	$117,090	$334,764	5.7%
UP 0.9% YOY	DOWN 10 BPS YOY	UP 3.1% YOY	DOWN 16.9% YOY	UP 50 BPS YOY