

BOSTON, MA

2022 MARKET AT A GLANCE

Occupancy Rate

96.6%



DOWN 10 BPS YOY

Effective Rent

\$2,542



UP 5.9% YOY

Rent Share of Wallet

30.4%



UP 70 BPS YOY

Residents Choosing to Rent as Apartment Occupancy Remains Elevated

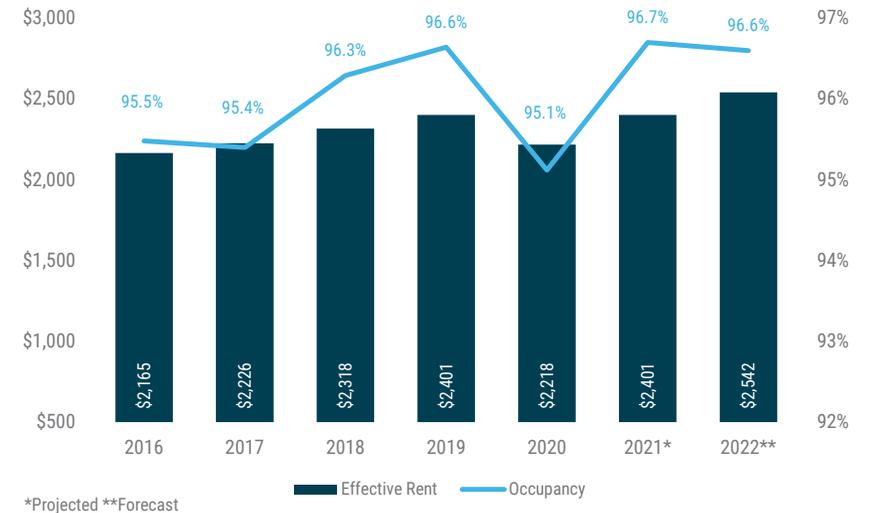
As single-family home prices continue to soar, Greater Boston residents are opting to rent. In the last decade, the median home price has nearly doubled, capped by 9% growth in 2021. Last year also had a significant drop in available homes for sale. Both factors contributed to outsized apartment demand, a trend expected to continue this year. Another factor underpinning sustained apartment leasing activity will be people continuing to move to Greater Boston, with positive net migration forecast this year. Drawing new residents will be the recovering economy, with more than 95,000 net jobs projected to be added to the local payrolls by year-end. While every employment sector is forecast to grow this year, a significant share of additions is expected in the education and health services industry. The area's institutes of higher education serve as a pillar of the industry, with the expanding life sciences field will be a big part of the workforce's growth. Apartment developers are targeting these additional jobs with more than 900 units scheduled to come online in the Cambridge/Somerville submarket. The area is home of more than 100 life science companies found in and around Kendall Square. The additions will facilitate leasing activity, though positive absorption is projected to slightly trail inventory growth. As a result, the submarket occupancy is forecast to tick down this year, a trend expected to be reflected metrowide as Greater Boston occupancy ends 2022 at 96.6%. Even with the dip, the occupancy rate would be 60 basis points higher than the preceding five-year average.

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 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

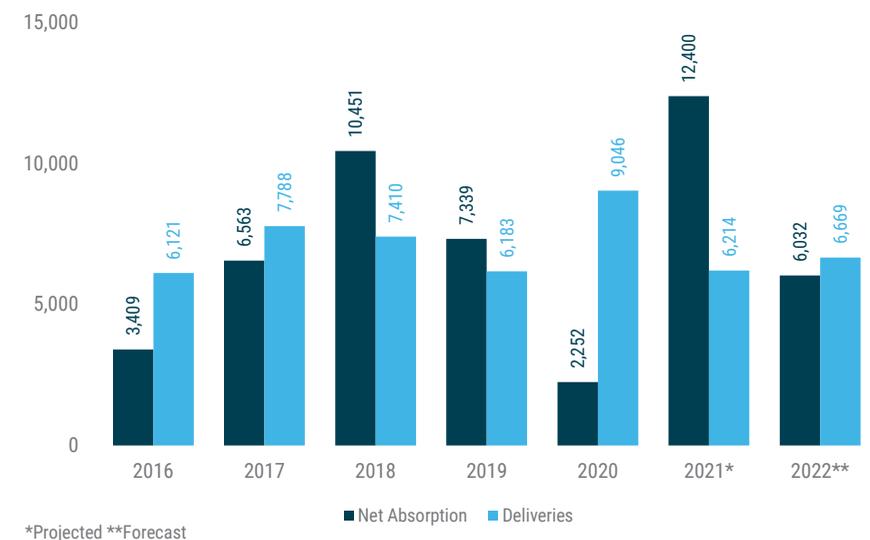
2022 FORECAST

APARTMENT TRENDS

Effective Rent & Occupancy

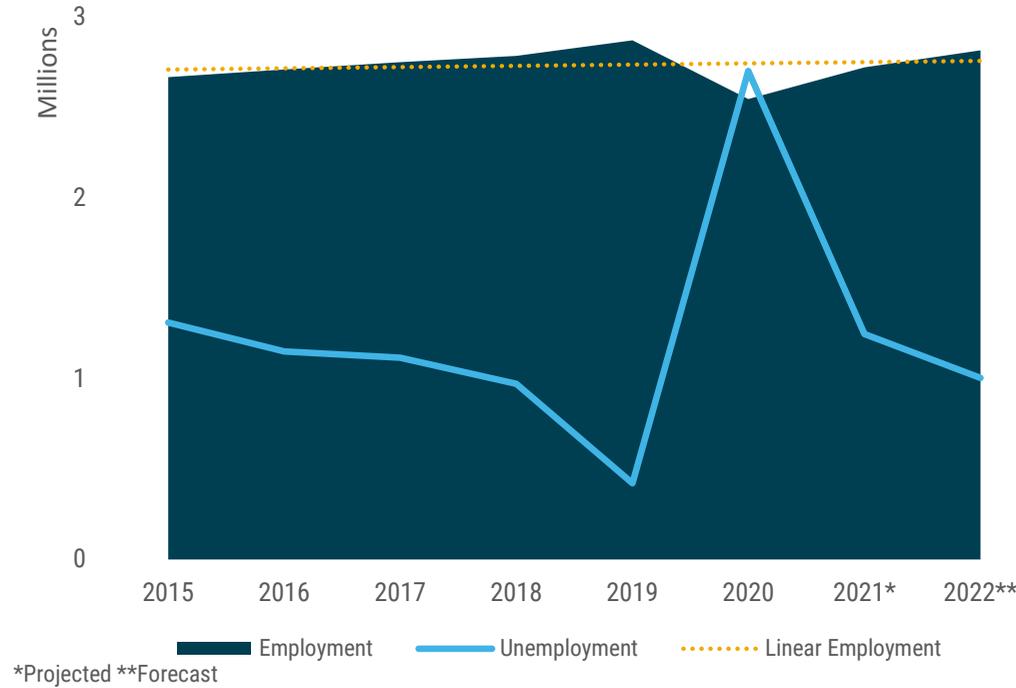


Absorption & Deliveries



EMPLOYMENT TRENDS

Market Employment Trends



SALES TRENDS

Price Per Unit & Cap Rate



Employment

2,818,700



UP 3.5% YOY

Unemployment

3.0%



DOWN 70 BPS YOY

Median Household Income

\$100,392



UP 3.7% YOY

Price Per Unit

\$356,755



UP 9.4% YOY

Cap Rate

4.5%



UNCHANGED YOY