

# NAR Commercial Real Estate Metro Market Report | 2021.Q4

## Barnstable Town, MA

Core-Based Statistical Area Code: 12700

The Barnstable Town, MA commercial real estate market is not as strong compared to the overall U.S. market.  
**NAR Commercial Real Estate Market Conditions Index\*** 36.0

Overall economic conditions are not as strong than nationally.  
 The apartment property market is not as strong than nationally.  
 The office property market is stronger than nationally.  
 The industrial property market is not as strong than nationally.  
 The retail property market is not as strong than nationally.  
 The hotel/lodging property market is about the same than nationally.

### I. Economic and Demographic

Economic	Barnstable Town, MA			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	100	105	94	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	4	5	(8)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	4.6%	4.8%	-8.0%	4.1%	4.0%	-6.0%	<i>Job creation is stronger than nationally</i>
Unemployment rate (%)	6.0%	6.0%	8.3%	4.2%	4.7%	6.7%	<i>Unemployment rate is higher than nationally</i>
Average weekly wages	\$998	\$997	\$970	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	2.8%	4.6%	1.3%	4.8%	4.5%	6.7%	<i>Wages are rising at a slower pace than nationally</i>
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-7.0%	2.9%	2.3%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$85,042	\$68,902	\$71,235	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	1.6	0.3	0.9	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Population ('000)	213	213	214	331,501	328,330	326,838	
Population growth (%)	0.11%	-0.40%	-0.04%	0.97%	0.46%	0.53%	<i>Population growth is slower than nationally</i>

### II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	1.5%	1.6%	0.9%	4.6%	4.6%	6.6%	<i>The area has a lower vacancy rate than nationally</i>
Absorption of units over the quarter	1	3	2	78,063	189,629	94,740	
Absorption of units in past 12 months	(3)	(2)	12	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	-0.2%	-0.2%	0.9%	4.2%	4.3%	2.3%	<i>The area has lower absorption than nationally</i>
Market asking rent per unit	\$1,423	\$1,419	\$1,397	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	1.9%	1.9%	0.8%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,419	\$1,416	\$1,394	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	1.8%	2.0%	0.7%	12.2%	11.6%	-0.1%	<i>Rents are rising more slowly than nationally</i>
Rent as a percent of 2-person annual wage income	16.4%	16.3%	16.5%	16.3%	16.3%	15.2%	<i>Renting is less affordable than nationally</i>
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory	1,277	1,276	1,280	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	5	5	-	369,993	387,542	434,591	
Net delivered units, as % of inventory	0.4%	0.4%	-	2.2%	2.3%	2.6%	
Units under construction	-	-	5	681,402	692,701	687,551	
Units under construction, as % of inventory	-	-	0.4%	4.0%	4.1%	4.2%	
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	880.0	960.0	-	16.2	14.7	(21.3)	<i>More jobs per delivered units than nationally</i>
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	-	-	-	\$86,764	\$63,211	\$47,522	
Transaction sales price per unit	-	-	-	\$235,199	\$231,697	\$212,033	
Market cap rate	5.9%	5.9%	5.9%	5.2%	5.2%	5.3%	<i>Cap rates are higher than nationally</i>

### III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	3.9%	4.4%	5.2%	12.2%	4.4%	5.2%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	24,519	(1,738)	20,480	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	71,632	67,593	60,237	(39,446,204)	(88,926,760)	(74,605,520)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.3%	1.2%	1.1%	-0.5%	-1.2%	-1.0%	
Market rent per sq.ft.	\$20.8	\$20.8	\$20.7	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	0.4%	0.6%	0.3%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	0.2	0.4	0.0	1,134	1,092	(870)	
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory in sq. ft.	5,477,710	5,453,191	5,406,078	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	-	-	7,245	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	-	-	0.1%	0.8%	0.8%	0.6%	
Under construction in sq.ft.	5,327	5,327	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.1%	0.1%	-	2.0%	2.0%	2.1%	<i>Construction activity is slower than nationally</i>
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$13	\$5	\$6	\$28,031	\$29,974	\$21,646	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$194	\$105	\$313	\$305	\$306	\$301	<i>Prices are not rising as fast than nationally</i>
Market cap rate	8.6%	8.6%	8.6%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

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## Barnstable Town, MA

Core-Based Statistical Area Code: 12700

### IV. Industrial

	Barnstable Town, MA			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
<b>Demand indicators</b>							
Vacancy rate	1.1%	1.0%	1.6%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(5,517)	20,309	7,690	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	52,904	66,111	24,718	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.0%	1.2%	0.5%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$13.2	\$12.9	\$12.2	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	7.7%	6.8%	5.1%	8.6%	7.2%	4.6%	<i>Rent growth is slower than nationally</i>
<b>Supply indicators</b>							
Inventory in sq. ft.	5,342,379	5,347,896	5,280,118	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	25,300	25,300	-	283,714,234	297,459,785	307,128,078	<i>Less deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.5%	0.5%	-	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	10,000	10,000	25,300	508,025,152	466,780,896	340,499,936	<i>Less delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	0.2%	0.2%	0.5%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$14	\$2	\$11	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$199	\$149	\$279	\$144	\$127	\$110	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.2%	7.2%	7.2%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

### V. Retail

	Barnstable Town, MA			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
<b>Demand indicators</b>							
Vacancy rate	3.2%	3.4%	2.8%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	42,709	(124,212)	(21,394)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	(43,452)	(107,555)	(62,965)	76,321,048	48,774,088	(28,079,124)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	-0.3%	-0.7%	-0.4%	0.7%	0.4%	-0.3%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$17.7	\$17.6	\$17.4	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	2.0%	1.3%	-0.2%	2.8%	2.1%	0.8%	<i>Rent growth is slower than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	1.20	1.50	(0.70)	372.10	387.70	(473.90)	<i>The area has weaker retail trade job creation than nationally</i>
<b>Supply indicators</b>							
Inventory in sq. ft.	15,479,930	15,437,221	15,523,382	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively fewer units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	5,711	5,711	-913	21,047,385	28,105,270	41,736,234	<i>Less delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.0%	0.0%	0.0%	0.2%	0.3%	0.4%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	35,296	35,296	44,296	50,577,712	53,660,692	52,556,572	<i>Construction activity is slower than nationally</i>
Under construction, as % of inventory	0.2%	0.2%	0.3%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$25	\$21	\$19	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$273	\$126	\$197	\$237	\$204	\$192	<i>Prices are rising faster nationally</i>
Market cap rate	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

### VI. Hotel/Lodging

	Barnstable Town, MA			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	16.7	20.4	12.8	15,362	15,397	12,896	
Y/Y change ('000)	2.5	1.7	(2.9)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	16.7%	19.4%	13.7%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



# NAR Commercial Real Estate Metro Market Report | 2021.Q4

## Boston-Cambridge-Nashua, MA-NH

Core-Based Statistical Area Code: 14460

The Boston-Cambridge-Nashua, MA-NH commercial real estate market is stronger compared to the overall U.S. market.  
**NAR Commercial Real Estate Market Conditions Index\* 58.3**

Overall economic conditions are not as strong than nationally.  
 The apartment property market is stronger than nationally.  
 The office property market is stronger than nationally.  
 The industrial property market is not as strong than nationally.  
 The retail property market is about the same than nationally.  
 The hotel/lodging property market is stronger than nationally.

### I. Economic and Demographic

Economic	Boston-Cambridge-Nashua, MA-NH			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	2,727	2,680	2,572	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	142	128	(286)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.5%	5.0%	-10.0%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	4.9%	5.0%	7.9%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$1,430	\$1,426	\$1,390	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	1.6%	4.2%	6.9%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-3.4%	3.4%	4.3%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$94,430	\$64,822	\$65,936	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	(26.6)	(22.8)	(23.3)	0	0	0	Area is experiencing net domestic out-migration
Population ('000)	4,878	4,876	4,862	331,501	328,330	326,838	
Population growth (%)	0.04%	0.29%	0.35%	0.97%	0.46%	0.53%	Population growth is slower than nationally

### II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	4.3%	4.6%	8.1%	4.6%	4.6%	
Absorption of units over the quarter	1,972	5,052	1,771	78,063	189,629	94,740	
Absorption of units in past 12 months	16,099	15,898	4,204	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	6.8%	6.8%	1.9%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$2,491	\$2,491	\$2,247	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	10.9%	9.8%	-3.9%	11.3%	10.6%	0.5%	
Effective rent per unit	\$2,476	\$2,473	\$2,184	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	13.4%	12.0%	-5.9%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	19.9%	20.0%	18.1%	16.3%	16.3%	15.2%	Renting is less affordable than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	235,931	233,962	219,894	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	7,189	8,166	11,205	369,993	387,542	434,591	
Net delivered units, as % of inventory	3.0%	3.5%	5.1%	2.2%	2.3%	2.6%	
Units under construction	13,718	14,442	13,914	681,402	692,701	687,551	
Units under construction, as % of inventory	5.8%	6.2%	6.3%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	19.8	15.7	(25.5)	16.2	14.7	(21.3)	More jobs per delivered units than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$1,149	\$1,736	\$1,341	\$86,764	\$63,211	\$47,522	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$390,399	\$450,075	\$310,558	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.4%	4.4%	4.4%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

### III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	9.7%	9.8%	8.6%	12.2%	9.8%	
Absorption in sq.ft. over the quarter	1,776,118	(300,539)	(1,960,807)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	(1,482,637)	(5,219,562)	(4,123,995)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	-0.5%	-1.6%	-1.3%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$40.6	\$40.4	\$40.1	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	1.2%	1.2%	-1.1%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	37.2	30.8	(21.5)	1,134	1,092	(870)	Slower office job creation than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	324,344,992	322,568,896	325,783,168	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	2,819,614	1,282,077	1,753,980	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	0.9%	0.4%	0.5%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	16,282,657	15,469,236	12,831,195	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	5.0%	4.8%	3.9%	2.0%	2.0%	2.1%	Construction activity is more robust than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$3,487	\$2,424	\$2,196	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$533	\$369	\$445	\$305	\$306	\$301	Prices are rising faster nationally
Market cap rate	5.9%	5.9%	6.0%	7.0%	7.0%	7.0%	Cap rates are lower than nationally

# NAR Commercial Real Estate Metro Market Report | 2021.Q4

## Boston-Cambridge-Nashua, MA-NH

Core-Based Statistical Area Code: 14460

### IV. Industrial

	Boston-Cambridge-Nashua, MA-NH			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
<b>Demand indicators</b>							
Vacancy rate	4.2%	4.4%	4.6%	4.2%	4.6%	5.5%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	1,072,462	(107,353)	(928,406)	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	2,345,768	344,900	853,709	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	0.7%	0.1%	0.3%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$13.1	\$12.7	\$12.2	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	7.6%	5.3%	5.2%	8.6%	7.2%	4.6%	<i>Rent growth is slower than nationally</i>
<b>Supply indicators</b>							
Inventory in sq. ft.	336,762,880	335,594,784	334,318,272	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	1,209,962	(86,659)	(207,249)	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.4%	0.0%	-0.1%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	5,802,497	4,332,164	3,527,377	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	1.7%	1.3%	1.1%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$1,748	\$947	\$2,221	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$200	\$155	\$179	\$144	\$127	\$110	<i>Prices are not rising as fast than nationally</i>
Market cap rate	6.1%	6.2%	6.3%	6.3%	6.3%	6.4%	<i>Cap rates are lower than nationally</i>

### V. Retail

	Boston-Cambridge-Nashua, MA-NH			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
<b>Demand indicators</b>							
Vacancy rate	2.8%	2.8%	3.1%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	338,934	508,594	(65,250)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	1,453,401	1,049,217	(206,916)	76,321,048	48,774,088	(28,079,124)	
Absorption in past 12 months as % of inventory	0.6%	0.4%	-0.1%	0.7%	0.4%	-0.3%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$24.2	\$24.1	\$24.4	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	-0.6%	-1.9%	-2.9%	2.8%	2.1%	0.8%	<i>Rent growth is slower than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	-	-	-	372.10	387.70	(473.90)	
<b>Supply indicators</b>							
Inventory in sq. ft.	236,627,696	236,288,752	235,172,576	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	877,213	662,037	633,975	21,047,385	28,105,270	41,736,234	<i>Relatively more units delivered than nationally</i>
Net delivered units, as % of inventory	0.4%	0.3%	0.3%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	575,131	836,309	1,292,423	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.2%	0.4%	0.5%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$928	\$619	\$438	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$249	\$224	\$251	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	6.4%	6.4%	6.4%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

### VI. Hotel/Lodging

	Boston-Cambridge-Nashua, MA-NH			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	223.7	229.2	175.3	15,362	15,397	12,896	
Y/Y change ('000)	40.3	37.0	(103.9)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	8.2%	8.6%	6.8%	10.2%	10.4%	9.0%	<i>Lower fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

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# NAR Commercial Real Estate Metro Market Report | 2021.Q4

## Pittsfield MA Metropolitan NECTA

Core-Based Statistical Area Code: 38340

The Pittsfield MA Metropolitan NECTA commercial real estate market is not as strong compared to the overall U.S. market.  
**NAR Commercial Real Estate Market Conditions Index\* 41.7**

Overall economic conditions are not as strong than nationally.  
 The apartment property market is not as strong than nationally.  
 The office property market is stronger than nationally.  
 The industrial property market is about the same than nationally.  
 The retail property market is about the same than nationally.  
 The hotel/lodging property market is about the same than nationally.

### I. Economic and Demographic

Economic	Pittsfield MA Metropolitan NECTA			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	38	38	36	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	1	1	(4)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	3.6%	3.3%	-10.4%	4.1%	4.0%	-6.0%	<i>Job creation is weaker than nationally</i>
Unemployment rate (%)	6.7%	6.6%	9.0%	4.2%	4.7%	6.7%	<i>Unemployment rate is higher than nationally</i>
Average weekly wages	\$1,023	\$963	\$980	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	6.8%	3.5%	5.1%	4.8%	4.5%	6.7%	<i>Wages are rising faster than nationally</i>
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-6.5%	-2.2%	1.6%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$58,895	\$60,476	\$57,054	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	(0.3)	(0.6)	(0.1)	0	0	0	<i>Area is experiencing net domestic out-migration</i>
Population ('000)	125	125	126	331,501	328,330	326,838	
Population growth (%)	-0.52%	-0.74%	-0.29%	0.97%	0.46%	0.53%	<i>Population growth is slower than nationally</i>

### II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	2.3%	2.3%	3.5%	4.6%	4.6%	6.6%	<i>The area has a lower vacancy rate than nationally</i>
Absorption of units over the quarter	1	1	6	78,063	189,629	94,740	
Absorption of units in past 12 months	21	26	8	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	1.2%	1.5%	0.5%	4.2%	4.3%	2.3%	<i>The area has lower absorption than nationally</i>
Market asking rent per unit	\$984	\$984	\$994	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	-1.0%	-1.4%	-0.1%	11.3%	10.6%	0.5%	
Effective rent per unit	\$981	\$981	\$991	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	-1.0%	-1.4%	0.0%	12.2%	11.6%	-0.1%	<i>Rents are rising more slowly than nationally</i>
Rent as a percent of 2-person annual wage income	11.0%	11.7%	11.6%	16.3%	16.3%	15.2%	<i>Renting is more affordable than nationally</i>
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	1,756	1,755	1,735	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	-	-	-	369,993	387,542	434,591	
Net delivered units, as % of inventory	-	-	-	2.2%	2.3%	2.6%	
Units under construction	-	-	-	681,402	692,701	687,551	
Units under construction, as % of inventory	-	-	-	4.0%	4.1%	4.2%	
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	-	-	-	16.2	14.7	(21.3)	
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	-	-	\$3	\$86,764	\$63,211	\$47,522	
Transaction sales price per unit	-	-	\$100,000	\$235,199	\$231,697	\$212,033	
Market cap rate	7.6%	7.6%	7.4%	5.2%	5.2%	5.3%	<i>Cap rates are higher than nationally</i>

### III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	1.3%	1.2%	1.5%	12.2%	1.2%	1.5%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(7,804)	(4,248)	(27,000)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	9,907	(9,289)	11,546	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.2%	-0.2%	0.2%	-0.5%	-1.2%	-1.0%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$18.6	\$18.7	\$18.6	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	0.3%	0.7%	0.2%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	(0.1)	0.1	0.0	1,134	1,092	(870)	
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	6,026,078	6,033,882	6,016,171	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	-	-	-	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	-	-	-	0.8%	0.8%	0.6%	
Under construction in sq.ft.	22,000	22,000	22,000	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.4%	0.4%	0.4%	2.0%	2.0%	2.1%	<i>Construction activity is slower than nationally</i>
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$1	\$0	\$1	\$28,031	\$29,974	\$21,646	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$223	\$0	\$80	\$305	\$306	\$301	<i>Prices are rising faster nationally</i>
Market cap rate	8.4%	8.4%	8.5%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

# NAR Commercial Real Estate Metro Market Report | 2021.Q4

## Pittsfield MA Metropolitan NECTA

Core-Based Statistical Area Code: 38340

### IV. Industrial

	Pittsfield MA Metropolitan NECTA			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
<b>Demand indicators</b>							
Vacancy rate	1.5%	0.7%	2.0%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(94,609)	(41,900)	(14,578)	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	59,797	139,828	(34,824)	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.5%	1.2%	-0.3%	3.0%	2.7%	1.4%	
Market rent per sq.ft.	\$7.9	\$7.7	\$7.2	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	9.0%	7.9%	5.6%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
<b>Supply indicators</b>							
Inventory in sq. ft.	11,570,878	11,665,487	11,511,081	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	-	-	-	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	-	-	-	1.7%	1.8%	1.9%	
Under construction in sq.ft.	-	-	-	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	-	-	3.0%	2.8%	2.1%	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$4	\$1	\$2	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$141	\$224	\$35	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.0%	7.1%	7.1%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

### V. Retail

	Pittsfield MA Metropolitan NECTA			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
<b>Demand indicators</b>							
Vacancy rate	1.2%	1.4%	3.8%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	23,717	(23,133)	(14,814)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	337,429	298,898	(368,752)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	2.6%	2.3%	-2.9%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$13.0	\$12.9	\$12.7	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	2.5%	1.6%	-0.3%	2.8%	2.1%	0.8%	<i>Rent growth is slower than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	-	-	-	372.10	387.70	(473.90)	
<b>Supply indicators</b>							
Inventory in sq. ft.	12,843,946	12,820,229	12,506,517	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	-	-	-	21,047,385	28,105,270	41,736,234	
Net delivered units, as % of inventory	-	-	-	0.2%	0.3%	0.4%	
Under construction in sq.ft.	-	-	-	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	-	-	-	0.5%	0.5%	0.5%	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$7	\$24	\$2	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$115	\$202	\$114	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.8%	7.8%	8.1%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

### VI. Hotel/Lodging

	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	4.6	4.9	3.2	15,362	15,397	12,896	
Y/Y change ('000)	1.4	1.1	(1.7)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	12.2%	12.9%	8.9%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

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# NAR Commercial Real Estate Metro Market Report | 2021.Q4

## Providence-Warwick, RI-MA

Core-Based Statistical Area Code: 39300

The Providence-Warwick, RI-MA commercial real estate market is not as strong compared to the overall U.S. market.  
**NAR Commercial Real Estate Market Conditions Index\* 40.0**

Overall economic conditions are not as strong than nationally.  
 The apartment property market is not as strong than nationally.  
 The office property market is stronger than nationally.  
 The industrial property market is not as strong than nationally.  
 The retail property market is not as strong than nationally.  
 The hotel/lodging property market is stronger than nationally.

### I. Economic and Demographic

Economic	Providence-Warwick, RI-MA			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	579	575	550	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	20	20	(57)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	3.5%	3.7%	-9.4%	4.1%	4.0%	-6.0%	<i>Job creation is weaker than nationally</i>
Unemployment rate (%)	5.2%	5.4%	7.5%	4.2%	4.7%	6.7%	<i>Unemployment rate is higher than nationally</i>
Average weekly wages	\$1,025	\$1,000	\$1,003	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	5.0%	3.9%	9.8%	4.8%	4.5%	6.7%	<i>Wages are rising faster than nationally</i>
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-3.7%	1.6%	0.1%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$70,967	\$75,599	\$71,931	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Demographic	(1.2)	(3.6)	(1.1)	0	0	0	<i>Area is experiencing net domestic out-migration</i>
Net domestic migration ('000)	1,624	1,623	1,624	331,501	328,330	326,838	
Population ('000)	0.04%	-0.05%	0.38%	0.97%	0.46%	0.53%	<i>Population growth is slower than nationally</i>
Population growth (%)							

### II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	2.2%	2.5%	3.1%	4.6%	4.6%	
Absorption of units over the quarter	302	276	330	78,063	189,629	94,740	
Absorption of units in past 12 months	1,261	1,289	1,218	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	2.3%	2.4%	2.3%	4.2%	4.3%	2.3%	<i>The area has lower absorption than nationally</i>
Market asking rent per unit	\$1,640	\$1,636	\$1,512	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	8.5%	8.6%	3.5%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,633	\$1,630	\$1,501	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	8.8%	9.0%	3.2%	12.2%	11.6%	-0.1%	<i>Rents are rising more slowly than nationally</i>
Rent as a percent of 2-person annual wage income	18.3%	18.8%	17.2%	16.3%	16.3%	15.2%	<i>Renting is less affordable than nationally</i>
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators	54,201	53,903	52,969	17,112,020	17,034,566	16,401,950	
Inventory	718	782	1,053	369,993	387,542	434,591	
Net delivered units in past 12 months	1.3%	1.5%	2.0%	2.2%	2.3%	2.6%	
Net delivered units, as % of inventory	802	747	1,088	681,402	692,701	687,551	
Units under construction	1.5%	1.4%	2.1%	4.0%	4.1%	4.2%	<i>Construction is weaker than nationally</i>
Units under construction, as % of inventory	27.6	26.0	(54.3)	16.2	14.7	(21.3)	<i>More jobs per delivered units than nationally</i>
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>							
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions	\$98	\$231	\$34	\$86,764	\$63,211	\$47,522	<i>Sales transactions are rising faster than nationally</i>
Total investment acquisitions (in million \$)	\$141,724	\$212,619	\$88,869	\$235,199	\$231,697	\$212,033	<i>Prices are rising faster nationally</i>
Transaction sales price per unit	6.3%	6.4%	6.5%	5.2%	5.2%	5.3%	<i>Cap rates are higher than nationally</i>
Market cap rate							

### III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	5.7%	5.8%	5.6%	12.2%	5.8%	
Absorption in sq.ft. over the quarter	87,441	111,415	(81,660)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	(10,396)	(179,497)	(178,161)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.0%	-0.3%	-0.3%	-0.5%	-1.2%	-1.0%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$22.2	\$22.2	\$21.2	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	4.7%	5.7%	4.8%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	0.1	(0.1)	(2.8)	1,134	1,092	(870)	<i>Stronger office job creation than nationally</i>
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators	56,406,936	56,319,496	56,417,332	7,237,517,312	7,222,925,312	7,276,806,144	
Inventory in sq. ft.	25,364	20,004	14,908	59,502,409	57,367,205	45,533,641	
Net delivered over 12 months, in sq.ft.	0.0%	0.0%	0.0%	0.8%	0.8%	0.6%	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	14,200	23,960	51,172	142,297,840	141,203,264	155,258,080	
Under construction in sq.ft.	0.0%	0.0%	0.1%	2.0%	2.0%	2.1%	<i>Construction activity is slower than nationally</i>
Under construction, as % of inventory							
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions	\$225	\$41	\$75	\$28,031	\$29,974	\$21,646	<i>Sales transactions are rising faster than nationally</i>
Total investment acquisitions (in million \$)	\$171	\$117	\$126	\$305	\$306	\$301	<i>Prices are rising faster nationally</i>
Transaction sale price per sq.ft.	8.2%	8.2%	8.4%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>
Market cap rate							

# NAR Commercial Real Estate Metro Market Report | 2021.Q4

## Providence-Warwick, RI-MA

Core-Based Statistical Area Code: 39300

### IV. Industrial

	Providence-Warwick, RI-MA			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
<b>Demand indicators</b>							
Vacancy rate	4.2%	4.4%	4.5%	4.2%	4.6%	5.5%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	258,658	26,387	(592,328)	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	286,309	(564,677)	202	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	0.2%	-0.4%	0.0%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$8.5	\$8.3	\$7.6	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	12.1%	10.6%	6.1%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
<b>Supply indicators</b>							
Inventory in sq. ft.	151,801,792	151,543,136	151,515,488	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	(130,210)	448,932	543,215	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	-0.1%	0.3%	0.4%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	1,241,570	1,073,570	81,300	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	0.8%	0.7%	0.1%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$378	\$122	\$239	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$108	\$57	\$73	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.1%	7.2%	7.3%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

### V. Retail

	Providence-Warwick, RI-MA			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
<b>Demand indicators</b>							
Vacancy rate	3.9%	4.3%	5.4%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	570,245	404,950	(24,741)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	808,143	213,157	(919,985)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.8%	0.2%	-1.0%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$16.8	\$16.7	\$17.0	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	-1.4%	-0.8%	3.7%	2.8%	2.1%	0.8%	<i>Rent growth is slower than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.90	1.90	(3.00)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
<b>Supply indicators</b>							
Inventory in sq. ft.	96,049,384	95,479,136	95,229,240	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	-680,273	-802,661	41,914	21,047,385	28,105,270	41,736,234	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	-0.7%	-0.8%	0.0%	0.2%	0.3%	0.4%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	373,720	530,139	656,101	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.4%	0.6%	0.7%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$115	\$139	\$113	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$163	\$176	\$139	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.2%	7.2%	7.2%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

### VI. Hotel/Lodging

	Providence-Warwick, RI-MA			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	58.9	62.5	47.4	15,362	15,397	12,896	
Y/Y change ('000)	6.4	5.0	(21.4)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	10.2%	10.9%	8.6%	10.2%	10.4%	9.0%	<i>Lower fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

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For information about this report, email data@nar.realtor.

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# NAR Commercial Real Estate Metro Market Report | 2021.Q4

## Springfield, MA-CT

Core-Based Statistical Area Code: 44140

The Springfield, MA-CT commercial real estate market is not as strong compared to the overall U.S. market.  
**NAR Commercial Real Estate Market Conditions Index\* 36.0**

Overall economic conditions are not as strong than nationally.  
 The apartment property market is not as strong than nationally.  
 The office property market is stronger than nationally.  
 The industrial property market is not as strong than nationally.  
 The retail property market is not as strong than nationally.  
 The hotel/lodging property market is stronger than nationally.

### I. Economic and Demographic

	Springfield, MA-CT			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
<b>Economic</b>							
Total non-farm employment ('000)	326	320	306	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	16	17	(39)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.1%	5.6%	-11.2%	4.1%	4.0%	-6.0%	<i>Job creation is stronger than nationally</i>
Unemployment rate (%)	6.2%	6.1%	8.9%	4.2%	4.7%	6.7%	<i>Unemployment rate is higher than nationally</i>
Average weekly wages	\$1,017	\$1,020	\$1,026	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	0.6%	4.7%	2.6%	4.8%	4.5%	6.7%	<i>Wages are rising at a slower pace than nationally</i>
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	
GDP growth (%)	-5.3%	1.3%	0.8%	-3.4%	2.3%	2.9%	
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	
Median household income	\$62,346	\$73,730	\$71,510	\$87,470	\$84,423	\$81,284	
<b>Demographic</b>							
Net domestic migration ('000)	(2.9)	(3.0)	(3.1)	0	0	0	<i>Area is experiencing net domestic out-migration</i>
Population ('000)	696	698	700	331,501	328,330	326,838	
Population growth (%)	-0.28%	-0.33%	0.09%	0.97%	0.46%	0.53%	<i>Population growth is slower than nationally</i>
<b>II. Multifamily</b>							
<b>Demand indicators</b>	<b>2021 Q4</b>	<b>2021 Q3</b>	<b>2020 Q4</b>	<b>2021 Q4</b>	<b>2021 Q3</b>	<b>2020 Q4</b>	
Vacancy rate	2.0%	2.0%	2.2%	4.6%	4.6%	6.6%	<i>The area has a lower vacancy rate than nationally</i>
Absorption of units over the quarter	(2)	95	(4)	78,063	189,629	94,740	
Absorption of units in past 12 months	115	113	336	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	0.5%	0.5%	1.5%	4.2%	4.3%	2.3%	<i>The area has lower absorption than nationally</i>
Market asking rent per unit	\$1,245	\$1,231	\$1,186	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	5.0%	4.7%	4.0%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,241	\$1,228	\$1,181	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	5.1%	4.9%	4.0%	12.2%	11.6%	-0.1%	<i>Rents are rising more slowly than nationally</i>
Rent as a percent of 2-person annual wage income	14.0%	13.9%	13.2%	16.3%	16.3%	15.2%	<i>Renting is more affordable than nationally</i>
<b>Supply indicators</b>							
Inventory	21,869	21,871	21,756	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	88	88	-	369,993	387,542	434,591	
Net delivered units, as % of inventory	0.4%	0.4%	-	2.2%	2.3%	2.6%	
Units under construction	58	58	146	681,402	692,701	687,551	
Units under construction, as % of inventory	0.3%	0.3%	0.7%	4.0%	4.1%	4.2%	<i>Construction is weaker than nationally</i>
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	180.7	192.0	-	16.2	14.7	(21.3)	<i>More jobs per delivered units than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$5	\$4	\$25	\$86,764	\$63,211	\$47,522	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sales price per unit	\$97,418	\$68,390	\$76,023	\$235,199	\$231,697	\$212,033	<i>Prices are rising faster nationally</i>
Market cap rate	7.3%	7.3%	7.2%	5.2%	5.2%	5.3%	<i>Cap rates are higher than nationally</i>
<b>III. Office</b>							
<b>Demand indicators</b>	<b>2021 Q4</b>	<b>2021 Q3</b>	<b>2020 Q4</b>	<b>2021 Q4</b>	<b>2021 Q3</b>	<b>2020 Q4</b>	
Vacancy rate	7.4%	7.9%	8.4%	12.2%	7.9%	8.4%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	108,313	3,075	(8,081)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	197,507	81,113	(250,558)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	1.0%	0.4%	-1.3%	-0.5%	-1.2%	-1.0%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$19.2	\$19.2	\$19.2	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	0.4%	0.6%	-0.1%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	0.0	0.9	(2.0)	1,134	1,092	(870)	<i>Stronger office job creation than nationally</i>
<b>Supply indicators</b>							
Inventory in sq. ft.	19,504,072	19,395,760	19,306,566	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	-	16,803	30,803	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	-	0.1%	0.2%	0.8%	0.8%	0.6%	
Under construction in sq.ft.	-	-	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$70	\$14	\$5	\$28,031	\$29,974	\$21,646	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$201	\$71	\$42	\$305	\$306	\$301	<i>Prices are rising faster nationally</i>
Market cap rate	8.4%	8.5%	8.5%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

# NAR Commercial Real Estate Metro Market Report | 2021.Q4

## Springfield, MA-CT

Core-Based Statistical Area Code: 44140

### IV. Industrial

	Springfield, MA-CT			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
<b>Demand indicators</b>							
Vacancy rate	4.7%	5.3%	5.5%	4.2%	4.6%	5.5%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	343,466	32,891	282,427	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	471,960	410,921	(445,071)	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.9%	0.8%	-0.8%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$6.7	\$6.6	\$6.2	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	8.9%	7.8%	5.7%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
<b>Supply indicators</b>							
Inventory in sq. ft.	54,341,208	53,997,740	53,869,248	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	-	-	419,315	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	-	-	0.8%	1.7%	1.8%	1.9%	
Under construction in sq.ft.	-	-	-	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	-	-	3.0%	2.8%	2.1%	
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$60	\$16	\$30	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$49	\$31	\$26	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.5%	7.5%	7.5%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

### V. Retail

	Springfield, MA-CT			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
<b>Demand indicators</b>							
Vacancy rate	3.0%	3.4%	3.3%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	138,804	(189,378)	166,422	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	149,575	177,193	(153,492)	76,321,048	48,774,088	(28,079,124)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.4%	0.5%	-0.4%	0.7%	0.4%	-0.3%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$15.6	\$15.5	\$15.3	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	2.4%	1.5%	-0.1%	2.8%	2.1%	0.8%	<i>Rent growth is slower than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	(0.60)	0.10	(1.70)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
<b>Supply indicators</b>							
Inventory in sq. ft.	36,422,808	36,284,008	36,273,236	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively fewer units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	25,926	38,437	68,880	21,047,385	28,105,270	41,736,234	<i>Less delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.1%	0.1%	0.2%	0.2%	0.3%	0.4%	
Under construction in sq.ft.	19,000	32,271	46,719	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.1%	0.1%	0.1%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$38	\$33	\$22	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$181	\$258	\$91	\$237	\$204	\$192	<i>Prices are rising faster nationally</i>
Market cap rate	8.4%	8.3%	8.6%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

### VI. Hotel/Lodging

	Springfield, MA-CT			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	28.8	29.1	21.9	15,362	15,397	12,896	
Y/Y change ('000)	5.8	5.6	(10.2)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	8.8%	9.1%	7.2%	10.2%	10.4%	9.0%	<i>Lower fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

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# NAR Commercial Real Estate Metro Market Report | 2021.Q4

## Worcester MA-CT Metropolitan NECTA

Core-Based Statistical Area Code: 49340

The Worcester MA-CT Metropolitan NECTA commercial real estate market is not as strong compared to the overall U.S. market.  
**NAR Commercial Real Estate Market Conditions Index\* 36.0**

Overall economic conditions are not as strong than nationally.  
 The apartment property market is not as strong than nationally.  
 The office property market is stronger than nationally.  
 The industrial property market is about the same than nationally.  
 The retail property market is not as strong than nationally.  
 The hotel/lodging property market is about the same than nationally.

### I. Economic and Demographic

Economic	Worcester MA-CT Metropolitan NECTA			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	279	274	268	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	11	9	(26)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	4.0%	3.4%	-9.0%	4.1%	4.0%	-6.0%	Job creation is weaker than nationally
Unemployment rate (%)	5.5%	5.5%	8.2%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$1,147	\$1,118	\$1,055	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	9.4%	8.7%	4.9%	4.8%	4.5%	6.7%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-2.9%	1.2%	2.0%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$69,560	\$65,127	\$64,557	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	(3.2)	(2.6)	(1.8)	0	0	0	Area is experiencing net domestic out-migration
Population ('000)	946	946	946	331,501	328,330	326,838	
Population growth (%)	-0.05%	0.04%	0.39%	0.97%	0.46%	0.53%	Population growth is slower than nationally

### II. Multifamily

Demand indicators	Worcester MA-CT Metropolitan NECTA			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	2.7%	2.7%	3.3%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	22	94	197	78,063	189,629	94,740	
Absorption of units in past 12 months	400	575	374	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	1.5%	2.2%	1.4%	4.2%	4.3%	2.3%	The area has lower absorption than nationally
Market asking rent per unit	\$1,647	\$1,640	\$1,505	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	9.4%	8.8%	2.5%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,641	\$1,634	\$1,498	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	9.6%	9.0%	2.5%	12.2%	11.6%	-0.1%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	16.5%	16.8%	16.3%	16.3%	16.3%	15.2%	Renting is less affordable than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators	26,325	26,303	25,928	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	260	440	396	369,993	387,542	434,591	
Net delivered units, as % of inventory	1.0%	1.7%	1.5%	2.2%	2.3%	2.6%	
Units under construction	567	543	260	681,402	692,701	687,551	
Units under construction, as % of inventory	2.2%	2.1%	1.0%	4.0%	4.1%	4.2%	Construction is weaker than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	41.5	20.7	(66.7)	16.2	14.7	(21.3)	More jobs per delivered units than nationally
	2020	2019	2018	2020	2019	2018	
Sales transactions	\$123	\$209	\$13	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally
Total investment acquisitions (in million \$)	\$249,757	\$221,007	\$104,854	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Transaction sales price per unit	5.8%	5.8%	5.8%	5.2%	5.2%	5.3%	Cap rates are higher than nationally
Market cap rate							

### III. Office

Demand indicators	Worcester MA-CT Metropolitan NECTA			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	9.1%	9.0%	10.1%	12.2%	9.0%	10.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	69,581	75,130	(76,984)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	567,748	421,183	(56,559)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	2.0%	1.5%	-0.2%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$20.7	\$20.7	\$20.6	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	0.3%	0.3%	0.1%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	1.7	0.7	(2.2)	1,134	1,092	(870)	Stronger office job creation than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators	28,686,484	28,616,904	28,118,736	7,237,517,312	7,222,925,312	7,276,806,144	
Inventory in sq. ft.	277,595	150,763	19,263	59,502,409	57,367,205	45,533,641	
Net delivered over 12 months, in sq.ft.	1.0%	0.5%	0.1%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	155,200	232,795	277,595	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.5%	0.8%	1.0%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2020	2019	2018	2020	2019	2018	
Sales transactions	\$43	\$35	\$45	\$28,031	\$29,974	\$21,646	Sales transactions are not rising as fast than nationally
Total investment acquisitions (in million \$)	\$138	\$59	\$61	\$305	\$306	\$301	Prices are rising faster nationally
Transaction sale price per sq.ft.	9.0%	8.9%	8.9%	7.0%	7.0%	7.0%	Cap rates are higher than nationally
Market cap rate							

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## Worcester MA-CT Metropolitan NECTA

Core-Based Statistical Area Code: 49340

### IV. Industrial

	Worcester MA-CT Metropolitan NECTA			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
<b>Demand indicators</b>							
Vacancy rate	4.1%	4.3%	5.0%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	233,975	409,456	234,567	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	1,700,916	1,701,508	2,718,991	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.7%	1.7%	2.8%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$8.4	\$8.2	\$7.6	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	10.6%	8.5%	6.8%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
<b>Supply indicators</b>							
Inventory in sq. ft.	99,940,832	99,706,856	98,239,912	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	779,847	717,883	2,609,560	283,714,234	297,459,785	307,128,078	<i>Less deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.8%	0.7%	2.7%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	4,043,776	1,624,879	742,785	508,025,152	466,780,896	340,499,936	<i>More delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	4.0%	1.6%	0.8%	3.0%	2.8%	2.1%	<i>More delivered space relative to inventory than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$169	\$181	\$118	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$118	\$85	\$64	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	6.6%	6.6%	6.7%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

### V. Retail

	Worcester MA-CT Metropolitan NECTA			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
<b>Demand indicators</b>							
Vacancy rate	4.4%	4.4%	4.8%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(45,853)	121,970	(160,480)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	166,161	51,534	(300,108)	76,321,048	48,774,088	(28,079,124)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.4%	0.1%	-0.7%	0.7%	0.4%	-0.3%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$15.7	\$15.5	\$15.4	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	2.1%	1.1%	0.8%	2.8%	2.1%	0.8%	<i>Rent growth is slower than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	1.20	1.20	(1.50)	372.10	387.70	(473.90)	<i>The area has weaker retail trade job creation than nationally</i>
<b>Supply indicators</b>							
Inventory in sq. ft.	46,119,560	46,165,416	45,953,400	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively fewer units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	-10,554	63,899	84,868	21,047,385	28,105,270	41,736,234	<i>Less delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.0%	0.1%	0.2%	0.2%	0.3%	0.4%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	149,176	152,709	20,910	50,577,712	53,660,692	52,556,572	<i>Construction activity is slower than nationally</i>
Under construction, as % of inventory	0.3%	0.3%	0.0%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
<b>Sales transactions</b>							
Total investment acquisitions (in million \$)	\$28	\$35	\$25	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$152	\$102	\$113	\$237	\$204	\$192	<i>Prices are rising faster nationally</i>
Market cap rate	7.7%	7.7%	7.7%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

### VI. Hotel/Lodging

	Worcester MA-CT Metropolitan NECTA			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	22.2	22.4	18.9	15,362	15,397	12,896	
Y/Y change ('000)	3.2	2.5	(6.6)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	8.0%	8.2%	7.1%	10.2%	10.4%	9.0%	<i>Lower fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

\*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

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