



# Office Market Report

## Boston - MA

PREPARED BY



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President



**OFFICE MARKET REPORT**

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**12 Mo Deliveries in SF****1.6 M****12 Mo Net Absorption in SF****(6 M)****Vacancy Rate****9.4%****12 Mo Rent Growth****0.6%**

Absorption turned negative in each quarter of 2020 for the first time in a decade and rent growth continued to decelerate. With 12.8 million SF in the supply pipeline and lingering uncertainty regarding the economy, the Boston office market will likely face several quarters of rising vacancy rates, continuing the weakening seen throughout 2020.

Firms are reevaluating future space needs considering health protocols necessitated by the pandemic and a successful large-scale work-from-home experiment. To gain clarity on these fronts, even many financially stable office occupiers are either delaying space decisions or opting for short-term renewal leases.

Prior to the coronavirus pandemic taking hold, Boston's office market was on solid footing, with the vacancy rate near a 20-year low. Rent growth, while moderating, was still outperforming the market's historical average.

Life-sciences and biotech firms were key drivers of leasing demand during the past several years, particularly in Cambridge, as well as other spillover markets like the Seaport and Watertown. These industries had a voracious appetite for office space. Now, many of these firms, particularly start-ups, are prioritizing preserving cash reserves which could slow much of the defensive leasing in anticipation of future growth, which had been a hallmark of these sectors.

Conversely, this concentration of life-sciences firms has placed the Boston metro at the forefront of medical research to combat the coronavirus. Many of these firms working on a vaccine have been actively leasing space in 2020.

Flexible office providers of both local and national brands were on a leasing binge for the past several years. But given the fact that much of the country is limiting human interaction and most office workers continue to work from home, near-term demand for co-working and flexible

office product will remain measured. WeWork was on track to become the largest office occupier in Boston, however, its financial troubles following its failed IPO and the subsequent arrival of the pandemic prevented the firm from taking that title from Fidelity. The firm has since been engaging major brokerage firms to help lease its spaces in several markets, including Boston.

Current office construction levels in the Boston metro are the highest seen since early 2001. Projects with minimal preleasing could struggle to secure tenants in the current leasing environment. Looking ahead, new high-quality assets with next-generation ventilation and air filtration systems may see stronger demand as office tenants put a premium on employee safety.

As a core gateway market, Boston had a strong capital markets environment before the pandemic took hold. The market posted a solid stretch of dollar volume and robust price appreciation. Investment volume held up relatively well in the first half of 2020, though the Q2 figure was skewed. If not for one large deal that accounted for the majority of the second-quarter total, the picture would be far less impressive. Investment volume continued to slow in the second half of the year. Looking ahead, forecasts for pricing call for declines on a per-SF basis as well as cap rate expansion. However, to what extent pricing will be impacted remains uncertain.

Many investors are likely to take a wait-and-see approach for the near term. The inability of investment committees to travel to see an asset, uncertainty in the debt markets regarding underwriting, and buyers looking for distressed pricing will likely keep downward pressure on volume totals. Longer-term, the debate continues regarding the need for office space in the future. There are arguments for firms needing less space per employee by continuing to adopt work-from-home flexibility, and there are equally compelling arguments for tenants needing more space per employee and additional satellite offices.

## KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	128,794,491	10.5%	\$61.74	17.1%	(807,710)	0	12,530,067
3 Star	153,823,785	10.6%	\$31.32	14.3%	(724,656)	0	299,400
1 & 2 Star	69,723,124	4.8%	\$23.98	7.3%	(128,406)	0	0
<b>Market</b>	<b>352,341,400</b>	<b>9.4%</b>	<b>\$41.69</b>	<b>14.0%</b>	<b>(1,660,772)</b>	<b>0</b>	<b>12,829,467</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	2.0%	9.3%	9.6%	12.9%	2003 Q3	3.1%	2000 Q2
Net Absorption SF	(6 M)	2,322,679	3,336,436	12,125,923	2000 Q2	(8,861,621)	2001 Q4
Deliveries SF	1.6 M	3,669,636	4,532,384	9,472,304	2001 Q4	550,972	2012 Q1
Rent Growth	0.6%	2.5%	4.1%	19.7%	2000 Q4	-14.6%	2002 Q3
Sales Volume	\$6.3 B	\$4.4B	N/A	\$10.6B	2020 Q1	\$973.9M	2010 Q1

The vacancy rate has been rising since the end of 2019, now surpassing 9% for the first time since 2015. Entering 2020, the Boston office market was in a favorable position, with vacancies near a twenty-year low. However, since the onset of the pandemic, net absorption has been decidedly negative. The market has not seen this level of negative demand since the Great Financial Crisis in 2009.

However, 2021 has started out on a more positive note, as Amazon announced in January that it will be expanding its operations in the city. The tech giant plans to lease nearly 630,000 SF at 1 Wharf Boston. This 17-story tower is part of WS Development's master plan of Seaport Square and will feature two performing arts centers — a 500-seat venue and a 100-seat black box theater — as well as ground-floor retail space. Construction is scheduled to be complete by 2024. In 2018, the Amazon signed for 430,000 SF at Seaport Square's 111 Harbor Way, a 525,000 SF building that is currently under construction on a lot adjacent to 1 Boston Wharf. WS Development expects this building to complete later this year.

Another concern is the rapid increase in the amount of available sublease space. Since the start of 2020, about 4.1 million SF of additional available sublease space has been added to the market, an increase of close to 85%. As of the first quarter of 2021, there was roughly 9 million SF of available sublease space, with availabilities are particularly elevated in the Financial District, Back Bay, E Cambridge/Kendall Square, and Seaport. These four submarkets account for nearly 50% of all available sublease space.

Elevated sublease space is a concern for landlords, since it usually offers a discount to tenants, given the inability, typically, of tenants to negotiate lease terms and tenant improvements. This adds competition to the direct space landlords are attempting to fill in an economic downturn, often resulting in market-wide downward pressure on asking rents.

Sublease space hitting the market may imply some office users are reconsidering their longer-term space requirements. Whether it is from financially unstable firms contracting or healthy firms realizing they need less space if more workers will work from home for the foreseeable future, the rise could be a harbinger of weakening future space demand.

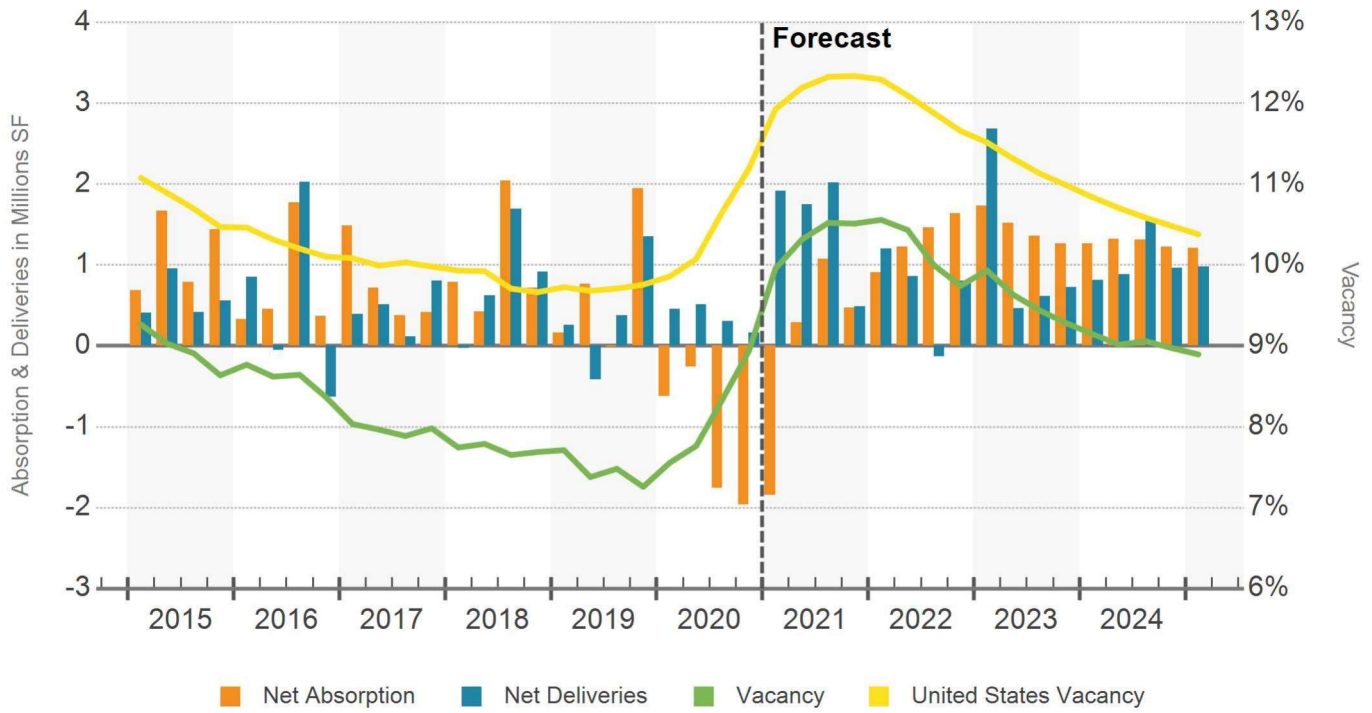
As Boston remains a major life-sciences/biotech/pharma hub, many of the largest leases of the year involve those sectors. In one of the largest leases signed since the onset of the pandemic, Bristol Myers Squibb signed on for 360,000 SF at 250 Water Street in the Cambridge Crossing (CX) development. The pharmaceutical firm will join Sanofi and Cereval therapeutics at CX when the project delivers in late-2021.

In July, gene-editing company CRISPR Therapeutics signed a lease for 263,500 SF to occupy the entire 105 by Breakthrough in the Seaport upon completion in 2022. This deal underscores the rapid growth of the life-sciences sector in the Seaport, as Cambridge is near full saturation. It also highlights the demand for modern research facilities to support this sector.

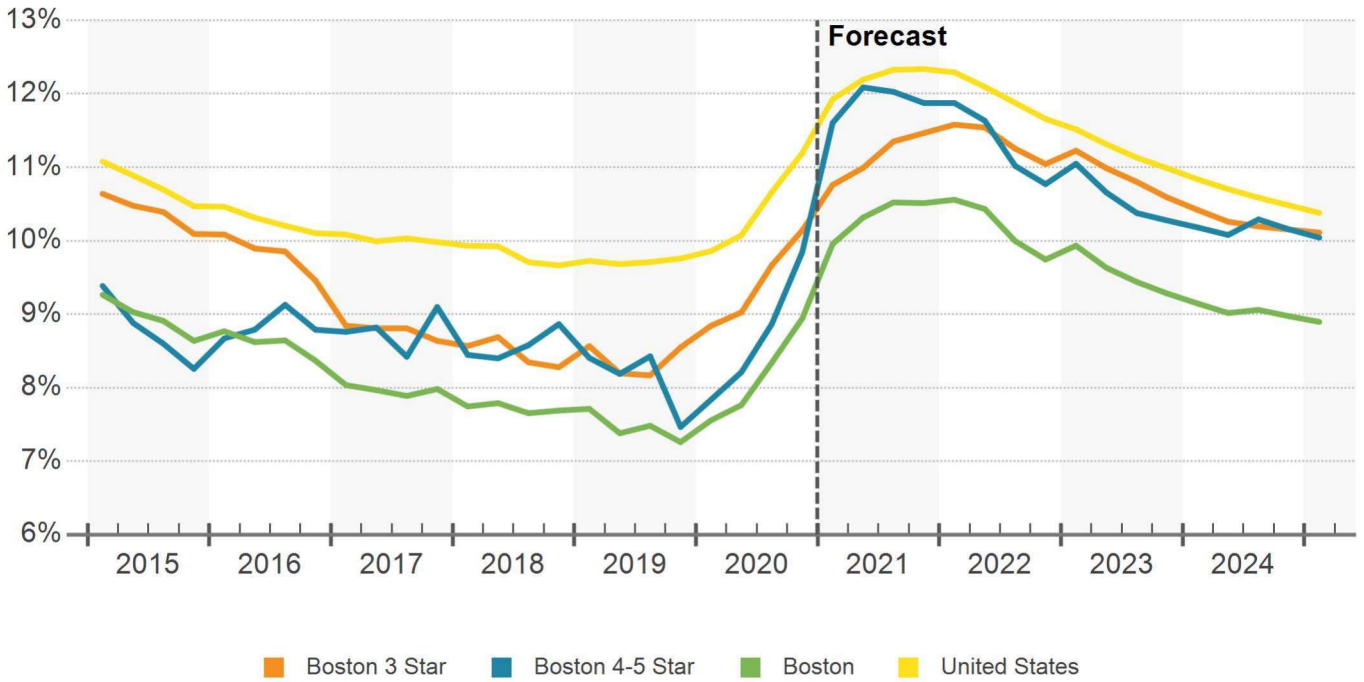
More recently, Lexington-based startup Translate Bio, which is working on a Covid-19 vaccine, signed a 10-year-lease in November for 138,000 square feet at Waltham's 200 West Street. Office owner and developer Boston Properties started redeveloping the building into lab space in 2019 and plan to finish in 2021.

Contemplating future market conditions, it's safe to expect leasing activity to remain muted for the near term, particularly for non-life science/biotech firms, and for the overall market vacancy to continue its ascent. Office-using firms from a wide range of industries will likely continue to delay leasing decisions for the foreseeable future given the current economic conditions and uncertainty regarding future space needs.

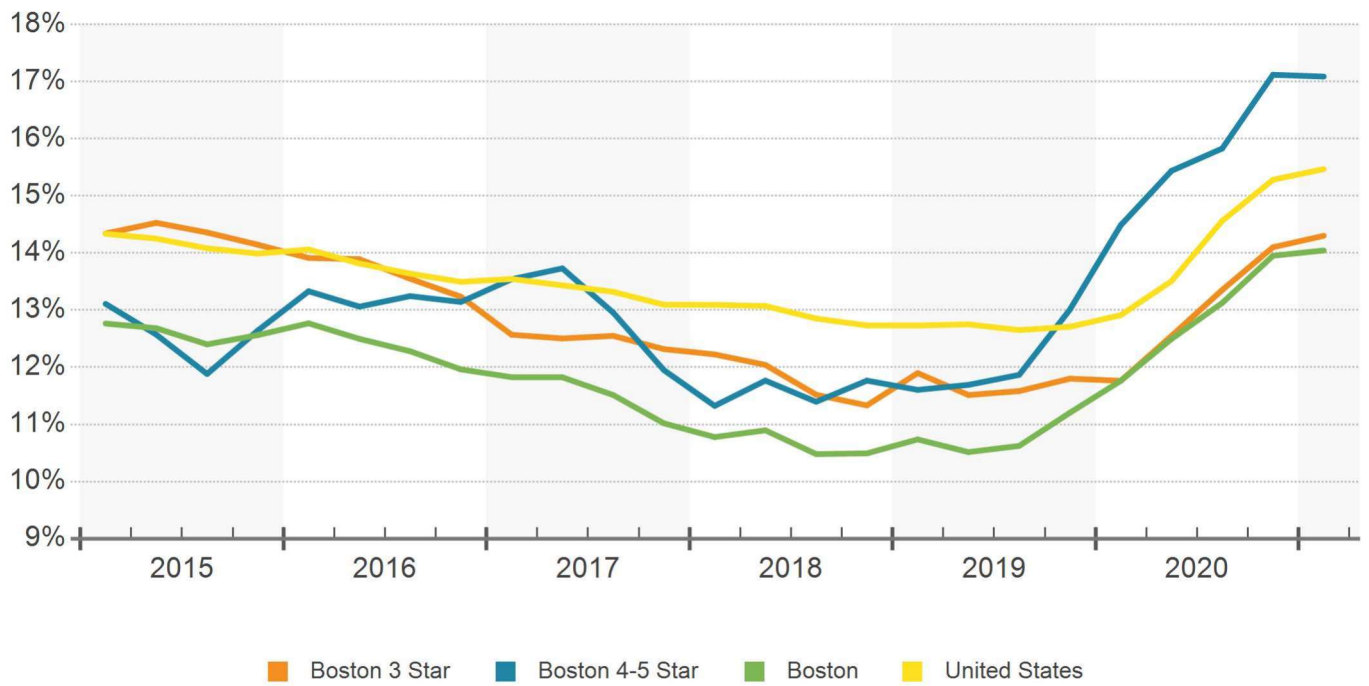
## NET ABSORPTION, NET DELIVERIES & VACANCY



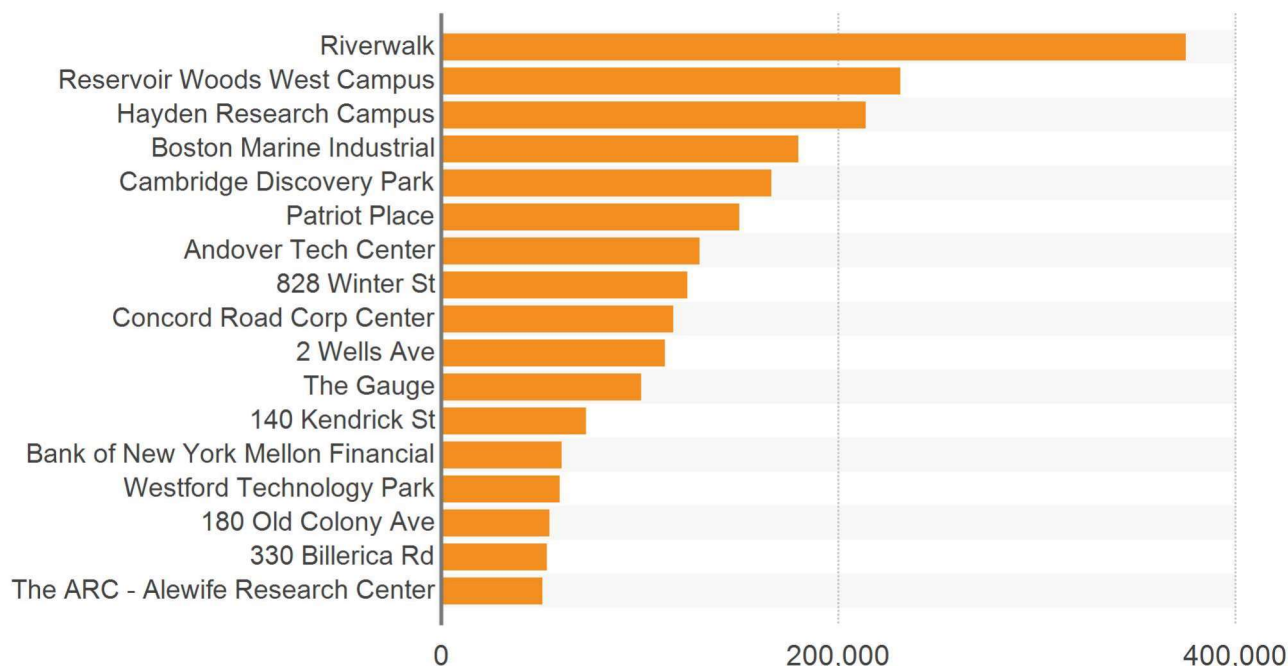
## VACANCY RATE



## AVAILABILITY RATE



## 12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
Riverwalk	Lawrence/Andover	400,000	0	0	0	0	0	375,000
Reservoir Woods West Campus	Waltham	231,398	0	0	0	0	0	231,398
Hayden Research Campus	Lexington/Arlington	213,890	0	29,263	0	0	0	213,890
Boston Marine Industrial	Seaport	250,000	65,483	0	0	0	0	179,789
Cambridge Discovery Park	W Cambridge/Alewife	290,000	32,000	0	0	0	0	166,342
Patriot Place	I-95 Corridor South	150,000	0	0	0	0	0	150,000
Andover Tech Center	Lawrence/Andover	130,000	0	130,000	0	0	0	130,000
828 Winter St	Waltham	145,000	20,969	90,849	0	0	0	123,931
Concord Road Corp Center	Lowell/Chelmsford	175,040	0	106,166	0	0	0	116,846
2 Wells Ave	Newton/Brookline	132,588	0	0	0	0	0	112,646
The Gauge	Waltham	134,010	0	0	0	0	0	100,838
140 Kendrick St	Wellesley/Needham	380,987	97,901	3,168	0	0	0	73,006
Bank of New York Mellon Financial	Somerville/Everett	405,924	83,280	0	0	0	0	60,680
Westford Technology Park	Lowell/Chelmsford	225,000	0	0	0	0	0	59,699
180 Old Colony Ave	Quincy/Braintree	54,520	0	0	0	0	0	54,520
330 Billerica Rd	Lowell/Chelmsford	98,048	44,911	(4,452)	0	0	0	53,137
The ARC - Alewife Research Ce...	W Cambridge/Alewife	224,305	0	0	0	0	0	50,841
<b>Subtotal Primary Competitors</b>		<b>3,640,710</b>	<b>344,544</b>	<b>354,994</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,252,563</b>
Remaining Boston Market		348,700,690	32,817,583	(2,015,766)	0	0	0	(8,292,747)
<b>Total Boston Market</b>		<b>352,341,400</b>	<b>33,162,127</b>	<b>(1,660,772)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(6,040,184)</b>

### TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Compa...	Leasing Rep Company
Amazon	Seaport	706,996	Q1 21	Amazon	-	-
Cambridge Crossing	E Cambridge/Kendall Sq	360,000	Q3 20	Bristol-Myers Squibb Co	Cushman & Wakefie...	DivcoWest
Alewife Park	W Cambridge/Alewife	287,442	Q3 20	GCP Applied Technologies	-	-
The 105 by Breakthrough	Seaport	263,500	Q2 20	CRISPR Therapeutics	-	Newmark Knight Frank;...
200 West St	Waltham	138,444	Q4 20	Translate Bio	-	JLL
10 St James Ave	Back Bay	132,549	Q2 20	Toast	-	CBRE
The Gauge	Waltham	100,838	Q1 20	Abcam Inc	-	Cushman & Wakefield
Arsenal on the Charles	Watertown	79,155	Q4 20	Constellation Pharmaceuti...	-	Cushman & Wakefield
Centennial Park *	Peabody/Salem	76,771	Q1 20	Converge	Newmark Knight Frank	Combined Properties, I...
301 Binney St *	E Cambridge/Kendall Sq	73,940	Q1 20	Cyclerion Therapeutics, Inc.	Cushman & Wakefield	CBRE
1560 Trapelo Rd	Waltham	68,185	Q4 20	Dyne Therapeutics, Inc	-	Cushman & Wakefield
401 Park	Longwood/Fenway	65,000	Q1 20	Tango Therapeutics	-	Newmark Knight Frank
828 Winter St	Waltham	53,305	Q2 20	-	-	CBRE
601 Congress St	Seaport	49,414	Q4 20	John Hancock	-	Newmark Knight Frank
90 Arboretum Dr	Rockingham	49,362	Q4 20	-	-	Cushman & Wakefield
330 Billerica Rd	Lowell/Chelmsford	49,024	Q1 20	-	-	CBRE
Cityside One	Waltham	48,734	Q2 20	-	-	Cushman & Wakefield
Technology Park	Lowell/Chelmsford	47,605	Q3 20	-	-	Cushman & Wakefield
Nagog Office Park *	Concord/Maynard	45,855	Q2 20	Affirmed Networks Inc.	-	Newmark Knight Frank
One Federal Street	Financial District	42,787	Q3 20	-	-	JLL
Prospect Hill Park	Waltham/Watertown	42,000	Q1 21	-	-	CBRE;Colliers Internati...
Wellington Business Park	Medford/Malden	41,090	Q2 20	-	-	Newmark Knight Frank
301 Binney St	E Cambridge/Kendall Sq	40,514	Q1 20	KronosBio	-	Cushman & Wakefield
44 Bedford St	Route 3 South	40,000	Q3 20	-	-	Colliers International
25 Upton Dr	Wilmington/Reading	40,000	Q1 20	Eckert & Ziegler Radiopha...	Lincoln Property Co...	Lincoln Property Comp...
Exchange Place	Financial District	38,947	Q3 20	SVB Leerink	-	Newmark Knight Frank
the Quad	W Cambridge/Alewife	38,762	Q4 20	Ginkgo Bioworks	-	CBRE
the Quad	W Cambridge/Alewife	38,759	Q4 20	GB	Columbia Group Re...	CBRE
Innovation Park	Lawrence/Andover	37,610	Q1 21	-	-	Colliers International
828 Winter St	Waltham	37,544	Q2 20	-	-	CBRE
100 Summer St	Financial District	37,384	Q2 20	-	-	CBRE
Granite Woods Corporate Center	Quincy/Braintree	37,029	Q3 20	South Shore Elder Services	Jay Nuss Realty Gro...	JLL
249 Vanderbilt Ave	Route 1 South	37,023	Q1 21	-	-	Colliers International
100 High St	Financial District	36,919	Q2 20	-	-	CBRE
2 Wells Ave	Newton/Brookline	36,493	Q2 20	Bright Horizons	-	CBRE
Riverworks at Aetna Mills *	Watertown	36,291	Q3 20	Markforged	JLL	Newmark Knight Frank
Wellington Business Center	Medford/Malden	36,000	Q4 20	Bond Brothers Inc.	-	KS Partners
Reservoir Place	Waltham	35,769	Q4 20	Netapp, Inc.	Savills	-
Cummings Center	Danvers/Beverly	35,746	Q2 20	-	-	Cummings Properties,...
2 Wells Ave	Newton/Brookline	35,473	Q2 20	Bright Horizons	-	CBRE

Renewal

Boston had ranked among the leaders for national rent growth, powered by soaring rents in Cambridge's tech corridor. The market's rent growth has stalled during the pandemic, however, and average rents ticked lower during this time. Most of the reductions have occurred in the Seaport and Back Bay and more outlying areas, while rents in Cambridge have held steady or even increased.

Boston's superior rent gains prior to Covid are largely thanks to the strong demand from tech occupiers for space in Cambridge, where vacancies have trended below 2% over the past few years. Rents can surpass \$100/SF in Cambridge, as evidenced by the Cycleron Therapeutics' lease at 301 Binney Street signed earlier in 2020. The starting rent was \$90/SF on a triple net basis with 3% annual escalations.

New supply in the Seaport has offered some outlet for tech and pharmaceutical demand and has lured some large occupiers away from aging towers in the Financial District and Back Bay. This competitive supply has slowed rent gains in Boston's traditional office nodes. Development has now returned to downtown Boston proper with three new towers breaking ground, which will put even more pressure on older towers and likely further depress rent growth.

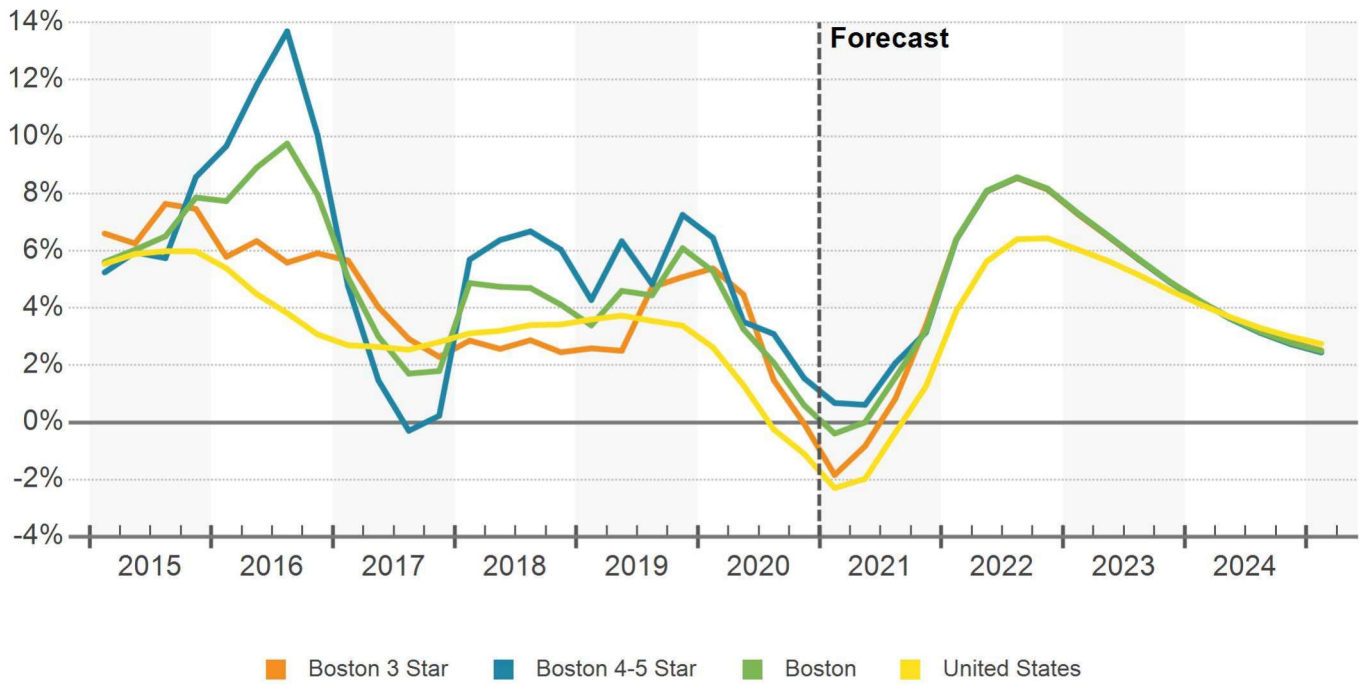
Like in other gateway office markets, rent growth in Boston's vast suburbs has languished as employers have preferred urban office locations to attract and retain talent who, until recently, favored transit and city

amenities to commuting by car to more remote locations. However, tech occupiers have tested the boundaries of Cambridge's tech corridor with presences in Watertown, Somerville, and Waltham. And the submarkets along Route 128, dubbed "America's Technology Highway" in the 1970s, have long been home to formative tech firms like Raytheon, Autodesk, and DEC. Rent growth in these submarkets has not outperformed over the past decade. But less central locations could benefit not only from overflow tech demand but also from a growing preference for suburban space as employers transition workers back to physical offices.

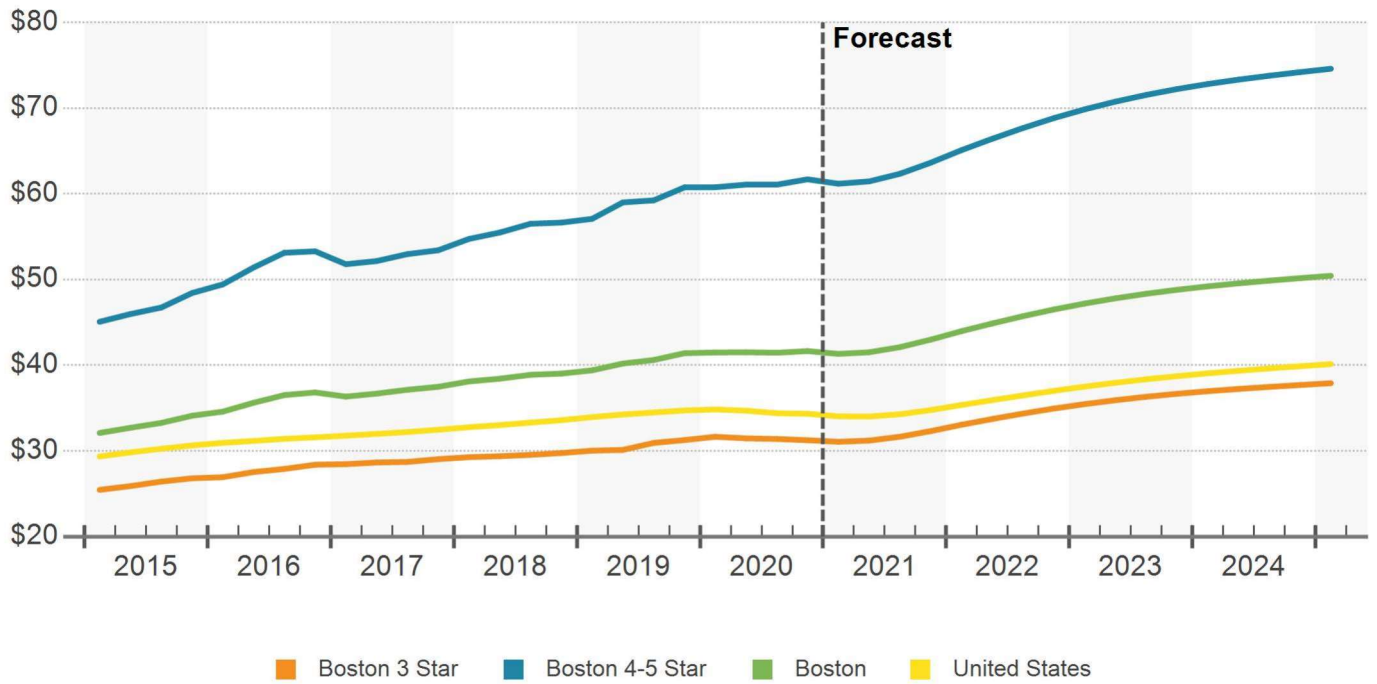
If landlords opt to maintain current face rents in the greater metro, the amount offered to tenants in the form of concessions, particularly tenant improvement allowances and free rent, may increase as a result. However, should sublease space continue to spiral upward as a result of companies either dealing with financial hardship or rethinking their space needs due to the success of remote work policies, landlords with large blocks of direct space will feel even more pressure to lower their asking rents.

Looking ahead, the entire metro cannot expect one sector to continue to buoy rent growth—and landlords have lost most of their pricing power as their buildings sit empty. CoStar's forecast predicts that declines in asking rents have only just begun and that by mid-2021 rents in Boston will have fallen by some 1%—slightly less than the overall national average.

## MARKET RENT GROWTH (YOY)



## MARKET RENT PER SQUARE FEET



## 4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Boston</b>	\$1.49	\$1.57	\$0.29	\$7.58	\$5.83	<b>\$16.76</b>
Boston/Suffolk County	\$1.08	\$1.58	\$0.38	\$11.24	\$5.91	<b>\$20.19</b>
Cambridge	\$0.93	\$1.43	\$0.36	\$9.96	\$6.68	<b>\$19.36</b>
Close-In Suburbs North	\$2.29	\$1.63	\$0.25	\$3.95	\$4.93	<b>\$13.05</b>
Route 128 North	\$1.73	\$1.46	\$0.15	\$6.66	\$7.83	<b>\$17.83</b>
Route 128 South	\$1.82	\$2.07	\$0.22	\$4.17	\$4.64	<b>\$12.92</b>
Route 128 West	\$1.37	\$1.49	\$0.16	\$5.35	\$6.85	<b>\$15.22</b>
Route 3 North	\$2.30	\$1.62	\$0.25	\$3.21	\$4.89	<b>\$12.27</b>
Route 495 North East	\$2.53	\$1.47	\$0.25	\$4.10	\$3.13	<b>\$11.48</b>
Route 495 South	\$2.35	\$1.49	\$0.23	\$3.28	\$2.80	<b>\$10.15</b>
Route 495/Mass Pike West	\$2.49	\$1.58	\$0.30	\$4.73	\$2.98	<b>\$12.08</b>
Route 495/Route 2 West	\$2.32	\$1.48	\$0.24	\$1.88	\$2.94	<b>\$8.86</b>
Southern New Hampshire	\$2.41	\$1.65	\$0.26	\$3.09	\$5.00	<b>\$12.41</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

## 3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Boston</b>	\$0.93	\$1.44	\$0.21	\$4.07	\$3.87	<b>\$10.52</b>
Boston/Suffolk County	\$0.58	\$1.34	\$0.33	\$6.44	\$4.13	<b>\$12.82</b>
Cambridge	\$0.59	\$1.29	\$0.26	\$6.93	\$4.84	<b>\$13.91</b>
Close-In Suburbs North	\$0.65	\$1.53	\$0.22	\$3.24	\$4.31	<b>\$9.95</b>
Route 128 North	\$0.57	\$1.37	\$0.15	\$3.26	\$4.87	<b>\$10.22</b>
Route 128 South	\$0.59	\$1.60	\$0.18	\$2.97	\$4.56	<b>\$9.90</b>
Route 128 West	\$0.56	\$1.40	\$0.15	\$5.29	\$5.00	<b>\$12.40</b>
Route 3 North	\$0.75	\$1.56	\$0.22	\$3.16	\$3.80	<b>\$9.49</b>
Route 495 North East	\$2.30	\$1.48	\$0.19	\$2.59	\$2.70	<b>\$9.26</b>
Route 495 South	\$2.08	\$1.44	\$0.19	\$2.36	\$2.23	<b>\$8.30</b>
Route 495/Mass Pike West	\$2.11	\$1.45	\$0.19	\$3.04	\$2.24	<b>\$9.03</b>
Route 495/Route 2 West	\$2.18	\$1.59	\$0.21	\$2.97	\$0.00	<b>\$6.95</b>
Southern New Hampshire	\$0.59	\$1.39	\$0.20	\$2.96	\$4.29	<b>\$9.43</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

## 1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Boston</b>	\$0.64	\$1.09	\$0.19	\$3.70	\$4.11	<b>\$9.73</b>
Boston/Suffolk County	\$0.51	\$1.12	\$0.27	\$5.61	\$3.69	<b>\$11.20</b>
Cambridge	\$0.55	\$1.21	\$0.24	\$5.62	\$4.39	<b>\$12.01</b>
Close-In Suburbs North	\$0.62	\$1.29	\$0.22	\$3.64	\$4.34	<b>\$10.11</b>
Route 128 North	\$0.53	\$1.29	\$0.14	\$3.28	\$4.45	<b>\$9.69</b>
Route 128 South	\$0.54	\$1.28	\$0.16	\$3.43	\$4.17	<b>\$9.58</b>
Route 128 West	\$0.53	\$1.30	\$0.14	\$4.93	\$4.49	<b>\$11.39</b>
Route 3 North	\$0.67	\$1.22	\$0.21	\$2.63	\$4.22	<b>\$8.95</b>
Route 495 North East	\$0.88	\$0.59	\$0.15	\$2.67	\$4.84	<b>\$9.13</b>
Route 495 South	\$0.86	\$0.59	\$0.18	\$2.85	\$4.72	<b>\$9.20</b>
Route 495/Mass Pike West	\$0.90	\$0.60	\$0.19	\$3.77	\$2.28	<b>\$7.74</b>
Route 495/Route 2 West	\$0.89	\$0.63	\$0.19	\$3.58	\$1.30	<b>\$6.59</b>
Southern New Hampshire	\$0.60	\$1.27	\$0.21	\$3.02	\$4.29	<b>\$9.39</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

There is 12.8 million SF of office space under construction in the Boston metro, which ranks among the most square-footage underway in the history of the market and, at 3.6% of inventory, trails only San Francisco among major office markets. Nearly 1.4 million SF delivered in 2020, but the metro is likely to face its largest year for deliveries in 2021, with more than 6 million SF projected to come online. The East Cambridge/Kendall Square, Seaport, and North Station/Beacon Hill submarkets currently have the most construction underway.

East Cambridge/Kendall Square has 3.5 million SF of inventory underway in multiple developments. The largest projects consist of lab/office space at 250 and 350 Water Street in the Cambridge Crossing development. Each building will contain more than 500,000 SF of space upon delivery in the second half of 2021. French pharmaceutical firm Sanofi will occupy the entirety of 350 Water Street as well as the adjacent 450 Water Street, consolidating 10 offices across Cambridge and more than 3,000 employees.

As previously mentioned, Bristol Myers Squibb recently committed to 360,000 SF of lab and office space at the 250 Water Street development. The firm needed additional space for growth following its \$74 billion acquisition of Celgene in late 2019.

The Seaport is currently seeing near-record levels of construction on the heels of the 4 million SF of new supply that has delivered since 2013. One of the more notable developments is a 511,000-SF project at 111 Harbor Way, where Amazon will occupy 430,000 SF upon delivery in 2021. While the firm opted to location its HQ2 in Northern Virginia, it plans to create 2,000 technology jobs in fields such as machine learning, speech science, cloud computing, and robotics engineering in Boston.

Another marquee project in Seaport will be the future home of biomedical firm Foundation Medicine. The 625,000-SF building is slated to include 30,000 SF of neighborhood retail, with Foundation occupying the entire

office and lab portions when the project delivers in 2023. This development served as a catalyst for construction of a “grand public stair” to connect Summer and Congress Streets, designed by the same landscape architect behind New York's High Line.

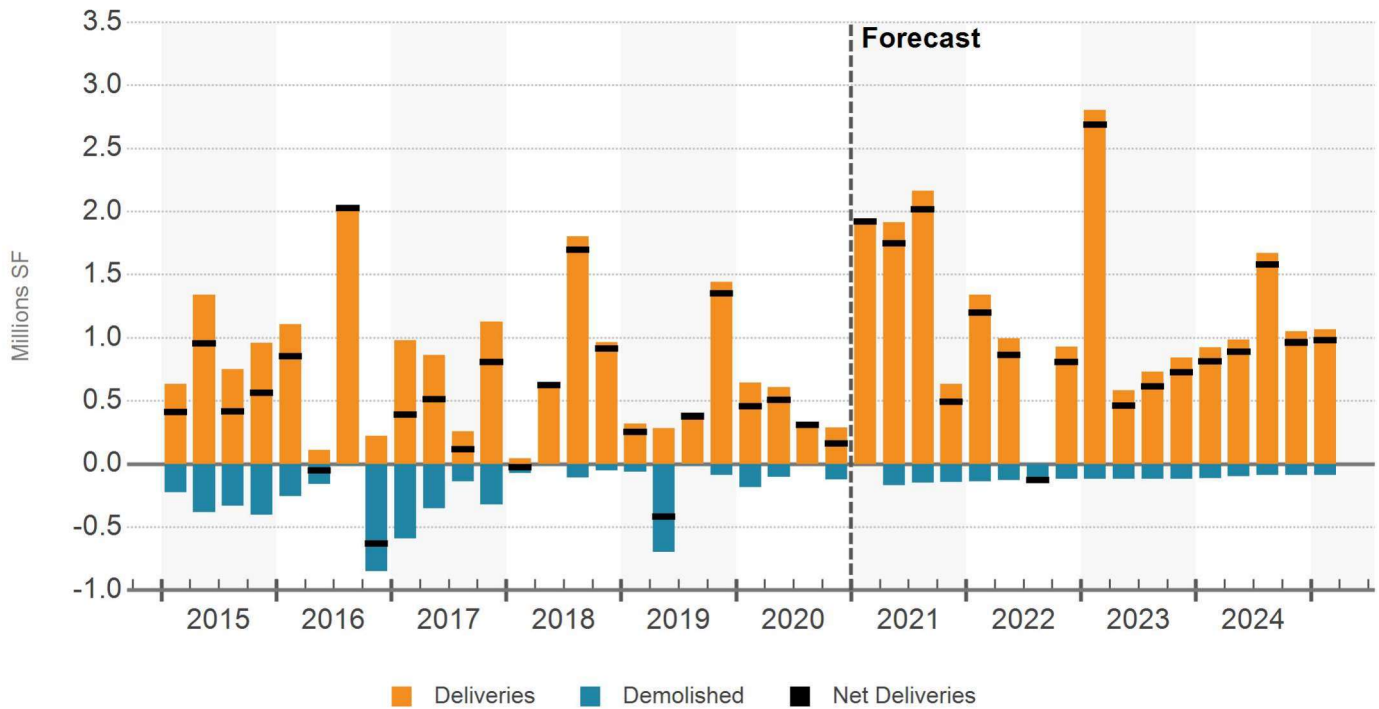
The largest project underway in North Station/Beacon Hill is the one million-SF One Congress, which will anchor the Bullfinch Crossing development. The developers of the Pelli Clarke Pelli-designed tower were able to break ground after securing a 500,000-SF lease from State Street in 2019. Upon completion, the 43-story, 600-foot tall building will be the tallest new office development in Boston in nearly 40 years. Plans call for residential units, retail space, and a hotel to join One Congress as part of the greater Bullfinch Crossing master development. State Street has listed its current space at One Lincoln for sublet.

The 31-story office component of the Hub on Causeway development will have Verizon as an anchor, occupying more than 400,000 SF in the 632,000-SF building which is scheduled to deliver in mid-2021. Other tenants that have committed to lease space include tech firm Rapid7 and the Boston Celtics. The development project, which is centered around TD Garden, also includes a cinema, concert venue, apartments, and a hotel.

And in the Financial District, the Winthrop Center broke growth in 2019, replacing the condemned city parking structure at 115 Federal Street. The tower has yet to sign a tenant and is scheduled to deliver in early 2022.

As a result of the pandemic and widespread telecommuting, demand is forecasted to remain muted. Many of these projects will open to weak demand, particularly for transit- and elevator-dependent towers. As a result, CoStar's baseline forecast has the vacancy rate rising by another 100 basis points over the next year. Roughly 40% of the space underway remains available for lease. Projects that have not secured large commitments at this point will likely face difficulties, as office occupiers continue to evaluate future space requirements.

## DELIVERIES & DEMOLITIONS



## SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory				Average Building Size			
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	E Cambridge/Kendall Sq	8	3,464	3,210	92.7%	3	154,016	432,984	3
2	Seaport	5	1,981	1,981	100%	1	154,581	396,180	4
3	North Station/Beacon Hill	2	1,617	1,109	68.6%	4	73,576	808,500	1
4	Financial District	2	1,459	0	0%	7	167,923	729,307	2
5	Roxbury/Dorchester	2	696	0	0%	7	22,832	347,883	7
6	Longwood/Fenway	2	628	89	14.2%	6	92,170	314,118	8
7	Somerville/Everett	2	593	189	31.9%	5	23,866	296,273	9
8	Waltham	2	367	0	0%	7	63,422	183,746	10
9	Charlestown/East Boston	1	350	350	100%	1	44,790	350,000	5
10	Route 1 South	1	350	0	0%	7	31,703	350,000	5
	All Other	13	1,325	630	47.6%		24,995	101,926	
<b>Totals</b>		<b>40</b>	<b>12,829</b>	<b>7,558</b>	<b>58.9%</b>		<b>32,941</b>	<b>320,737</b>	

# Under Construction Properties

Boston Office

Properties

Square Feet

Percent of Inventory

Released

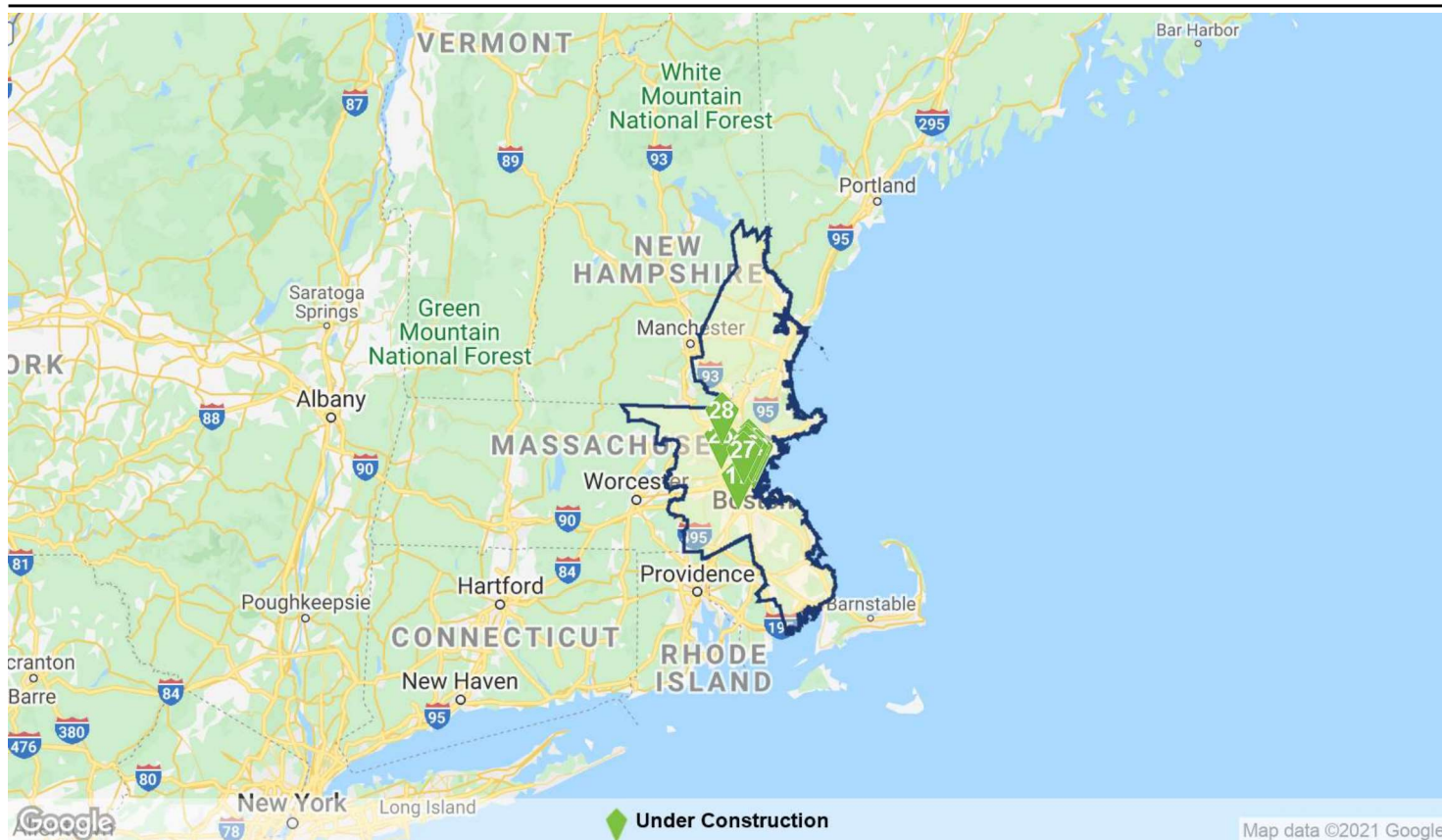
**40**

**12,829,467**

**3.6%**

**58.9%**

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 <b>One Congress</b> 1 Congress St	★★★★★	985,000	43	Jul 2019	Jan 2023	The McClellan Highway Develop... Carr Properties
2 <b>Winthrop Center</b> 115 Federal St	★★★★★	812,000	24	Nov 2018	Jan 2022	Millennium Partners Millennium Partners Management...
3 <b>135 William T Morrissey...</b>	★★★★☆	693,921	4	Sep 2018	Mar 2021	Nordblom Co Alcion Ventures L.P.
4 <b>South Station Office Tower</b> 650 Atlantic Ave	★★★★★	646,613	49	Jan 2020	Jul 2024	Hines Hines
5 <b>Tower Phase III</b> 100 Causeway St	★★★★★	632,000	31	Jan 2019	Jun 2021	Boston Properties, Inc. Boston Properties, Inc.
6 <b>Foundation Medicine - P...</b> 400 Summer St	★★★★★	626,400	16	Mar 2020	Feb 2023	W/S Development W/S Development
7 <b>Sanofi - Parcel G</b> 350 Water St	★★★★★	515,040	12	Apr 2019	Jul 2021	Divco West Real Estate Services,... Divco West Real Estate Services,...

# Under Construction Properties

Boston Office

## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 <b>Amazon - L4 Parcel</b> 111 Harbor Way	★★★★★	511,000	17	Jan 2019	Mar 2021	W/S Development W/S Development
9 <b>Parcel EF - Laboratory &amp;...</b> 250 Water St	★★★★★	504,000	9	Feb 2020	Sep 2021	DivcoWest Divco West Real Estate Services,...
10 <b>401 Park</b> 201 Brookline	★★★★☆	501,200	14	Feb 2020	May 2022	Samuels & Associates Managem... Samuels & Associates Managem...
11 <b>Kendall Square</b> 314 Main St	★★★★★	425,000	17	Jun 2018	Mar 2021	Massachusetts Institute of Techn... Massachusetts Institute of Techn...
12 <b>Google</b> 325 Main St	★★★★★	420,000	16	Dec 2019	Nov 2022	Boston Properties, Inc. Boston Properties, Inc.
13 <b>Parcel H</b> 450 Water St	★★★★★	413,235	9	Apr 2019	Jun 2021	Divco West Real Estate Services, ... Divco West Real Estate Services, ...
14 <b>Volpe Center</b> 55 Broadway	★★★★☆	400,000	16	Dec 2020	Dec 2022	MIT Real Estate Trust GSA/PBS
15 <b>Volpe Exchange</b> 249 Fifth St	★★★★☆	400,000	12	Jan 2020	Dec 2022	Massachusetts Institute of Techn... GSA/PBS
16 <b>238 Main St</b>	★★★★★	386,600	15	Jun 2018	May 2021	Massachusetts Institute of Techn... Massachusetts Institute of Techn...
17 <b>University Station</b> 50 University Ave	★★★★☆	350,000	4	Mar 2020	Mar 2021	New England Development Mass Bay Transit Authority Inspe...
18 <b>Hood Park Redevelopment</b> 10 Stack St	★★★★☆	350,000	13	Nov 2020	Oct 2022	Catamount Management Corp Hood Business Park LLC
19 <b>MassMutual - Parcel E</b> 10 Fan Pier Blvd	★★★★☆	315,000	16	Jul 2019	Aug 2021	The Fallon Company, LLC MassMutual
20 <b>455 Grand Union Blvd</b>	★★★★☆	303,546	12	Feb 2019	Apr 2021	Federal Realty Investment Trust Federal Realty Investment Trust
21 <b>101 South St</b>	★★★★☆	289,000	9	Jun 2019	Aug 2021	Leggat McCall Properties LLC DLJ Real Estate Capital Partners
22 <b>ISQ Seaport Phase II</b> 316-318 Northern Ave	★★★★☆	265,000	4	Sep 2019	Mar 2021	The Related Companies Related Beal
23 <b>The 105 by Breakthrough</b> 105 W First St	★★★★★	263,500	7	Feb 2020	Mar 2022	- Breakthrough Properties
24 <b>321 Harrison Ave</b>	★★★★★	233,901	11	Mar 2019	Mar 2021	Nordblom Company CIM Group, LP
25 <b>South Wing</b> 225 Wyman St	★★★★★	227,491	4	Sep 2019	Mar 2022	Hobbs Brook Management LLC Hobbs Brook Management LLC
26 <b>The Engine</b> 750 Main St	★★★★☆	200,000	5	Nov 2019	Jan 2022	Massachusetts Institute of Techn... Massachusetts Institute of Techn...
27 <b>Boston Children's at Bro...</b> 2 Brookline Pl	★★★★☆	190,000	8	Apr 2018	Mar 2021	Boston Children's Hospital Boston Children's Hospital
28 <b>Bldg 1</b> 170 Middlesex Tpke	★★★★☆	186,000	4	Nov 2020	Jan 2022	The Gutierrez Company The Gutierrez Company

The economic uncertainty from the coronavirus pandemic had an impact on investment sales during each quarter of the pandemic, though the drop off in volume was much less pronounced than in some of the market's east coast peers such as New York and Washington, DC. Total sales volume for Boston's office market in 2020 was roughly 90% of the metro's three-year average.

Quarterly investment dropped significantly during the second quarter once the pandemic commenced. While the \$1.3 billion total was more than 50% lower than the first quarter of 2020, it was higher than some pre-pandemic quarterly totals over the past three years. However, one large transaction accounted for the majority of the second quarter volume total.

In early April, Fidelity Investments purchased a building it occupies in Boston for nearly \$730 million. This marks Fidelity's second stint as the owner of 245 Summer Street, following its sale-leaseback in 2004. Fidelity initially purchased the asset from industrial consulting firm Stone & Webster in 1999 for \$187 million.

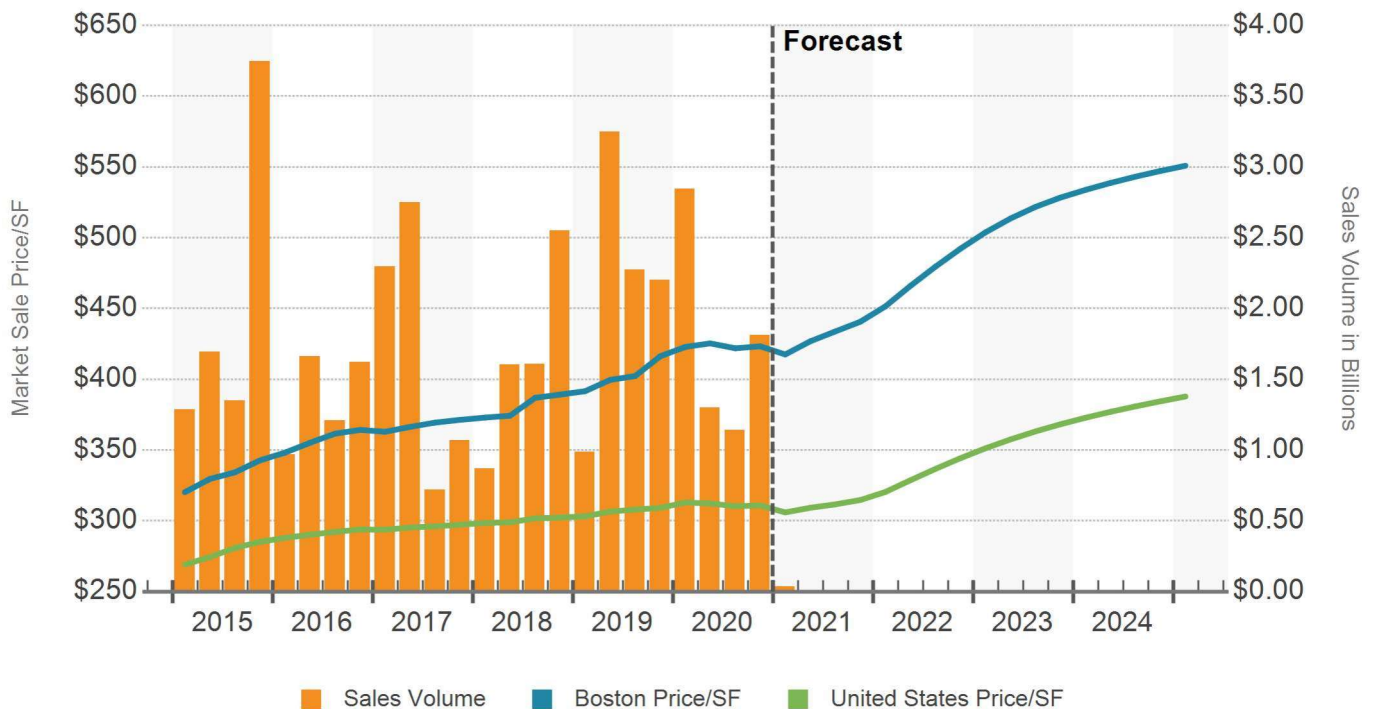
Another notable sale that closed in early April involved a fully leased suburban asset in Waltham. California-based REIT Healthpeak Properties purchased the 4-Star

property at 200 Smith Street for \$320 million at a 5.1% cap rate. Such strong pricing during the pandemic can be attributed to the asset's recent redevelopment in 2017 as well as being 100% leased to Dicephera Pharmaceuticals, iTeos Therapeutics, and most notably Boston Dynamics. The property benefits from its strategic location on Route 128/I-95 as well as the junction of Routes 2 and 128, affording easy access for tenants across the Commonwealth.

This sale is emblematic of the role REITs have played in the Boston market over the past year. While REITs were the selling party in only 5% of transactions in the Boston market over the past year, they were the buyer on 17% of Boston deals over the same period.

The average modeled price per SF currently stands at \$440, well above the national average of \$324. Likewise, average market cap rates are outperforming at 5.9%, compared to the national average of 6.9%. Coming into the pandemic, asset price growth was solid and running above inflationary levels. In recent years, top-tier assets in the market have been able to achieve pricing north of \$700/SF, and assets in Cambridge, Downtown Boston, and the Seaport routinely trade at sub-5% cap rates.

**SALES VOLUME & MARKET SALE PRICE PER SF**



# Sales Past 12 Months

Boston Office

Sale Comparables

**548**

Avg. Cap Rate

**7.2%**

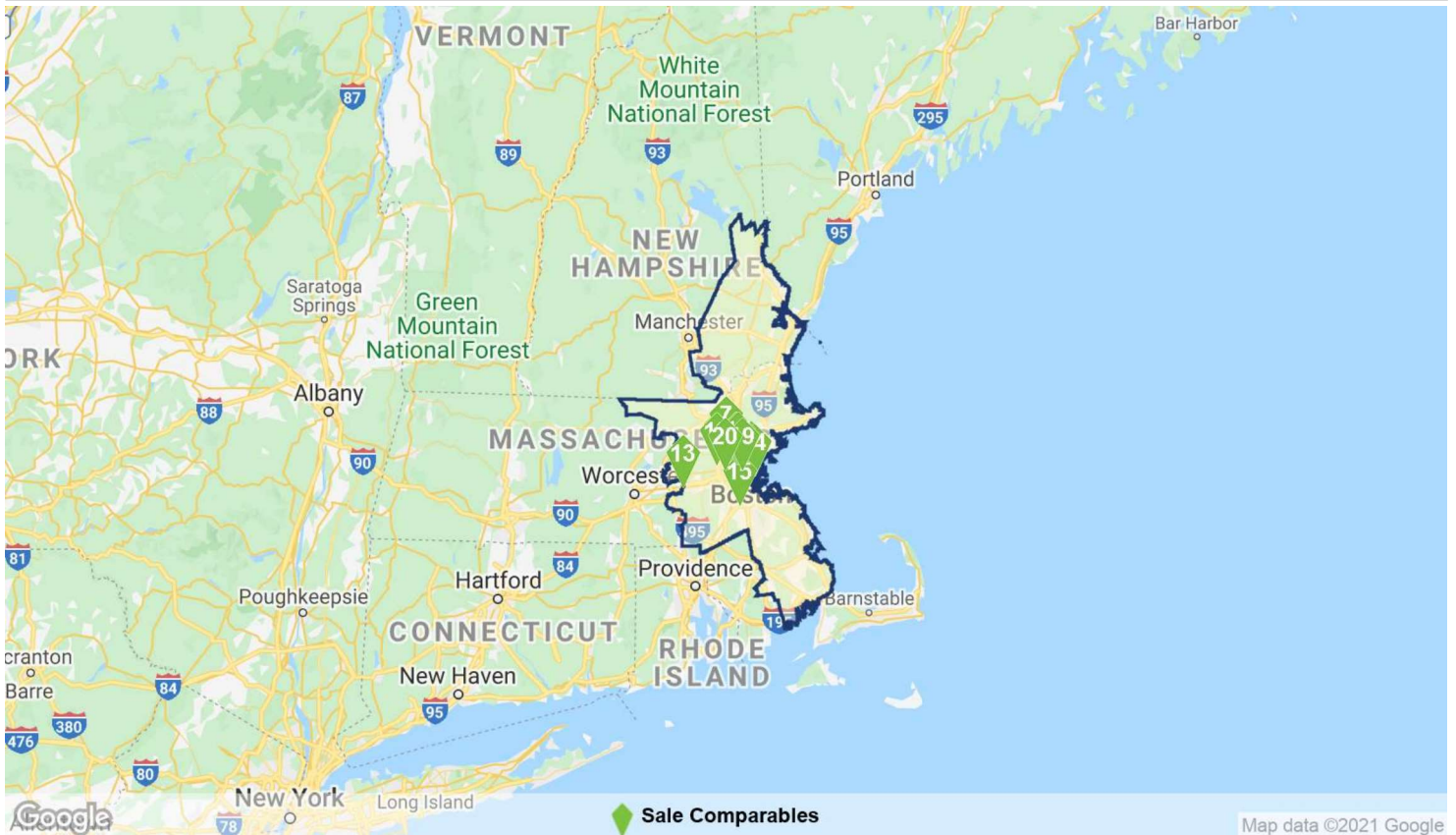
Avg. Price/SF

**\$441**

Avg. Vacancy At Sale

**12.0%**

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$134,167	\$23,185,344	\$1,375,000	\$728,500,000
Price/SF	\$6.71	\$441	\$171	\$2,500
Cap Rate	4.2%	7.2%	7.5%	10.9%
Time Since Sale in Months	0.0	5.9	5.5	12.0
Property Attributes	Low	Average	Median	High
Building SF	496	49,798	6,879	911,394
Stories	1	3	2	38
Typical Floor SF	359	13,532	4,049	145,000
Vacancy Rate At Sale	0%	12.0%	0%	100%
Year Built	1740	1950	1964	2020
Star Rating	★★★★★	★★★★★ 2.4	★★★★★	★★★★★

# Sales Past 12 Months

Boston Office

## RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
<b>1</b> Fidelity Building 245 Summer St	★★★★★	1974	860,000	0%	4/7/2020	\$728,500,000	\$847	-
<b>2</b> 60 State St	★★★★★	1978	911,394	8.6%	3/20/2020	\$614,300,000	\$674	-
<b>3</b> 200 Smith St	★★★★★	2017	426,000	0%	4/1/2020	\$320,000,000	\$751	5.1%
<b>4</b> Tuft Health 705 Mount Auburn St	★★★★★	1930	480,000	0%	9/15/2020	\$307,000,000	\$640	-
<b>5</b> Building 400/500 400-500 Cambridge Disco...	★★★★★	2020	290,000	11.0%	12/1/2020	\$292,879,622	\$1,010	-
<b>6</b> 109 Brookline Ave	★★★★★	1915	285,556	0%	2/12/2020	\$270,000,000	\$946	-
<b>7</b> MilliporeSigma 400-600 Summit Dr	★★★★★	2017	350,000	0%	12/18/2020	\$252,747,068	\$722	-
<b>8</b> Park Square Building 31 Saint James Ave	★★★★★	1922	507,716	3.9%	3/20/2020	\$245,000,000	\$483	5.2%
<b>9</b> National Grid 40 Sylvan Rd	★★★★★	2009	312,000	0%	8/26/2020	\$210,000,000	\$673	-
<b>10</b> Bronstein Industrial Center 21-25 Drydock Ave	★★★★★	1914	825,552	3.2%	12/18/2020	\$197,719,056	\$479	-
<b>11</b> Building 200 60 Acorn Park Dr	★★★★★	2010	193,000	0%	12/1/2020	\$194,916,438	\$1,010	-
<b>12</b> 101 Federal Street 101 Federal St	★★★★★	1988	591,110	7.3%	3/12/2020	\$174,383,081	\$590	-
<b>13</b> 500 Staples Dr	★★★★★	1999	666,088	0%	2/4/2020	\$165,000,000	\$248	-
<b>14</b> The Innovation and Desi... 1 Design Center Pl	★★★★★	1918	491,610	10.7%	12/18/2020	\$157,280,944	\$640	-
<b>15</b> The Block One Orchard Way	★★★★★	2000	580,000	93.1%	9/15/2020	\$146,000,000	\$252	-
<b>16</b> Building 100 100 Acorn Park Dr	★★★★★	2005	128,059	25.7%	12/1/2020	\$129,330,592	\$1,010	-
<b>17</b> Alewife Park 36-64 Whittemore Ave	★★★★★	1919	287,442	0%	7/8/2020	\$125,000,000	\$435	-
<b>18</b> Verizon 50-60 Sylvan Rd	★★★★★	1965	200,000	0%	8/26/2020	\$120,000,000	\$600	-
<b>19</b> 955 Massachusetts Ave	★★★★★	1971	93,424	0%	3/19/2020	\$101,250,000	\$1,084	4.2%
<b>20</b> The Gauge 152 Grove St	★★★★★	2018	134,010	0%	12/21/2020	\$100,000,000	\$746	-

The economic impact of the coronavirus pandemic has been severe in Boston and throughout Massachusetts. Overall nonfarm employment is still down roughly 9% year-over-year in the Boston metro and the unemployment rate remains above the national average. The statewide unemployment rate continues to see improvements, dropping nearly 1000 basis points to 7.4% since its peak in June. Massachusetts no longer has the highest unemployment rate in the country and now ranks ahead of several states like Hawaii (14.3%), Nevada (12%), New York (9.6%), and California (9.3%).

At the beginning of the pandemic, the Boston metro lost just over 460,000 jobs in March and April but has since recouped roughly 55% of those jobs in the past six months. So, while Boston was one of the hardest-hit markets at the beginning of the pandemic, with total employment losses amounting to nearly 17%, the metro has also been one of the strongest to recover. Total employment growth between April and October was more than 10%, only trailing the growth of a few metros like Cincinnati and Cleveland.

The leisure and hospitality sectors remain the most impacted as tourism and business travel is far below pre-pandemic levels. The sector initially lost 63% (168,000

jobs) of its total employment in the first two months and has since regained about half of those jobs but is still down about 36% year-over-year. On a nominal basis, the education and health services and the trade, transportation, and utility sectors have seen the next highest losses, with overall employment down 43,000 and 30,000 respectively from its February totals.

On a positive note, losses in office-using sectors have fared well with total employment down just over 1% (8,300 jobs). Boston has one of the highest work-from-home percentages in the country, with just shy of 40% of its employment able to telecommute. This has allowed many businesses to effectively transition to work-from-home, and thus reducing the number of layoffs in these sectors.

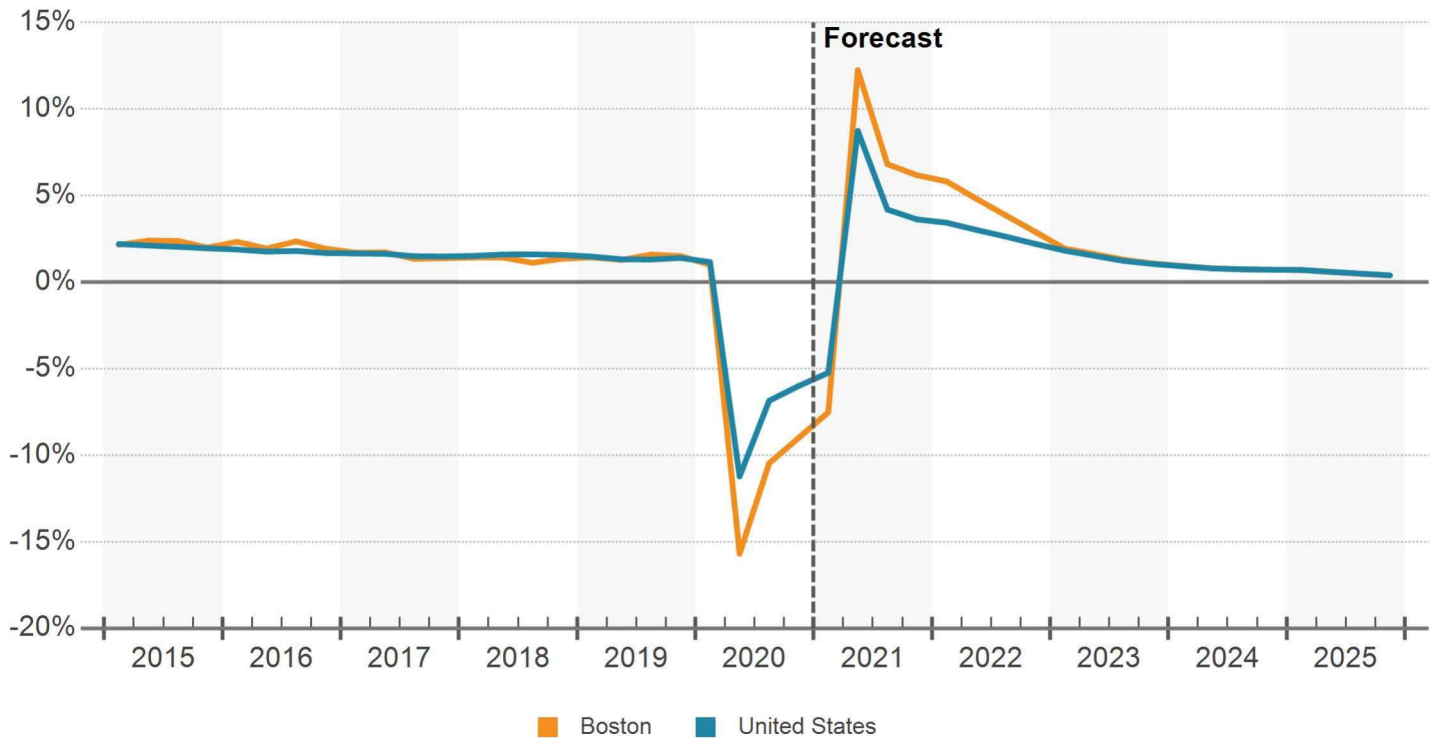
Moving forward, as coronavirus cases rise and restrictions across the state become more severe, it is likely job growth will slow entering the winter months. With many bars forced to closed, limited seating at restaurants and entertainment venues at limited capacity, more jobs in the retail and leisure sectors could be at risk as the state could be heading towards a second shutdown.

## BOSTON EMPLOYMENT BY INDUSTRY IN THOUSANDS

NAICS Industry	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	166	0.7	-4.94%	-4.29%	-0.59%	0.58%	-0.17%	0.58%
Trade, Transportation and Utilities	385	0.8	-8.37%	-3.10%	-0.24%	0.86%	1.42%	0.64%
Retail Trade	240	0.9	-6.38%	-3.13%	-0.07%	0.43%	1.24%	0.71%
Financial Activities	194	1.2	-0.62%	-0.94%	0.61%	1.29%	0.47%	0.75%
Government	292	0.8	-5.51%	-5.35%	-0.32%	-0.36%	0.69%	0.98%
Natural Resources, Mining and Construction	112	0.8	-8.34%	-3.44%	3.50%	2.56%	3.42%	1.18%
Education and Health Services	559	1.3	-6.12%	-4.09%	1.19%	1.54%	2.11%	1.92%
Professional and Business Services	518	1.4	-3.37%	-4.38%	2.38%	1.88%	1.48%	1.66%
Information	82	1.7	-4.03%	-7.62%	1.13%	-0.09%	1.81%	2.48%
Leisure and Hospitality	195	0.8	-31.19%	-18.83%	-1.40%	0.29%	8.02%	4.51%
Other Services	86	0.9	-19.67%	-6.76%	-0.45%	0.32%	4.81%	1.37%
<b>Total Employment</b>	<b>2,589</b>	<b>1.0</b>	<b>-8.47%</b>	<b>-5.73%</b>	<b>0.65%</b>	<b>0.90%</b>	<b>2.11%</b>	<b>1.53%</b>

Source: Oxford Economics  
LQ = Location Quotient

## YEAR OVER YEAR JOB GROWTH



Source: Oxford Economics

## DEMOGRAPHIC TRENDS

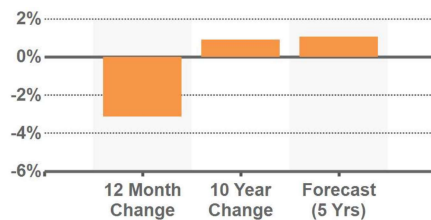
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	4,908,676	330,569,813	0.5%	0.5%	0.7%	0.6%	0.4%	0.5%
Households	1,881,390	123,561,078	0.5%	0.4%	0.7%	0.7%	0.4%	0.5%
Median Household Income	\$99,344	\$69,273	4.6%	4.8%	3.9%	3.3%	2.2%	2.1%
Labor Force	2,693,030	160,719,984	-3.1%	-2.2%	0.9%	0.5%	1.1%	0.8%
Unemployment	7.5%	6.7%	5.1%	3.1%	0%	-0.3%	-	-

Source: Oxford Economics

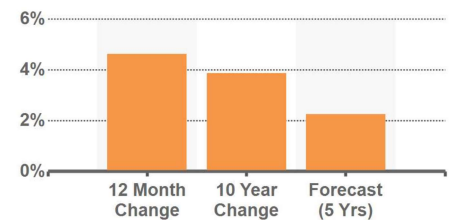
### POPULATION GROWTH



### LABOR FORCE GROWTH

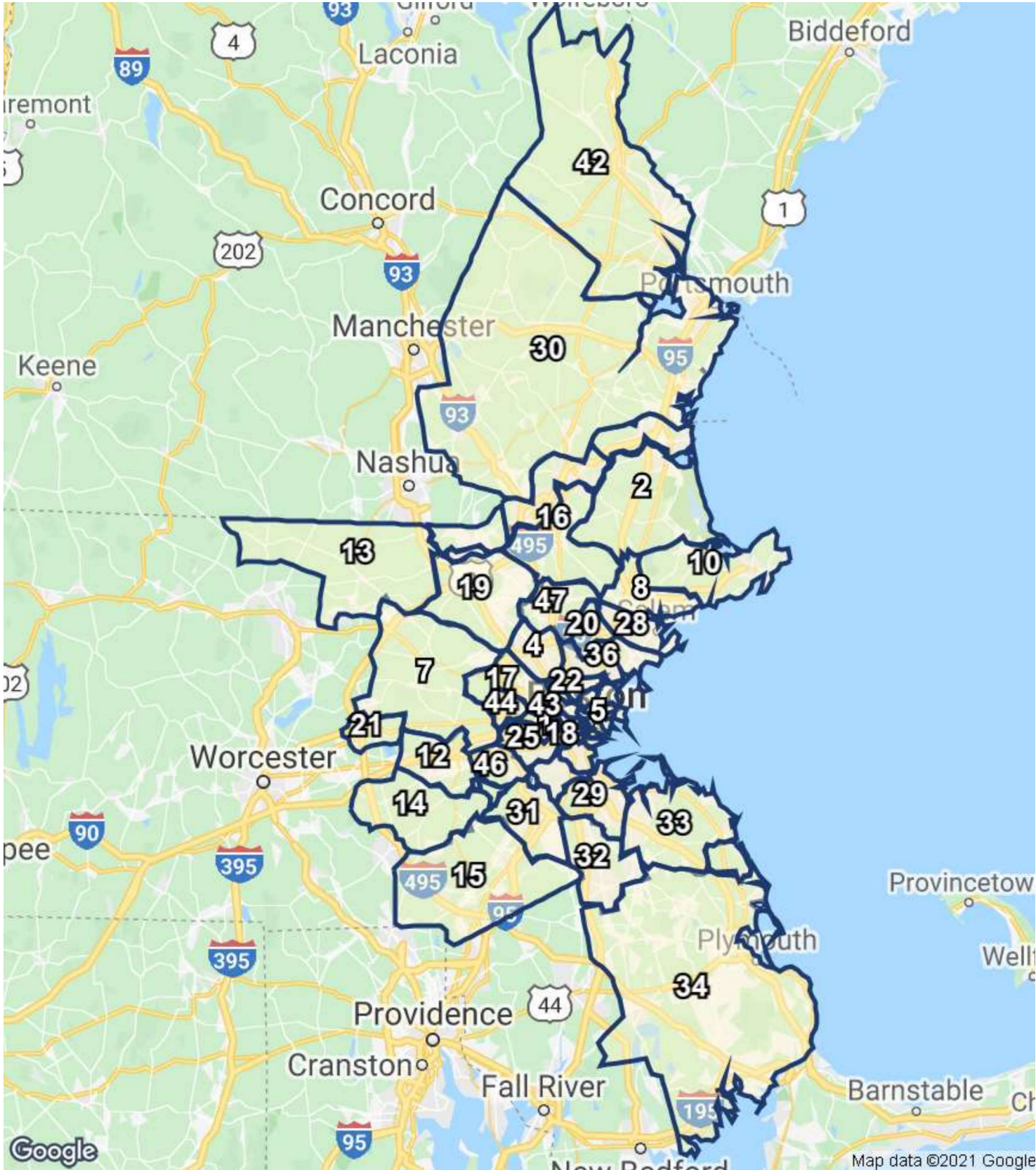


### INCOME GROWTH



Source: Oxford Economics

## BOSTON SUBMARKETS



## SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Allston/Brighton	108	3,130	0.9%	37	1	13	0.4%	12	0	-	-	-
2	Amesbury/Ipswich	170	1,849	0.5%	42	1	8	0.4%	14	0	-	-	-
3	Back Bay	179	17,166	4.9%	4	1	10	0.1%	13	0	-	-	-
4	Burlington/Woburn	317	15,092	4.3%	5	3	44	0.3%	10	0	-	-	-
5	Charlestown/East Boston	94	4,210	1.2%	28	1	127	3.0%	8	1	350	8.3%	9
6	Chelsea/Revere	122	2,108	0.6%	40	0	0	0%	-	0	-	-	-
7	Concord/Maynard	368	11,236	3.2%	10	0	0	0%	-	0	-	-	-
8	Danvers/Beverly	208	6,441	1.8%	19	0	0	0%	-	1	154	2.4%	15
9	E Cambridge/Kendall Sq	112	17,250	4.9%	3	0	0	0%	-	8	3,464	20.1%	1
10	Essex/Gloucester	93	909	0.3%	46	0	0	0%	-	0	-	-	-
11	Financial District	256	42,988	12.2%	1	0	0	0%	-	2	1,459	3.4%	4
12	Framingham/Natick	396	10,528	3.0%	12	0	0	0%	-	0	-	-	-
13	Groton/Townsend	130	1,122	0.3%	44	0	0	0%	-	0	-	-	-
14	Hopkinton/Holliston	78	1,794	0.5%	43	0	0	0%	-	0	-	-	-
15	I-95 Corridor South	345	5,446	1.5%	23	2	154	2.8%	6	0	-	-	-
16	Lawrence/Andover	483	14,549	4.1%	7	0	0	0%	-	1	80	0.5%	18
17	Lexington/Arlington	238	5,291	1.5%	24	1	214	4.0%	2	0	-	-	-
18	Longwood/Fenway	91	8,387	2.4%	16	0	0	0%	-	2	628	7.5%	6
19	Lowell/Chelmsford	493	19,613	5.6%	2	0	0	0%	-	1	186	0.9%	14
20	Lynnfield/Wakefield	110	2,945	0.8%	38	1	210	7.1%	3	0	-	-	-
21	Marlborough	123	7,149	2.0%	17	0	0	0%	-	0	-	-	-
22	Medford/Malden	160	3,656	1.0%	34	0	0	0%	-	0	-	-	-
23	Mid-Cambridge/Harvard Sq	222	9,100	2.6%	13	0	0	0%	-	1	200	2.2%	12
24	Midtown	106	5,178	1.5%	25	0	0	0%	-	0	-	-	-
25	Newton/Brookline	349	8,620	2.4%	14	0	0	0%	-	1	190	2.2%	13
26	North End/Waterfront	52	2,076	0.6%	41	0	0	0%	-	0	-	-	-
27	North Station/Beacon Hill	83	6,107	1.7%	20	0	0	0%	-	2	1,617	26.5%	3
28	Peabody/Salem	253	3,812	1.1%	33	0	0	0%	-	0	-	-	-
29	Quincy/Braintree	391	10,820	3.1%	11	1	23	0.2%	11	2	123	1.1%	17
30	Rockingham	947	11,996	3.4%	9	3	98	0.8%	9	4	144	1.2%	16
31	Route 1 South	268	8,496	2.4%	15	0	0	0%	-	1	350	4.1%	9
32	Route 24	380	4,819	1.4%	26	0	0	0%	-	0	-	-	-
33	Route 3 Corridor	450	5,823	1.7%	21	0	0	0%	-	0	-	-	-
34	Route 3 South	530	5,770	1.6%	22	0	0	0%	-	1	14	0.2%	19
35	Roxbury/Dorchester	184	4,201	1.2%	29	1	136	3.2%	7	2	696	16.6%	5
36	Saugus/Lynn	229	3,333	0.9%	36	0	0	0%	-	0	-	-	-
37	Seaport	91	14,067	4.0%	8	1	161	1.1%	5	5	1,981	14.1%	2
38	Somerville/Everett	171	4,081	1.2%	30	0	0	0%	-	2	593	14.5%	7
39	South Boston	59	504	0.1%	47	0	0	0%	-	0	-	-	-
40	South End	68	3,426	1.0%	35	0	0	0%	-	1	234	6.8%	11
41	South Suffolk County	90	990	0.3%	45	0	0	0%	-	0	-	-	-
42	Strafford County	307	4,058	1.2%	31	0	0	0%	-	0	-	-	-

## SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
43	<a href="#">W Cambridge/Alewife</a>	113	4,212	1.2%	27	1	187	4.4%	4	0	-	-	-
44	<a href="#">Waltham</a>	233	14,777	4.2%	6	1	231	1.6%	1	2	367	2.5%	8
45	<a href="#">Watertown</a>	94	3,824	1.1%	32	0	0	0%	-	0	-	-	-
46	<a href="#">Wellesley/Needham</a>	230	6,610	1.9%	18	0	0	0%	-	0	-	-	-
47	<a href="#">Wilmington/Reading</a>	122	2,785	0.8%	39	0	0	0%	-	0	-	-	-

## SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Allston/Brighton	\$41.22	12	0.4%	19	0.8%	18
2	Amesbury/Ipswich	\$23.07	35	-1.0%	42	-0.4%	45
3	Back Bay	\$62.76	3	1.2%	2	1.7%	4
4	Burlington/Woburn	\$30.01	25	0.7%	12	1.4%	6
5	Charlestown/East Boston	\$40.16	13	0%	24	0.8%	21
6	Chelsea/Revere	\$34.43	21	0.4%	17	0.3%	37
7	Concord/Maynard	\$23.43	34	-0.3%	32	-0.3%	44
8	Danvers/Beverly	\$20.92	45	0.5%	14	0.7%	23
9	E Cambridge/Kendall Sq	\$91.99	1	1.1%	4	0%	39
10	Essex/Gloucester	\$21.92	39	-1.2%	44	0.3%	36
11	Financial District	\$60.43	4	1.3%	1	2.5%	2
12	Framingham/Natick	\$27.19	27	0.9%	6	0.7%	22
13	Groton/Townsend	\$21.54	41	-0.9%	41	-0.1%	42
14	Hopkinton/Holliston	\$21.32	42	0.2%	21	1.3%	9
15	I-95 Corridor South	\$23.81	32	-0.8%	39	0.3%	33
16	Lawrence/Andover	\$24.56	30	-0.1%	28	2.0%	3
17	Lexington/Arlington	\$37.74	16	-0.3%	31	1.3%	10
18	Longwood/Fenway	\$55.26	7	1.0%	5	0.8%	17
19	Lowell/Chelmsford	\$21.90	40	-0.1%	27	1.6%	5
20	Lynnfield/Wakefield	\$25.80	28	0.4%	18	0.6%	28
21	Marlborough	\$24.50	31	0.8%	9	1.4%	8
22	Medford/Malden	\$30.76	24	-0.1%	29	0.3%	35
23	Mid-Cambridge/Harvard Sq	\$79.13	2	1.1%	3	1.4%	7
24	Midtown	\$41.26	11	-0.5%	33	0.7%	24
25	Newton/Brookline	\$35.23	19	-0.7%	37	0.6%	26
26	North End/Waterfront	\$43.53	10	-0.1%	26	0.6%	27
27	North Station/Beacon Hill	\$54.28	8	0.7%	11	1.0%	16
28	Peabody/Salem	\$20.36	47	-1.2%	46	0.3%	38
29	Quincy/Braintree	\$28.28	26	0.1%	23	0.3%	34
30	Rockingham	\$22.76	38	0.6%	13	1.3%	11
31	Route 1 South	\$25.49	29	-0.2%	30	0.7%	25
32	Route 24	\$21.12	44	-0.8%	38	0%	41
33	Route 3 Corridor	\$23.74	33	-0.5%	34	0.5%	29
34	Route 3 South	\$23.01	36	-0.9%	40	0.4%	30
35	Roxbury/Dorchester	\$35.23	18	-0.7%	36	0.4%	32
36	Saugus/Lynn	\$20.51	46	-1.3%	47	-0.5%	46
37	Seaport	\$56.34	5	0.9%	7	1.2%	13
38	Somerville/Everett	\$39.09	14	0.5%	15	0.4%	31
39	South Boston	\$34.17	22	-1.2%	45	-0.8%	47
40	South End	\$43.98	9	0.3%	20	0.8%	20
41	South Suffolk County	\$31.41	23	-1.2%	43	-0.3%	43
42	Strafford County	\$21.17	43	0.4%	16	0%	40

## SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
43	W Cambridge/Alewife	\$56.25	6	0.9%	8	1.3%	12
44	Waltham	\$38.70	15	0.8%	10	5.1%	1
45	Watertown	\$34.86	20	0.1%	22	1.1%	15
46	Wellesley/Needham	\$37.27	17	0%	25	0.8%	19
47	Wilmington/Reading	\$22.98	37	-0.6%	35	1.1%	14

## SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			Construc. Ratio
		SF	Percent	Rank	SF	% of Inv	Rank	
1	Allston/Brighton	143,447	4.6%	13	(34,237)	-1.1%	21	-
2	Amesbury/Ipswich	79,289	4.3%	10	(15,356)	-0.8%	17	-
3	Back Bay	1,168,143	6.8%	25	(530,326)	-3.1%	46	-
4	Burlington/Woburn	1,421,921	9.4%	33	(357,713)	-2.4%	42	-
5	Charlestown/East Boston	624,974	14.8%	44	(381,959)	-9.1%	44	-
6	Chelsea/Revere	45,206	2.1%	2	9,446	0.4%	9	-
7	Concord/Maynard	1,627,029	14.5%	41	(400,258)	-3.6%	45	-
8	Danvers/Beverly	658,557	10.2%	34	(59,464)	-0.9%	28	-
9	E Cambridge/Kendall Sq	547,020	3.2%	5	(193,353)	-1.1%	35	-
10	Essex/Gloucester	43,452	4.8%	15	(10,148)	-1.1%	15	-
11	Financial District	5,199,103	12.1%	36	(2,077,458)	-4.8%	47	-
12	Framingham/Natick	936,146	8.9%	30	(147,702)	-1.4%	34	-
13	Groton/Townsend	44,169	3.9%	9	19,029	1.7%	8	-
14	Hopkinton/Holliston	47,268	2.6%	3	(27,947)	-1.6%	20	-
15	I-95 Corridor South	197,182	3.6%	8	141,439	2.6%	3	1.1
16	Lawrence/Andover	2,130,413	14.6%	43	(200,009)	-1.4%	36	-
17	Lexington/Arlington	263,615	5.0%	16	297,962	5.6%	1	0.7
18	Longwood/Fenway	240,911	2.9%	4	49,729	0.6%	6	-
19	Lowell/Chelmsford	2,450,796	12.5%	37	165,408	0.8%	2	-
20	Lynnfield/Wakefield	642,143	21.8%	47	(208,096)	-7.1%	37	-
21	Marlborough	903,199	12.6%	38	(7,194)	-0.1%	14	-
22	Medford/Malden	587,032	16.1%	46	(40,546)	-1.1%	23	-
23	Mid-Cambridge/Harvard Sq	295,573	3.2%	6	(80,911)	-0.9%	29	-
24	Midtown	282,799	5.5%	18	(123,114)	-2.4%	33	-
25	Newton/Brookline	771,762	9.0%	31	(269,962)	-3.1%	40	-
26	North End/Waterfront	116,735	5.6%	20	(54,731)	-2.6%	26	-
27	North Station/Beacon Hill	291,695	4.8%	14	(120,564)	-2.0%	32	-
28	Peabody/Salem	324,046	8.5%	28	(2,519)	-0.1%	12	-
29	Quincy/Braintree	898,547	8.3%	27	(103,985)	-1.0%	31	-
30	Rockingham	849,668	7.1%	26	(102,063)	-0.9%	30	-
31	Route 1 South	1,353,112	15.9%	45	(15,450)	-0.2%	18	-
32	Route 24	244,738	5.1%	17	55,317	1.1%	5	-
33	Route 3 Corridor	363,449	6.2%	22	(5,027)	-0.1%	13	-
34	Route 3 South	319,513	5.5%	19	31,717	0.5%	7	-
35	Roxbury/Dorchester	242,866	5.8%	21	(54,344)	-1.3%	25	-
36	Saugus/Lynn	144,614	4.3%	12	(2,340)	-0.1%	11	-
37	Seaport	2,054,173	14.6%	42	(359,059)	-2.6%	43	-
38	Somerville/Everett	262,973	6.4%	23	(46,355)	-1.1%	24	-
39	South Boston	21,692	4.3%	11	(12,720)	-2.5%	16	-
40	South End	224,783	6.6%	24	(39,850)	-1.2%	22	-
41	South Suffolk County	34,900	3.5%	7	(15,692)	-1.6%	19	-
42	Strafford County	73,285	1.8%	1	(228)	0%	10	-

## SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
43	W Cambridge/Alewife	391,828	9.3%	32	133,518	3.2%	4	-
44	Waltham	2,066,210	14.0%	40	(224,629)	-1.5%	38	-
45	Watertown	403,290	10.5%	35	(229,871)	-6.0%	39	-
46	Wellesley/Needham	890,095	13.5%	39	(330,436)	-5.0%	41	-
47	Wilmington/Reading	238,766	8.6%	29	(58,135)	-2.1%	27	-

## OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	373,886,890	3,940,768	1.1%	4,541,847	1.2%	0.9
2024	369,946,122	4,235,553	1.2%	5,120,803	1.4%	0.8
2023	365,710,569	4,481,277	1.2%	5,878,651	1.6%	0.8
2022	361,229,292	2,735,315	0.8%	5,223,503	1.4%	0.5
2021	358,493,977	6,167,010	1.8%	(9,815)	0%	-
YTD	352,341,400	14,433	0%	(1,660,772)	-0.5%	-
2020	352,326,967	1,429,637	0.4%	(4,599,591)	-1.3%	-
2019	350,897,330	1,579,023	0.5%	2,867,052	0.8%	0.6
2018	349,318,307	3,199,060	0.9%	3,967,738	1.1%	0.8
2017	346,119,247	1,819,292	0.5%	2,998,129	0.9%	0.6
2016	344,299,955	2,245,590	0.7%	2,925,707	0.8%	0.8
2015	342,054,365	2,339,547	0.7%	4,580,267	1.3%	0.5
2014	339,714,818	1,924,073	0.6%	3,914,080	1.2%	0.5
2013	337,790,745	2,939,964	0.9%	5,003,707	1.5%	0.6
2012	334,850,781	152,148	0%	2,309,078	0.7%	0.1
2011	334,698,633	585,839	0.2%	1,371,816	0.4%	0.4
2010	334,112,794	2,025,896	0.6%	(322,110)	-0.1%	-
2009	332,086,898	1,472,475	0.4%	(3,177,116)	-1.0%	-

## 4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	151,543,797	4,009,179	2.7%	4,019,907	2.7%	1.0
2024	147,534,618	4,371,106	3.1%	4,097,976	2.8%	1.1
2023	143,163,512	4,791,213	3.5%	4,982,344	3.5%	1.0
2022	138,372,299	3,059,945	2.3%	4,223,987	3.1%	0.7
2021	135,312,354	6,517,863	5.1%	3,135,879	2.3%	2.1
YTD	128,794,491	0	0%	(807,710)	-0.6%	-
2020	128,794,491	1,544,022	1.2%	(1,634,710)	-1.3%	-
2019	127,250,469	2,204,960	1.8%	3,790,544	3.0%	0.6
2018	125,045,509	3,374,941	2.8%	3,359,748	2.7%	1.0
2017	121,670,568	3,051,451	2.6%	2,406,518	2.0%	1.3
2016	118,619,117	3,277,747	2.8%	2,320,193	2.0%	1.4
2015	115,341,370	2,902,999	2.6%	4,212,562	3.7%	0.7
2014	112,438,371	2,181,693	2.0%	2,507,453	2.2%	0.9
2013	110,256,678	2,952,276	2.8%	3,902,445	3.5%	0.8
2012	107,304,402	553,889	0.5%	1,083,006	1.0%	0.5
2011	106,750,513	1,179,577	1.1%	977,443	0.9%	1.2
2010	105,570,936	2,130,706	2.1%	756,455	0.7%	2.8
2009	103,440,230	1,430,357	1.4%	(771,638)	-0.7%	-

## 3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	154,819,584	274,202	0.2%	428,484	0.3%	0.6
2024	154,545,382	254,840	0.2%	902,325	0.6%	0.3
2023	154,290,542	163,000	0.1%	845,412	0.5%	0.2
2022	154,127,542	195,999	0.1%	824,071	0.5%	0.2
2021	153,931,543	113,258	0.1%	(1,938,850)	-1.3%	-
YTD	153,823,785	5,500	0%	(724,656)	-0.5%	-
2020	153,818,285	11,468	0%	(2,438,551)	-1.6%	-
2019	153,806,817	(442,972)	-0.3%	(819,052)	-0.5%	-
2018	154,249,789	(150,473)	-0.1%	416,010	0.3%	-
2017	154,400,262	(438,269)	-0.3%	869,053	0.6%	-
2016	154,838,531	(715,717)	-0.5%	340,189	0.2%	-
2015	155,554,248	(355,393)	-0.2%	413,120	0.3%	-
2014	155,909,641	172,817	0.1%	1,156,637	0.7%	0.1
2013	155,736,824	133,223	0.1%	1,191,623	0.8%	0.1
2012	155,603,601	(73,674)	0%	939,232	0.6%	-
2011	155,677,275	58,752	0%	320,468	0.2%	0.2
2010	155,618,523	215,362	0.1%	(971,426)	-0.6%	-
2009	155,403,161	68,309	0%	(1,885,932)	-1.2%	-

## 1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	67,523,509	(342,613)	-0.5%	93,456	0.1%	-
2024	67,866,122	(390,393)	-0.6%	120,502	0.2%	-
2023	68,256,515	(472,936)	-0.7%	50,895	0.1%	-
2022	68,729,451	(520,629)	-0.8%	175,445	0.3%	-
2021	69,250,080	(464,111)	-0.7%	(1,206,844)	-1.7%	-
YTD	69,723,124	8,933	0%	(128,406)	-0.2%	-
2020	69,714,191	(125,853)	-0.2%	(526,330)	-0.8%	-
2019	69,840,044	(182,965)	-0.3%	(104,440)	-0.1%	-
2018	70,023,009	(25,408)	0%	191,980	0.3%	-
2017	70,048,417	(793,890)	-1.1%	(277,442)	-0.4%	-
2016	70,842,307	(316,440)	-0.4%	265,325	0.4%	-
2015	71,158,747	(208,059)	-0.3%	(45,415)	-0.1%	-
2014	71,366,806	(430,437)	-0.6%	249,990	0.4%	-
2013	71,797,243	(145,535)	-0.2%	(90,361)	-0.1%	-
2012	71,942,778	(328,067)	-0.5%	286,840	0.4%	-
2011	72,270,845	(652,490)	-0.9%	73,905	0.1%	-
2010	72,923,335	(320,172)	-0.4%	(107,139)	-0.1%	-
2009	73,243,507	(26,191)	0%	(519,546)	-0.7%	-

## OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$51.08	166	1.8%	22.7%	32,733,057	8.8%	-0.2%
2024	\$50.16	163	2.8%	20.4%	33,195,382	9.0%	-0.3%
2023	\$48.80	158	4.9%	17.2%	33,943,435	9.3%	-0.5%
2022	\$46.50	151	8.2%	11.7%	35,198,635	9.7%	-0.8%
2021	\$42.98	139	3.2%	3.2%	37,686,243	10.5%	1.6%
YTD	\$41.69	135	0.1%	0.1%	33,162,127	9.4%	0.5%
2020	\$41.65	135	0.6%	0%	31,501,355	8.9%	1.7%
2019	\$41.40	134	6.1%	-0.6%	25,472,127	7.3%	-0.4%
2018	\$39.02	127	4.1%	-6.3%	26,858,266	7.7%	-0.3%
2017	\$37.48	122	1.8%	-10.0%	27,626,754	8.0%	-0.4%
2016	\$36.82	119	8.0%	-11.6%	28,807,672	8.4%	-0.3%
2015	\$34.10	111	7.9%	-18.1%	29,543,070	8.6%	-0.7%
2014	\$31.62	103	4.2%	-24.1%	31,783,790	9.4%	-0.6%
2013	\$30.34	98	5.1%	-27.2%	33,736,797	10.0%	-0.7%
2012	\$28.86	94	4.9%	-30.7%	35,800,540	10.7%	-0.6%
2011	\$27.51	89	2.9%	-33.9%	37,957,470	11.3%	-0.3%
2010	\$26.74	87	-1.6%	-35.8%	38,743,447	11.6%	0.6%
2009	\$27.18	88	-11.9%	-34.7%	36,401,954	11.0%	1.4%

## 4 & 5 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$75.53	176	1.8%	22.4%	14,971,240	9.9%	-0.3%
2024	\$74.19	172	2.7%	20.3%	14,983,077	10.2%	-0.1%
2023	\$72.21	168	4.9%	17.1%	14,710,998	10.3%	-0.5%
2022	\$68.83	160	8.2%	11.6%	14,903,222	10.8%	-1.1%
2021	\$63.62	148	3.1%	3.1%	16,067,540	11.9%	2.0%
YTD	\$61.74	144	0.1%	0.1%	13,485,828	10.5%	0.6%
2020	\$61.68	143	1.5%	0%	12,678,118	9.8%	2.4%
2019	\$60.75	141	7.3%	-1.5%	9,499,386	7.5%	-1.4%
2018	\$56.64	132	6.0%	-8.2%	11,084,970	8.9%	-0.2%
2017	\$53.41	124	0.2%	-13.4%	11,069,777	9.1%	0.3%
2016	\$53.29	124	10.1%	-13.6%	10,424,844	8.8%	0.5%
2015	\$48.42	113	8.6%	-21.5%	9,522,521	8.3%	-1.4%
2014	\$44.59	104	3.6%	-27.7%	10,832,084	9.6%	-0.5%
2013	\$43.03	100	6.0%	-30.2%	11,157,844	10.1%	-1.2%
2012	\$40.61	94	6.1%	-34.2%	12,108,013	11.3%	-0.6%
2011	\$38.27	89	4.5%	-38.0%	12,637,130	11.8%	0.1%
2010	\$36.63	85	0.4%	-40.6%	12,434,996	11.8%	1.1%
2009	\$36.48	85	-15.2%	-40.9%	11,061,858	10.7%	2.0%

## 3 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$38.39	158	1.9%	22.8%	15,536,320	10.0%	-0.1%
2024	\$37.69	155	2.8%	20.5%	15,690,836	10.2%	-0.4%
2023	\$36.66	151	4.9%	17.3%	16,338,543	10.6%	-0.5%
2022	\$34.94	144	8.1%	11.8%	17,021,181	11.0%	-0.4%
2021	\$32.31	133	3.4%	3.3%	17,649,294	11.5%	1.3%
YTD	\$31.32	129	0.2%	0.2%	16,321,845	10.6%	0.5%
2020	\$31.25	128	-0.1%	-0.1%	15,597,189	10.1%	1.6%
2019	\$31.27	129	5.1%	0%	13,147,170	8.5%	0.3%
2018	\$29.75	122	2.5%	-4.8%	12,769,290	8.3%	-0.4%
2017	\$29.04	119	2.3%	-7.1%	13,335,583	8.6%	-0.8%
2016	\$28.39	117	5.9%	-9.2%	14,642,905	9.5%	-0.6%
2015	\$26.81	110	7.5%	-14.3%	15,698,811	10.1%	-0.5%
2014	\$24.94	103	5.6%	-20.2%	16,467,324	10.6%	-0.6%
2013	\$23.61	97	4.1%	-24.5%	17,414,144	11.2%	-0.7%
2012	\$22.68	93	3.7%	-27.5%	18,472,544	11.9%	-0.6%
2011	\$21.87	90	1.8%	-30.0%	19,485,450	12.5%	-0.2%
2010	\$21.49	88	-3.3%	-31.3%	19,747,166	12.7%	0.7%
2009	\$22.23	91	-8.6%	-28.9%	18,560,378	11.9%	1.3%

## 1 & 2 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$29.57	144	2.0%	20.3%	2,225,497	3.3%	-0.4%
2024	\$28.99	141	3.0%	17.9%	2,521,469	3.7%	-0.5%
2023	\$28.16	137	5.1%	14.5%	2,893,894	4.2%	-0.5%
2022	\$26.79	131	8.3%	9.0%	3,274,232	4.8%	-1.0%
2021	\$24.73	121	3.0%	0.6%	3,969,409	5.7%	1.1%
YTD	\$23.98	117	-0.1%	-2.5%	3,354,454	4.8%	0.2%
2020	\$24.01	117	-2.3%	-2.3%	3,226,048	4.6%	0.6%
2019	\$24.58	120	3.3%	0%	2,825,571	4.0%	-0.2%
2018	\$23.80	116	-0.2%	-3.2%	3,004,006	4.3%	-0.3%
2017	\$23.85	116	8.0%	-3.0%	3,221,394	4.6%	-0.7%
2016	\$22.07	108	4.0%	-10.2%	3,739,923	5.3%	-0.8%
2015	\$21.22	103	5.7%	-13.7%	4,321,738	6.1%	-0.2%
2014	\$20.07	98	3.1%	-18.3%	4,484,382	6.3%	-0.9%
2013	\$19.47	95	4.2%	-20.8%	5,164,809	7.2%	-0.1%
2012	\$18.69	91	2.8%	-24.0%	5,219,983	7.3%	-0.8%
2011	\$18.18	89	-0.6%	-26.1%	5,834,890	8.1%	-0.9%
2010	\$18.29	89	-5.0%	-25.6%	6,561,285	9.0%	-0.3%
2009	\$19.25	94	-6.1%	-21.7%	6,779,718	9.3%	0.7%

## OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	\$559.42	246	5.8%
2024	-	-	-	-	-	-	\$547.15	240	5.8%
2023	-	-	-	-	-	-	\$528.34	232	5.8%
2022	-	-	-	-	-	-	\$492.19	216	5.9%
2021	-	-	-	-	-	-	\$440.63	194	6.0%
YTD	20	\$34.2M	0%	\$2,915,558	\$287.41	-	\$423.08	186	6.2%
2020	578	\$7.1B	5.2%	\$24,305,246	\$424.74	7.1%	\$423.32	186	6.2%
2019	565	\$8.7B	5.6%	\$23,677,050	\$448.50	6.8%	\$416.24	183	6.2%
2018	457	\$6.6B	5.8%	\$19,017,823	\$383.45	6.7%	\$389.22	171	6.2%
2017	465	\$6.8B	5.5%	\$21,852,780	\$380.96	6.3%	\$371.35	163	6.0%
2016	550	\$5.5B	5.7%	\$14,565,063	\$337.05	6.7%	\$364.26	160	6.0%
2015	521	\$8.1B	6.8%	\$19,356,254	\$360.85	6.2%	\$342.73	151	6.0%
2014	590	\$8.6B	8.7%	\$19,904,370	\$309.71	6.3%	\$313.69	138	6.2%
2013	484	\$4.7B	6.0%	\$13,632,593	\$243.86	6.6%	\$291.02	128	6.4%
2012	399	\$3.2B	4.9%	\$11,328,681	\$205.91	7.0%	\$265.68	117	6.7%
2011	374	\$3.3B	4.6%	\$14,191,861	\$236.36	7.0%	\$251.96	111	6.9%
2010	295	\$2.4B	3.2%	\$12,617,446	\$236.48	8.9%	\$225.77	99	7.5%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	\$862.69	245	5.2%
2024	-	-	-	-	-	-	\$844.06	240	5.2%
2023	-	-	-	-	-	-	\$815.33	232	5.2%
2022	-	-	-	-	-	-	\$759.21	216	5.2%
2021	-	-	-	-	-	-	\$678.72	193	5.4%
YTD	-	-	-	-	-	-	\$650.88	185	5.6%
2020	29	\$4.1B	6.1%	\$152,260,511	\$556.00	6.3%	\$651.17	185	5.6%
2019	47	\$6B	7.5%	\$139,922,741	\$627.90	5.7%	\$639.97	182	5.6%
2018	54	\$4.5B	9.1%	\$122,816,273	\$505.74	5.8%	\$599.37	170	5.6%
2017	29	\$3.6B	5.6%	\$137,700,065	\$547.00	5.9%	\$566.80	161	5.5%
2016	38	\$2.3B	6.0%	\$82,479,850	\$553.20	5.8%	\$561.56	160	5.4%
2015	46	\$5.3B	8.7%	\$120,028,608	\$537.40	5.6%	\$529.88	151	5.4%
2014	60	\$6.2B	13.4%	\$117,212,957	\$450.97	5.3%	\$484.74	138	5.6%
2013	42	\$2.5B	6.7%	\$63,555,462	\$336.43	5.7%	\$452.70	129	5.8%
2012	25	\$1.3B	4.2%	\$57,568,006	\$311.34	5.8%	\$411.68	117	6.1%
2011	26	\$2.2B	6.3%	\$92,561,469	\$354.49	6.8%	\$390.63	111	6.3%
2010	21	\$1.6B	3.7%	\$86,249,756	\$423.52	7.2%	\$349.83	99	6.8%

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## 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	\$408.61	249	6.0%
2024	-	-	-	-	-	-	\$399.59	243	6.0%
2023	-	-	-	-	-	-	\$385.77	235	6.0%
2022	-	-	-	-	-	-	\$359.61	219	6.1%
2021	-	-	-	-	-	-	\$322.44	196	6.2%
YTD	6	\$22.4M	0%	\$7,389,381	\$302.96	-	\$309.83	189	6.4%
2020	227	\$2.7B	5.3%	\$25,825,864	\$359.00	7.1%	\$309.95	189	6.4%
2019	223	\$2.3B	5.2%	\$16,365,280	\$296.27	7.0%	\$303.76	185	6.4%
2018	166	\$1.7B	4.4%	\$15,034,625	\$271.08	6.7%	\$282.13	172	6.4%
2017	202	\$2.8B	6.4%	\$21,191,793	\$296.46	6.1%	\$271.28	165	6.3%
2016	233	\$2.7B	6.5%	\$17,980,132	\$277.12	6.9%	\$263.05	160	6.2%
2015	219	\$2.5B	7.0%	\$15,398,815	\$237.59	5.7%	\$246.81	150	6.2%
2014	211	\$2B	7.3%	\$13,949,476	\$184.21	6.4%	\$226.09	138	6.4%
2013	183	\$2B	6.9%	\$15,209,333	\$197.43	6.3%	\$207.73	127	6.6%
2012	175	\$1.7B	6.5%	\$14,585,599	\$173.53	7.2%	\$190.82	116	6.9%
2011	137	\$866.8M	4.2%	\$9,506,332	\$143.43	7.3%	\$181.06	110	7.1%
2010	123	\$742.1M	3.4%	\$10,341,744	\$149.53	9.3%	\$163.06	99	7.7%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	\$280.39	240	6.6%
2024	-	-	-	-	-	-	\$273.79	235	6.6%
2023	-	-	-	-	-	-	\$264.35	227	6.6%
2022	-	-	-	-	-	-	\$246.41	211	6.7%
2021	-	-	-	-	-	-	\$221.45	190	6.8%
YTD	14	\$11.7M	0.1%	\$1,237,875	\$261.76	-	\$213.93	183	7.0%
2020	322	\$294.7M	3.3%	\$1,733,898	\$161.93	7.4%	\$214.08	184	7.0%
2019	295	\$386.6M	3.2%	\$1,956,193	\$188.36	6.7%	\$213.36	183	6.9%
2018	237	\$404.1M	3.1%	\$2,475,651	\$196.48	7.6%	\$201.85	173	6.9%
2017	234	\$481.6M	3.4%	\$2,974,708	\$235.06	7.2%	\$198.12	170	6.7%
2016	279	\$481.9M	3.7%	\$2,399,885	\$200.30	7.4%	\$189.82	163	6.6%
2015	256	\$276.4M	3.0%	\$1,364,404	\$138.34	8.0%	\$177.06	152	6.7%
2014	319	\$378M	4.2%	\$1,526,655	\$128.55	7.0%	\$162.15	139	6.9%
2013	259	\$268.7M	3.0%	\$1,405,502	\$135.58	7.9%	\$148.83	128	7.1%
2012	199	\$192.1M	2.6%	\$1,199,041	\$120.65	7.3%	\$136.56	117	7.5%
2011	211	\$236.1M	2.8%	\$1,890,529	\$134.57	6.8%	\$128.86	111	7.7%
2010	151	\$116.9M	2.3%	\$1,072,076	\$74.44	8.5%	\$114.03	98	8.4%

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