



Bristol-Meyers Squibb Lease Expands US Biotech Hub

Drug Heavyweight Takes 360,000 Square Feet at DivcoWest's Cambridge Crossing Project



The life sciences office project at 250 Water St. is part of a redeveloped railroad crossing in Cambridge, Massachusetts, the U.S. biotech capital. (DivcoWest)

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CoStar News

August 25, 2020 | 5:11 P.M.



Drug and research giant Bristol-Meyers Squibb is the latest big pharmaceutical company to sign up for a new development in Cambridge, Massachusetts, the nation's biotech hub.

The lease Bristol-Meyers Squibb signed for the yet-to-be-finished space at [250 Water St.](#) is enormous. The firm agreed to take 360,000 square feet, and according to market experts and CoStar research, rent is estimated to be about \$90 a square foot annually.

That's at least a cool \$32 million in rent per year for San Francisco-based owner DivcoWest, which declined to comment.

Terms of the lease, including its length, have not been disclosed. But a 10- to 15-year lease for new life-sciences space in greater Boston is the norm, meaning the deal could be valued close to \$400 million overall.

The nine-story, 500,000-square-foot building is not scheduled to be completed until the fall of 2021. It's part of DivcoWest's massive mixed-use project called Cambridge Crossing. Plans include over 2.1 million square feet of coveted lab and life-sciences research space, hundreds of residential units and 11 acres of open area at a locale that used to be a rail depot.

As locals know, the boundaries between neighborhoods in greater Boston can run through the middle of properties. DivcoWest's project is in Cambridge, the independent city of Somerville next door and Boston proper.

Bristol-Meyers Squibb's move will be another case of musical chairs within the red-hot Cambridge life-sciences office market. The firm intends to consolidate operations in the nearby Kendall Square neighborhood of Cambridge. The razor-thin vacancy rate for life sciences in Cambridge — about 1%, according to CoStar data — means the empty space that occurs likely won't stay that way long.

French pharma giant Sanofi signed a 900,000-square-foot lease at Cambridge Crossing in 2018, planning to move its high-profile Genzyme unit to the new property. That