



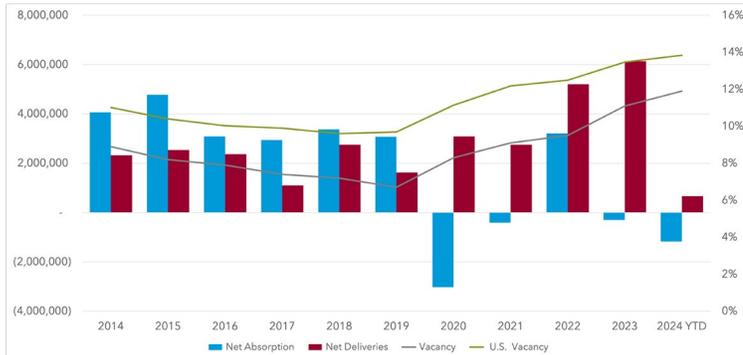
OFFICE MARKET OVERVIEW

ERIC SOLEM, *Managing Principal, President*

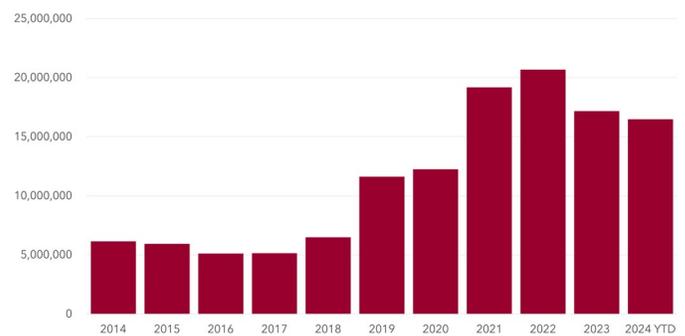
Boston's office market experienced a record-high availability rate of 17%, contrasting with historically low vacancy rates. Public transit ridership struggled to recover, with estimated MBTA ridership reaching only 70% of pre-pandemic levels. Office attendance remained consistently low, reflecting nationwide trends. Over the past 12 months, occupiers gave back ±2.3 million SF, with more expected in the coming year. Additionally, approximately 12 million SF of office space, nearly half intended for lab use, came online since the beginning of 2022, with another 15 million SF expected by the end of 2025. As organizations downsize their space requirements, the influx of new construction worsens the situation complicating the market's response to uncertainty and changing needs.

MARKET INDICATORS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
▼ 12 Mo. Net Absorption SF	(1,172,790)	(294,854)	592,396	556,205	1,320,279
▲ Vacancy Rate	11.9%	11.1%	10.9%	10.3%	9.8%
▼ Avg NNN Asking Rate PSF	\$41.76	\$41.77	\$41.69	\$41.45	\$41.49
▼ SF Under Construction	16,483,748	17,170,788	18,066,749	20,130,548	21,982,422
▲ Inventory SF	378,713,494	378,051,006	376,965,045	374,569,816	372,557,317

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
101 Arch Street Boston, MA	406,928 SF	\$78,000,000 \$191.68 PSF	Synergy Investments Clarion Partners	Class A
1200 Crown Colony Drive Quincy, MA	236,491 SF	\$6,000,000 \$25.37 PSF	FoxRock Properties Bridge Investment Group	Class A
60 Canal Street Boston, MA	46,039 SF	\$8,250,000 \$179.20 PSF	Kinross Real Estate LLC Cannon Hill Capital Partners	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
100 Chestnut Street Somerville, MA	76,000 SF	Lawrence Realty Partners	ADA Forsyth Institute	Life Science R&D
300 Third Avenue Waltham, MA	70,000 SF	Lincoln Property Company	BPGbio	Biotechnology Research
358 Second Avenue Waltham, MA	68,356 SF	Hillside Associates	QinetiQ	Defense & Space Manufacturing

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