



spectrum family

all data as of, or for the quarter ended, March 31, 2017

Core

Fringe

Seaport

Back Bay

Cambridge

Streetcar Ring

North Suburbs

West Suburbs

South Suburbs

Vacancy decreased 0.5 percent to 9.1 percent as tenants absorbed 154,000 sf, extending a recent trend where occupancy has increased in four of the past five quarters.

- ◇ Tenants continue to drive substantial absorption in Class A space in the Greenway; 215,000 sf of quarterly demand included Wells Fargo's 151,000 sf consolidated location at 125 High Street.
- ◇ Publicis.Sapient and DigitasLBi will move into a combined 217,000 sf at 40 Water Street in 2018; the move is the second major media company to move into a redevelopment of an older Core facility, following Havas Media's move into 426 Washington Street, in 2016.
- ◇ South Station air rights may expire by the end of April if development is not underway by April 30.
- ◇ The Boston Planning and Development Agency approved a zoning measure which would allow The Chiofaro Company to construct a 600-foot tower they proposed in place of the Aquarium Garage.

stats

sf in thousands	rba	vac%	absorption		construction**			rent***
			q1'17	ltm	uc	lease%	ltm	
core	34,389	9.1%	154	(71)	365	60%	0	
class a	24,674	9.4%	146	18	365	60%	0	\$57.46
class b	9,715	8.4%	8	(89)	0		0	\$42.70
greenway	12,454	4.3%	213	387	0		0	
class a	9,836	5.0%	215	379	0		0	\$61.76
class b	2,618	1.6%	(2)	8	0		0	\$43.37
shawmut	21,935	11.9%	(60)	(458)	365	60%	0	
class a	14,837	12.3%	(69)	(362)	365	60%	0	\$54.60
class b	7,098	10.9%	10	(96)	0		0	\$42.64

rba = rentable building area ltm = last twelve months ** preleased % & last twelve months completions
***rent = \$ per sf per year full service



JFF JUST FOR FUN

The curved and widened nature of Franklin Street between Hawley and Congress Streets is a remnant of the Tontine Crescent, the country's first urban housing development, laid out by Charles Bulfinch in 1795; the Crescent proved a success though encroachment of the city's commercial district led to its demolition in 1858.

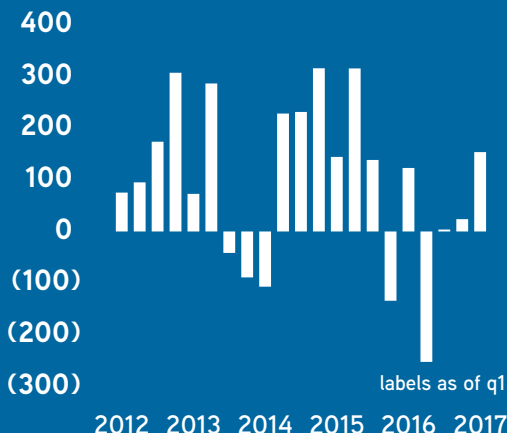


QUICK

Absorption
+154,000 sf



sf in thousands

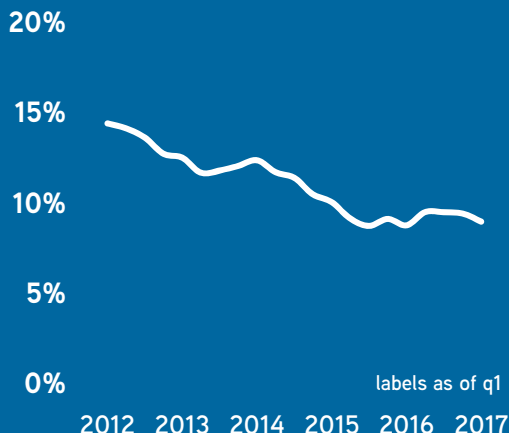


Absorption reached its highest positive quarterly total in seven quarters

Vacancy
9.1% -0.5%



% vacant

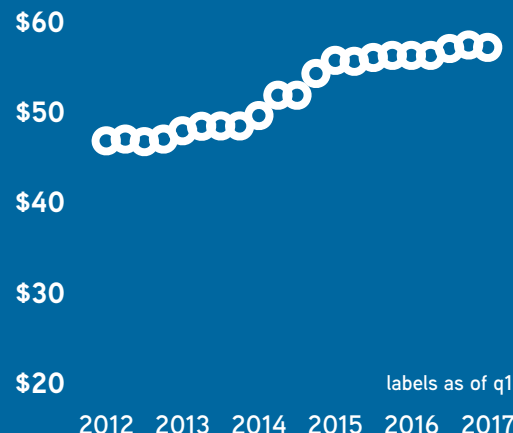


Vacancy dropped on positive demand activity

Rents (Class A)
\$57.46 +1.6%

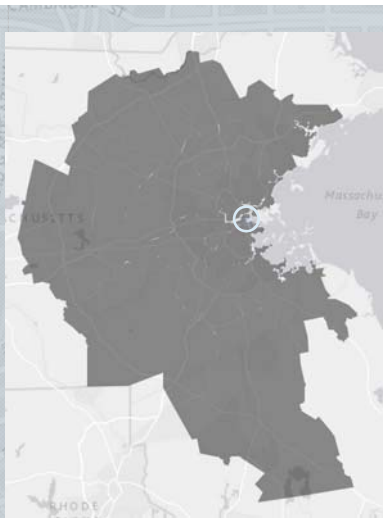


\$ per sf



Rents continue to increase moderately

slate is greater boston's leading resource for submarket-level commercial office real estate discussion & analysis.



Center Plaza

Synergy Investments agreed to acquire Center Plaza, the 717,000 sf asset trading for \$502 per sf

40 Water

Publicis.Sapient and DigitalLBi will move into 217,000 at the former Fidelity Investments HQ in 2018

South Station

Developer Hines Interests may lose its rights to develop a 690-foot tower above the station if it does not commence the project by April 30

Ten/10 Post Office Square

LaSalle Investment Management acquired an interest in this 450,000 sf two-building complex, paying \$188 million for an undisclosed percent ownership

Aquarium

The Boston Planning & Development Agency approved a Municipal Harbor Plan, which would explicitly allow for a 600-foot tower here

shawmut

greenway

125 High

Wells Fargo consolidated its Boston operations into 151,000 sf here from numerous locations, including 101 Federal Street

maptrends

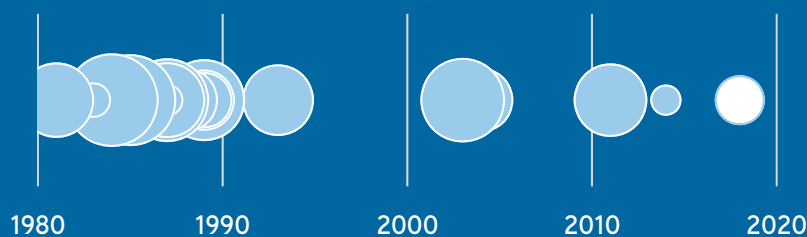
Bubbles denote office building locations, size denotes building size

Construction & Newest Inventory

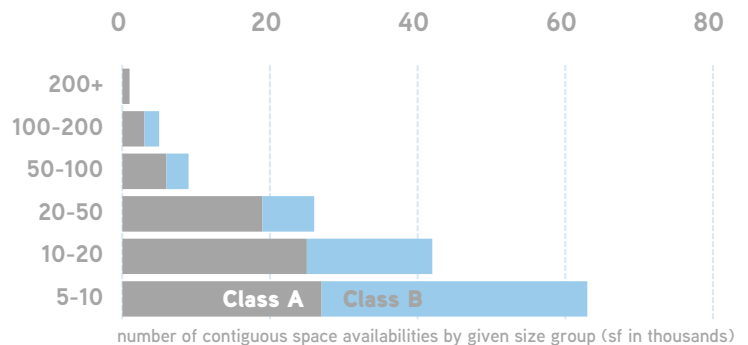
Current office construction and latest buildings completed, Core submarket

address, name	rba (sf)	year
40 Water St	365,000	2018
426 Washington St, Burnham Building	142,000	2014
280-290 Congress St, Atlantic Wharf	791,000	2011
33 Arch St	603,000	2004
1 Lincoln St, State Street Financial Center	1,045,000	2003
2 International Pl, Two International Place	750,000	1993
125 High St	1,531,000	1989
125 Summer St	464,000	1989
101 Arch St	460,000	1988
21 Custom House St	91,000	1988

construction since 1980, size denotes building size, white bubbles under construction



Contiguous Availability Chart



spectrum family

- blue** <> macro level office | quarterly
- steel** <> macro level industrial | quarterly
- green** <> macro level laboratory | quarterly
- slate** <> submarket level office series | quarterly
- node** <> transit-accessible office & lab | twice-yearly
- white** <> special interest | twice-yearly or so

Subscribe to Spectrum by texting "pbaresearch" to 228-28

Perry Brokerage Associates strives for complete accuracy in all aspects of its information and analysis, though no guarantee to be made. Sources include Bureau of Economic Analysis, Bureau of Labor Statistics, Costar Realty Information, Inc, Esri, Federal Reserve Bank, Google Analytics, The Real Reporter, The Warren Group.