

bioSTATus

Spurred on by a record four million square feet ("msf") of new construction deliveries, Greater Boston experienced an also-record 3.1 msf of positive absorption Q1 2022 as a record construction pipeline starts to deliver to new occupants. Despite concerns over equity markets and volatility particularly impacting the life sciences industry, VCs continued to invest in North American biotech groups at a rate just 2% lower than the record-setting pace recorded in 2021. Take-up of 1.4 msf reflected a decrease from the 2.0 msf recorded in the previous quarter but at or slightly above the levels seen in the preceding twelve quarters. In an announcement to create a new, \$700 million research campus, Eli Lilly committed to occupy a 334,000-sf facility at 15 Necco Street in the Seaport, a site initially envisioned as part of General Electric's HQ campus. With increased human presence at many biotech clusters throughout the region, the delivery of the first lab project envisioned at Somerville's Boynton Yards coincided with the ground-opening of what's expected to be an enabling rapid transit link for that area to the rest of the region.



*take-up inventory, including under construction product, less availability

**calculated from executed lease transactions, Boston & Cambridge only



The Boston Lab Boom!

Nearly 15 msf of lab product is presently under active construction in Greater Boston.

click or scan QR to view the Interactive Map

IN THE QUARTER ...

1 10 World Trade | Boston

Groundbreaking is held for the largest ground-up Seaport lab development to date **659K SF**

2 100 Binney | Cambridge

Alexandria completes recapitalization with unnamed investor **433K SF | \$2,356 PSF**

3 225 & 235 Presidential | Woburn

Alexandria acquires 2-bldg office complex for likely future conversion **461K SF | \$280 PSF**

4 20 Cambridgeside | Cambridge

Safehold completes a groundlease of underway lab conversion **2.6 acres | \$61.1 m/acre**

5 55 Summer | Boston

Phase 3 acquires 1977-built office asset for lab conversion **124K SF | \$860 PSF**

6 200 Exchange | Malden

Berkeley reduces its ownership at lab-capable asset with Singerman **352K SF | \$274 PSF**

7 3 Burlington Woods | Burlington

GI Partners acquires asset for likely lab conversion **164K SF | \$354 PSF**

8 15 Necco | Boston

Eli Lilly executes a 15-year lease with Alexandria at new development **334K SF**

9 290 Concord | Billerica

T2 Biosystems completed a 10-year lease with Farley White **70K SF**

10 25 Network | Burlington

Vericel completes a 12-year lease with Nordblom **126K SF**

11 840 Winter | Waltham

Intellia agrees to a 12-year lease at under conversion former sports facility **140K SF**

12 250 Arsenal | Watertown

Seismic Tx completes a 10-year lease with Phase 3 at ground-up development **39K SF**

13 4 Burlington Woods | Burlington

Ultivue executes a 10-year lease with GEM Realty Capital **55K SF**

14 10 Maguire | Lexington

Elpis Tx completes a 10-year lease at under conversion property **34K SF**

15 100 Talcott | Watertown

Tome Biosciences completes a 10-year lease at historic lab conversion **88K SF**

16 225 Binney | Cambridge

Biogen commences layoffs of 1,000 as part of initiative announced in December

17 128 Sidney | Cambridge

Merck announces it will lay off 170 former Acceleron workers upon merger completion

18 43 Thorndike | Cambridge

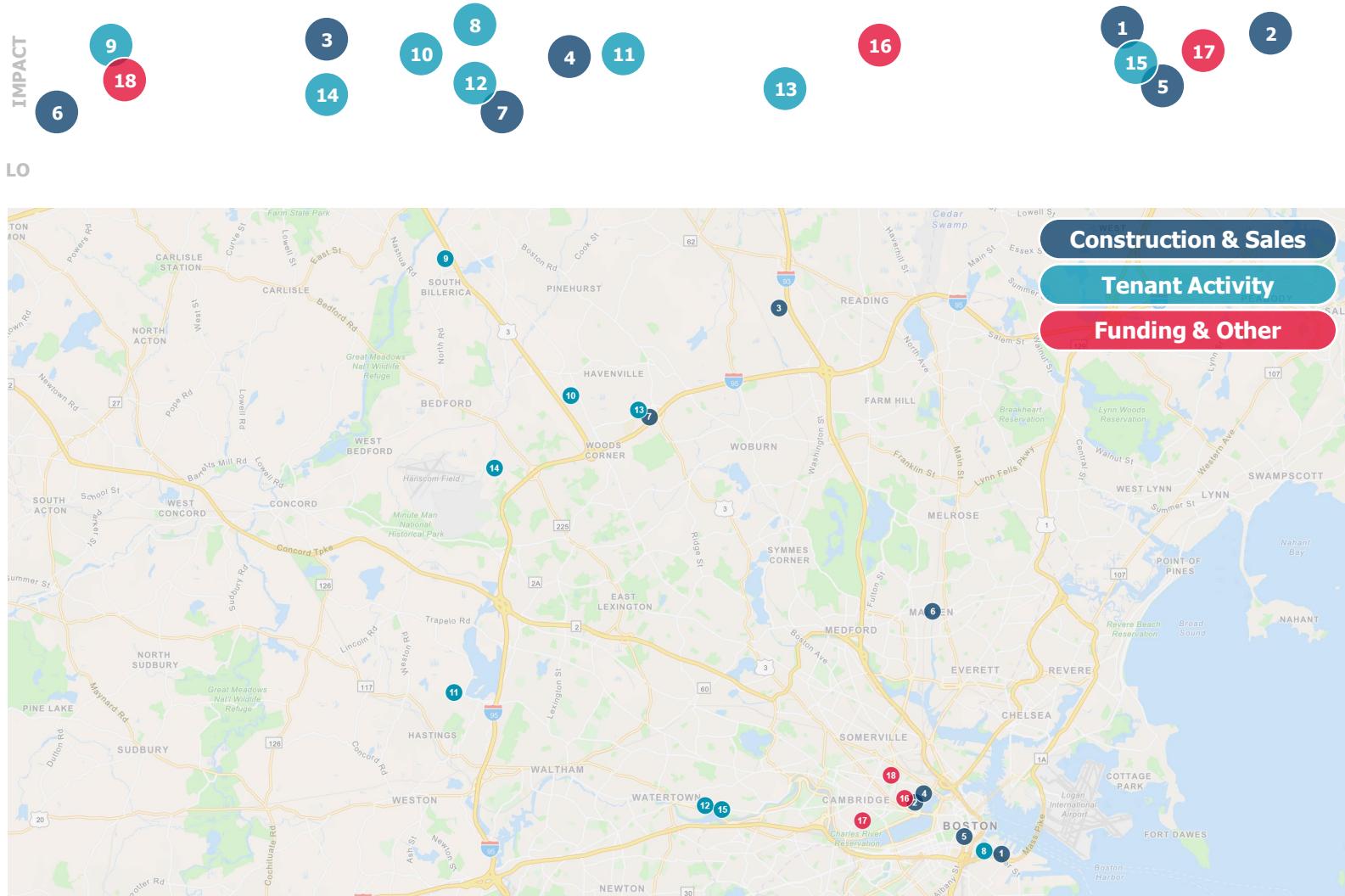
Amylyx succeeds in completing initial public offering (IPO) of common stock **\$170M**

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IMPACT

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Q1 TIMELINE



SUBMARKET OBSERVATIONS

Take-up Vacancy \$ Average Class A Rent Under Construction

CAMBRIDGE -62K SF 1.5% \$108 PSF 3.5 MSF A quiet quarter of larger announcements led to minimally negative take-up though absorption surged as occupants moved into the newly-completed 238 Main Street. Layoff announcements at Biogen and Merck could be actually be a positive development for the market as numerous earlier stage biotechs in the region have ambitious near-term hiring requirements.

URBAN RING +161K SF 18.9% \$92 PSF 5.5 MSF A surge in quarterly absorption was driven by a record 1.3 msf of completions. Portfolio companies of Flagship Pioneering took

occupancy of 101 South Street in Somerville, the first completion in the quickly emerging biotech cluster in Somerville's Union Square. A quarterly record 2.4 msf of groundbreakings expanded the currently underway pipeline to 5.4 msf.

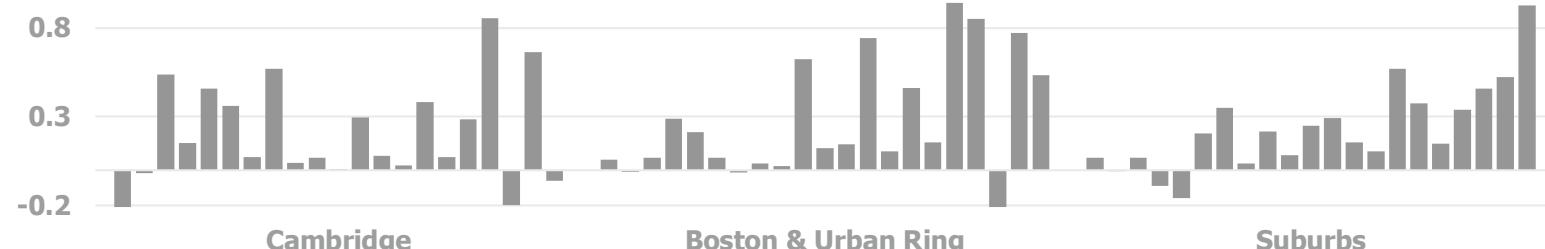
BOSTON CBD +372K SF 5.1% \$93 PSF 3.5 MSF Eli Lilly's announcement to establish a 334,000-sf research facility in the Seaport drove a 17th straight quarter of positive absorption. Positive absorption of 800,000 sf reflected occupants moving into newly completed facilities, including Vertex taking occupancy of 265,000 sf at 316 Northern Avenue in the Seaport.

SUBURBS +926K SF 12.8% \$71 PSF 2.4 MSF Strong positive demand in the suburban submarkets reflected a first wave in a surge of cGMP demand that had been anticipated in recent periods.

FIVE YEAR TRENDS BY QUARTERS most recent quarter is Q1'2022

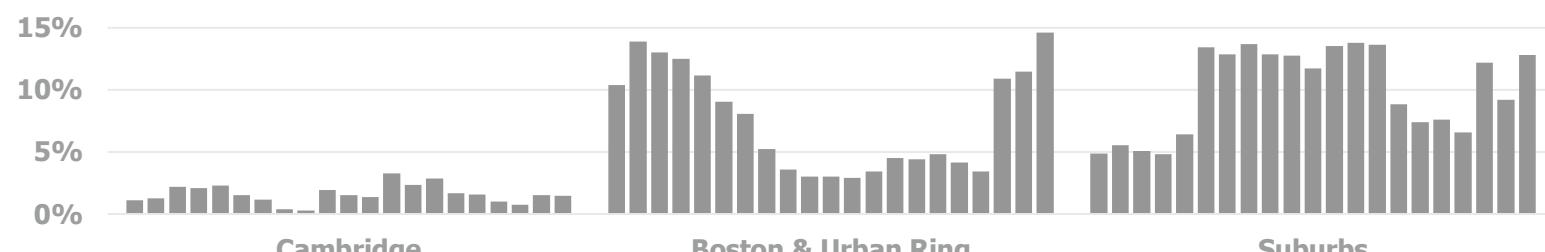
TAKE-UP

inventory, including under construction product, less availability
sf in millions



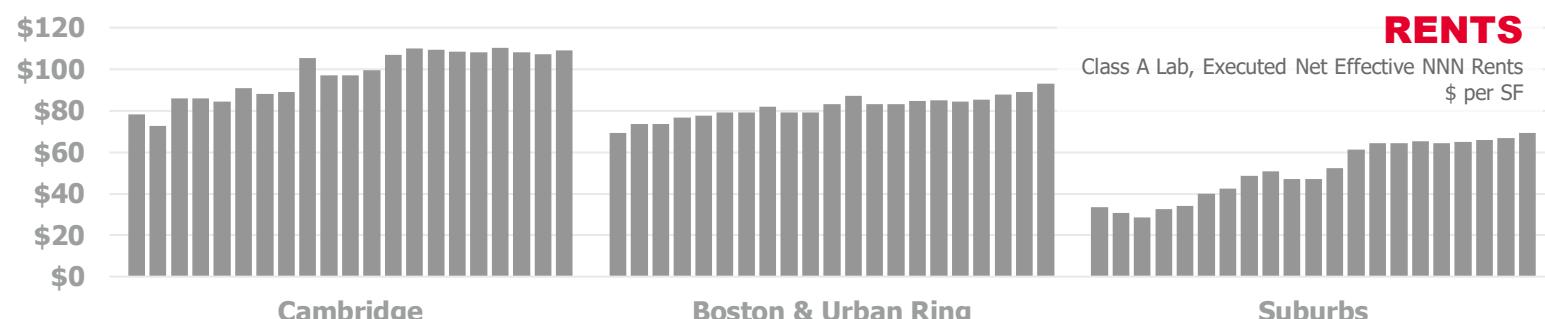
VACANCY

markers as of Q1



RENTS

Class A Lab, Executed Net Effective NNN Rents
\$ per SF



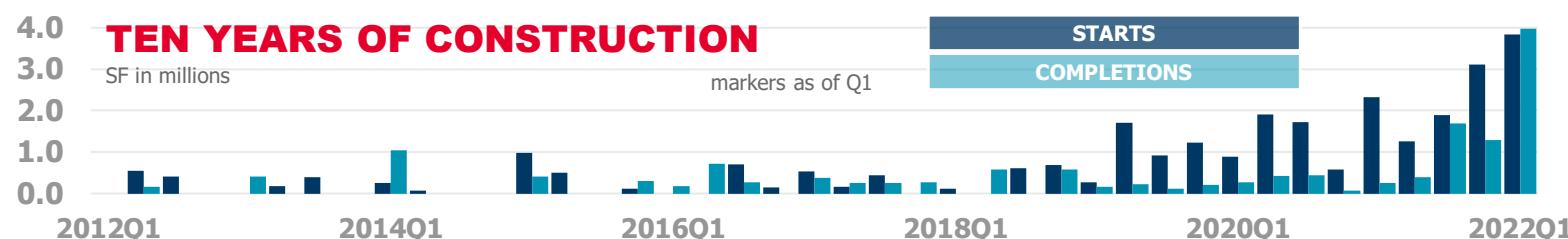
TEN YEARS OF CONSTRUCTION

STARTS

COMPLETIONS

SF in millions

markers as of Q1



Q1 2022 STATISTICS

(000 omitted except # Bldgs and percentages)

| | INVENTORY | | VACANCY % | ABSORPTION | | AVAILABILITY | | TAKEUP | | CONSTRUCTION | |
|---------------------|---------------|---------|---------------|------------|--------------|---------------|--------|--------|-------|---------------|---------|
| | RBA | # Bldgs | | QTR | LTM | Total | Sublet | QTR | LTM | UC SF | % Lease |
| TOTAL MARKET | 32,658 | 234 | 8.7% | 3,079 | 5,611 | 9.0% | 0.9% | 1,397 | 5,329 | 14,910 | 37% |
| CBD | 2,761 | 12 | 5.1% | 800 | 1,343 | 2.8% | 0.6% | 372 | 849 | 3,523 | 34% |
| Financial District | 116 | 1 | 17.3% | 96 | 96 | 17.3% | 0.0% | 0 | 60 | 0 | |
| Midtown/N Station | 226 | 1 | 17.5% | 0 | (8) | 25.0% | 7.5% | 0 | (25) | 0 | |
| Seaport | 2,419 | 10 | 3.3% | 705 | 1,255 | 0.0% | 0.0% | 372 | 813 | 3,277 | 36% |
| Back Bay | 0 | 0 | na | 0 | 0 | na | na | 0 | 0 | 246 | 0% |
| CAMBRIDGE | 13,258 | 89 | 1.5% | 437 | 715 | 3.1% | 1.5% | (62) | 1,259 | 3,459 | 65% |
| East Cambridge | 7,833 | 38 | 1.1% | 437 | 437 | 3.1% | 2.5% | 0 | 978 | 3,149 | 67% |
| Mid Cambridge | 3,934 | 33 | 0.0% | 0 | 6 | 0.0% | 0.0% | 0 | 45 | 0 | |
| Alewife | 1,491 | 18 | 7.3% | 0 | 272 | 11.4% | 0.0% | (62) | 236 | 310 | 45% |
| URBAN RING | 6,071 | 34 | 18.9% | 618 | 840 | 17.4% | 0.8% | 161 | 974 | 5,481 | 21% |
| Urban North | 837 | 5 | 37.1% | 289 | 285 | 36.9% | 6.0% | (50) | 79 | 2,141 | 2% |
| Watertown | 1,112 | 12 | 3.7% | 128 | 269 | 11.2% | 0.0% | (35) | 476 | 2,156 | 25% |
| Allston/Brighton | 545 | 3 | 0.0% | 0 | 25 | 0.0% | 0.0% | 0 | 53 | 197 | 45% |
| Fenway/Longwood | 1,852 | 7 | 0.0% | 71 | 131 | 0.0% | 0.0% | 71 | 61 | 987 | 51% |
| Urban South | 1,725 | 7 | 46.3% | 130 | 130 | 36.2% | 0.0% | 175 | 305 | 0 | |
| 128 BELT | 6,787 | 62 | 11.5% | 601 | 1,800 | 12.5% | 0.3% | 398 | 1,496 | 1,500 | 42% |
| 128 North | 463 | 5 | 1.6% | 0 | 149 | 0.0% | 0.0% | 0 | 0 | 0 | |
| 128 Central | 6,172 | 56 | 10.1% | 601 | 1,652 | 11.3% | 0.4% | 398 | 1,496 | 1,361 | 46% |
| 128 South | 152 | 1 | 100.0% | 0 | 0 | 100.0% | 0.0% | 0 | 0 | 139 | 0% |
| 495 BELT | 3,780 | 37 | 15.2% | 624 | 912 | 14.7% | 0.0% | 528 | 751 | 947 | 25% |
| 495 North | 2,240 | 20 | 20.8% | 624 | 844 | 20.8% | 0.0% | 528 | 690 | 807 | 30% |
| 495 West | 539 | 8 | 18.2% | 0 | 44 | 16.3% | 0.0% | 0 | (6) | 140 | 0% |
| Framingham/Natick | 965 | 8 | 1.0% | 0 | 24 | 0.0% | 0.0% | 0 | 68 | 0 | |

RBA Rentable Building Area QTR Quarterly LTM Last Twelve Months UC Under Construction Takeup change in committed space including under construction assets

**WHERE?**

<https://cwbos.io/coverage>
for a coverage map or
scan QR code to the right.



QTR = Quarterly

LTM = Last Twelve Months

Take-up = Change in total committed space including under construction assets

Class A rent data derived from C&W's Boston lease comps database

must be at least three qualified transactions to register data

UC = Under Construction

moniTOR

- Will public equity market challenges have an impact on critical VC funding for bio?
- Will biotech cos succeed in filling record new labs with newly recruited scientists?
- For out-of-market new bio hires, how will housing shortages impact assimilation?
- Will newly-opened rapid transit service have transformative affect in Somerville?
- How will the new mayoral administration impact bio development in Boston?

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