



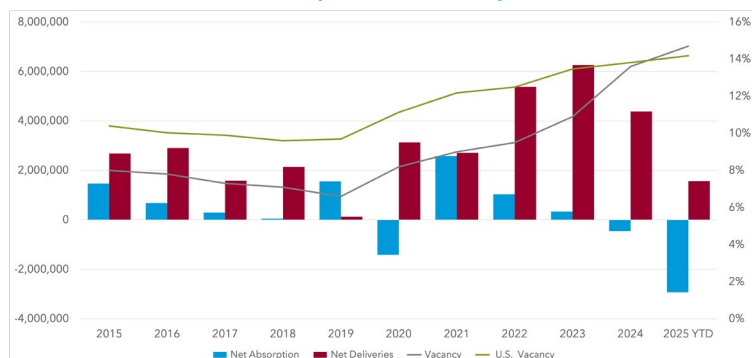
OFFICE MARKET OVERVIEW

ERIC SOLEM. MBA, *Managing Principal, President*

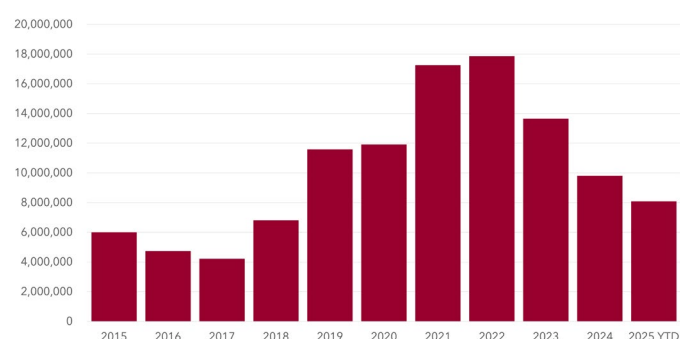
Boston's office market stayed soft in Q2 2025, with vacancy rising to 14.7% and about 3.8 million SF of space returned over the past year. Leasing activity remained slow, driven mostly by smaller tenants and renewals. Asking rents held around \$42.79/SF, with landlords still offering generous concession packages. Over 8 million SF of office space is under construction-much of it geared toward life sciences-which adds pressure in the short term. Still, office attendance is improving, and more companies are locking in return-to-office strategies. With several large users actively touring space and market momentum building, there's cautious optimism that conditions could begin to stabilize later this year.

MARKET INDICATORS	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
▲ 12 Mo. Net Absorption SF	(2,865,456)	(6,044,892)	(6,620,308)	(5,829,980)	(5,635,827)
▲ Vacancy Rate	14.5%	14.2%	13.6%	12.9%	12.6%
▼ Avg NNN Asking Rent PSF	\$42.76	\$42.77	\$42.82	\$42.79	\$42.81
▼ Sale Price PSF	\$337.14	\$344.65	\$351.13	\$357.40	\$365.57
▲ Cap Rate	7.70%	6.70%	6.80%	7.00%	8.40%
▼ Under Construction	8,087,320	8,757,877	9,804,755	12,322,463	13,411,078
▲ Inventory	386,771,905	386,124,139	385,204,950	382,742,573	381,767,535

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
99 High Street Boston, MA	731,204 SF	\$227,000,000 \$310.45 PSF	Synergy Investments NUVEEN	Class A
1600 Crown Colony Drive Quincy, MA	230,890 SF	\$11,000,000 \$47.64 PSF	Atlantic Management Corporation Harvard Pilgrim Healthcare	Class A
101 Station Landing Medford, MA	171,708 SF	\$11,750,000 \$68.43 PSF	RJ Kelly Co., Inc. James Campbell Company LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
200 Seaport Boulevard Boston, MA	651,278 SF	Pembroke Real Estate	Fidelity	Financial Services
60 Acorn Park Drive Cambridge, MA	118,286 SF	The Bulfinch Companies, Inc.	Forrester	Research Services
99 Coolidge Avenue Watertown, MA	72,846 SF	Alexandria Real Estate Equities, Inc.	Flagship Pioneering	Biotechnology Research

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