



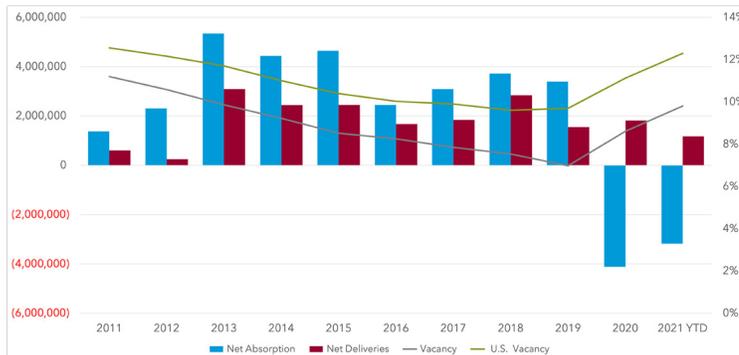
OFFICE MARKET OVERVIEW

ERIC SOLEM, *Managing Principal, President*

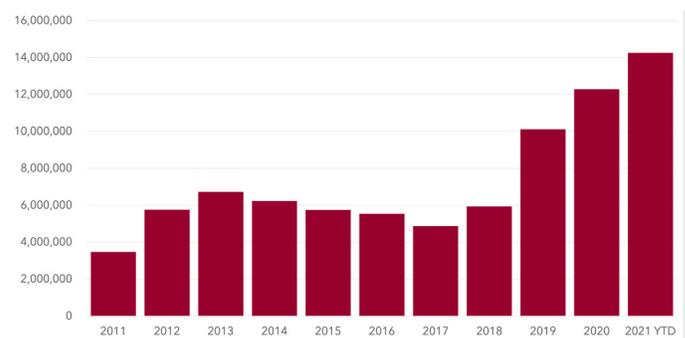
As fall arrived so did the impact of the COVID delta variant as its complications with office occupancy lead to a seventh straight quarter of net negative absorption. Despite the vacancy rate continuing to rise, there have been sizable leases signed in 2021, primarily fueled by life sciences sector growth. Moderna has committed to expanding its HQ in Cambridge's Kendall Square with Alexandria Real Estate Equities for 462,000 SF which is scheduled to open in 2023. Third Rock Ventures and Tango Therapeutics have collectively leased over 100,000 SF in The Fenway with expected completion in 2022. Thus, high levels of spec development continue to feed the life sciences sector growth in Boston.

MARKET INDICATORS	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
▲ 12 Mo. Net Absorption SF	(4,987,590)	(6,354,665)	(6,540,530)	(4,117,724)	52,576
▲ Vacancy Rate	9.8%	9.7%	9.4%	8.6%	8.0%
▲ Avg NNN Asking Rate PSF	\$41.30	\$41.25	\$40.97	\$40.96	\$40.77
▼ SF Under Construction	14,251,212	14,333,212	13,227,993	12,280,557	10,896,214
▲ Inventory SF	356,850,628	356,574,938	355,644,859	355,634,589	355,567,493

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
135 William T Morrissey Blvd Dorchester, MA	693,921 SF	\$362,500,000 \$522.39 PSF	Nordblom Co/Beacon Cap Ptnrs Nordblom Company/Alcion Ventures	Class A
400 Summer Street Boston, MA	635,000 SF	Undisclosed	W/S Dev/Kohlberg Kravis Roberts W/S Development	Class A
600 Technology Park Drive Billerica, MA	447,000 SF	\$18,525,000 \$41.44 PSF	KS Partners The Gutierrez Company	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
280-294 Congress Street Boston, MA	524,000 SF	Boston Properties	Wellington Management Company LLP	Finance & Insurance
325 Binney Street Cambridge, MA	462,000 SF	Alexandria Real Estate Equities, Inc	Moderna	Professional, Scientific & Technical Services
201 Brookline Avenue Boston, MA	293,000	Alexandria R.E. Equitie/ Samuels & Assoc Mgmt	VerveTherapeutics/Tango Therapeutics/Third Rock Ventures	Health Care & Social As- sistance/Finance & Ins

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