



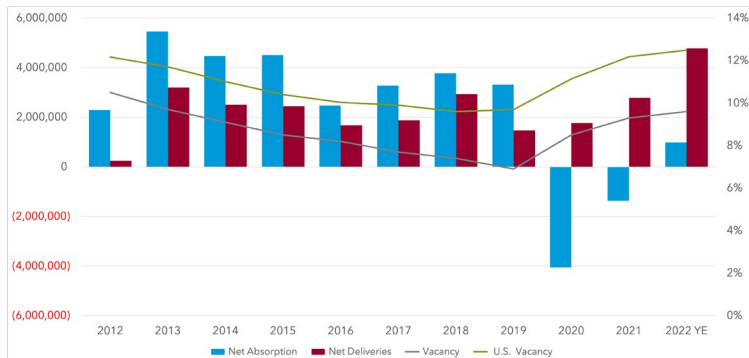
OFFICE MARKET OVERVIEW

ERIC SOLEM, *Managing Principal, President*

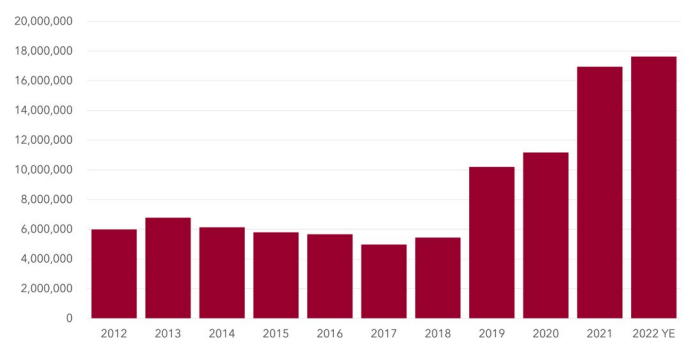
In 2022, the top ten biotechnology leases accounted for 80% of the square footage (2.5M of the ~3.1M SF) and landed in either Cambridge or Boston's Seaport District, with the balance landing in Boston's western suburbs which include Watertown, Waltham and Bedford, MA. With rationalization of space accommodating a hybrid workforce and a looming recession on the horizon, there is now ~10.5M SF of sublease space on the market; one year ago, that number was closer to 8M SF. Nonetheless, new developments are still leasing up. For example, Waltham's Revolution Labs (173,000 SF) is under development by Boston-based Greatland Realty Partners, is fully leased and set to open in January 2023.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	3,130,708	4,922,895	4,913,994	3,918,438	(441,526)
▲ Vacancy Rate	9.6%	9.4%	9.1%	9.1%	9.3%
▲ Avg NNN Asking Rate PSF	\$42.48	\$42.47	\$42.52	\$42.43	\$42.40
▼ SF Under Construction	17,628,810	18,028,588	17,464,820	17,692,258	16,943,350
▲ Inventory SF	368,680,354	366,878,695	365,848,440	364,708,519	363,897,569

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
880 Technology Park Drive Billerica, MA	151,564 SF	\$18,188,000 \$120.00 PSF	Gordon Brothers Group The Gutierrez Company	Class A
4 Burlington Woods Dr-Burlington Bio Ctr Burlington, MA	109,085 SF	\$103,000,000 \$944.22 PSF	MetLife Real Estate GEM Realty Capital/The Gutierrez Co	Class A
20 Maguire Rd - Lexington Crossing Lexington, MA	101,310 SF	\$89,000,000 \$878.49 PSF	Investcorp DRA Advisors/Griffith Properties	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
One Post Office Square Boston, MA	285,000 SF	Morgan Stanley & Co LLC	Eaton Vance	Finance & Insurance
1 Lincoln Street Boston, MA	198,710 SF	David Werner R.E/Fortis Property Group LLC	HarbourVest Partners	Finance & Insurance
10-20 Channel Center Street Boston, MA	135,615 SF	LaSalle Investment Management	Medtronic	Medical Device Manufacturing

