

CHARLESTOWN

1

99

93

1A

NORTH STATION

FINANCIAL DISTRICT

MIDTOWN

SOUTH STATION

SEAPORT

BACK BAY

2016

Q3

FINANCIAL DISTRICT

OFFICE MARKET



DIRECT VACANCY



SUBLEASE VACANCY



12-MONTH ABSORPTION



LEASING ACTIVITY



ASKING RENT



STATISTICS OVER THE LAST 12 MONTHS

Q3

2016

FINANCIAL DISTRICT

OFFICE MARKET



STATISTICS

	TOTAL INVENTORY (SF)	UNDER CONSTRUCTION (SF)	DIRECT VACANT (SF)	SUBLEASE VACANT (SF)	TOTAL VACANCY RATE	Q3 NET ABSORPTION (SF)	YTD NET ABSORPTION (SF)	ASKING RENT (\$/SF)
CLASS A	28,578,270	333,283	2,453,918	82,190	8.9%	90,360	61,717	\$56.94
CLASS B	6,869,551	0	524,592	38,823	8.2%	(12,520)	149,643	\$48.58
TOTAL	35,447,821	333,283	2,978,510	121,013	8.7%	77,840	211,360	\$58.20

SUBMARKET TRENDS

- In recent years the Financial District has grown its base of tech and creative companies, which have helped to backfill space left behind by traditional downtown companies relocating to the Seaport.
- While vacancies, at 8.7%, are flat compared to year-ago levels, rates are sitting 340 basis points below the submarket's 5-year average.
- Millennium Partners was chosen to build the Winthrop Square Tower, which is slated to be the 3rd tallest in Boston and include 14 floors of office space.
- The delta between Class A and B asking rents continues to expand, as quotes for select trophy towers are nearing the low-\$90/SF range.
- 101 Tremont Street was acquired by German investor GLL Real Estate Partners for \$50.2 million.

FEATURED DEAL

40 WATER STREET, BOSTON

200,000 SF

DigitasLBI inked a deal to anchor Related Beal's Congress Square development at 40 Water Street. The ad agency is expected to move from its long-time home at 33 Arch Street in mid-2017 when its 200,000-square-foot lease expires.

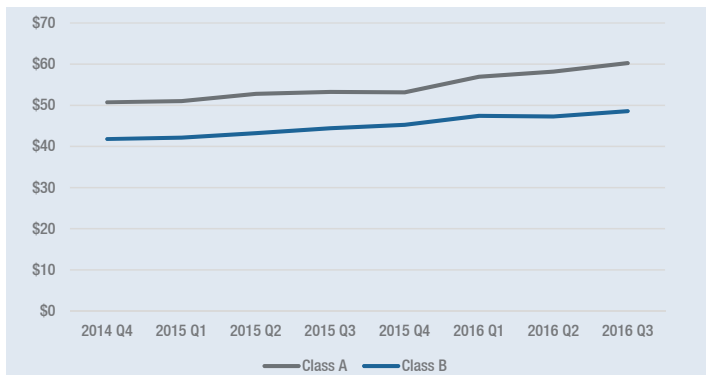


NOTABLE TRANSACTIONS

TENANT	ADDRESS	CITY	SIZE
DigitasLBI	40 Water Street	Boston	200,000
Beacon Capital Partners*	200 State Street	Boston	22,904
Stifel	125 High Street	Boston	21,264
Barclays*	125 High Street	Boston	18,280
TEKsystems	1 Federal Street	Boston	15,000

*Renewal

CLASS A & B RENTS



VACANCY AND NET ABSORPTION

