

2017 Q3 Q3 2017

BACK BAY OFFICE MARKET

BACK BAY 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	12,667,389	-	1,301,112	222,809	12.0%	30,415	4,705	\$64.95
CLASS B	1,168,831	-	46,123	17,966	5.5%	1,258	(1,579)	\$42.49
TOTAL	13,836,220	-	1,347,235	240,775	11.5%	31,673	3,126	\$64.18

SUBMARKET TRENDS

- With more than 30,000 square feet of positive absorption in the third quarter, vacancies have declined by 20 basis points over the last quarter.
- Natixis recently moved into its new space at 888 Boylston Street, vacating several floors at nearby 399 Boylston Street.
- WeWork is reportedly close to signing another lease in the Back Bay, likely taking one or two full floors at 500 Boylston Street.
- Another coworking firm, Workbar, inked a deal for 12,000 square feet at 399 Boylston Street in the third quarter.
- Some brisk leasing at one of the largest towers in the Back Bay, 200 Clarendon Street, has led to significant availability declines in the building over the past 18 months.
- Construction is expected to begin in the fourth quarter of 2017 on the 625,000-square-foot build-to-suit for John Hancock at 380 Stuart Street.

FEATURED DEAL

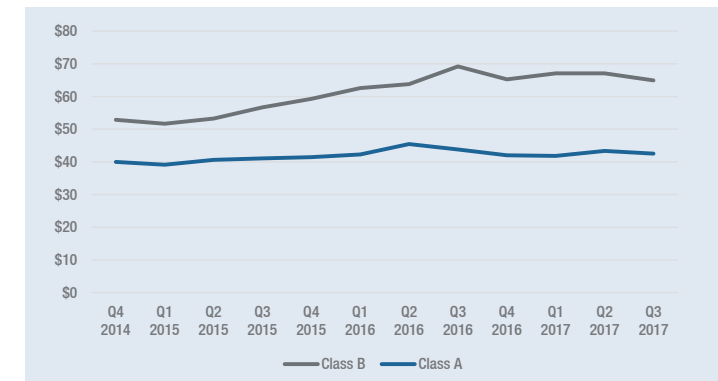
200 CLARENDON STREET, BOSTON 17,152 SF

Shift Communications' 17,152-square-foot lease at Boston Properties' 200 Clarendon Street in the Back Bay represents another suburban company making the move to Urban Boston. Currently headquartered in Newton, the public relations firm is expected to take occupancy of its new space in the fourth quarter of this year.

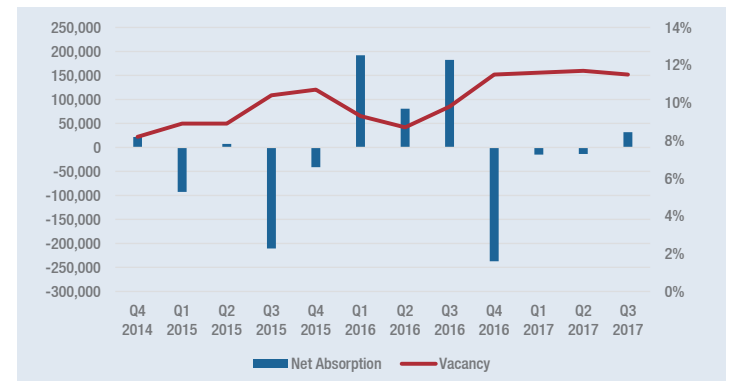
NOTABLE TRANSACTIONS

TENANT	ADDRESS	CITY	SIZE
Shift Communications	200 Clarendon Street	Boston	17,152
German Consulate of Boston	3 Copley Place	Boston	12,574
Workbar	399 Boylston Street	Boston	12,000
Cargometrics	420 Boylston Street	Boston	9,953
Overall Capital	420 Boylston Street	Boston	3,724

CLASS A & B RENTS



VACANCY AND NET ABSORPTION



DIRECT VACANCY
 SUBLEASE VACANCY
 12-MONTH ABSORPTION
 LEASING ACTIVITY
 ASKING RENT
 STATISTICS OVER THE LAST 12 MONTHS