

# Greater Boston



## Market Facts

### 3.4 MSF

of office space is currently on the market in Downtown Boston, after only 1.75 MSF sold in the first half of 2018.

### \$418,000,000

was the largest deal of the quarter, with Heitman buying 28 State Street in Downtown Boston.

### \$3B

of total sales volume was recorded this quarter with office transactions making up over half of that.

### 128

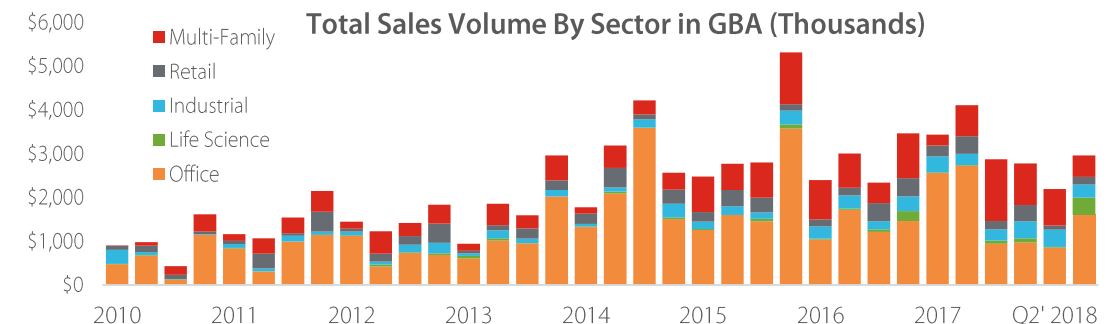
total transactions took place this quarter for sales over \$3 million, 25% more than last quarter.

After a slow start to 2018, investment sales activity is poised for a strong second half

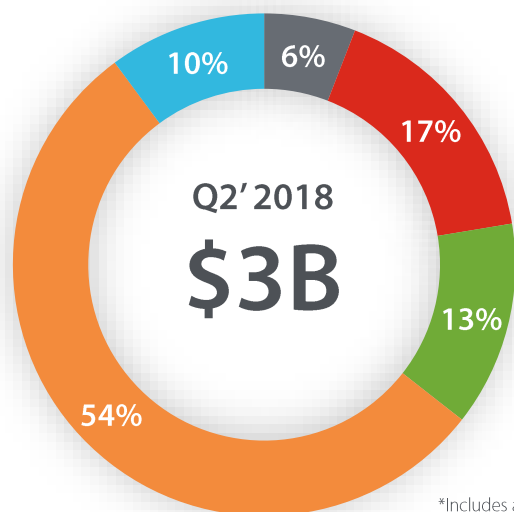
Sales are seeing all time highs for pricing, amongst all asset types

Over the first quarter of 2018 in the Greater Boston Area (GBA), investment sales volume was off to a slow start, specifically for office and life science space. The total market saw just under \$2.2B in trades, compared to Q2' 18 and Q4' 17, which saw total sales volume of \$3.0B and \$2.8B, respectfully. With investors paying a premium for downtown office assets, buyers have been looking to purchase properties in the suburban markets in search of higher yields, resulting in a recent hike in

pricing in these areas. Looking ahead, the GBA remains a very attractive market for capital amongst every investor type, with buyers remaining active for all kinds of properties. In the urban markets of Boston alone, there is more than 3.4msf of competitive office space on the market, including several product on State St., such as 1.2msf at 53 State St, 840k sf at 75 State St, and 300k sf at 200 State St. This surge of listings is positioning Boston for a strong 2<sup>nd</sup> half of 2018.



## GBA Investment Activity By Sector



	Q2' 2018	Q1' 2018	Q4' 2017
<b>OFFICE</b>			
	\$1.6B	\$854M	\$968M
<b>LIFE SCIENCE</b>			
	\$392M	\$13M	\$96M
<b>INDUSTRIAL</b>			
	\$301M	\$397M	\$386M
<b>RETAIL</b>			
	\$175M	\$91M	\$374M
<b>MULTI-FAMILY</b>			
	\$490M	\$833M	\$951M

## Notable Sales

Address/Building	City	Submarket	Sale Price	\$/SF	Total RBA
<b>OFFICE</b>					
28 State Street	Boston	Core	\$418,000,000	\$731	572,000
451 D Street	Boston	Seaport	\$276,000,000	\$578	477,100
177 Huntington Avenue	Boston	Back Bay	\$137,500,000	\$657	209,200
<b>LIFE SCIENCE</b>					
4 Blackfan Circle	Boston	Fenway/Kenmore	\$273,030,940	\$1,421	192,140
The XChange at Bedford	Bedford	2&3 Corridor	\$107,750,000	\$225	479,000
Upland Woods Corporate Center	Norwood	495 Southwest	\$87,250,000	\$435	200,430
<b>INDUSTRIAL</b>					
Ames Business Park	Somerville	Near North	\$88,000,000	\$303	289,700
560 West Street	Mansfield	495 Southwest	\$38,500,000	\$110	350,470
67 Pacella Park Drive	Randolph	24 Corridor	\$15,250,000	\$94	162,000
<b>RETAIL</b>					
Mercedes-Benz of Burlington	Burlington	128 Core	\$28,750,000	\$523	55,000
Coppersmith	Boston	Crosstown Corridor	\$19,625,000	\$1,306	15,030
467 Washington Street	Boston	Core Fringe	\$16,600,000	\$1,581	10,500
<b>MULTI-FAMILY</b>				<b>\$/Unit</b>	<b>Total Units</b>
Prynne Hills	Randolph	24 Corridor	\$131,250,000	\$278,072	472
Parc Westborough	Westborough	495 West	\$65,500,000	\$263,052	249
The Point at North Quincy	Quincy	South Shore	\$64,250,000	\$286,300	224

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