DECEMBER 2024

DOWNTOWN BOSTON EMERGING TRENDS

RENEWALS ON THE RISE

Over the past 12 months, lease renewals accounted for 45.5% of the total leasing activity in Downtown Boston, while new leasing activity continued to decline, down 55.2% from the 12-month rolling average of 5.1 million square feet (msf) from two years ago.

- The number of renewals continued to climb and accounted for more than 22.7% of all transactions in the last year, compared to 14.7% over the previous two years.
- At 1.9 msf, renewal activity over the last 12 months has almost equaled the total from the last two years combined at 2.2 msf.
- In the past year, the five largest renewals accounted for 62.3% (1.2 msf) of the total square footage renewed.

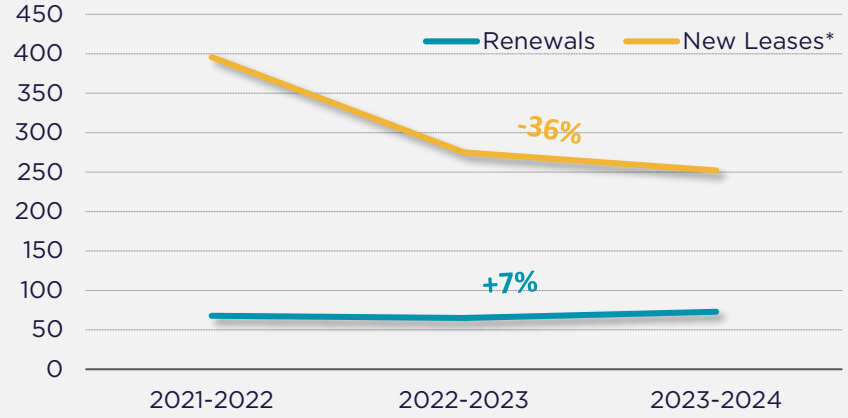
LARGEST RENEWALS 2024 YTD

Tenant	Address	SF	Submarket	Industry
Vertex Pharmaceuticals	11 Fan Pier Boulevard	526,312	Seaport	Pharmaceuticals
Bain Capital	200 Clarendon Street	316,000	Back Bay	Investment Services
Converse	1 Lovejoy Wharf	186,525	Midtown N Station	Footwear Manufacturing
Arrowstreet Capital	200 Clarendon Street	120,000	Back Bay	Investment Services
Harvard Management Company	600 Atlantic Avenue	43,900	Financial District	Office Administrative Services

FLIGHT TO QUALITY WEAKENS AS RENEWALS RISE

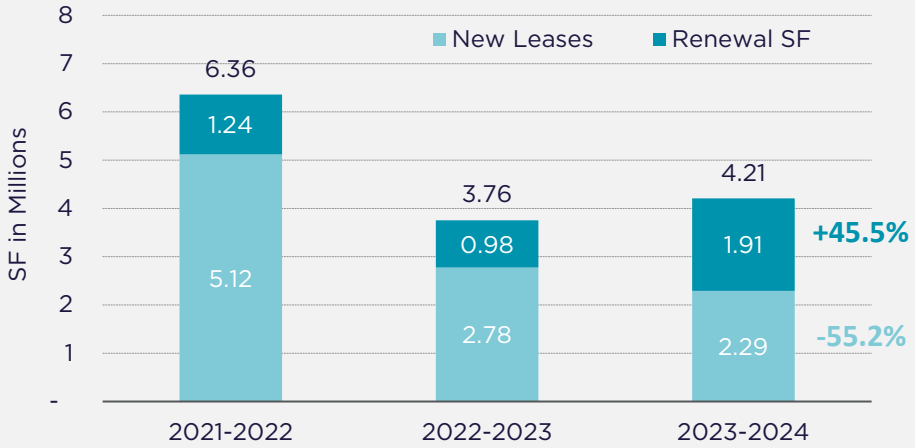
- An increase in the number of renewals has caused a slowdown in the flight to quality trend. Vacancy in top-tier buildings throughout the CBD more than doubled in the past year, up from 8.1% to 11.5% in Q3 2024.
- Demand for top-tier buildings over the past year in Downtown Boston dropped 58.7% from the four-quarter leasing total posted between Q4 2022 and Q3 2023.

Lease Count: 12-Month Rolling*



**subleases are included in new leases*

Leasing Activity: 12-Month Rolling*



**12-month rolling through December 3rd of each time period*

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