

FIGURES | BOSTON/NEW ENGLAND OFFICE | Q2 2026

# Boston Office sees improved absorption and declining availability halfway through 2026.

▼ 18.7%

Vacancy Rate

▲ 803,879

SF Net Absorption

▲ 635K

SF Construction Delivered

▼ 0

SF Under Construction

▼ \$66.32

SF/YR Direct Lease Rate (Gross)

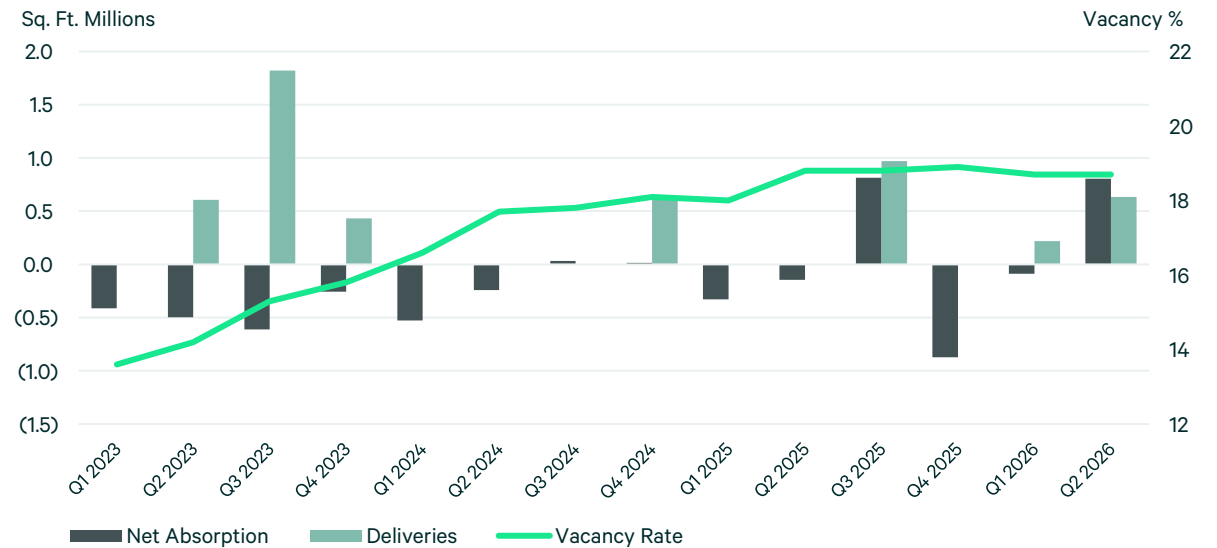
Note: Arrows indicate change from previous quarter.

## Market Overview

The Downtown Boston office market showed high absorption and declining availability to end the first half of 2026 compared to the previous year. Net absorption was 803,879 sq. ft. in Q2 2026, and leasing velocity decreased by 54,489 sq. ft. quarter-over-quarter to 1.13 million sq. ft. leased. Tenant demand sat at 4.3 million sq. ft. in Q2 2026, roughly flat from the Q1 2026 total and 369,000 sq. ft. higher than the Q2 2025 total.

Both absorption and leasing velocity surpassed the totals in Q2 2025 when net absorption was -143,900 sq. ft. and leasing velocity was 932,004 sq. ft. Additionally, from Q2 2025 to Q2 2026, vacancy decreased from 19.1% to 18.7%, a 40-basis point (bps) decline. Average asking rents also increased by \$0.43 per sq. ft. year-over-year from \$65.89 per sq. ft. to \$66.32 per sq. ft. in Q2 2026. At the same time, the construction pipeline has been curtailed, with space under construction dropping from 5.0 million sq. ft. in Q1 2022 to no new construction in Q2 2026, following a wave of deliveries in Q1 2026 with 219,000 sq. ft. at 350 Boylston Street in Back Bay and in Q2 2026 with 635,000 sq. ft. at Commonwealth Pier in Seaport.

Figure 1: Historical Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q2 2026

## Availability, Vacancy and Sublease Availability

Overall class A vacancy remained flat q-o-q but decreased 60 bps y-o-y to 18.3% in Q2 2026, while Class B vacancy remained flat q-o-q and y-o-y at 19.5%. The Class A to Class B vacancy spread stood at 1.2% this quarter, up from 1.1% in Q1 2026. Availability decreased from 24.1% in Q1 2026 to 23.1% in Q2 2026. Class A availability in Q2 2026 was 22.1%, a decrease from 23.7% in Q1 2026 and from 24.4% in Q2 2025.

In contrast, Class B availability in Q2 2026 was 24.7%, a decrease from 24.8% in Q1 2026, and a significant increase from 22.3% in Q2 2025. Sublease availability was 3.1% in Q2 2026, the eleventh consecutive quarter of decreasing sublease availability, as Q1 2026 sublease availability was 3.5% and Q2 2025 was 4.2%. Class A sublease availability in Q1 2026 was 3.2%, significantly lower than Q1 2026 which was 3.9% and lower than Q2 2025 which was 4.8%. Class B sublease availability in Q2 2026 was 2.9%, which remained flat quarter-over-quarter but lower than Q2 2025, which was 3.2%.

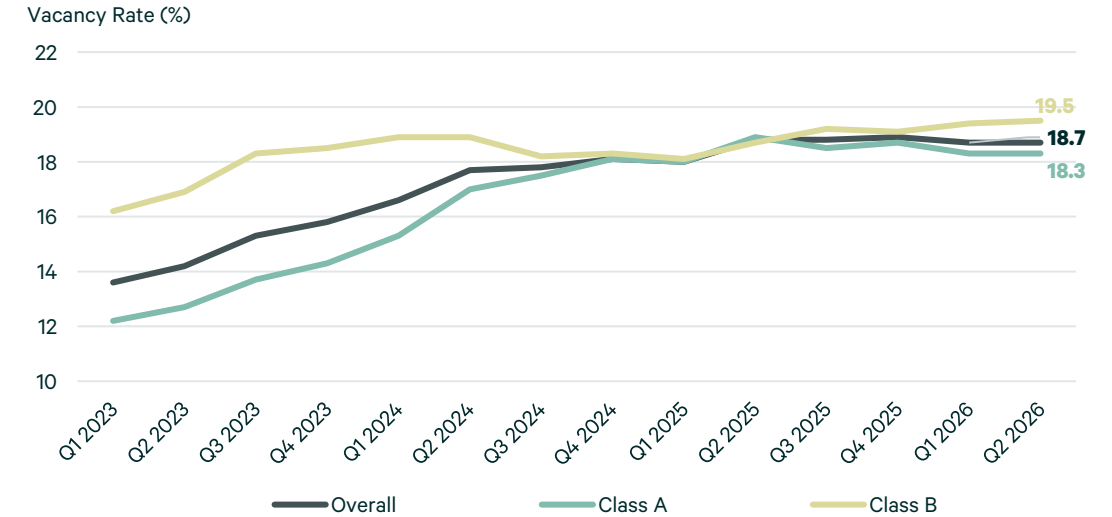
In Q2 2026, the Boston CBD recorded overall vacancy of 20.1%, with Class A vacancy of 19.4% and Class B at 22.7%. Boston CBD vacancy in Q2 2026 decreased quarter-over-quarter by 0.5% and decreased by 1.3% year-over-year. Back Bay recorded overall vacancy of 13.9%, with Class A vacancy of 13.3% and Class B at 15.2%. Back Bay vacancy in Q2 2026 decreased by 0.1% quarter-over-quarter and 1.6% year-over-year. Seaport recorded overall vacancy of 20.1%, with Class A vacancy of 19.3% and Class B of 20.9%. Seaport vacancy in Q2 2026 increased by 2.9% quarter-over-quarter and increased by 3.2% year-over-year. Sublease availability across Boston CBD, Back Bay and Seaport in Q2 2026 was 2.5%, 2.0% and 4.0% respectively, all of which were decreases both quarter-over-quarter and year-over-year.

## Asking Rent

The overall average direct asking lease rate in Q2 2026 was \$66.32 per sq. ft., down \$0.79 quarter-over-quarter but up \$0.43 year-over-year. Class A asking rents decreased from \$74.75 per sq. ft. in Q1 2026 to \$73.94 per sq. ft. in Q2 2026, but increased from \$72.17 per sq. ft. in Q2 2025. Class B rates increased from \$51.01 per sq. ft. in Q1 2026 to \$51.16 per sq. ft. in Q2 2026 but decreased from \$51.55 per sq. ft. in Q2 2025, contrasting the Class A patterns.

Back Bay posted the highest Class A average asking rents in Q2 2026 with \$77.01 per sq. ft. gross, a \$0.53 increase from the previous quarter. Seaport posted the highest Class B average asking rents in Q2 2026 with \$54.97 per sq. ft. gross, \$0.20 increase from the previous quarter. Meanwhile Boston CBD in Q2 2026 posted the highest overall asking rent at \$68.83 per sq. ft., compared to \$64.55 per sq. ft. in the Back Bay and \$66.77 per sq. ft. in the Seaport. Back Bay had the highest increase quarter-over-quarter from \$63.81 per sq. ft. in Q1 2026 to \$64.55 per sq. ft. in Q2 2026.

Figure 2: Vacancy Rates by Class



Source: CBRE Research, Q2 2026

Figure 3: Avg. Direct Asking Rate by Class



Source: CBRE Research, Q2 2026

## Net Absorption

Net absorption accelerated in Q2 2026, with the market recording 803,879 sq. ft., an increase of 892,627 sq. ft. q-o-q and an increase of 947,779 sq. ft. y-o-y. Class A product accounted for this growth, posting 724,108 sq. ft. of net absorption in Q2 2026, a 757,601 sq. ft. increase q-o-q. Class B net absorption in Q2 2026 was 79,771 sq. ft., a 135,026 sq. ft. increase q-o-q and a 158,492 sq. ft. increase y-o-y.

Most negative net absorption for Q2 2026 was concentrated primarily in the Seaport submarket with -313,516 sq. ft. and more specifically in the Seaport Class A market with -263,140 sq. ft. CBD net absorption was 991,311 sq. ft. in Q2 2026, a meteoric 1.06 million sq. ft. increase quarter-over-quarter. Back Bay net absorption was 23,325 sq. ft. in Q2 2026, a smaller decrease of 25,472 sq. ft. quarter-over-quarter. North Station net absorption was -19,868 sq. ft. in Q2 2026, a 116,187 sq. ft. increase quarter-over-quarter.

## Construction Activity

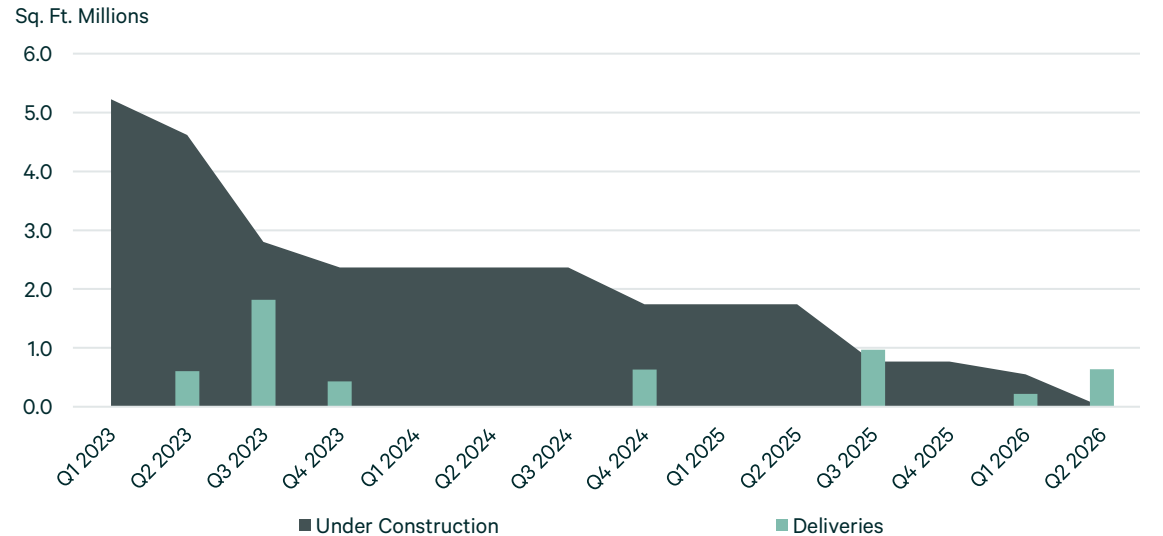
In Q2 2026, 2.0 million sq. ft. were in the construction pipeline of only permitted developments after the delivery of 219,000 sq. ft. at 350 Boylston Street in the previous quarter and the delivery of 635,000 sq. ft. at Commonwealth Pier. In Q3 2025, almost one million sq. ft. of office space was delivered with South Station Tower and 10 World Trade Center. Since Q1 2022, 5.6 million sq. ft. of office space delivered in Boston, with 3.1 million sq. ft. or 55.5% in the Boston CBD. While 5.9 million sq. ft. of new construction is proposed, the pipeline has not grown and no new construction from the proposed sites is expected to be delivered until 2032, which should have a positive effect on decreasing vacancy.

Figure 4: Net Absorption Trend



Source: CBRE Research, Q2 2026

Figure 5: Construction Activity



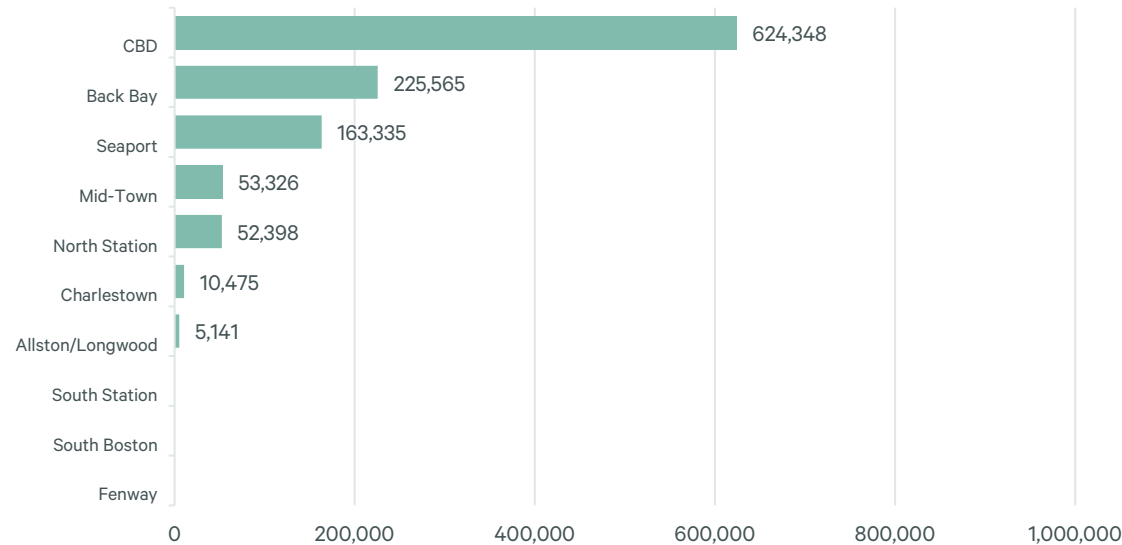
Source: CBRE Research, Q2 2026

## Leasing Activity

Total leasing in Q2 2026 reached 1.13 million sq. ft., a quarter-over-quarter decrease of 54,489 sq. ft. Leasing velocity in Q2 2026 surpassed the total of 932,004 sq. ft. leased in Q2 2025. Total Class A leasing made up 61.6% of overall leasing activity, or 699,355 sq. ft.. 19.0% or 215,746 sq. ft. of Class A leasing occurred in trophy Class A buildings. Renewal and expansion activity soared from 16.5% in Q1 2026 to 51.4%, or 582,703 sq. ft. in Q2 2026. Conversely, new deals and relocations made up 39.3% of leasing velocity in Q2 2026, or 445,649 sq. ft., which was higher than last quarter’s 59.9%. Subleases made up only 9.4% of leasing velocity in Q2 2026, or 106,236 sq. ft., which was significantly lower than last quarter’s 23.6%.

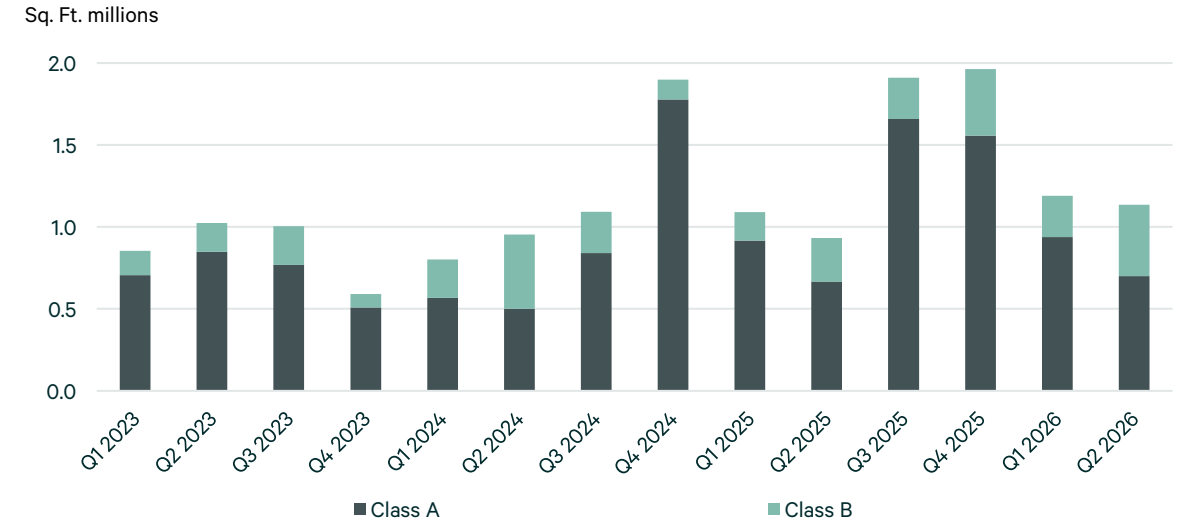
Boston CBD registered 624,348 sq. ft. of leasing velocity in Q2 2026, with CIC signing 118,013 sq. ft. at 50 Milk Street, the largest deal of the quarter. Boston CBD Class A leasing alone totaling 515,821 sq. ft., which made up 82.6% of Boston CBD leasing and 45.5% of all Boston leasing in Q2 2026. Back Bay and Seaport followed at 225,565 sq. ft. and 163,335 sq. ft. of Q2 2026 respectively. Back Bay and Seaport leasing velocity both increased quarter-over-quarter. Class A leases made up 79.1% of Back Bay leasing velocity in Q2 2026, whereas Class B leases made up 100% of Seaport leasing velocity.

Figure 7: Leasing by Submarket



Source: CBRE Research, Q2 2026

Figure 6: Leasing Activity Trend



Source: CBRE Research, Q2 2026

Figure 8: Key Lease Transactions

	Sq. Ft. Leased	Transaction Type	Address	Submarket
CIC	118,013	Renewal	50 Milk Street	CBD
Autodesk (Revit)	73,420	Renewal	21-25 Drydock Avenue (office)	Seaport
Audley Travel	48,611	Renewal	77 North Washington Street	North Station
Hi Marley	47,828	Sublease	Atlantic Wharf	CBD
Weiss Asset Management	42,932	Renewal/ Expansion	222 Berkeley Street	Back Bay
Accenture	42,052	Renewal	888 Boylston Street	Back Bay
Brattle Group	41,802	Renewal	One Beacon Street	CBD
McCarter & English	41,399	New	One International Place	CBD

Source: CBRE Research, Q2 2026

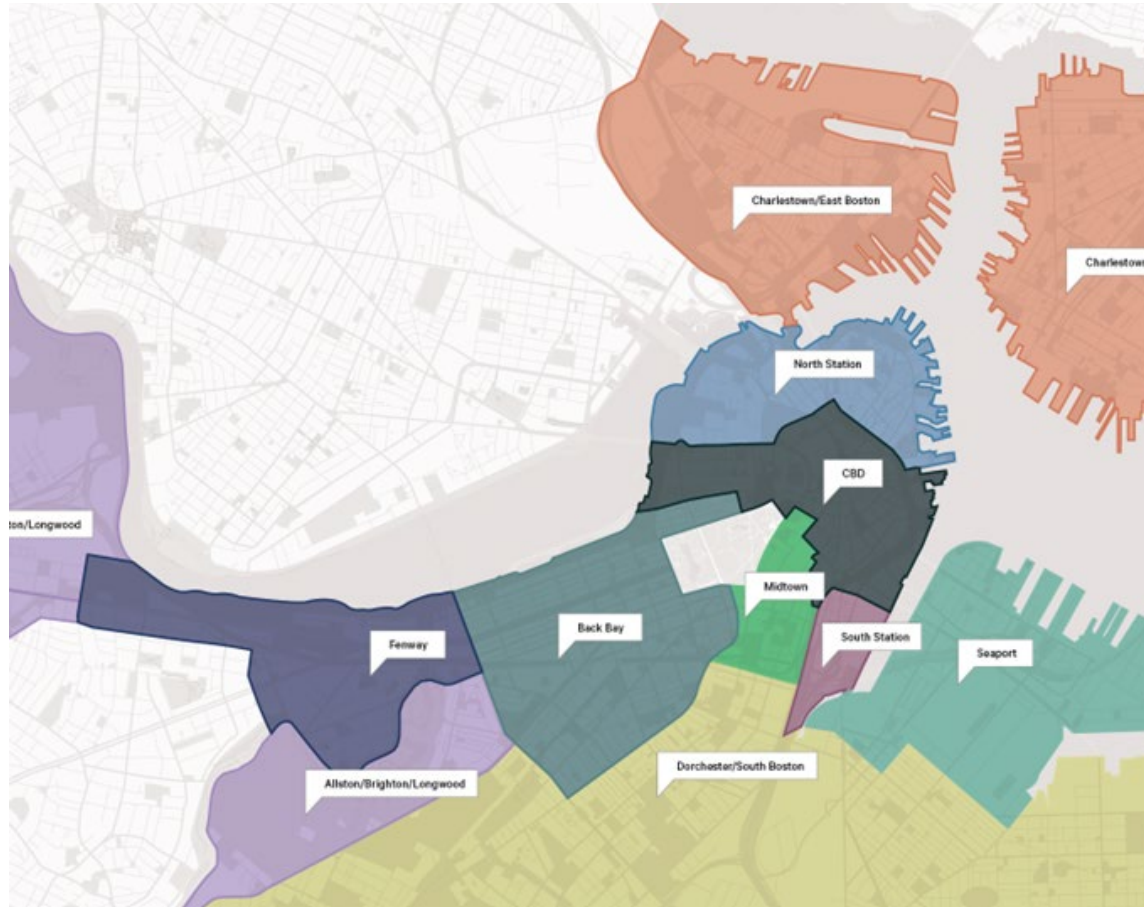
## Market Statistics by Submarket

Figure 15

	Net Rentable Area	Vacancy %	Availability %	Direct Availability %	Sublease Availability %	Avg. Direct Asking Rate (Sq. Ft./YR Gross)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries (Sq. Ft)	Under Construction (Sq. Ft)
Allston/Brighton/Longwood	1,577,672	3.4%	4.9%	2.7%	2.2%	\$50.66	4,601	8,601	-	-
Back Bay	15,467,800	13.9%	21.9%	19.9%	2.0%	\$64.55	23,325	72,122	-	-
Class A	10,818,287	13.3%	17.3%	14.6%	2.7%	\$77.01	21,216	89,861	-	-
Class B/C	4,649,513	15.2%	32.6%	32.3%	0.3%	\$50.91	2,109	(17,739)	-	-
Central Business District	38,650,233	20.1%	24.8%	22.3%	2.5%	\$68.83	991,311	914,386	-	-
Class A	29,745,418	19.4%	23.8%	21.5%	2.3%	\$73.08	976,204	1,004,831	-	-
Class B/C	8,904,815	22.7%	28.2%	25.1%	3.1%	\$51.35	15,107	(90,445)	-	-
Charlestown/East Boston	1,656,038	15.4%	15.8%	14.5%	1.3%	\$42.40	33,927	23,750	-	-
Dorchester/South Boston	2,080,100	20.0%	20.7%	20.7%	0.0%	\$49.19	14,253	67,688	-	-
Fenway/Kenmore Square	1,583,533	29.2%	29.9%	23.3%	6.6%	\$71.85	-	28,100	-	-
Mid-Town	1,993,247	20.4%	22.1%	14.7%	7.4%	\$56.48	46,692	75,894	-	-
North Station/Waterfront	3,223,828	23.7%	28.4%	16.8%	11.6%	\$50.88	(19,868)	(155,923)	-	-
Seaport	11,461,875	20.1%	21.3%	17.3%	4.0%	\$66.77	(313,516)	(340,413)	635,000	-
Class A	5,989,238	19.3%	19.5%	17.0%	2.5%	\$76.53	(263,140)	(261,876)	635,000	-
Class B/C	5,472,637	20.9%	23.2%	17.6%	5.6%	\$54.97	(50,376)	(78,537)	-	-
South Station	1,091,553	15.8%	16.0%	13.3%	2.7%	\$44.26	23,154	20,926	-	-
<b>Total</b>	<b>78,785,879</b>	<b>18.7%</b>	<b>23.1%</b>	<b>20.0%</b>	<b>3.1%</b>	<b>\$66.32</b>	<b>803,879</b>	<b>715,131</b>	<b>635,000</b>	<b>0</b>

Source: CBRE Research, Q2 2026

## Market Area Overview



### Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days. Class A industrial are buildings built after 2000, with 32’ or greater clear height and ESFR sprinklers.

### Survey Criteria

Includes all competitive buildings in CBRE’s survey set for the Downtown Boston Office Market.

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