

FIGURES | BOSTON SUBURBAN OFFICE | Q2 2025

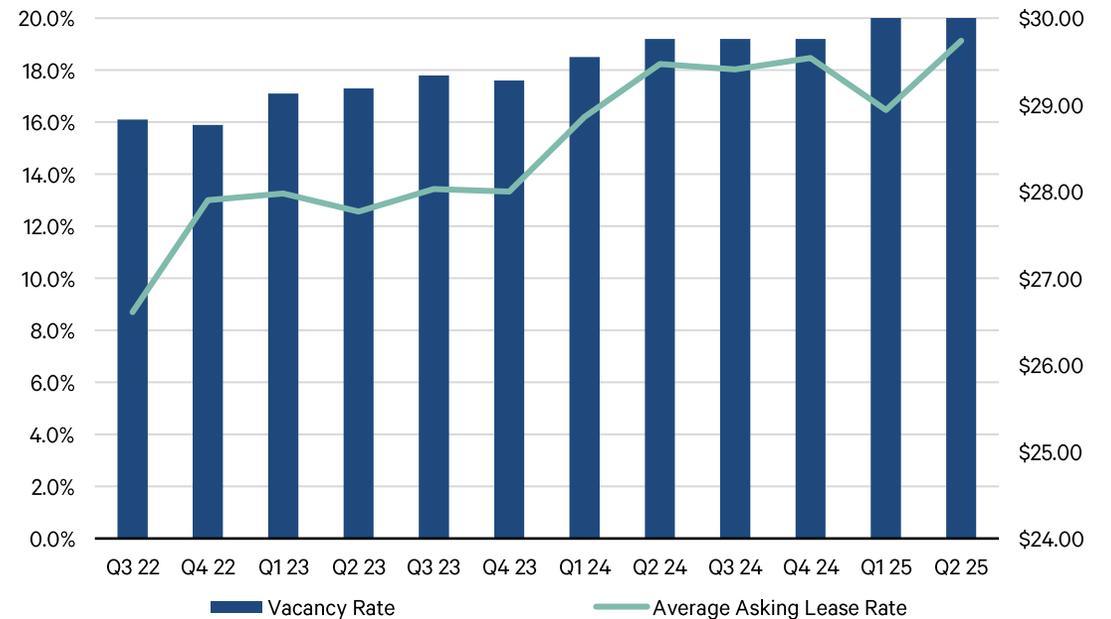
Greater Boston Suburban Office Market Offsets Availability with Increased Leasing Activity at Mid-Year Mark

▲ 27.0% Office Availability ▲ \$29.74 Office Lease Rate (Gross) ▲ 1,829,880 SF Leasing Activity

Note: Arrows indicate change from previous quarter.

- The Suburban Boston office market showed a significant increase of about 521,000 sq. ft. q-o-q in overall leasing activity, with 1,829,880 sq. ft. leased.
- Renewals and subleases continue to dominate leasing activity: renewals made up 435,226 sq. ft, compared to 220,073 sq. ft. of renewals signed last quarter. Sublease activity increased 160,000 sq. ft. q-o-q to 280,525 sq. ft. in Q2 2025.
- There were two deals over 100,000 sq. ft: Anduril signing for 163,000 sq. ft. at 1050 Winter Street in Waltham, and Rockland Trust leasing 140,000 sq. ft. at One Technology Place in Rockland.
- Approximately 72.6% of the leases signed this quarter occurred in Class A properties, up from last quarter's 67.6%.
- Tenant demand in the second quarter of 2025 was 3,196,500 sq. ft., slightly less than last quarter's 3,241,000 sq. ft.
- Negative absorption in the second quarter was 577,012 sq. ft., an improvement of 7,729 sq. ft. from last quarter.
- Negative quarterly absorption in Q2 was driven by 885,000 sq. ft. added to the market.
- Average asking rents increased by \$0.68 q-o-q to \$29.74 per sq. ft. gross.
- Vacancy increased by 0.9% to 21.5% and availability rose by 0.9% to 27.0% in the second quarter.

FIGURE 1: Vacancy vs. Lease Rate



Source: CBRE Research, Q2 2025

Metro North

Leasing activity q-o-q increased by about 147,024 sq. ft. in the Metro North with 614,480 sq. ft. of transactions signed in Q2 2025, representing a third of leasing activity across the three Suburban Boston office markets. The Metro North market recorded 192,513 sq. ft. of negative absorption, which was an improvement from -297,031 sq. ft. in the previous quarter. The majority of Metro North’s larger deals were renewals in the second quarter of 2025. Metro North also saw a surge in tenant demand in the second quarter of 2025 with 33.9% of TIMs being targeted for Metro North cities, compared to last quarter where tenant demand for Metro North was 25.9%.

The largest transaction was COMSOL Inc. renewing and expanding to 45,019 sq. ft. at 100 District Avenue in Burlington. Subsequently Tufts – New England Medical Center renewed on 35,000 sq. ft. at 55 Walkers Brook Drive in Reading. Both major transactions came from properties in the Route 128 North submarket. Other notable deals include: Azenta Life Sciences renewing on 26,706 sq. ft. at 200 Summit Drive, Burlington and General Biologics signing on a 26,270 sq. ft. deal at 238 Littleton Road, Westford. Four of the five largest deals in the Metro North transacted in Class A buildings, highlighted a continued flight-to-quality in the overall Suburban Office Market. In addition to the direct deals mentioned, Patient Funding Alternatives is subleasing 24,500 sq. ft. from United HealthCare Corporation at 500 Unicorn Park Drive, Woburn. There were three major sales in Metro North with Atrius Health acquiring 20 Wall Street, Burlington for \$22 million and Incompass Human Services buying 4 Omni Way, Chelmsford for \$10.7 million. R.J. Kelly also picked up 101 Station Landing in Medford for \$11.8 million.

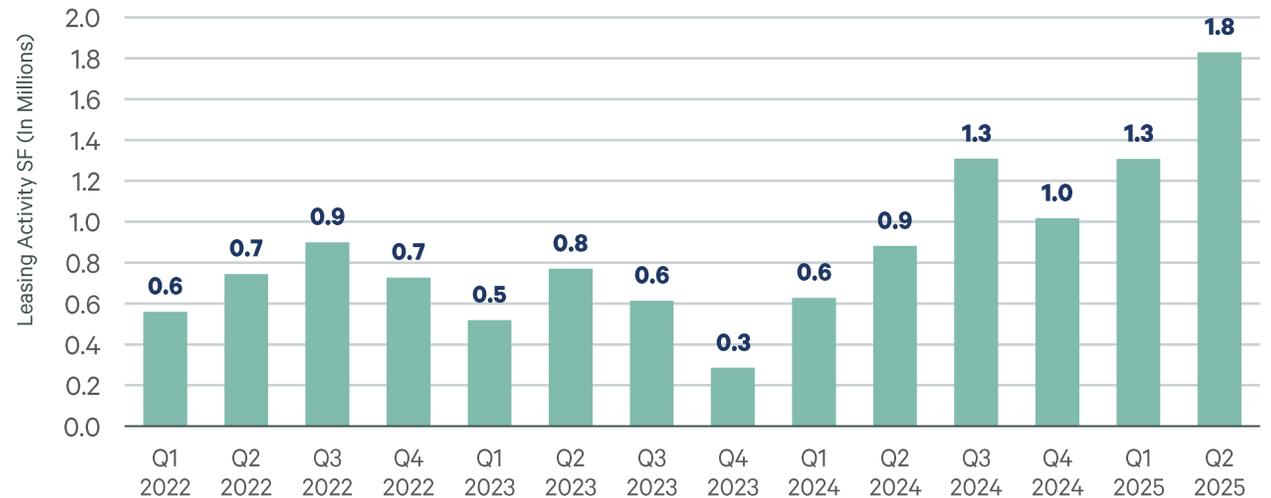
Average asking rents in the Metro North were \$27.21 per sq. ft. gross, a decrease of \$0.19 quarter-over-quarter and \$0.39 per sq. ft. year-over-year. Availability rose by 0.4% q-o-q to 29.5% and vacancy increased by 1.2% q-o-q to 25.1%. Availability and vacancy both increased by 4.2% year-over-year.

FIGURE 2: Transactions of Note

Tenant/Investor	Address	Sq. Ft.	Submarket	Type
Anduril	1050 Winter Street, Waltham	163,000	Route 128 – West	New
Rockland Trust	One Technology Place, Rockland	140,000	Route 128 – South	New
CyberArk Software	140 Kendrick Street, Needham	87,654	Route 128 - West	Sublease
NetCracker	95 Sawyer Road, Waltham	67,275	Route 128 – West	Renewal
Hyannis Port Research	400 First Avenue, Needham	52,857	Route 128 – North	Sublease

Source: CBRE Research Q2 2025

FIGURE 3: Historical Quarterly Leasing Activity



Source: CBRE Research, Q2 2025

Metro South

Metro South experienced a large increase of about 168,971 sq. ft. in leasing activity with 266,644 sq. ft. leased in Q2 2025. The largest deal in the South, also the second largest in the Suburban Boston office market was Rockland Trust signing for 140,000 sq. ft. at One Technology Place in Rockland. As a result, net absorption was 198,178 sq. ft. for Metro South in Q2 2025, an increase of 248,946 sq. ft. q-o-q. Metro South was also the only market to hit positive absorption in the quarter across the three main markets, despite 138,000 sq. ft. of Commonwealth of Massachusetts space becoming available at 100 Hancock Street in Quincy.

The rest of Metro South deals for the quarter were less than 15,000 sq. ft., with the second and third largest deals being Sage Product Development and QBS Inc., both signing at 200 Foxborough Boulevard in Foxborough. Sublease availability decreased quarter-over-quarter by 10 basis points to 4.3% and average asking rents in Metro South increased by \$0.10 quarter-over-quarter to \$25.83 per sq. ft. gross. Availability decreased by 70 basis points to 21.6% and vacancy decreased by 1.1% to 14.7% in the second quarter, explained by the Rockland Trust transaction in Rockland.

Metro West

Metro West finished the quarter at negative 582,677 sq. ft. of net absorption in the second quarter of 2025, which was almost a 350,000 sq. ft. decrease from the previous quarter, where net absorption was -236,942 sq. ft.

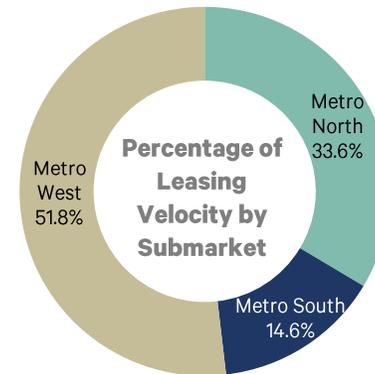
Metro West led all the suburban Boston office markets in leasing activity with over half of all leases signed at 51.8%. Metro West saw a quarterly increase in leasing activity by about 182,000 sq. ft. q-o-q to 948,756 sq. ft. in the second quarter. Availability increased by 1.8% to 26.5% and vacancy increased by 1.3% to 20.6% q-o-q, respectively. Overall average asking rents increased by \$1.50 q-o-q to \$32.76 per sq. ft. gross. Sublease availability decreased in the Metro West by 30 basis points to 3.5% in the second quarter. 61.6% of all TIMs were for the Metro West market, and 41.9% of all Suburban Boston office TIMs were for the Route 128 West submarket, continuing to show a tenant preference for well-established and centrally located hubs including Waltham, Newton, Wellesley, Lexington and Needham.

Boston Office	Bldgs	Total SqFt	Available (%)	Vacant (%)	Sublease (%)	Quarter Absorption	Avg Asking Rent \$ (Gross)
Close-In Suburbs North	56	5,240,107	36.9	30.4	8.5	(112,454)	31.11
Route 128 - North	153	17,864,698	24.0	19.0	3.4	155,157	31.91
Route 495 - Northeast	37	6,290,336	32.2	30.1	6.0	(173,579)	20.81
Route 3 - North	114	11,568,801	33.2	29.1	5.6	(61,637)	22.88
Metro North	360	41,295,942	29.5	25.1	5.1	(192,513)	27.21
Route 128 - West	248	22,782,484	29.1	21.5	5.1	(308,954)	42.74
Framingham - Natick	58	5,859,220	14.3	11.8	0.9	(81,629)	21.78
Route 495 - Route 2 West	48	4,717,302	38.2	32.6	1.1	(57,401)	20.11
Route 495 - Mass Pike West	108	10,775,712	22.7	18.1	2.4	(134,693)	21.69
Metro West	462	44,134,718	26.5	20.6	3.5	(582,677)	32.76
Route 128 - South	154	13,803,361	22.4	14.6	4.1	133,058	26.76
Route 495 - South	32	2,446,493	17.6	15.2	5.6	65,120	20.77
Metro South	186	16,033,812	21.6	14.7	4.3	198,178	25.83
Overall Suburban Office	1,008	101,680,514	27.0	21.5	4.2	(577,012)	29.74

Source: CBRE Research Q2 2025

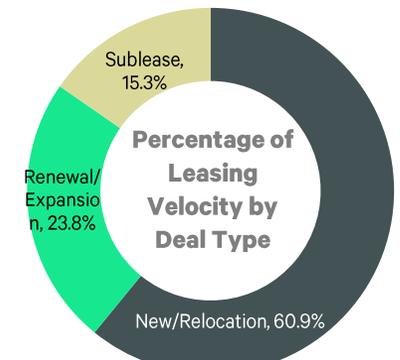
*Number of buildings in overall market changed from Q4 2024.

FIGURE 5: Percentage of Leasing Velocity by Market



Source: CBRE Research Q2 2025

FIGURE 6: Percentage of Leasing Velocity by Deal Type



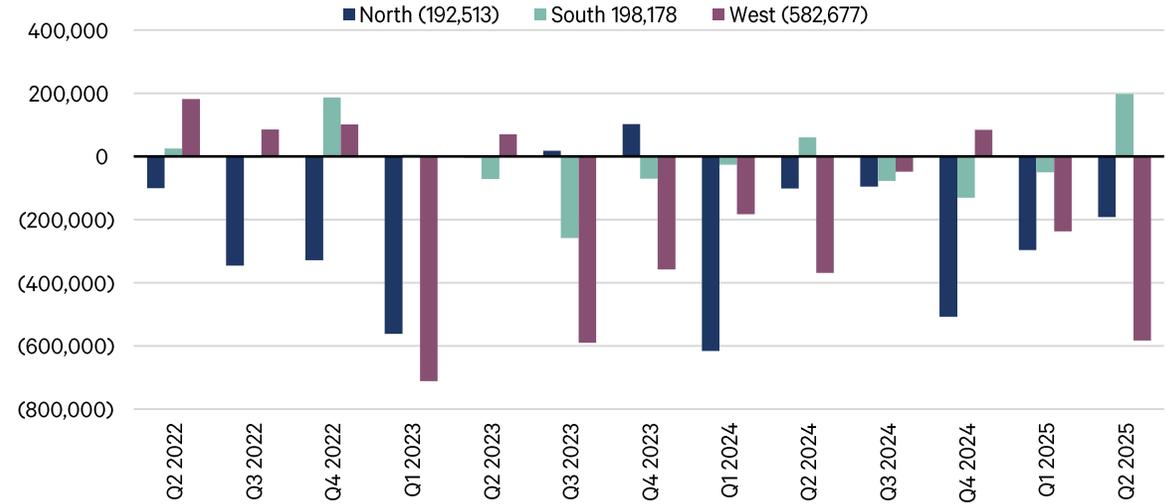
Source: CBRE Research Q2 2025

There were seven notable lease transactions in the Metro West this quarter that were 35,000 sq. ft. and larger, with the top two being 85,000 sq. ft. and higher. Anduril Industries was the largest transaction both in the West and overall Suburban Boston, leasing 163,000 sq. ft. at 1050 Winter Avenue in Waltham. Additionally, CyberArk subleased 87,654 sq. ft. from International Data Group (IDG) at 140 Kendrick Street in Needham. Hyannis Port Research sublet 52,857 sq. ft. at 400 First Avenue in Needham, completing TripAdvisor’s subleasing efforts.

Overall asking rents in Route 128 West increased by \$1.44 q-o-q to \$42.74 per sq. ft. gross. Availability increased by 2.3% to 29.1% q-o-q and overall vacancy increased 1.6% to 21.5%. Sublease availability decreased by 1.1% in Route 128 West to 5.1% in the second quarter. Despite Route 128 West having the most negative absorption across all Metro West submarkets, it was the only submarket to have a net absorption increase quarter-over-quarter.

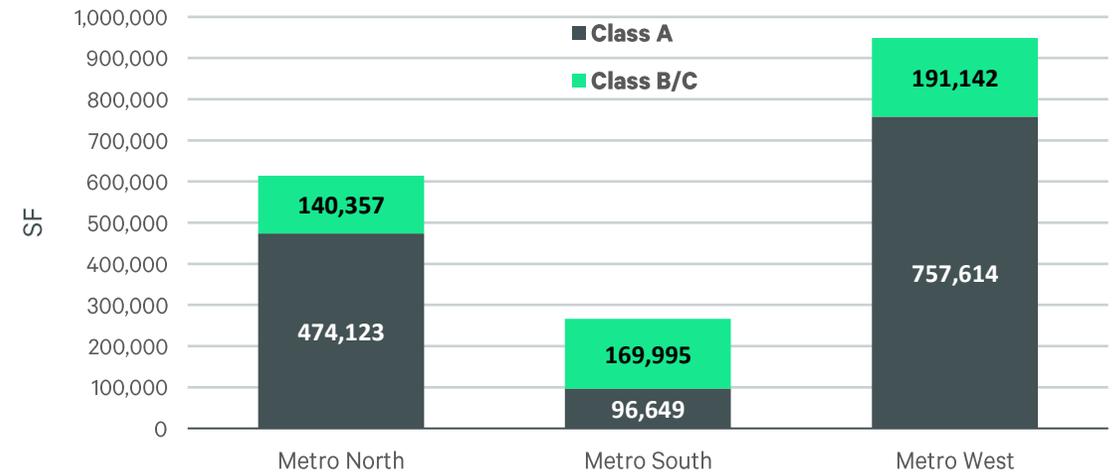
Framingham-Natick saw 81,629 sq. ft. of negative net absorption in the second quarter, a large decrease of -214,768 sq. ft. from the previous quarter that saw a TJX Companies sale transaction of 170,000 sq. ft. One significant lease transaction outside of Route 128 West in the Metro West market over 25,000 sq. ft. was Brown & Brown Insurance, who inked 36,980 sq. ft. at 100 Crossing Boulevard in Framingham. Availability and vacancy both increased by 1.4% q-o-q to 14.3% and 11.8% in the second quarter, respectively. Route 495 – Route 2 West saw 57,401 sq. ft. of negative net absorption. Availability increased by 1.3% to 38.2% and vacancy increased by 1.0% to 32.6% quarter-over-quarter. Route 495 – Mass Pike West saw 134,693 sq. ft. of negative absorption. Availability increased by 1.2% q-o-q to 22.7% and overall vacancy increased by 80 basis points q-o-q to 18.1%.

FIGURE 7: Net Absorption by Market



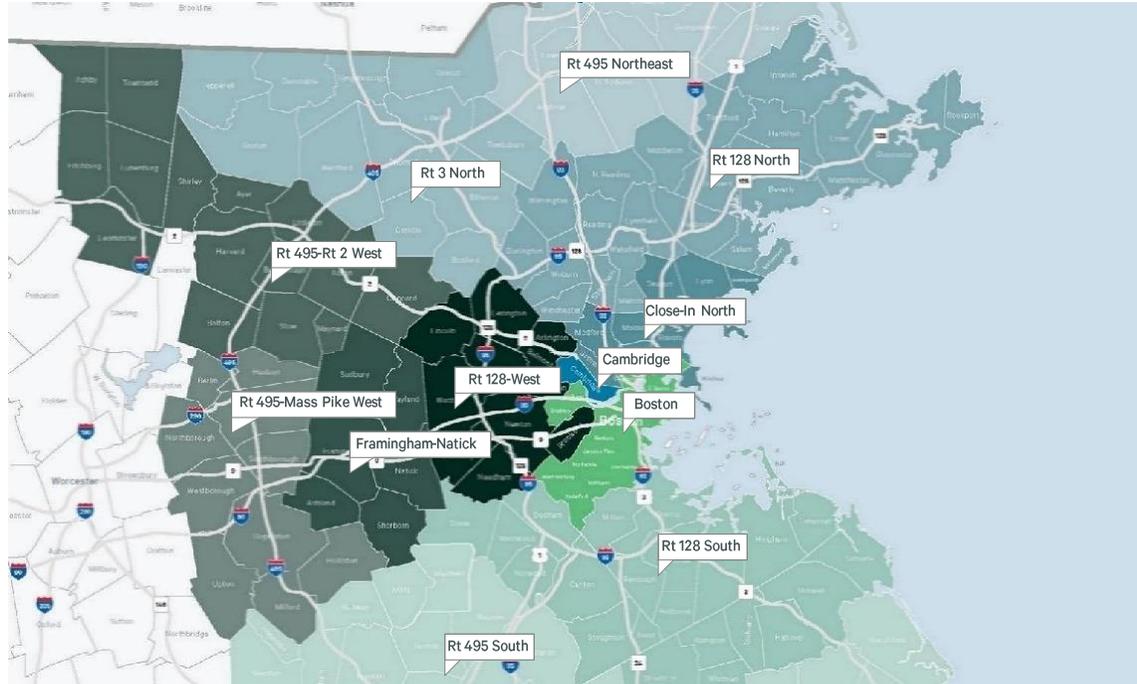
Source: CBRE Research, Q2 2025

FIGURE 8: Q2 2025 Average Asking Leasing Activity SF by Class



Source: CBRE Research, Q2 2025

Market Area Overview



Definitions

AVERAGE ASKING LEASE RATE: Rate determined by multiplying the asking gross lease rate for each building by its available space, summing the products, then dividing by the sum of the available space with net leases for all buildings in the summary. **GROSS LEASES:** Includes all lease types whereby the tenant pays an agreed rent plus estimated average monthly costs of the operating expenses and taxes for the property, including utilities, insurance and/or maintenance expenses. **NET ABSORPTION:** The change in occupied sq. ft. from one period to the next, as measured by available sq. ft. **NET RENTABLE AREA:** The gross building square footage minus the elevator core, flues, pipe shafts, vertical ducts, balconies and stairwell areas. **OCCUPIED AREA (SQ. FT.):** Building area not considered vacant. **UNDER CONSTRUCTION:** Buildings that have begun construction as evidenced by site excavation or foundation work. **AVAILABLE AREA (SQ. FT.):** Available building area that is either physically vacant or occupied. **AVAILABILITY RATE:** Available sq. ft. divided by the net rentable area. **VACANT AREA (SQ. FT.):** Existing building area that is physically vacant or immediately available. **VACANCY RATE:** Vacant building feet divided by the net rentable area. **NORMALIZATION:** Due to a reclassification of the market, the base, number and square footage of buildings of previous quarters have been adjusted to match the current base. Availability and vacancy figures for those buildings have been adjusted in previous quarters.

Survey Criteria

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

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