

Greater Boston

Market Facts

1,852,000 SF

is currently under construction throughout Greater Boston

57%

of lab space under construction is already preleased

1.6%

of lab space is currently vacant on a direct and sublet basis

254,000 SF

was absorbed on a net basis throughout the GBA in Q2' 2018

\$1.6 Billion

was invested in the MA healthcare sector this quarter. A record high.

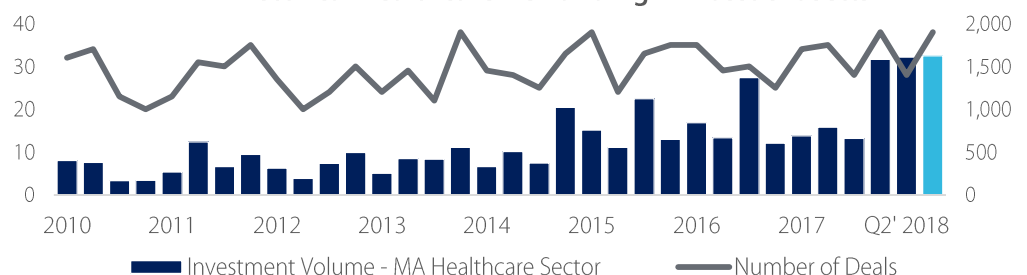
Healthcare funding in Massachusetts hits a historical high as demand for lab space remains robust

Investment in the MA healthcare industry breached \$1.6 billion in Q2'2018

Bolstered by substantial investment in the Massachusetts healthcare sector, Greater Boston's lab market is on pace for a banner year of occupancy growth. As of Q2' 2018, the market has absorbed just over 400,000 SF over the last six (6) months, putting it on pace to breach a 2017 performance. Due to a significant lack of existing lab availabilities, particularly in East Cambridge, a robust construction pipeline has remained key in appeasing a stifling lab market where tenants

are now exploring new space options in emerging submarkets such as the 128 Core, Watertown, and Brighton. Over the last three (3) quarters specifically, investment in the Massachusetts healthcare sector has skyrocketed with this quarter reeling in the most amount of VC capital to date. This, coupled with a few large developments delivering next quarter that are fully leased, put the lab market on track for significant growth in the second half of 2018 and throughout 2019.

Historical Healthcare VC Funding in Massachusetts



*Source: PwC/CB Insights MoneyTree™ *\$ in the millions

Notable Leasing Activity

Tenant	City	Address	Square Feet	Deal Type
Alkermes	Waltham	900 Winter Street	220,000 SF	New
Ispen Biosciences	Cambridge	1 Kendall Square	70,000 SF	Renewal
Magenta Therapeutics	Cambridge	100 Technology Square	69,000 SF	Sublease
Eisai	Cambridge	35 Cambridgepark Drive	49,000 SF	New
Voyager Therapeutics	Cambridge	75 Sidney Street	30,000 SF	Expansion

*Square Feet is rounded to the nearest thousand *Includes office deals for life science companies

Under Construction

Address	City	Developer	Square Feet	% Leased (Notable Tenants)	Delivering
238 Main Street	Cambridge	MIT	600,000 SF	0%	Q4, 2019
100 Binney Street	Cambridge	Alexandria	432,000 SF	100% (Facebook & BMS)	Q3' 2018
35 Cambridgepark Drive	Cambridge	Davis Companies	227,000 SF	23% (Eisai Parma.)	Q3' 2018
399 Binney Street	Cambridge	Alexandria	164,000 SF	83% (Rubius, Relay, Celsius)	Q4' 2018
40 Guest Street	Brighton	New Balance	160,000 SF	100% (Boston Celtics & MI Labs)	Q3' 2018
828 Winter Street	Waltham	King Street	145,000 SF	0%	Q3' 2018
6 Tide Street	Boston	Related Beal	125,000 SF	43% (MI Labs)	Q1' 2019

*Square Feet is rounded to the nearest thousand *Delivery timing is estimated

Market By The Numbers (In Thousands)

	Inventory (SF)	Overall Vacancy	Quarterly Net Absorption	12 Month Net Absorption	Under Construction	Percent Pre-leased	12 Month Completions
Cambridge	11,158	0.7%	90	192	1422	63%	0
Kendall	6,394	0.6%	19	67	1,196	70%	0
Central	4,122	0.6%	54	138	0		0
Alewife	643	2.4%	17	-13	227	23%	0
Boston & The Ring	3,602	1.0%	126	234	160	43%	186
128 Belt	3,645	3.6%	28	-47	145	0%	0
495 Belt	2,504	3.7%	15	88	0		0
Worcester West	1,294	1.9%	-5	52	0		0
TOTAL MARKET	22,203	1.6%	254	520	1,852	57%	186

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