

MARKET HIGHLIGHTS

The 495/MetroWest market extends along the I-495 interstate from Westford in the north, to Foxborough in the south, with a wide extension in the middle, along Interstate 90, from Natick in the east to Shrewsbury in the west. The area has morphed from an industrial past into a center of modern business, marked by a growing inventory of Office buildings. The commercial real estate inventory consists of 43.3 million sf of Office, Laboratory, Flex, Warehouse and Manufacturing space spread across 449 properties. The Office market, consisting of 22.3 million sf in 232 properties, has grown in size by 19 percent since 2004, in response to generally buoyant conditions being experienced in the Greater Boston area.

495/MetroWest enjoys a combination of cost advantages and superior transportation connections unique within Eastern Massachusetts. The submarket is situated less than 30 minutes from the Central Business Districts of Boston and Worcester, and along the 495 interstate, an area which has among the highest population growth in the state. 495/MetroWest has a diverse mix of industries including technology, life sciences, medical device manufacturing and energy. The region has been successful drawing both large tenants attracted by the ability to secure large blocks of space as well as mid-size companies enticed by the submarket's 37 percent discount compared to neighboring areas closer to Boston.

MARKET BEAT

The 495/MetroWest area continues to benefit from Greater Boston's robust real estate market and improved economic conditions.

While the 495/MetroWest area experienced 471,000 sf of negative absorption during 2016, the market has seen 467,000 sf positively absorbed over the last 3 years.

Leasing activity included Akamai Technologies for 43,000 sf at 5 Technology Park in Westborough, and Rave Mobile Safety for 25,000 sf at 492 Old Connecticut Path in Framingham

Despite a slight rise in vacancy in Framingham/Natick, the average asking rent is the highest since 2008, currently 24.17.

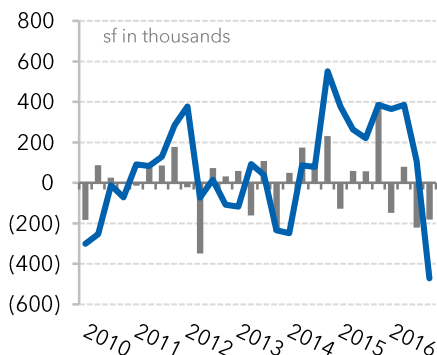
The Boroughs (Marlborough, Northborough, Southborough, Westborough) have experienced positive absorption in 8 out of the last 11 quarters, most recently absorbing 26,000 sf.

The gap in Class A asking rents between 495/MetroWest and its interior neighbor 128 West is widening due to historic price increases in Wellesley and Needham.

Interest by large-block tenants for the region's premium assets should continue to drive leasing velocity in 2017.

ABSORPTION

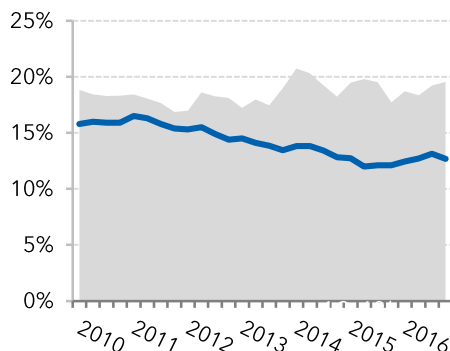
quarterly absorption
four-quarter trailing absorption



Quarterly absorption was negative ...

VACANCY

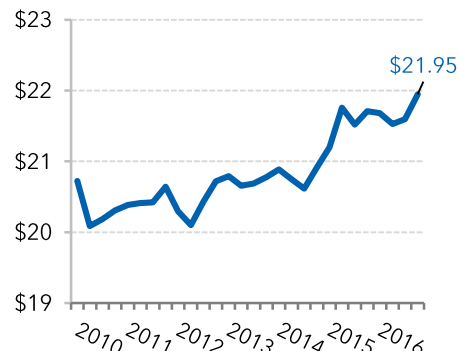
495 west vacancy
greater boston vacancy



Increasing vacancy 0.4 percentage points ...

RENTS

class a asking lease rates



As average Class A asking lease rates remained high.

LARGEST OCCUPANTS

Office space occupied only; not including future commitments

TENANT	LARGEST PRESENCE	TOTAL SF
Dell-EMC	50 Constitution Blvd, Franklin	1,681,000
Bose	100 Mountain Rd, Framing.	1,450,000
Sanofi-Genzyme	1-5 Mountain Rd, Framingham	1,285,782
TJX Companies	770 Cochituate Rd, Framingham	1,271,000
The MathWorks	1 Boston Scientific Pl, Natick	1,149,592
Intel	75 Reed Rd, Hudson	1,020,205
Staples	500 Staples Dr, Framingham	675,000
Boston Scientific	Boston Scientific Way, Marlboro	608,666

LARGEST OWNERS

Largest property owners; office properties only

OWNER	LARGEST ASSET	TOTAL SF
Dell-EMC	50 Constitution Blvd, Franklin	1,906,000
Carruth Capital	4400 Computer Dr, Westboro	1,859,000
TJX Companies	770 Cochituate Rd, Framing.	1,520,000
Bose	100 Mountain Rd, Framing.	1,206,000
Saracen Properties	Clock Tower Pl, Maynard	1,043,000
Atlantic Management	200 Forest St, Marlborough	745,000
Staples	500 Staples Dr, Framingham	675,000
Normandy Real Estate	Nickerson Rd, Marlborough	573,000



LARGEST CONTIGUOUS AVAILABILITIES

Contiguous blocks, one listing per property

ADDRESS	AVAILABLE SF	DIR/SUB
4400 Comp. Dr, Westborough	382,000	Direct
111 Powdermill Rd, Maynard	287,037	Direct
9 Technology Dr, Westborough	250,812	Sublet
100 Nagog Park, Acton	194,800	Direct
2 Results Way, Marlborough	160,494	Direct
35 Parkwood Dr, Hopkington	159,795	Direct

NOTABLE SIGNED LEASES

Recent representative transactions

TENANT	CITY	SF LEASED
Wegman's	Natick	274,000
Acacia Communications	Maynard	165,759
Colonial Systems	Littleton	150,000
Life Time Fitness	Framingham	135,000
Stop & Shop	Milford	68,125
Jack's Abby Brewing LLC	Framingham	63,000
DHL Global Mail	Westborough	60,520
Stop & Shop	Milford	54,764
Globalforce	Framingham	52,144
Whole Foods Market	Marlborough	50,000
Sierra Trading Post	Framingham	43,629
Verizon Communications	Medway	42,777
Akamai Technologies	Westford	41,782

MARKET INTERESTING FUN FACTS

The First Baptist Church in Framingham was built in 1826 and, aside from an addition in 1888 and a renovation in 1998 for handicap accessibility, has remained largely unchanged to this day; the original pews still reside in the balcony.



The "x miles to Boston" signs on the Massachusetts Turnpike refer to the number of miles from that point to the gold dome at the Massachusetts State House on Beacon Street.



A Hostess Twinkie factory in Natick, infamously referenced in a 1999 episode of "Family Guy," actually did exist there at the time of the episode's airing, though it has since been demolished to make room for the 2007 expansion of the Natick Mall.

