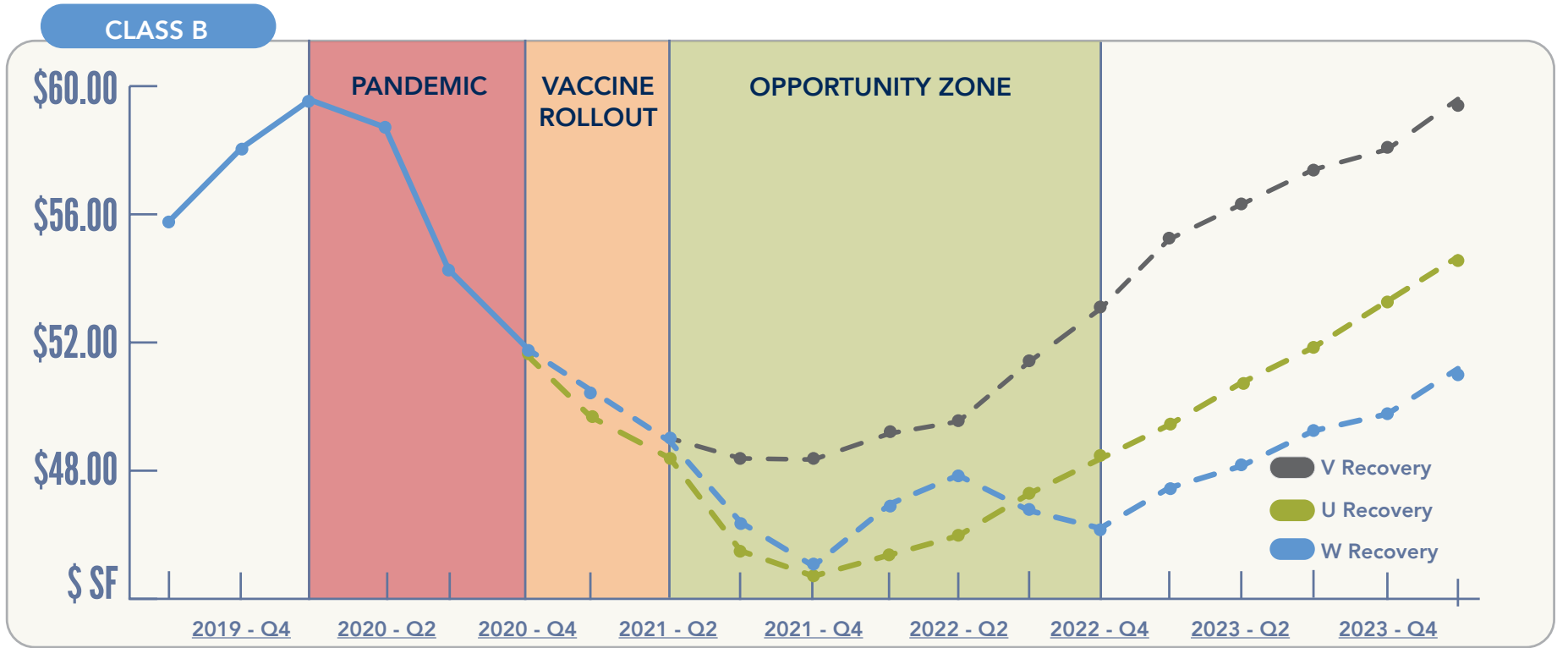
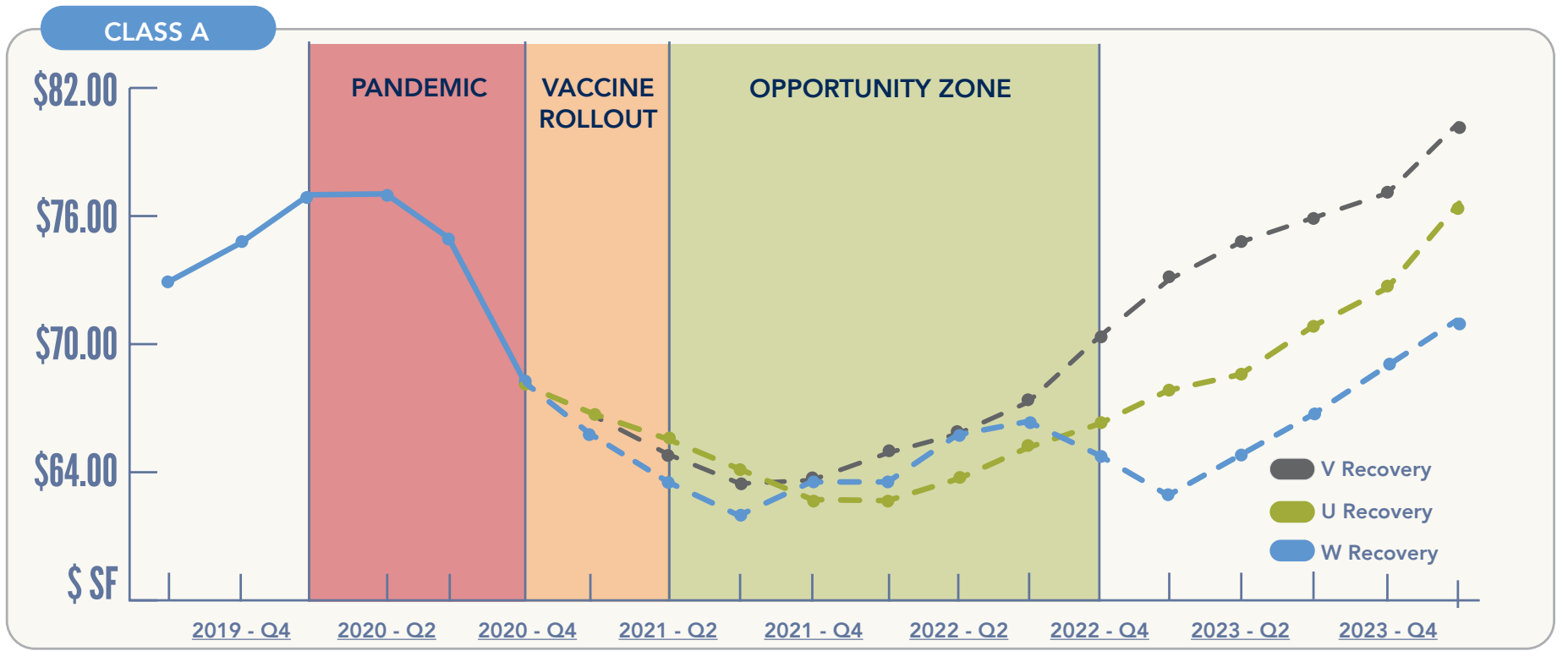


# GREATER BOSTON'S POST PANDEMIC OFFICE RECOVERY



The future recovery remains uncertain, but the next 12 months offers great Opportunity for those who take action.

## V Recovery

**Supply** – Tenants move back into space and 50% or more of the sublease availability is removed = Supply stabilizes quickly.

**Demand** – Tour activity returns to pre-pandemic levels = Positive absorption leads to quick recovery.

**Rents** – Supply/Demand metrics stabilize quickly = Rents recalibrate quickly and rent growth returns.

## U Recovery

**Supply** – 50% or more of the sublease availability persists or becomes vacancy = Increased supply creates a slower recovery.

**Demand** – Tour activity returns to pre-pandemic levels = Healthy absorption is key to a healthy market.

**Rents** – Supply/Demand metrics will be unbalanced in the near term = Rents will go down before going back up.

## W Recovery

**Supply** – 50% or more of the sublease availability persists or becomes vacancy = Increased supply creates a slower recovery.

**Demand** – 2021 Tour activity is robust but falls off in 2022 = Early activity wanes slowing down the market recovery.

**Rents** – Rents stabilize and begin to recover in 2021 but demand wanes in 2022 = The early optimism of a quick recovery subsides and the reality of an oversupply market forces further rent recalibration in 2022.

# 4.23

## MILLION SF

Total available space added to market in 2020  
(56.6% increase over 2019)



↓ **-\$5.75/SF**  
(7.68%)

CLASS A drop in asking rents

↓ **-\$4.88/SF**  
(8.35%)

CLASS B drop in asking rents

## LANDLORDS

**BE FLEXIBLE** – Shorter terms deals for existing and new tenants, especially if larger vacancies exist.

**BE PROACTIVE** – Be the first to adjust pricing or get creative with concessions. Be in the best position to capture what limited demand exists in the market. Upgrade vacant spaces and/or common areas during this downtime to increase leasability/ reduce downtime.

## TENANTS

**BE PROACTIVE** – Do you believe having office space in the city is important to your business? Lock in below-market-rates now!

**BE OPPORTUNISTIC** – Now is the time to upgrade space to encourage “Return to Office” leverage. Take this opportunity to upgrade space and maintain/lower real estate costs.

ENTER SITE