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## **Boston Properties enters into \$930 million agreement to purchase John Hancock Tower**

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Boston Properties, Inc. has entered into an agreement to acquire the John Hancock Tower and Garage for an aggregate purchase price of \$930 million. The seller is a joint venture between an affiliate of Normandy Real Estate Partners and an affiliate of Five Mile Capital Partners. The purchase price consists of approximately \$289.5 million of cash and the assumption of approximately \$640.5 million of indebtedness. The debt being assumed is a securitized senior mortgage loan that bears interest at a fixed rate of 5.68% per annum and matures in January 2017. Boston Props. expects to incur approximately \$2 million of acquisition-related costs. The closing is expected to occur in the fourth quarter of 2010 and is subject to customary closing conditions. There can be no assurance that the acquisition will be completed on the terms or schedule currently contemplated, or at all.

In connection with the transaction, the seller has agreed to fund and complete the cost of certain capital projects and tenant improvements that are currently underway.

The John Hancock Tower is a 62-story, approximately 1.7 million rentable s/f office tower located in the city's Back Bay neighborhood. The garage is an eight-level, 2,013 space parking facility. As New England's tallest building, the John Hancock Tower features views of the Back Bay, Charles River, Cambridge, the Public Gardens, Boston Harbor and Financial District.

Goodwin Procter LLP advised Boston Props. and Allen & Overy LLP and Haynes & Boone LLP advised the seller in connection with the transaction. Cushman & Wakefield was the broker in the deal.

Boston Properties is a fully integrated, self-administered and self-managed real estate investment trust that develops, redevelops, acquires, manages, operates and owns a diverse portfolio of Class A office space, one hotel, two residential properties and three retail properties. The Company is one of the largest owners and developers of Class A office properties in the United States, concentrated in five markets - Boston, Midtown Manhattan, Washington, DC, San Francisco and Princeton, NJ.

This press release contains forward-looking statements within the meaning of the Federal securities laws. You can identify these statements by our use of the words "assumes," "believes," "estimates," "expects," "guidance," "intends," "plans," "projects" and similar expressions that do not relate to historical matters. You should exercise caution in interpreting and relying on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond Boston Properties' control and could materially affect actual results, performance or achievements. These factors include, without limitation, the company's ability to satisfy the closing conditions to the transaction described above, the ability to enter into new leases or renew leases on favorable terms, dependence on tenants' financial condition, the uncertainties of real estate development, acquisition and disposition activity, the ability to effectively integrate

acquisitions, the costs and availability of financing, the effectiveness of our interest rate hedging contracts, the effects of local economic and market conditions, the effects of acquisitions, dispositions and possible impairment charges on our operating results, the impact of newly adopted accounting principles on the Company's accounting policies and on period-to-period comparisons of financial results, regulatory changes and other risks and uncertainties detailed from time to time in the Company's filings with the Securities and Exchange Commission. Boston Properties does not undertake a duty to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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