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RBJ reports vacancy rates decline in Boston

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The Greater Boston office market saw vacancy rates edge down slightly during the fourth quarter of 2007, according to officeSTATus - Greater Boston Winter 2008, a research report from Richards Barry Joyce & Partners, LLC (RBJ).

According to officeSTATus, vacancy rates for office space across Greater Boston declined by .2% to 13.6%, marking the eighth consecutive quarter of falling vacancy. During that time more than 8.3 million s/f of space was taken off the market.

Class A office space is more constrained, with vacancy rates lowering to 10.3% for the quarter (down from 19.8% three years ago). Across the market, asking lease rates for Class A space remained stable during Q4 2007, remaining above \$40 s/f at \$40.57. However, certain areas have seen increases in Class A asking lease rates, including Boston's Financial District (up 73% in two years), Cambridge (85% increase in two years) and along Rte. 128 (up 24% in two years).

"The year ended on a positive note with Greater Boston still witnessing a very strong market for office space," said Brendan Carroll, RBJ's VP of research.

officeSTATus features a summary page with an overview of some of this quarter's most notable findings. The "Economy & Real Estate" section offers context for the quarterly findings within the broader economic environment. The report's final page compiles all the quarter's pertinent statistics - vacancy, market size, absorption and availability - into a single, useful reference. This quarter's "Market Interesting" section takes a look at vacancy rates for suburban office space located within one mile of a highway exit.

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