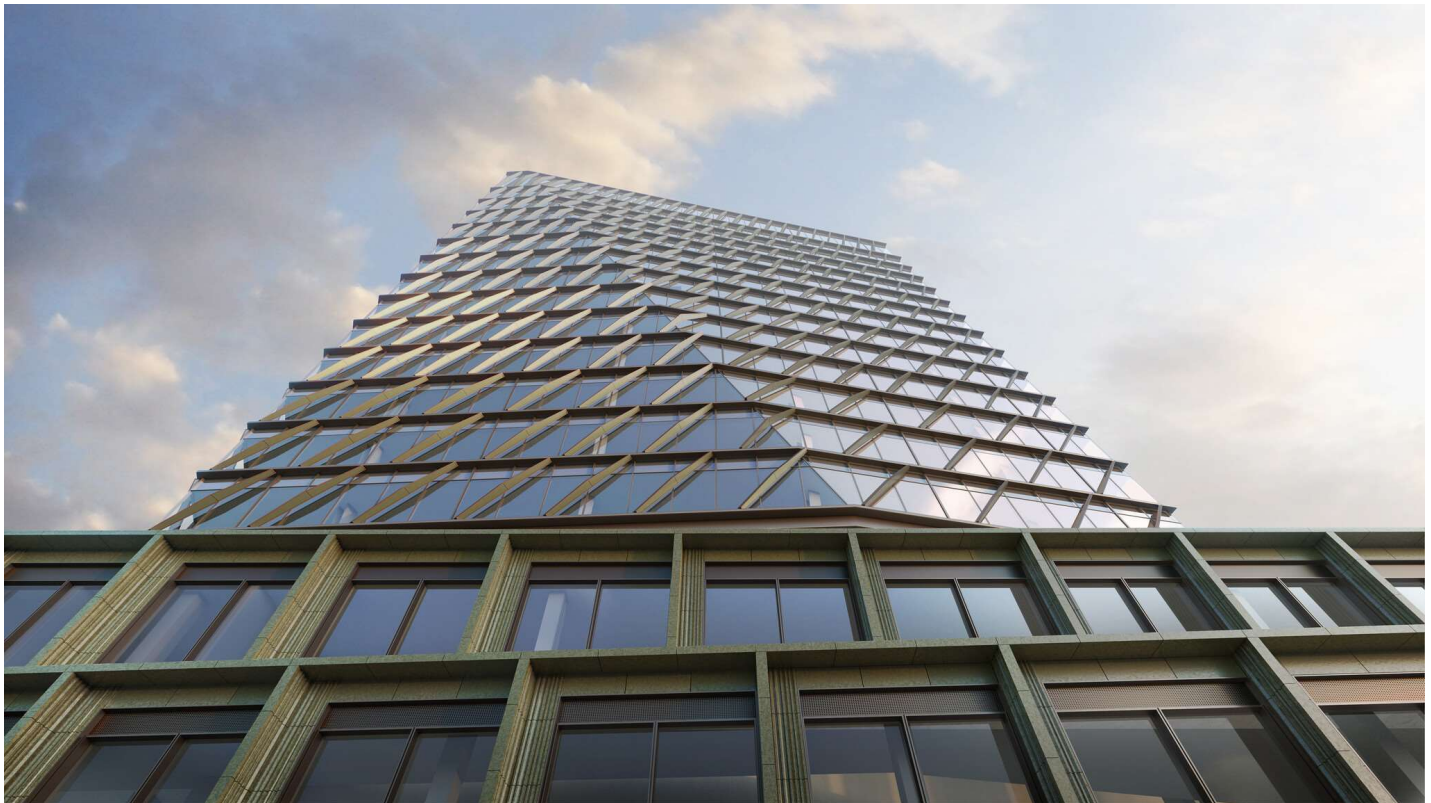




COSTAR INSIGHT

Office Leasing Picks Up in Boston at Beginning of 2021

Amazon's Latest Lease for Over 600,000 Square Feet in Seaport Boosts January Total



Rendering of 1 Wharf Road in Boston's Seaport District where Amazon signed a full-building lease to occupy the planned 17-story office tower. (Credit: Amazon)

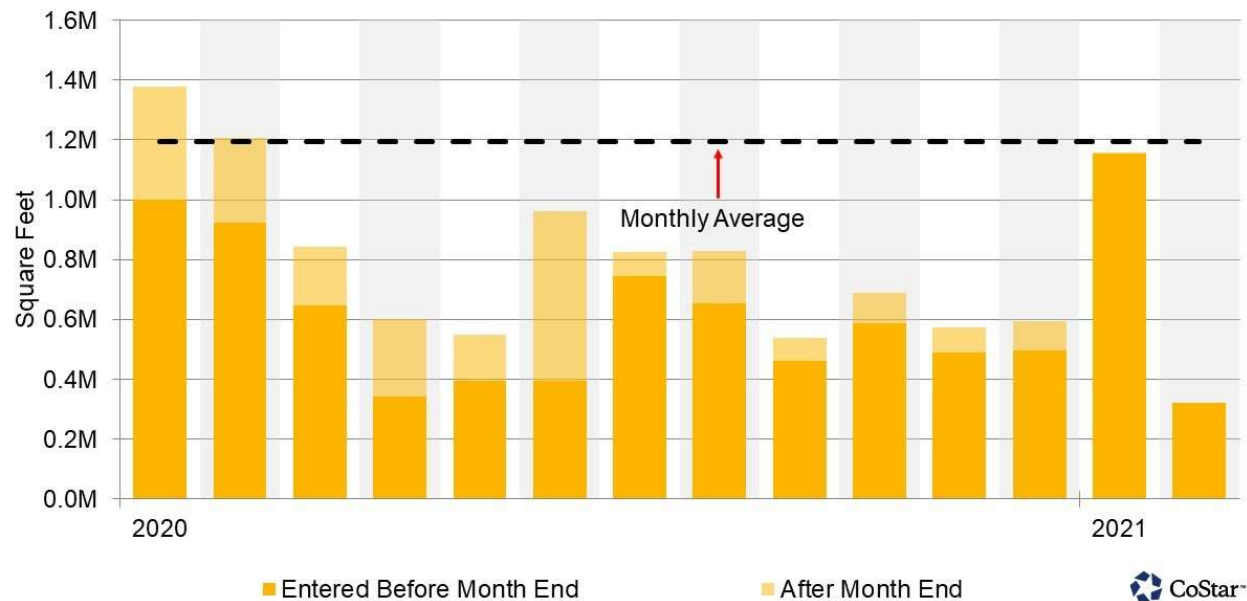
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Office leasing activity across Boston saw a noticeable increase to start the new year after 2020 recorded the lowest totals in more than 15 years. The Boston office market registered more than 1 million square feet leased in January, the highest monthly leasing total since the start of the coronavirus pandemic.

Boston Office Leasing Activity

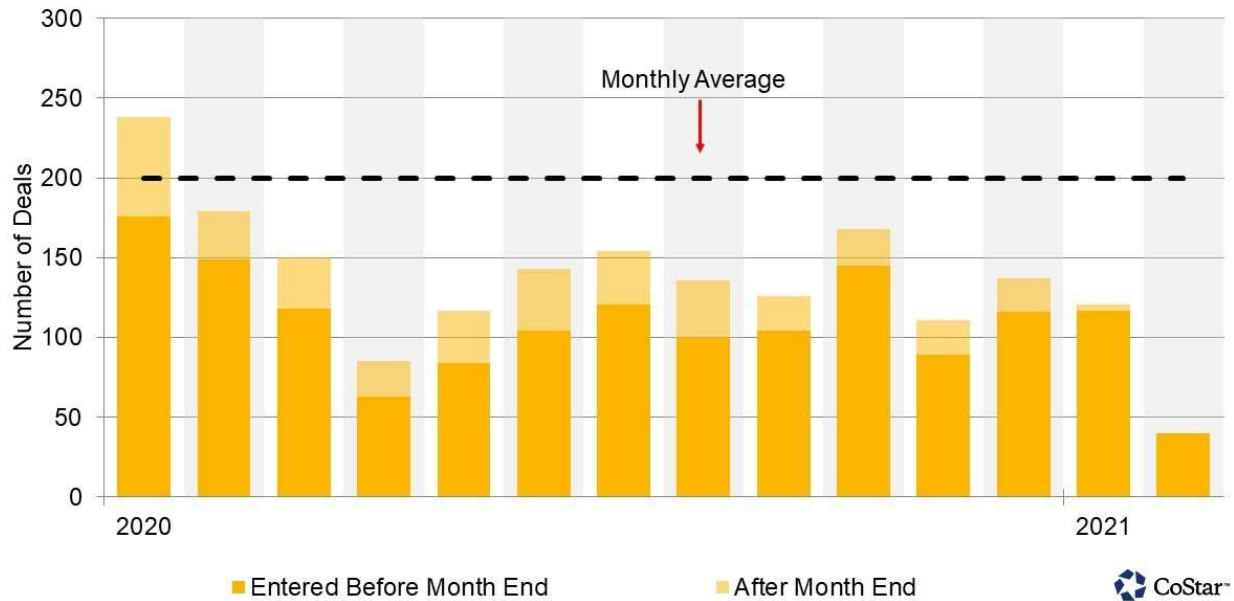


The January total got a major boost from Amazon, which announced plans to yet again expand its office footprint in Boston. The e-commerce giant signed on for nearly 630,000 square feet in the Seaport, where the company plans to locate 3,000 workers it expects to hire. Amazon will occupy the future 17-story tower at 1 Boston Wharf, part of [WS Development's master plan](#) of Seaport Square, which is expected to be completed in 2024.

This is Amazon's second recent office lease in the Seaport. In 2018, it signed for 430,000 square feet at Seaport Square's [111 Harbor Way](#), a 525,000-square-foot building currently under construction on a lot adjacent to 1 Boston Wharf. WS Development expects this building to be completed later this year.

But while the pandemic has fueled sales growth for Amazon, that's not the case for a lot of other businesses. The number of companies leasing office space remains well below the monthly averages despite the increase in the number of square feet leased in January.

Number of Lease Deals Remain Below Pre-Pandemic Average



Many firms continue to assess their office needs and how remote work may factor into their business plans in the future. This may result in more companies leasing office space in 2021, but potentially at a reduced amount.

This was the case for investment firm Loomis, Sayles & Co., which signed on for 232,000 square feet at [One Financial Center](#) in the second-largest office lease of 2021 so far. The company decided to renew its space in Boston's financial district, where it has been based since the 1980s.

However, Loomis' employees have been working remotely since the pandemic started and, due to its success in working remotely, the company decided to renew for about a third less space than it previously occupied.

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