





Industrial/Flex

The Greater Boston industrial and flex real estate market rebalanced in 2025, with early signs of renewed demand.

2025 marked a meaningful settling of conditions across the Greater Boston industrial and flex markets. After years of strong rent growth, absorption, and development, economic uncertainty slowed decision-making and improved negotiating leverage for tenants with active requirements. Concessions increased, lease structures became more flexible, and occupiers gained additional options across core submarkets. As 2026 approaches, signs of renewed demand are emerging, particularly from large-scale users. Historically, industrial real estate responds to economic shifts with a delay, suggesting landlords may soon react aggressively if leasing momentum accelerates. For now, tenants remain well positioned, but the window of leverage may narrow quickly.



Photo: Duncan Lake

MARKET TRENDS



Tough Tech Stabilizing

Despite recent headwinds for tough tech occupiers, including battery and renewable energy firms, select segments are showing early signs of renewed demand.



Industrial on Edge

Softer fundamentals have favored tenants, but a wave of emerging demand could quickly tighten availability and shift leverage back toward landlords.



Big Box is Back

Large-scale retailers and e-commerce users have re-entered the market with significant space requirements, signaling renewed confidence in logistics and distribution footprints.

Industrial



Market Size
201,000,000 SF



Vacancy
9.0%



Sublease
1.2%



Available
10.2%

Direct Availability + Sublease Availability

Flex



Market Size
66,500,000 SF



Vacancy
11.0%



Sublease
2.1%



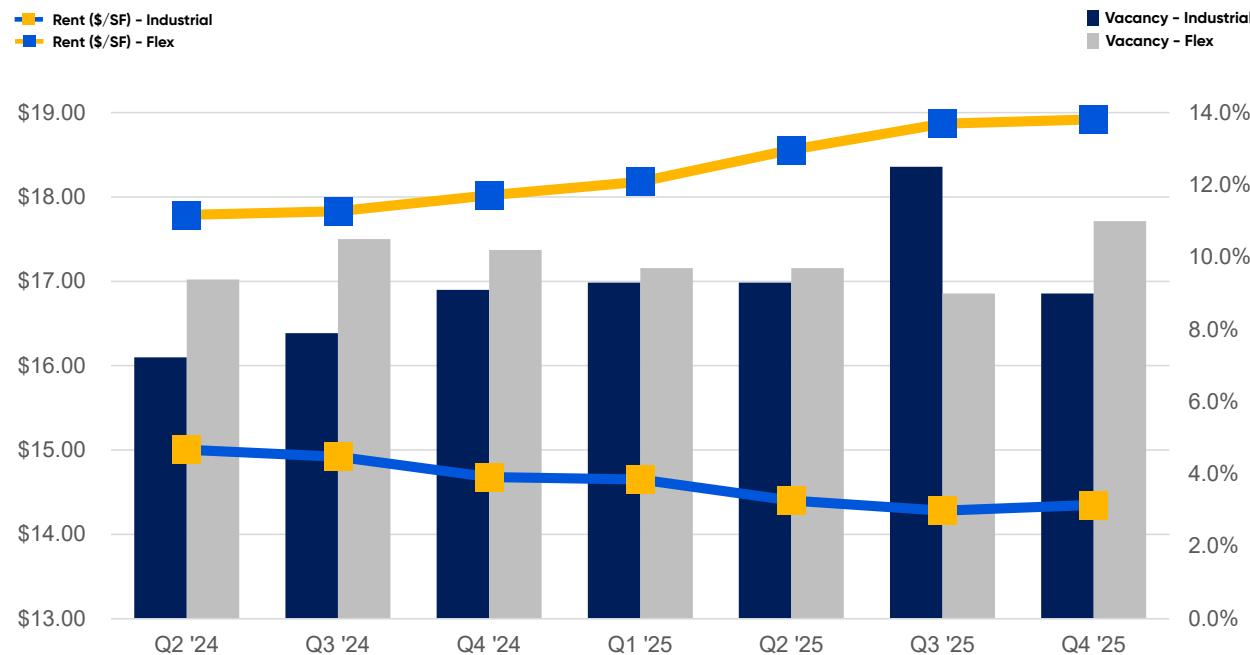
Available
13.1%

Direct Availability + Sublease Availability

Arrows Indicate One Year Change

Note: Cresa began tracking this market in Q2 2024

Historical Rent & Vacancy



Flex Market Stabilizes, Momentum Builds

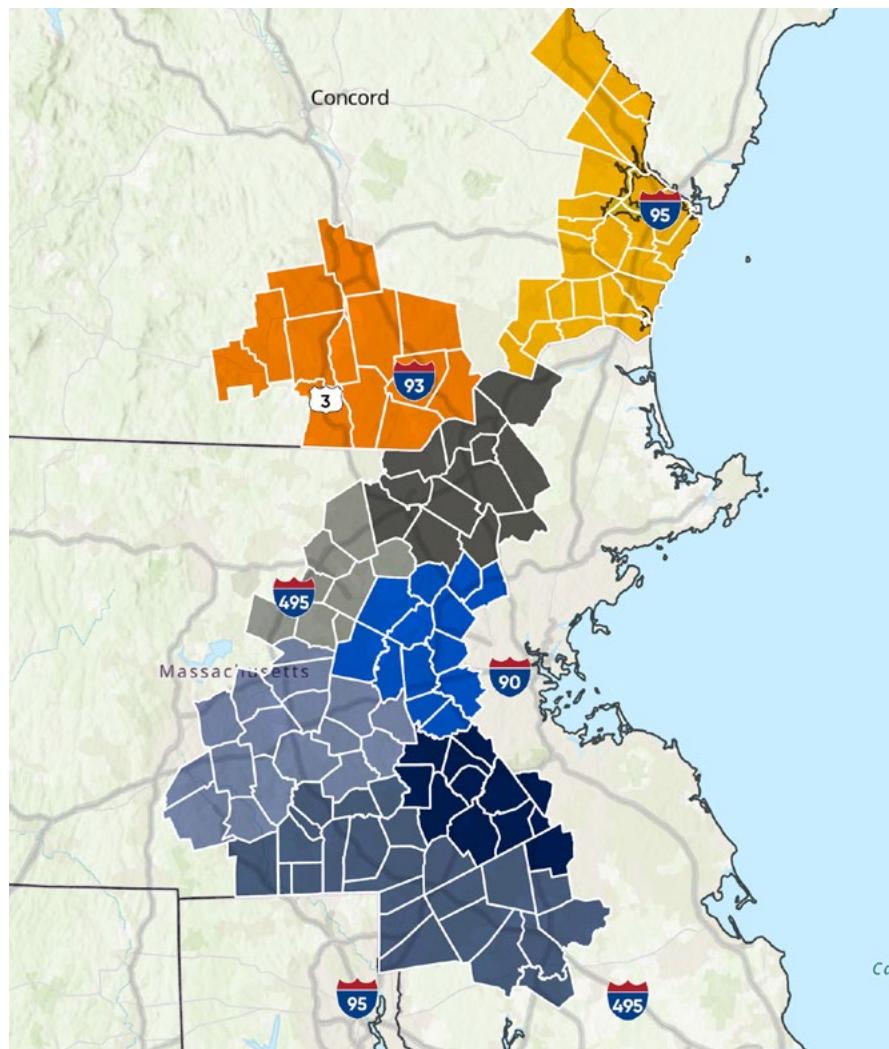
Asking rents continued to rise through Q4 2025, even as vacancy increased modestly and began to stabilize, reinforcing landlord pricing power. With demand strengthening late in the year, the flex market is positioned to make meaningful strides into 2026.

Photo: Getty



By the Numbers

Data as of Q4 2025



		Market Size (SF)	Vacant	Sublease	Available	Average Rent/SF (NNN)
Industrial	Route 495	37,200,000	5.0%	0.5%	5.5%	\$16.50
	Central	3,600,000	4.0%	4.1%	8.1%	\$13.25
	MetroWest	21,800,000	7.4%	0.8%	8.2%	\$12.75
	South	53,100,000	13.2%	1.8%	15.0%	\$12.00
	Total	115,700,000	9.2%	1.3%	10.4%	\$13.63
Flex	Route 128	13,000,000	8.2%	0.5%	8.7%	\$18.75
	South	23,400,000	12.6%	2.2%	14.8%	\$13.75
	Total	36,400,000	11.0%	1.6%	12.6%	\$15.54
	Southern NH	12,700,000	7.1%	0.5%	7.6%	\$12.25
	Seacoast	36,200,000	6.9%	1.0%	7.9%	\$12.00
Flex	Route 495	18,400,000	11.8%	2.6%	14.4%	\$20.25
	Central	3,400,000	14.9%	9.5%	24.4%	\$17.00
	MetroWest	13,100,000	10.1%	1.4%	11.5%	\$17.75
	South	8,300,000	10.4%	0.9%	11.3%	\$16.25
	Total	43,200,000	11.3%	2.4%	13.7%	\$18.47
Flex	Route 128	5,200,000	8.7%	2.5%	11.2%	\$23.50
	South	7,300,000	12.1%	0.5%	12.6%	\$17.75
	Total	12,500,000	10.7%	1.3%	12.0%	\$20.14
	Southern NH	3,100,000	10.9%	1.8%	12.7%	\$13.50
	Seacoast	7,700,000	10.3%	1.2%	11.5%	\$13.25
Flex	Total	10,800,000	10.5%	1.4%	11.9%	\$13.32

Industrial Leasing Signals Stabilizing Demand

Leasing activity across Greater Boston's industrial and flex markets is being driven by a mix of large-scale renewals and targeted new commitments. **Nearly 600,000 SF of notable 2025 transactions were anchored by established industrial users**, with new leases and relocations pointing to selective expansion and renewed confidence in well-located, functional assets.



355 Maple Street, Bellingham, MA | Photo: CoStar

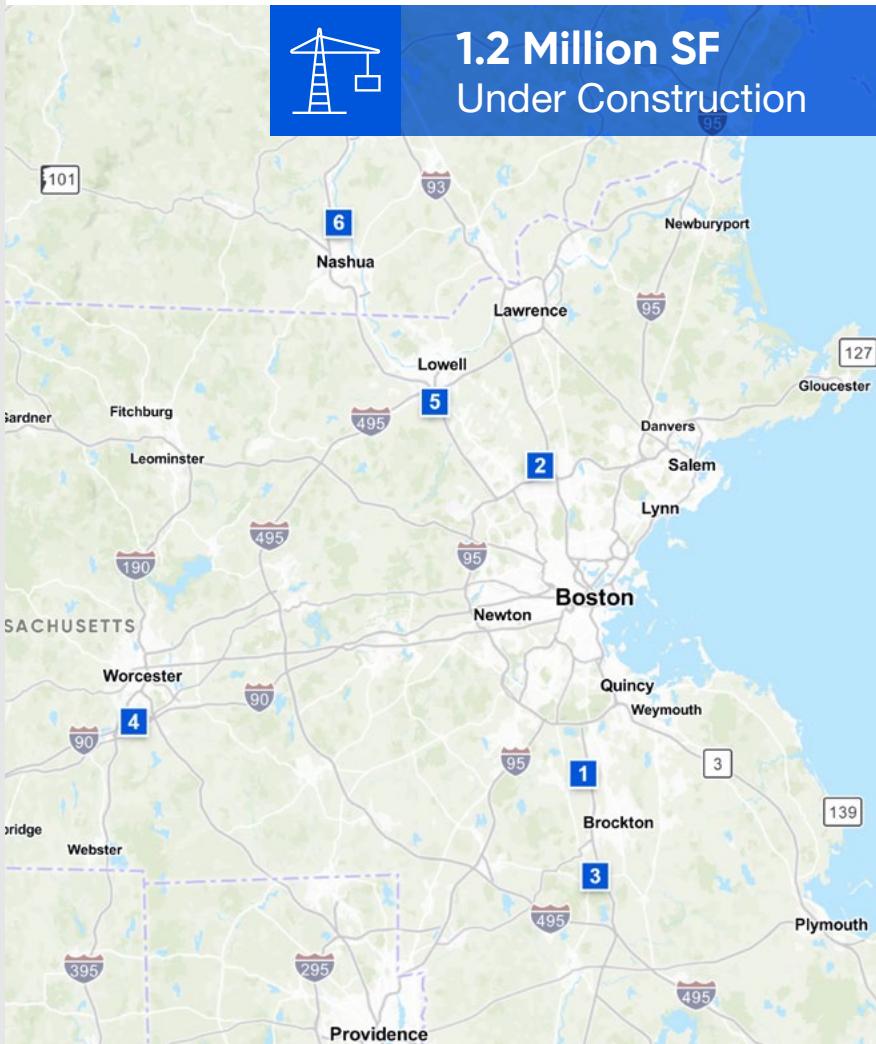
Notable Market Transactions

Tenant	Address	City/Town	Submarket	Use	▼ Size (SF)	Type
Victory Packaging	355 Maple Street	Bellingham	495 South	Industrial	249,972	Renewal
Coughlin Companies	721 Hartford Turnpike	Shrewsbury	MetroWest	Industrial	103,100	New Lease
Can One/KJ Can	50 Robert Milligan Parkway	Merrimack	Southern NH	Industrial	107,525	New Lease
Hajoca Corporation	60 Newark Street	Haverhill	495 North	Industrial	60,280	New Lease
Restaurant Technologies	600 Griffin Brook Park Drive	Methuen	495 North	Flex	47,850	Relocation
Veir Technologies	45 Industrial Parkway	Woburn	128 North	Flex	53,250	Relocation
Goddard Technologies	205 Lowell Street	Wilmington	495 North	Flex	42,000	Relocation

Investment Sales

Seller	Buyer	Address	City/Town	Submarket	Use	Size (SF)	▼ Price/SF
King Street Properties	Pivotal Manufacturing Partners	117 Hospital Road	Devens	495 Central	Industrial	165,335	\$447.58
Brookfield	Northbridge Partners	20 Normac Road	Woburn	128 North	Industrial	65,000	\$312.00
Jessica's Brick Oven	Westbrook Partners	33 Danton Drive	Methuen	495 North	Industrial	58,300	\$214.41
Jumbo Capital	Metropolis Partners	10 Lyberty Way	Westford	495 North	Industrial	129,000	\$199.61
Oliver Street Capital	Raymour & Flanigan Furniture	240 Industrial Avenue E	Lowell	495 North	Industrial	167,400	\$182.00
AllCare Plus Pharmaceuticals	Chacharone Properties	50 Bearfoot Road	Northborough	MetroWest	Industrial	67,340	\$124.74
Shorelight Real Estate	Kirkwood Direct	577 Main Street	Hudson	MetroWest	Industrial	167,846	\$111.11

Development Pipeline



	Under Construction	City	Developer/Owner	▼ Size (SF)	Use
1	7 Crow's Nest Circle Drive	Merrimack	Howe's Distribution	359,309	Warehouse
2	25 Maple Street	Stoughton	Brookfield Properties	275,062	Warehouse
3	216 New Boston Avenue	Woburn	Vigilant Real Estate Holdings	180,000	Manufacturing
4	38 United Drive	West Bridgewater	Logistics Property Co.	130,000	Warehouse
5	2 Commerce Drive	Tyngsborough	Marcus Partners	125,000	Warehouse
6	270 Billerica Avenue	Chelmsford	DH Property Holdings	91,500	Warehouse



Leverage Before the Shift

Tenants benefit from today's softer conditions, but returning demand could quickly reset industrial and flex market dynamics.

Industrial and flex assets continue to stand out as the most resilient segment of the commercial real estate market. Even during periods of softer demand, the sector's fundamentals, including mission-critical facilities, capital-intensive build-outs, and sticky tenant bases, provide investors and developers with stronger conviction than most other asset classes. This durability has kept capital focused on industrial product despite broader economic uncertainty.

The most significant storyline heading into 2026 is the re-emergence of large-scale requirements. National and global users, including major retailers and logistics operators, are once again evaluating sizeable commitments. These potential deals carry out-sized implications for the broader market. While high-profile leases capture headlines, their real impact is felt most acutely by the core tenant base, which typically occupies spaces ranging from 15,000 to 50,000 SF.

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Throughout 2025, tenant demand moderated following several years of rapid expansion. As a result, occupiers benefited from improved deal terms, increased flexibility, and greater choice across many submarkets in Massachusetts and Southern New Hampshire. However, the underlying strength of the sector never disappeared. Instead, it created a pause that may now be nearing its end.

When large users absorb big blocks of space, availability can tighten rapidly, particularly in well-located submarkets with limited new supply. This dynamic can quickly shift leverage away from smaller and mid-sized occupiers, compressing options and driving rent growth. For tenants operating in this size range, the actions of big box users' matter, even if they are not competing directly for the same buildings.



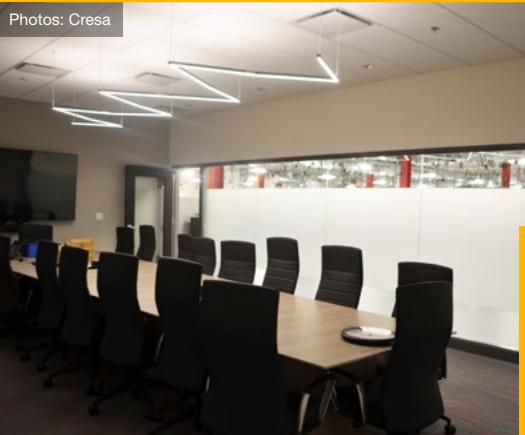
Photo: Kyle Klein

At the same time, landlords who have remained patient during the recent lull may respond forcefully as demand builds, potentially mirroring the sharp rental appreciation seen between 2020 and 2022. For occupiers, this creates a strategic moment.

Today's environment still allows favorable economics, flexible lease structures, and creative capital solutions such as sale-leasebacks. As demand accelerates, those opportunities may become harder to secure.

Industrial real estate remains on a knife's edge, balanced between near-term tenant leverage and the potential for rapid tightening. The tenants best positioned for success will be those who plan early, understand their true space needs, and act decisively before market momentum shifts.

Photos: Cresa



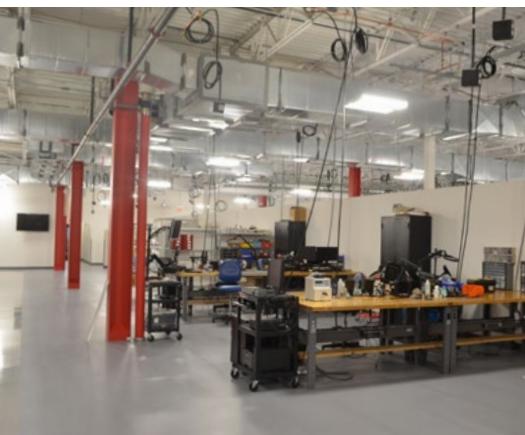
A Flexible Path to Operational Growth

Client: Aved Electronics

Location: 1001 Pawtucket Boulevard, Lowell, MA

Project Size: 79,044 SF

Cresa Services Provided: Transaction Management, Project Management, Lease Administration



Objectives

Aved Electronics sought a larger, more efficient manufacturing facility to support continued growth and new production lines, while remaining within a defined geography to preserve employee commute patterns and retention. The company needed a space that could improve workflow through a leaner production configuration and accommodate long-term operational needs. With limited availability in the industrial market, Aved also required a flexible relocation plan that would minimize disruption to ongoing production and allow for a phased transition.

Strategy & Results

Cresa conducted a targeted search of the limited light industrial and manufacturing inventory that aligned with Aved's operational needs and geographic constraints. The team identified a well-positioned opportunity in Lowell and negotiated a highly favorable lease structure that included significant landlord support for tenant improvements and an extended transition period.

To manage the complexity of Aved's equipment and production processes, Cresa's project management team developed and executed a detailed 11-phase relocation plan. This approach allowed Aved to maintain production continuity, avoid overlapping rent obligations, and transition into the new facility over more than six months with minimal disruption.

As a result, Aved expanded from 50,000 SF to 79,044 SF, secured an efficient 20% office and 80% industrial/light assembly layout, and moved into a facility better suited to lean manufacturing operations and long-term growth. The team also secured a Lowell location that aligned with Aved's workforce needs, helping maintain employee retention by minimizing commute disruption.



In a tight industrial market, growth depends on more than space. Strategic site selection, creative deal structuring, and disciplined project management enabled efficient expansion without operational disruption.

Looking Ahead in 2026

TENANT'S TAKEAWAY



Time Creates Leverage

For capital-intensive facilities, allowing ample time to run a competitive process is critical to maximizing concessions, flexibility, and long-term operating efficiency.



Act Before the Shift

Executing larger leases in today's softer environment may prove advantageous as industrial rents historically lag economic recoveries by several quarters.



Unlock Owned Assets

Sale-leaseback transactions continue to provide occupiers with liquidity, balance sheet flexibility, and operational continuity amid evolving market conditions.



GET TO KNOW

Wakefield & Lynnfield Rail Trail

The Wakefield–Lynnfield Rail Trail will enhance connectivity and quality of life along the Route 128 corridor by linking town centers, employment hubs, and nearby neighborhoods. Scheduled for completion in summer 2028, the trail supports commuting, wellness, and everyday use, further strengthening the area's appeal as a place to work and live.

easterneedgefoodhall.com | Photo: Eastern Edge

CRESA NATIONAL MARKET INSIGHT

Five Asset Types to Watch in CRE

As macroeconomic conditions shift and occupiers rethink long-term space needs, certain commercial real estate sectors are emerging as areas of resilience and growth. Five asset types are gaining strategic attention, including data centers, logistics, experiential retail, medical office, and life sciences/R&D, shaped by evolving technology, demographics, and business models that are redefining where and how space is developed and utilized.

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Photo: Getty

About Cresa Boston

Cresa is the world's largest commercial real estate advisory firm that exclusively represents occupiers and specializes in the delivery of fully integrated real estate solutions. We work with our clients to align their business plans and their real estate needs, increase their productivity, and consistently save them money — results that have earned us numerous industry awards along the way. Our team of real estate advisors, project managers, strategic planners, analysts, and space planners listen to tenants' needs, meticulously research market conditions, firmly negotiate terms, and manage the design and construction of projects to customize the best possible occupancy solutions.

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