





# Suburban Office

**Suburban office stability concentrated along Greater Boston's Routes 128 and 495.**

Suburban office activity in 2025 was defined by retention rather than retrenchment. Large blocks of space were successfully held in place through longer-term commitments, typically ranging from 6 to 12 years. This trend reinforced the resilience of core Route 128 submarkets anchored by high-quality, amenitized assets in markets such as Waltham, Needham, Newton, and Burlington. Well-capitalized landlords remained willing to commit significant tenant improvement packages to secure creditworthy occupiers and stabilize buildings. While overall leasing volume remained modest, the durability of these commitments reflects a market that is recalibrating rather than contracting, with stability increasingly concentrated in best-in-class properties.

## MARKET TRENDS



### Rents Begin to Reset

Asking rents are beginning to taper, particularly in Burlington, as landlords prioritize retention and deal velocity over peak pricing.



### Sublease Supply Declines

Sublease availability declined for the second consecutive year as legacy spaces expire and return to landlords as direct vacancy.



### Pipeline on Hold

Speculative office development has effectively stalled along Routes 128 and 495, limiting future supply and reinforcing reliance on existing building inventory.

## Route 128



**Market Size**  
**43,550,429 SF**



**Vacancy**  
**16.7%**



**Sublease**  
**5.7%**



**Available**  
**27.5%**

Direct Availability + Sublease Availability

## Route 495



**Market Size**  
**27,700,000 SF**



**Vacancy**  
**26.0%**



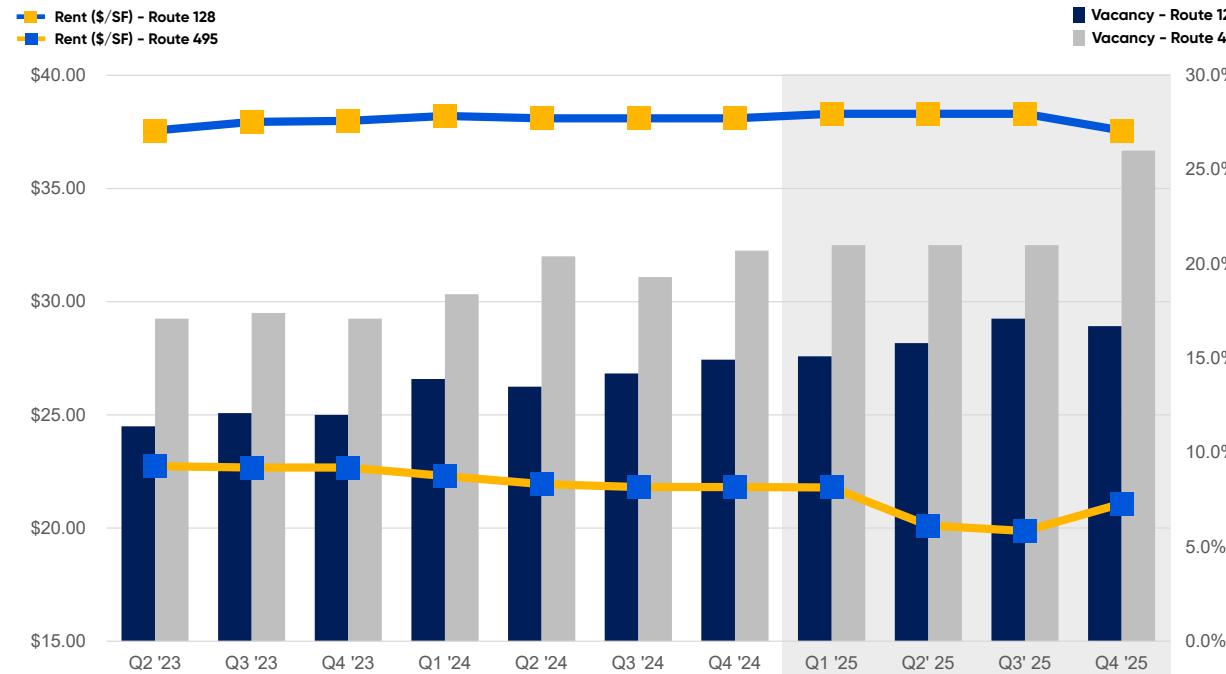
**Sublease**  
**4.2%**



**Available**  
**30.6%**

Direct Availability + Sublease Availability

## Historical Rent & Vacancy



### Rents Held Steady As Vacancy Showed Early Signs Of Stabilization

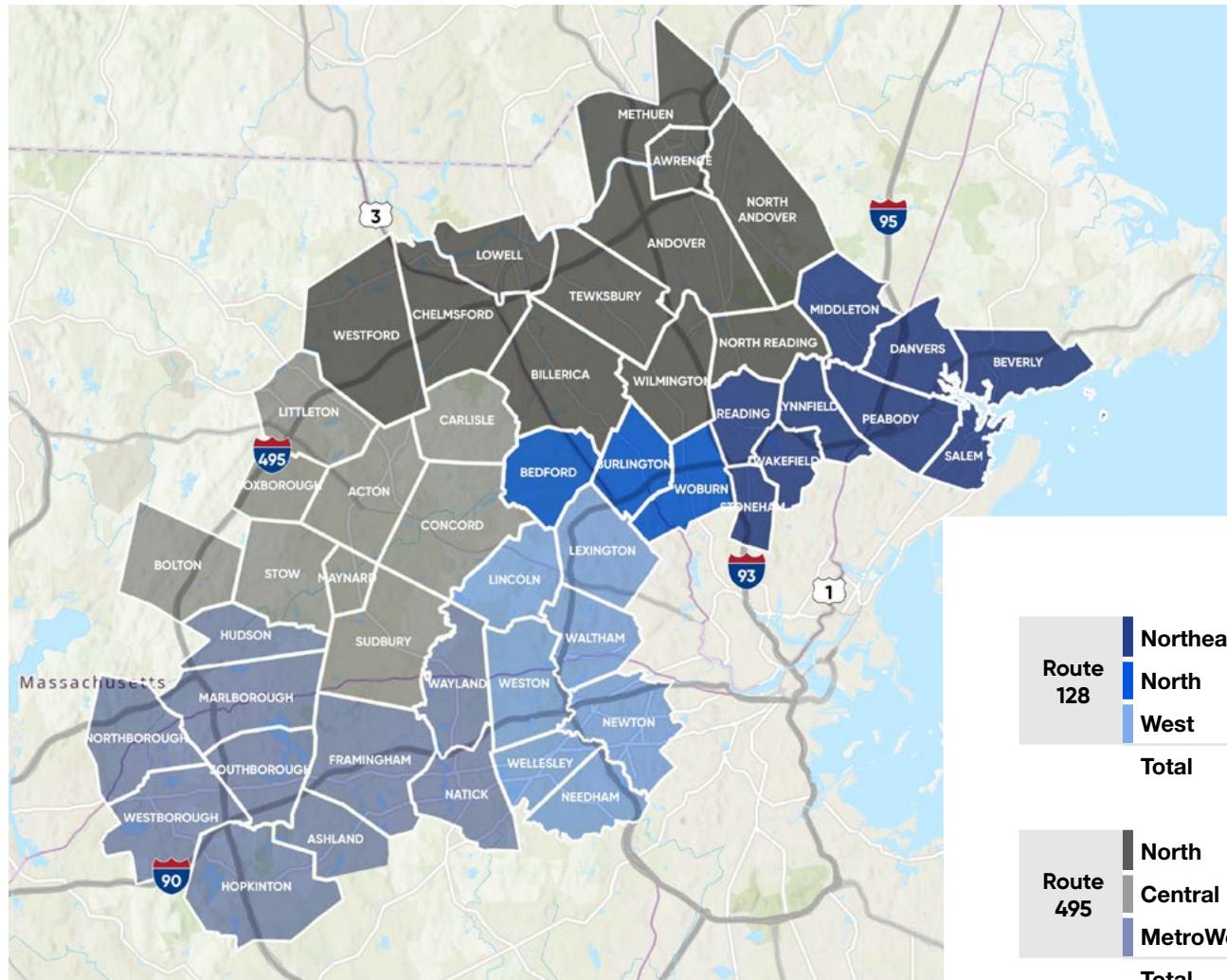
In 2025, the Greater Boston suburban office market showed improving fundamentals, with asking rents holding firm to modestly higher levels as vacancy began to stabilize. Tenant demand remained selective, but well-located, high-quality assets continued to support rent resilience despite elevated vacancy.

Photo: Duncan Lake



# By the Numbers

Data as of Q4 2025



600 District Avenue, Burlington | Photo: CoStar

	Route 128	Rent/SF					
		Market Size (SF)	Vacant	Sublease	Available	Class A	Class B
	<b>Northeast</b>	6,557,941	14.8%	1.3%	17.3%	\$29.00	\$24.00
	<b>North</b>	13,125,931	16.7%	7.4%	29.5%	\$40.00	\$30.00
	<b>West</b>	23,866,557	17.2%	5.9%	29.3%	\$47.00	\$37.00
	<b>Total</b>	<b>43,550,429</b>	<b>16.7%</b>	<b>5.7%</b>	<b>27.5%</b>	<b>\$42.18</b>	<b>\$32.93</b>
	Route 495	Rent/SF					
		Market Size (SF)	Vacant	Sublease	Available	Class A	Class B
		13,400,000	20.0%	3.2%	23.3%	\$23.50	\$19.50
	<b>North</b>	3,500,000	41.0%	1.9%	42.8%	\$22.75	\$18.50
	<b>Central</b>	10,800,000	28.6%	6.2%	35.6%	\$23.00	\$19.25
	<b>Total</b>	<b>27,700,000</b>	<b>26.0%</b>	<b>4.2%</b>	<b>30.6%</b>	<b>\$23.21</b>	<b>\$19.28</b>



53 South Avenue, Burlington | Photo: CoStar

## Suburban Large-Block Activity Driven by Retention Rather than Relocation

The dominance of renewals underscores that most movement is coming from existing occupiers already in place or within the incumbent submarket.



93 Worcester Street, Wellesley | Photo: CoStar

# Notable Market Transactions

Tenant	Address	City	Submarket	▼ Size (SF)	Type
Dassault Systèmes	175 & 185 Wyman Street	Waltham	128 West	320,694	Renewal
Keurig Dr Pepper	53 South Avenue	Burlington	128 North	274,000	Renewal
State Street	700 District Avenue	Burlington	128 North	162,000	Expansion/Renewal
iRobot	4-12 Crosby Drive	Bedford	128 North	102,000	Downsize/Renewal
Dentsply Sirona	590 Lincoln Street	Waltham	128 West	84,413	Renewal
Ascensus College Savings	140 Kendrick Street	Needham	128 West	36,233	Relocation
Informa TechTarget	275 Grove Street	Newton	128 West	34,289	Downsize/Renewal

## Investment Sales

Seller	Buyer	Address	City	Submarket	Asset Type	Size (SF)	▼ Price/SF
Thermo Fisher	United Therapeutics Corporation	45 Hartwell Avenue	Lexington	128 West	Flex/R&D	50,855 SF	\$422.77
Boston Properties	Cross Ocean Partners & Lincoln Property Company	140 Kendrick Street	Needham	128 West	Office	409,000 SF	\$322.74
MetLife Real Estate	Northeastern University	4 Burlington Woods Drive	Burlington	128 North	Lab	109,500 SF	\$301.37
Beacon Capital Partners	Liberty Mutual	93 Worcester Street	Wellesley	128 West	Office	276,834 SF	\$234.80
Peakstone Realty Trust	Montana Avenue Capital Partners	53 South Avenue	Burlington	128 North	Office	280,560 SF	\$205.67
Peakstone Realty Trust	Montana Avenue Capital Partners	63 South Avenue	Burlington	128 North	Flex/R&D	150,673 SF	\$177.84
Jumbo Capital	Lincoln Property Company	130 Turner Street	Waltham	128 West	Office	269,232 SF (4 Buildings)	\$91.21

# Stability Over Expansion

**Renewals, retention, and quality assets define a suburban market focused on holding ground rather than chasing growth.**

Photo: Shutterstock



2025 marked a welcome year of renewal rather than retreat for the suburban office markets along Routes 128 and 495. While the corridor remains bifurcated, with the strongest performance concentrated in proven central and northern submarkets such as Waltham, Needham, Newton, and Burlington, the year's largest transactions were overwhelmingly longer-term renewals. This shift signals improving sentiment heading into 2026, as occupiers move away from aggressive contraction and toward stability.

## **The shift toward longer-term renewals signals improving sentiment heading into 2026.**

The renewal-heavy nature of leasing activity underscores a broader trend in occupier behavior. Companies continue to evaluate space needs carefully, engage the market, and test economics, but many are choosing to stay put and recalibrate rather than pursue relocations. High construction costs, operational disruption, and uncertainty around long-term headcount have made relocation a higher hurdle, even as landlords offer meaningful concessions.



Photo: Shutterstock

Importantly, the headline renewals were not spread evenly across the market. Nearly all large commitments occurred within Class A assets where landlords were willing and able to invest heavily in retaining tenants. This dynamic reinforces a clear message: quality continues to matter most. Buildings with modern infrastructure, strong amenities, and engaged ownership are capturing the majority of leasing momentum, while lower-quality assets struggle to compete.

At the same time, the lack of new speculative development is reshaping tenant strategy. With construction pipelines effectively halted, future supply will remain constrained, placing increased importance on existing inventory. For tenants, this means today's market conditions represent an opportunity to secure favorable economics, modernized space, and long-term flexibility before demand eventually tightens around a limited set of high-performing assets.

Looking ahead, the suburban office market appears less volatile and more deliberate. Stability is being rebuilt through thoughtful renewals, targeted investment, and occupiers prioritizing quality and efficiency over expansion. While challenges remain, 2025 set the foundation for a more balanced suburban office market in the years ahead.

# Route 128 Sublease Observations

Sublease inventory along Route 128 declined in the back half of 2025, reaching its lowest level in roughly two and a half years. This improvement was driven by lease expirations, space returning to landlords, and absorption within higher-quality Class A assets. Total sublease availability by count fell 17% year over year, signaling gradual progress in the secondary market. However, large-format subleases remain a headwind. Sixteen of the 20 largest availabilities have been marketed for more than 18 months, with several on the market for three years or longer. These blocks continue to suppress asking rents and distort market perceptions, even as smaller, more flexible sublease options become harder to find. While overall conditions are improving, legacy subleases remain a defining factor in suburban office deal economics.

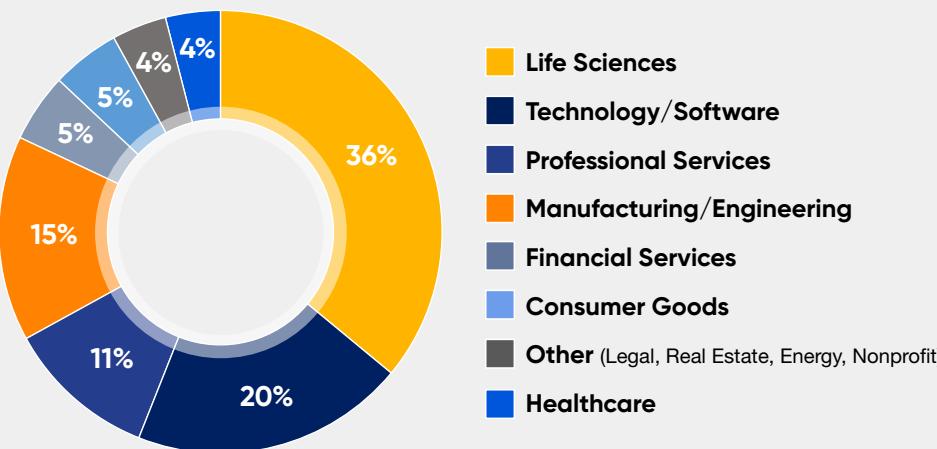
## What This Means for Tenants

Tenants with larger requirements can still secure below-market deals in built-out space, while smaller users may find diminishing sublease options and should evaluate direct opportunities sooner.



Despite declining inventory, long-standing large subleases continue to influence pricing and negotiating leverage across the Route 128 suburban office market.

## Inventory Breakdown by Industry



## Sublease Space Year-End Comparison



# Sizeable Subleases on the Market



216,994 SF

920 Winter Street, Waltham  
On Market Since February 2023



179,386 SF (Lab)

225 Wyman Street, Waltham  
On Market Since July 2023



110,000 SF

60 Tower Road, Waltham  
On Market Since September 2020



106,185 SF

5 Wall Street, Burlington  
On Market Since April 2023



96,371 SF

45 William Street, Wellesley  
On Market Since November 2023



68,158 SF (Lab)

1 Patriots Park, Bedford  
On Market Since December 2024



37,472 SF

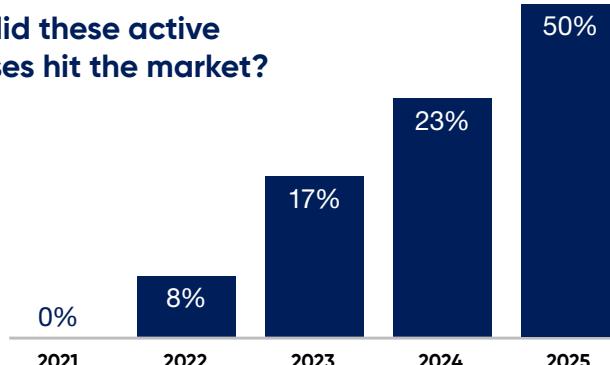
275 Grove Street, Newton  
On Market Since March 2025



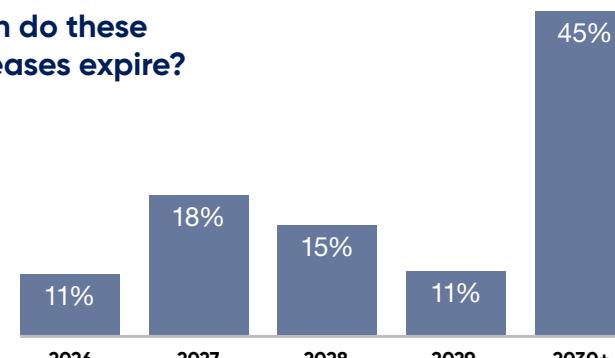
29,179 SF

400 1st Avenue, Needham  
On Market Since July 2025

## When did these active subleases hit the market?



## When do these subleases expire?



## Sublease Considerations for Tenants

Nearly every Covid-era sublease is no longer on the market.

Half of the inventory has been on the market for at least 12 months or longer.

## Opportunity for tenants still remain

—nearly 30% expire within the next two years—which presents the chance for tenants to get in at a discount/limit upfront capital cost via plug-and-play opportunities.



Interior Renders: CyberArk



Photo: CoStar



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## PROJECT HIGHLIGHT

# Amenity-Rich Suburban Relocation

**Client:** CyberArk Software

**Location:** 140 Kendrick Street, Needham, MA

**Project Size:** 85,000 SF

**Cresa Services Provided:** Transaction Management

## Objectives

CyberArk faced multiple lease expirations within the same building at a time of continued business growth, creating space constraints and limiting long-term flexibility. The company needed a significantly larger footprint in a modern, first-class suburban office environment with strong amenities to support employee experience and talent retention. Maintaining proximity to its existing location was also a priority to minimize disruption.

## Strategy & Results

Cresa partnered with CyberArk to evaluate stay-versus-go options using data-driven workplace analysis, helping the company assess long-term needs with confidence. A targeted search across the suburban market led to the identification of a premier building at 140 Kendrick Street in Needham. Cresa secured an 85,000-square-foot, long-term sublease at below-market terms, delivering a comprehensive amenity package that includes an on-site café, high-end conferencing facilities, fitness center, and covered parking. The space also provides flexibility for a custom layout that can evolve with CyberArk's operational and cultural needs.



This transaction reflects sustained demand for high-quality, amenity-rich suburban office space, particularly among growing technology firms seeking flexibility, value, and minimal relocation friction in established markets like Needham.

# Looking Ahead in 2026

## TENANT'S TAKEAWAY



### Retention Drives Leverage

Landlords focused on keeping existing tenants are offering aggressive concessions, creating leverage for occupiers willing to engage early and evaluate renewal alternatives.



### Plan Early, Move Decisively

Tenants who allow time for a full market process and act decisively are securing the strongest concession packages and most favorable economics.



### Existing Product Is Key

With no meaningful pipeline ahead, occupiers should concentrate searches on high-quality existing assets where ownership is prepared to invest in improvements.



#### 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.

lynfieldma.gov | Photo: Shutterstock

#### CRESA NATIONAL MARKET INSIGHT

#### Five Office Market Trends to Watch as Conditions Normalize

The U.S. office market is beginning to stabilize, though recovery remains uneven across markets and asset types. Key trends shaping this next phase include flight-to-quality demand, flexible work models, adaptive reuse activity, and regional performance divergence as occupiers reassess long-term space needs.

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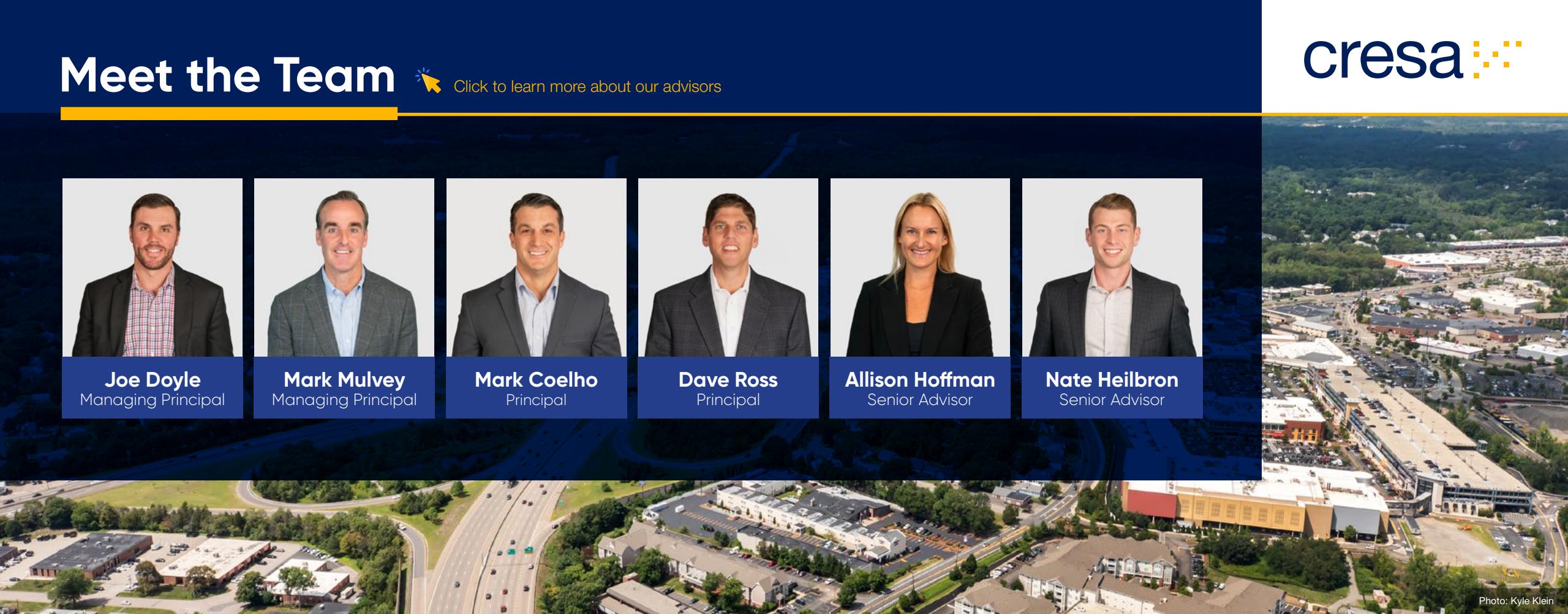


Photo: Kyle Klein

## 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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