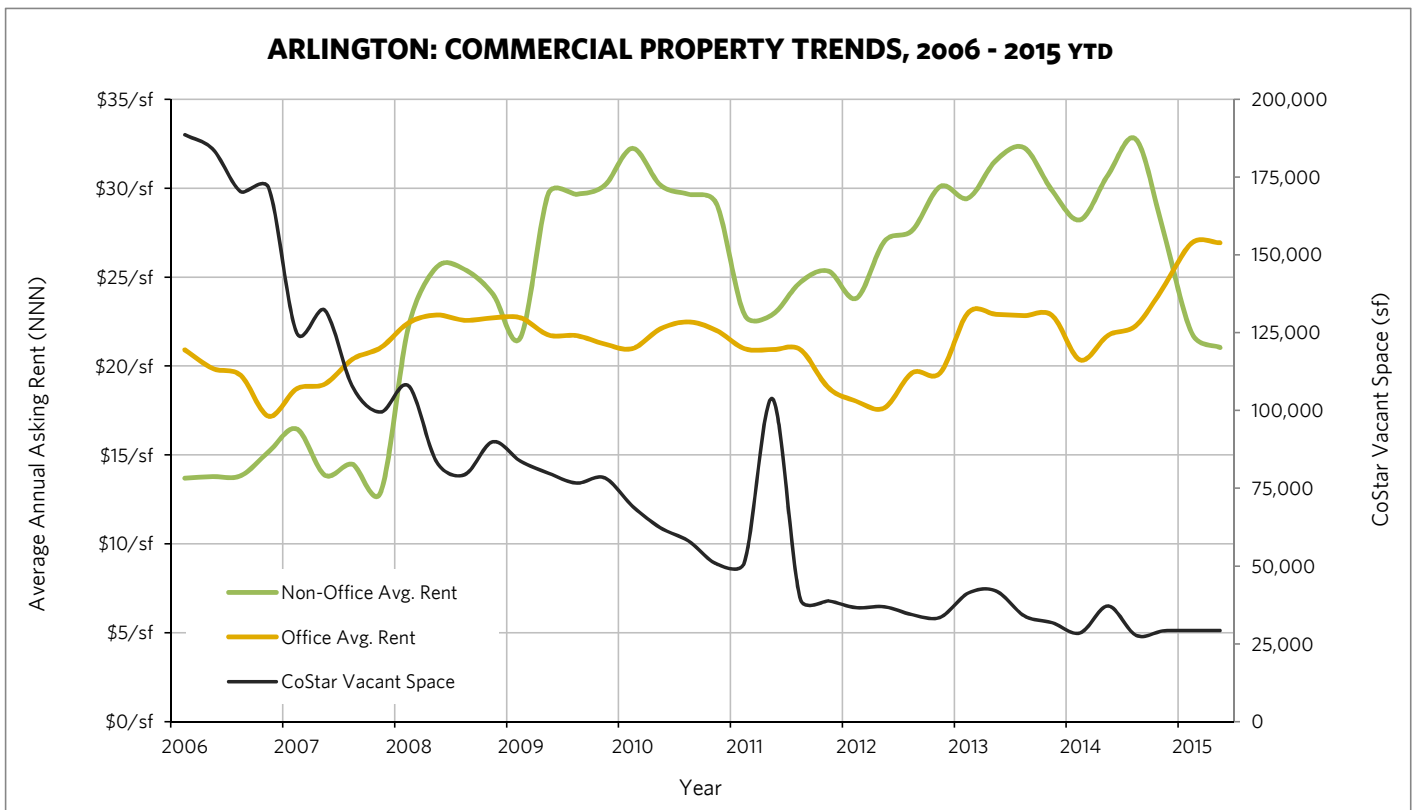


# ARLINGTON, MASSACHUSETTS: Commercial Vacancy Trend Analysis - June 2015

**SUMMARY:** During the past eight months, despite historically bad weather, Arlington's commercial property owners continued to benefit from low vacancy rates (currently 0.5% for offices, 2.2% for retail and 5.5% for industrial space) and robust rents (averaging \$20/sf). Total vacancies in the town's comparatively small commercial property market (1.8 million sf of rentable inventory) dropped from 56,000 sf (3.1%) to 40,000 sf (2.3%) over this time. Vacancies rose by 6,000 sf for retail space and dropped by 4,000 sf for offices and 19,000 sf for industrial/flex spaces. In response, average retail rents plunged by 14% (from \$33/sf to \$28/sf) and average retail turnover fell from 17 months to 6 months, as landlords fought to maintain occupancy levels with lower asking rates and faster tenanting. Conversely, office rents rose by 21% (to an average of \$27/sf) and industrial rents rose 11% (to an average of \$13/sf) during this time as inventories declined. Average turnover duration also declined in the office and industrial sectors, though not as dramatically as observed for retail space.

Tough winter conditions and rising retail vacancies compelled local property owners to market and tenant vacancies more aggressively in 2015. Over the last three quarters, available space in Arlington advertised on CoStar rose slightly from 26,000 sf to 29,000 s.f., while space advertised outside of CoStar shrank from 30,000 s.f. to 11,000 sf. Increasing use of CoStar by commercial landlords explains part of the decline in average turnover rates, particularly for retail and office properties, as well as a desire to maintain occupancy rates in the face of rising retail vacancies, which continue to be tightly clustered in highly-visible locations within Arlington's business districts. Overall, commercial vacancy in Arlington continues to be very low, with only Belmont (2.6%) and Winchester (4%) having average rates approaching Arlington's (1.7%).



The information in this report is derived from Multiple Listing Systems, as well as information provided by commercial property owners, which is verified and updated by CoStar Group researchers. The Town of Arlington is not responsible for errors or omissions in the data herein.

# ARLINGTON, MASSACHUSETTS: Commercial Vacancy Trend Report

Data: Massachusetts, Middlesex County, June 2015. Licensed by the Town of Arlington from the CoStar Group.

## SUMMARY

Study Period: October 2014 to June 2015

1. Since October 2014, Arlington's commercial vacancy rate dropped from 3.1% to 2.3% and turnover plunged from an average of 17 months to 6 months. Development is usually stimulated at a 10% vacancy rate.

2. 40,000 s.f. of commercial space is currently available for lease in Arlington, less than observed in October of 2014 (56,000 s.f.). Office space is particularly scarce (0.5% vacancy), indicating high demand for development.

3. 29,000 s.f. of commercial space is available for lease on CoStar, and 11,000 s.f. listed outside of CoStar. The amount of space not listed on CoStar has declined by 19,000 s.f. (64%) since October.

4. Retail rents in Arlington currently average \$28.28/s.f./year, down 14% from the average observed last October (\$32.74/s.f.). Over this time, retail vacancies have risen by 6,000 s.f. and leasing has dropped 65%.

5. Office rents in Arlington currently average \$26.93/s.f./year, up 21% from the average observed last October (\$22.28/s.f.). During this time, office vacancies have dropped by 4,000 s.f.

6. Industrial/flex rents in Arlington currently average \$12.59/s.f./year, up 11% from the average observed last October (\$11.34/s.f.). Over this time, industrial vacancies have dropped by 17,000 s.f.

7. Arlington's retail rents still exceed, on average, those in all neighboring communities except Lexington. Retail rents in all neighboring communities except Somerville have fallen since last October.

8. Office rents in town average lower than Lexington, Cambridge and Somerville, and higher than all other neighbors. Similar to Arlington, office rents have risen in all other neighbors except Medford.

9. Industrial/flex space rents in Arlington average lower than Lexington and Cambridge and higher than all other neighbors. Industrial/flex rents have remained stagnant or fallen in all neighboring communities.

## ARLINGTON

ALL COMMERCIAL SPACE	2015 ytd:	5 yr average	RETAIL SPACE	2015 ytd:	5 yr average
Rentable Inventory:	1,736,804 sf	1,749,586 sf	Rentable Inventory:	905,327 sf	883,565 sf
Average Asking Rent (NNN):	\$20.27/sf	\$23.32/sf	Average Asking Rent (NNN):	\$28.28/sf	\$28.37/sf
Vacancy Rate:	1.7%	2.5%	Vacancy Rate:	1.6%	2.3%
Vacant Space:	29,277 sf	43,593 sf	Vacant Space:	14,627 sf	20,427 sf
Non-CoStar Vacant Space:	11,168 sf	NA	Non-CoStar Vacant Space:	5,638 sf	NA
<b>Total Vacancy Rate:</b>	<b>2.3%</b>	<b>NA</b>	<b>Total Vacancy Rate:</b>	<b>2.2%</b>	<b>NA</b>
Leasing (1 yr):	15,394 sf	22,125 sf	Leasing (1 yr):	9,744 sf	14,263 sf
Average Turnover Duration:	5.8 months	12.3 months	Average Turnover Duration:	6.9 months	11.2 months

## LEXINGTON

ALL COMMERCIAL SPACE	2015 ytd:	5 yr average	RETAIL SPACE	2015 ytd:	5 yr average
Rentable Inventory:	6,112,448 sf	6,053,027 sf	Rentable Inventory:	665,289 sf	665,969 sf
Average Asking Rent (NNN):	\$30.36/sf	\$23.52/sf	Average Asking Rent (NNN):	\$33.31/sf	\$35.96/sf
Vacancy Rate:	9.8%	12.5%	Vacancy Rate:	0.4%	2.4%
Vacant Space:	612,803 sf	807,768 sf	Vacant Space:	2,600 sf	16,006 sf
Leasing (1 yr):	746,534 sf	447,191 sf	Leasing (1 yr):	8,400 sf	12,501 sf
Average Turnover Duration:	11.8 months	14.1 months	Average Turnover Duration:	9.7 months	9.5 months

**CAMBRIDGE**

ALL COMMERCIAL SPACE	2015 ytd:	5 yr average	RETAIL SPACE	2015 ytd:	5 yr average
Rentable Inventory:	37,471,050 sf	37,080,268 sf	Rentable Inventory:	4,941,622 sf	5,005,561 sf
Average Asking Rent (NNN):	\$37.84/sf	\$35.29/sf	Average Asking Rent (NNN):	\$26.74/sf	\$26.19/sf
Vacancy Rate:	6.2%	7.5%	Vacancy Rate:	2.6%	2.8%
Vacant Space:	2,329,203 sf	2,779,776 sf	Vacant Space:	130,484 sf	137,533 sf
Leasing (1 yr):	2,935,822 sf	2,468,920 sf	Leasing (1 yr):	23,416 sf	65,783 sf
Average Turnover Duration:	8.5 months	11.7 months	Average Turnover Duration:	6.9 months	10.3 months

**SOMERVILLE**

ALL COMMERCIAL SPACE	2015 ytd:	5 yr average	RETAIL SPACE	2015 ytd:	5 yr average
Rentable Inventory:	8,218,842 sf	7,732,665 sf	Rentable Inventory:	3,209,056 sf	2,673,149 sf
Average Asking Rent (NNN):	\$22.45/sf	\$15.20/sf	Average Asking Rent (NNN):	\$22.31/sf	\$19.30/sf
Vacancy Rate:	7.4%	9.9%	Vacancy Rate:	4.3%	6.3%
Vacant Space:	507,335 sf	625,900 sf	Vacant Space:	138,072 sf	168,791 sf
Leasing (1 yr):	325,720 sf	272,512 sf	Leasing (1 yr):	36,714 sf	32,679 sf
Average Turnover Duration:	12.0 months	12.5 months	Average Turnover Duration:	12.4 months	11.3 months

**MEDFORD**

ALL COMMERCIAL SPACE	2015 ytd:	5 yr average	RETAIL SPACE	2015 ytd:	5 yr average
Rentable Inventory:	6,236,368 sf	6,245,353 sf	Rentable Inventory:	2,096,725 sf	2,096,894 sf
Average Asking Rent (NNN):	\$13.58/sf	\$12.03/sf	Average Asking Rent (NNN):	\$18.46/sf	\$19.22/sf
Vacancy Rate:	5.9%	6.7%	Vacancy Rate:	2.6%	3.0%
Vacant Space:	364,952 sf	417,225 sf	Vacant Space:	55,253 sf	63,497 sf
Leasing (1 yr):	140,617 sf	210,592 sf	Leasing (1 yr):	44,830 sf	44,023 sf
Average Turnover Duration:	18.3 months	13.2 months	Average Turnover Duration:	10.4 months	13.8 months

**BELMONT**

ALL COMMERCIAL SPACE	2015 ytd:	5 yr average	RETAIL SPACE	2015 ytd:	5 yr average
Rentable Inventory:	963,246 sf	938,804 sf	Rentable Inventory:	394,470 sf	369,281 sf
Average Asking Rent (NNN):	\$20.50/sf	\$17.01/sf	Average Asking Rent (NNN):	\$24.98/sf	\$21.88/sf
Vacancy Rate:	2.6%	4.0%	Vacancy Rate:	3.5%	4.6%
Vacant Space:	25,174 sf	37,675 sf	Vacant Space:	13,654 sf	17,029 sf
Leasing (1 yr):	7,776 sf	15,290 sf	Leasing (1 yr):	4,776 sf	6,498 sf
Average Turnover Duration:	6.9 months	11.6 months	Average Turnover Duration:	5.7 months	9.5 months

**WINCHESTER**

ALL COMMERCIAL SPACE	2015 ytd:	5 yr average	RETAIL SPACE	2015 ytd:	5 yr average
Rentable Inventory:	1,735,045 sf	1,780,937 sf	Rentable Inventory:	459,245 sf	459,245 sf
Average Asking Rent (NNN):	\$13.26/sf	\$8.46/sf	Average Asking Rent (NNN):	\$18.15/sf	\$19.77/sf
Vacancy Rate:	4.0%	3.4%	Vacancy Rate:	1.9%	1.4%
Vacant Space:	70,253 sf	59,859 sf	Vacant Space:	8,599 sf	6,227 sf
Leasing (1 yr):	9,890 sf	18,199 sf	Leasing (1 yr):	1,425 sf	4,940 sf
Average Turnover Duration:	20.5 months	13.4 months	Average Turnover Duration:	5.4 months	5.5 months

Data: Massachusetts, Middlesex County, June 2015. Licensed by the Town of Arlington from the CoStar Group.. The information in this report is derived from Multiple Listing Systems, as well as information provided by commercial property owners, which is verified and updated by CoStar Group researchers. The Town of Arlington is not responsible for errors or omissions in the data herein.

TERMS: **Leasing** refers to the volume of square footage that is committed to and actually signed in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in under construction, planned buildings or under renovation buildings. **Turnover Duration** (Time on Market) is a measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied. **Vacant space** refers to all space not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant Space can be either available or not available. **Vacancy Rate** is expressed as a percentage - it identifies the amount of New/Relet/Sublet vacant space divided by the existing RBA (Rentable Building Area). Can be used for buildings or markets. **Non-CoStar Vacant Space** refers to vacant commercial property in Arlington that is not currently listed in CoStar's database, but is known by Town staff to be unoccupied. **Total Vacancy Rate** is the percentage of Rentable Inventory (RBA) that is currently vacant, regardless of whether it is listed on CoStar. Mathematically, Total Vacancy Rate =  $(\text{Vacant Space} + \text{Non-CoStar Vacant Space}) / \text{Rentable Inventory}$ .

# ARLINGTON, MASSACHUSETTS: Commercial Vacancy Trend Report

Data: Massachusetts, Middlesex County, June 2015. Licensed by the Town of Arlington from the CoStar Group.

SUMMARY continued:

Study Period: October 2014 to June 2015

1. Since October 2014, Arlington's commercial vacancy rate dropped from 3.1% to 2.3% and turnover plunged from an average of 17 months to 6 months. Development is usually stimulated at a 10% vacancy rate.

2. 40,000 s.f. of commercial space is currently available for lease in Arlington, less than observed in October of 2014 (56,000 s.f.). Office space is particularly scarce (0.5% vacancy), indicating high demand for development.

3. 29,000 s.f. of commercial space is available for lease on CoStar, and 11,000 s.f. listed outside of CoStar. The amount of space not listed on CoStar has declined by 19,000 s.f. (64%) since October.

4. Retail rents in Arlington currently average \$28.28/s.f./year, down 14% from the average observed last October (\$32.74/s.f.). Over this time, retail vacancies have risen by 6,000 s.f. and leasing has dropped 65%.

5. Office rents in Arlington currently average \$26.93/s.f./year, up 21% from the average observed last October (\$22.28/s.f.). During this time, office vacancies have dropped by 4,000 s.f.

6. Industrial/flex rents in Arlington currently average \$12.59/s.f./year, up 11% from the average observed last October (\$11.34/s.f.). Over this time, industrial vacancies have dropped by 17,000 s.f.

7. Arlington's retail rents still exceed, on average, those in all neighboring communities except Lexington. Retail rents in all neighboring communities except Somerville have fallen since last October.

8. Office rents in town average lower than Lexington, Cambridge and Somerville, and higher than all other neighbors. Similar to Arlington, office rents have risen in all other neighbors except Medford.

9. Industrial/flex space rents in Arlington average lower than Lexington and Cambridge and higher than all other neighbors. Industrial/flex rents have remained stagnant or fallen in all neighboring communities.

## ARLINGTON

OFFICE SPACE	2015 ytd:	5 yr average	INDUSTRIAL/ FLEX SPACE	2015 ytd:	5 yr average
Rentable Inventory:	510,835 sf	545,379 sf	Rentable Inventory:	320,642 sf	320,642 sf
Average Asking Rent (NNN):	\$26.93/sf	\$22.14/sf	Average Asking Rent (NNN):	\$12.59/sf	\$11.65/sf
Vacancy Rate:	0.5%	2.5%	Vacancy Rate:	3.7%	3.0%
Vacant Space:	2,650 sf	13,510 sf	Vacant Space:	12,000 sf	9,656 sf
Non-CoStar Vacant Space:	0 sf	NA	Non-CoStar Vacant Space:	5,530 sf	NA
<b>Total Vacancy Rate:</b>	<b>0.5%</b>	<b>NA</b>	<b>Total Vacancy Rate:</b>	<b>5.5%</b>	<b>NA</b>
Leasing (1 yr):	1,450 sf	5,166 sf	Leasing (1 yr):	4,200 sf	2,697 sf
Average Turnover Duration:	8.5 months	12.8 months	Average Turnover Duration:	3.0 months	16.9 months

## LEXINGTON

OFFICE SPACE	2015 ytd:	5 yr average	INDUSTRIAL/ FLEX SPACE	2015 ytd:	5 yr average
Rentable Inventory:	4,031,529 sf	3,971,428 sf	Rentable Inventory:	1,415,630 sf	1,415,630 sf
Average Asking Rent (NNN):	\$37.31/sf	\$23.84/sf	Average Asking Rent (NNN):	\$23.72/sf	\$23.08/sf
Vacancy Rate:	9.0%	17.3%	Vacancy Rate:	13.3%	13.6%
Vacant Space:	407,859 sf	548,069 sf	Vacant Space:	187,920 sf	192,705 sf
Leasing (1 yr):	514,371 sf	272,245 sf	Leasing (1 yr):	223,763 sf	162,445 sf
Average Turnover Duration:	11.5 months	14.3 months	Average Turnover Duration:	19.5 months	20.6 months

**CAMBRIDGE**

OFFICE SPACE	2015 ytd:	5 yr average	INDUSTRIAL/ FLEX SPACE	2015 ytd:	5 yr average
Rentable Inventory:	27,849,106 sf	26,992,409 sf	Rentable Inventory:	4,680,322 sf	5,082,298 sf
Average Asking Rent (NNN):	\$49.24/sf	\$43.57/sf	Average Asking Rent (NNN):	\$19.35/sf	\$19.44/sf
Vacancy Rate:	7.3%	8.7%	Vacancy Rate:	3.4%	6.1%
Vacant Space:	2,039,436 sf	2,335,539 sf	Vacant Space:	159,283 sf	306,455 sf
Leasing (1 yr):	2,839,728 sf	2,197,611 sf	Leasing (1 yr):	72,678 sf	205,526 sf
Average Turnover Duration:	8.6 months	11.5 months	Average Turnover Duration:	12.0 months	13.8 months

**SOMERVILLE**

OFFICE SPACE	2015 ytd:	5 yr average	INDUSTRIAL/ FLEX SPACE	2015 ytd:	5 yr average
Rentable Inventory:	1,685,052 sf	1,558,676 sf	Rentable Inventory:	3,324,734 sf	3,500,840 sf
Average Asking Rent (NNN):	\$29.25/sf	\$23.75/sf	Average Asking Rent (NNN):	\$11.69/sf	\$10.73/sf
Vacancy Rate:	10.3%	9.0%	Vacancy Rate:	5.90%	10.70%
Vacant Space:	173,703 sf	139,724 sf	Vacant Space:	195,560 sf	317,385 sf
Leasing (1 yr):	158,806 sf	78,504 sf	Leasing (1 yr):	130,200 sf	161,329 sf
Average Turnover Duration:	10.6 months	11.0 months	Average Turnover Duration:	12.2 months	16.3 months

**MEDFORD**

OFFICE SPACE	2015 ytd:	5 yr average	INDUSTRIAL/ FLEX SPACE	2015 ytd:	5 yr average
Rentable Inventory:	1,625,437 sf	1,625,743 sf	Rentable Inventory:	2,514,206 sf	2,522,716 sf
Average Asking Rent (NNN):	\$17.84/sf	\$21.03/sf	Average Asking Rent (NNN):	\$9.51/sf	\$8.19/sf
Vacancy Rate:	10.1%	11.1%	Vacancy Rate:	5.80%	6.80%
Vacant Space:	164,188 sf	181,777 sf	Vacant Space:	145,511 sf	172,551 sf
Leasing (1 yr):	57,583 sf	99,949 sf	Leasing (1 yr):	38,204 sf	66,619 sf
Average Turnover Duration:	30.1 months	14.5 months	Average Turnover Duration:	17.9 months	11.1 months

**BELMONT**

OFFICE SPACE	2015 ytd:	5 yr average	INDUSTRIAL/ FLEX SPACE	2015 ytd:	5 yr average
Rentable Inventory:	355,879 sf	372,563 sf	Rentable Inventory:	212,897 sf	196,960 sf
Average Asking Rent (NNN):	\$20.07/sf	\$19.34/sf	Average Asking Rent (NNN):	-	\$7.72/sf
Vacancy Rate:	3.2%	4.0%	Vacancy Rate:	0.0%	3.0%
Vacant Space:	11,520 sf	14,806 sf	Vacant Space:	0 sf	5,840 sf
Leasing (1 yr):	3,000 sf	4,815 sf	Leasing (1 yr):	4,420 sf	3,977 sf
Average Turnover Duration:	18.3 months	12.2 months	Average Turnover Duration:	0.9 months	19.7 months

**WINCHESTER**

OFFICE SPACE	2015 ytd:	5 yr average	INDUSTRIAL/ FLEX SPACE	2015 ytd:	5 yr average
Rentable Inventory:	440,142 sf	434,488 sf	Rentable Inventory:	835,658 sf	887,204 sf
Average Asking Rent (NNN):	\$20.03/sf	\$21.10/sf	Average Asking Rent (NNN):	\$7.76/sf	\$5.83/sf
Vacancy Rate:	0.6%	3.0%	Vacancy Rate:	7.1%	4.6%
Vacant Space:	2,470 sf	12,863 sf	Vacant Space:	59,184 sf	40,769 sf
Leasing (1 yr):	3,340 sf	7,055 sf	Leasing (1 yr):	5,125 sf	6,204 sf
Average Turnover Duration:	20.5 months	12.7 months	Average Turnover Duration:	35.2 months	21.2 months

Data: Massachusetts, Middlesex County, June 2015. Licensed by the Town of Arlington from the CoStar Group.. The information in this report is derived from Multiple Listing Systems, as well as information provided by commercial property owners, which is verified and updated by CoStar Group researchers. The Town of Arlington is not responsible for errors or omissions in the data herein.

TERMS: **Leasing** refers to the volume of square footage that is committed to and actually signed in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in under construction, planned buildings or under renovation buildings. **Turnover Duration** (Time on Market) is a measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied. **Vacant space** refers to all space not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant Space can be either available or not available. **Vacancy Rate** is expressed as a percentage - it identifies the amount of New/Relet/Sublet vacant space divided by the existing RBA (Rentable Building Area). Can be used for buildings or markets. **Non-CoStar Vacant Space** refers to vacant commercial property in Arlington that is not currently listed in CoStar's database, but is known by Town staff to be unoccupied. **Total Vacancy Rate** is the percentage of Rentable Inventory (RBA) that is currently vacant, regardless of whether it is listed on CoStar. Mathematically, Total Vacancy Rate =  $(\text{Vacant Space} + \text{Non-CoStar Vacant Space}) / \text{Rentable Inventory}$ .

## ARLINGTON, MASSACHUSETTS: Neighborhood Commercial Vacancy Trends

Data: Massachusetts, Middlesex County, June 2015. Licensed by the Town of Arlington from the CoStar Group.

The information in this report is derived from Multiple Listing Systems, as well as information provided by commercial property owners, which is verified and updated by CoStar Group researchers. The Town of Arlington is not responsible for errors or omissions in the data herein.

**Leasing** refers to the volume of square footage that is committed to and actually signed in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in under construction, planned buildings or under renovation buildings. **Turnover Duration** (Time on Market) is a measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied. **Vacant space** refers to all space not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant Space can be either available or not available. **Vacancy Rate** is expressed as a percentage - it identifies the amount of New/Relet/Sublet vacant space divided by the existing RBA (Rentable Building Area). Can be used for buildings or markets.

ARLINGTON HEIGHTS					
ALL COMMERCIAL SPACE	2015 ytd:	5 yr average	RETAIL SPACE	2014 ytd:	5 yr average
Rentable Inventory:	436,424 sf	450,572 sf	Rentable Inventory:	234,669 sf	229,807 sf
Average Asking Rent (NNN):	\$17.66/sf	\$26.22/sf	Average Asking Rent (NNN):	\$45.00/sf	\$36.42/sf
Vacancy Rate:	3.7%	3.1%	Vacancy Rate:	3.51%	1.9%
Vacant Space:	16,248 sf	13,736 sf	Vacant Space:	8,244 sf	4,466 sf
Leasing (1 yr):	7,334 sf	5,591 sf	Leasing (1 yr):	9,913 sf	4,598 sf
Average Turnover Duration:	11.6 months	11.4 months	Average Turnover Duration:	12.3 months	9.6 months

ARLINGTON CENTER					
ALL COMMERCIAL SPACE	2015 ytd:	5 yr average	RETAIL SPACE	2015 ytd:	5 yr average
Rentable Inventory:	789,118 sf	816,530 sf	Rentable Inventory:	386,690 sf	379,558 sf
Average Asking Rent (NNN):	\$26.29/sf	\$24.50/sf	Average Asking Rent (NNN):	\$20.00/sf	\$27.31/sf
Vacancy Rate:	2.0%	2.3%	Vacancy Rate:	2.1%	2.0%
Vacant Space:	15,496 sf	19,082 sf	Vacant Space:	8,046 sf	7,517 sf
Leasing (1 yr):	7,010 sf	11,022 sf	Leasing (1 yr):	5,810 sf	6,476 sf
Average Turnover Duration:	7.3 months	14.2 months	Average Turnover Duration:	4.3 months	15.1 months

EAST ARLINGTON					
ALL COMMERCIAL SPACE	2015 ytd:	5 yr average	RETAIL SPACE	2015 ytd:	5 yr average
Rentable Inventory:	325,490 sf	315,722 sf	Rentable Inventory:	174,303 sf	164,535 sf
Average Asking Rent (NNN):	\$17.60/sf	\$24.73/sf	Average Asking Rent (NNN):	\$15.00/sf	\$25.33/sf
Vacancy Rate:	2.0%	2.5%	Vacancy Rate:	1.0%	4.0%
Vacant Space:	6,655 sf	7,925 sf	Vacant Space:	1,825 sf	6,509 sf
Leasing (1 yr):	800 sf	4,249 sf	Leasing (1 yr):	800 sf	2,331 sf
Average Turnover Duration:	13.4 months	12.6 months	Average Turnover Duration:	1.1 months	14.7 months

LEXINGTON CENTER					
ALL COMMERCIAL SPACE	2015 ytd:	5 yr average	RETAIL SPACE	2015 ytd:	5 yr average
Rentable Inventory:	947,300 sf	947,980 sf	Rentable Inventory:	403,913 sf	404,593 sf
Average Asking Rent (NNN):	\$29.77/sf	\$32.63/sf	Average Asking Rent (NNN):	\$47.00/sf	\$43.86/sf
Vacancy Rate:	1.8%	3.4%	Vacancy Rate:	0.0%	2.7
Vacant Space:	17,161 sf	32,030 sf	Vacant Space:	0 sf	10,891 sf
Leasing (1 yr):	13,165 sf	22,728 sf	Leasing (1 yr):	1,800 sf	8,768 sf
Average Turnover Duration:	7.3 months	8.8 months	Average Turnover Duration:	0.7 months	12.3 months

N. WEST CAMBRIDGE					
(Incl. the North Cambridge, Fresh Pond/Cambridge Highlands, Neighborhood Nine and Huron Village business districts)					
ALL COMMERCIAL SPACE	2015 ytd:	5 yr average	RETAIL SPACE	2015 ytd:	5 yr average
Rentable Inventory:	5,167,216 sf	5,362,351 sf	Rentable Inventory:	524,152 sf	544,642 sf
Average Asking Rent (NNN):	\$31.10/sf	\$28.63/sf	Average Asking Rent (NNN):	\$21.66/sf	\$23.19/sf
Vacancy Rate:	8.8%	10.9%	Vacancy Rate:	4.3%	4.4%
Vacant Space:	455,763 sf	586,472 sf	Vacant Space:	26,153 sf	23,241 sf
Leasing (1 yr):	440,517 sf	323,577 sf	Leasing (1 yr):	0 sf	11,559 sf
Average Turnover Duration:	11.0 months	15.0 months	Average Turnover Duration:	7.4 months	17.1 months



## ARLINGTON, MASSACHUSETTS: Neighborhood Commercial Vacancy Trends

Data: Massachusetts, Middlesex County, June 2015. Licensed by the Town of Study Period: October 2014 to June 2015

The information in this report is derived from Multiple Listing Systems, as well as information provided by commercial property owners, which is verified and updated by CoStar Group researchers. The Town of Arlington is not responsible for errors or omissions in the data herein.

**Leasing** refers to the volume of square footage that is committed to and actually signed in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in under construction, planned buildings or under renovation buildings. **Turnover Duration** (Time on Market) is a measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied. **Vacant space** refers to all space not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant Space can be either available or not available. **Vacancy Rate** is expressed as a percentage - it identifies the amount of New/Relet/Sublet vacant space divided by the existing RBA (Rentable Building Area). Can be used for buildings or markets.

ARLINGTON HEIGHTS					
OFFICE SPACE			INDUSTRIAL/ FLEX SPACE		
	2015 ytd:	5 yr average		2015 ytd:	5 yr average
Rentable Inventory:	54,704 sf	54,704 sf	Rentable Inventory:	147,051 sf	147,051 sf
Average Asking Rent (NNN):	-	-	Average Asking Rent (NNN):	\$12.59/sf	\$12.30/sf
Vacancy Rate:	0%	6.0%	Vacancy Rate:	8.2%	3.3%
Vacant Space:	0 sf	4,419 sf	Vacant Space:	12,000 sf	4,851 sf
Leasing (1 yr):	0 sf	1,451 sf	Leasing (1 yr):	4,200 sf	1,029 sf
Average Turnover Duration:	-	20.8 months	Average Turnover Duration:	7.6 months	11.3 months

ARLINGTON CENTER					
OFFICE SPACE			INDUSTRIAL/ FLEX SPACE		
	2015 ytd:	5 yr average		2015 ytd:	5 yr average
Rentable Inventory:	328,138 sf	362,682 sf	Rentable Inventory:	74,290 sf	74,290 sf
Average Asking Rent (NNN):	\$27.11/sf	\$21.88/sf	Average Asking Rent (NNN):	\$12.95/sf	\$9.74/sf
Vacancy Rate:	0.7%	3.0%	Vacancy Rate:	8.1%	1.00%
Vacant Space:	2,450 sf	10,833 sf	Vacant Space:	6,000 sf	732 sf
Leasing (1 yr):	1,200 sf	3,938 sf	Leasing (1 yr):	0 sf	0 sf
Average Turnover Duration:	4.7 months	13.7 months	Average Turnover Duration:	0.8 months	-

EAST ARLINGTON					
OFFICE SPACE			INDUSTRIAL/ FLEX SPACE		
	2015 ytd:	5 yr average		2015 ytd:	5 yr average
Rentable Inventory:	91,278 sf	91,278 sf	Rentable Inventory:	59,909 sf	59,909 sf
Average Asking Rent (NNN):	-	\$27.75/sf	Average Asking Rent (NNN):	-	-
Vacancy Rate:	0.0%	1.7%	Vacancy Rate:	9.2%	0.3%
Vacant Space:	0 sf	1,498 sf	Vacant Space:	5,530 sf	175 sf
Leasing (1 yr):	0 sf	1,118 sf	Leasing (1 yr):	0 sf	-
Average Turnover Duration:	-	7.9 months	Average Turnover Duration:	-	-

LEXINGTON CENTER					
OFFICE SPACE			INDUSTRIAL/ FLEX SPACE		
	2015 ytd:	5 yr average		2015 ytd:	5 yr average
Rentable Inventory:	490,537 sf	490,537 sf	Rentable Inventory:	52,850 sf	52,850 sf
Average Asking Rent (NNN):	\$29.27/sf	\$24.50/sf	Average Asking Rent (NNN):	0.0%	0.0%
Vacancy Rate:	3.5	4.3	Vacancy Rate:	0.0%	0
Vacant Space:	17,161 sf	21,139 sf	Vacant Space:	0.0%	0.0%
Leasing (1 yr):	11,365 sf	13,960 sf	Leasing (1 yr):	0 sf	-
Average Turnover Duration:	7.4 months	7.0 months	Average Turnover Duration:	-	-

N. WEST CAMBRIDGE					
(Incl. the North Cambridge, Fresh Pond/Cambridge Highlands, Neighborhood Nine and Huron Village business districts)					
OFFICE SPACE			INDUSTRIAL/ FLEX SPACE		
	2015 ytd:	5 yr average		2015 ytd:	5 yr average
Rentable Inventory:	3,276,091 sf	3,397,663 sf	Rentable Inventory:	1,366,973 sf	1,420,046 sf
Average Asking Rent (NNN):	\$46.60/sf	\$37.54/sf	Average Asking Rent (NNN):	\$16.22/sf	\$17.35/sf
Vacancy Rate:	11.1%	13.4%	Vacancy Rate:	5.2%	7.7%
Vacant Space:	362,997 sf	453,503 sf	Vacant Space:	70,487 sf	108,916 sf
Leasing (1 yr):	399,890 sf	263,930 sf	Leasing (1 yr):	40,627 sf	48,088 sf
Average Turnover Duration:	12.5 months	14.9 months	Average Turnover Duration:	12.0 months	14.3 months