



A Colliers In Focus Series

Q3 2020 Industrial Update

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The Greater Boston Industrial market continues to buck the trend of office, posting another up quarter in Q3. With solid absorption, continued development, and sustained rental rates, industrial joins lab as the top performing asset classes in the region.

- Greater Boston saw nearly **450,000 SF** of positive industrial absorption in Q3, this brings vacancy to 8.5% for the market besting Q2, a 15-year low.
- Aggregate **rental rates** have held steady with both direct and sublease availabilities **hovering at the \$10 mark** as the market average.
- Amazon makes new headlines as they pursue a second site in Revere, targeting a movie theater conversion; with this venture and talks with Simon Property Group to take over JCPenney and Sears spaces, **retail to industrial conversions** are beginning to gain momentum.
- **Development activity continues** throughout the market as both new construction and renovation projects push ahead to match demand.
- Industrial **sales activity remains strong** as numerous properties traded in Q3; the strong and sustained fundamentals of the Boston industrial market continue to draw investment interest.



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