

Framingham Economic Development Strategic Plan Phase II Data Update

January 6, 2022



Prepared by
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Agenda

- 1. Phase I Report Recap**
- 2. Topical Analyses**
 1. Key Findings: What is still relevant & what has changed since Phase I
 2. Data summary
- 3. Discussion**



Phase 1 Report Recap

Phase I Report Recap

- Demographic & Economic Base
- Real Estate
- Target Industries
- Fiscal Impact Analysis
- Village Center Plans
 - Nobscot
 - Southeast Framingham

FEBRUARY 2019

ECONOMIC DEVELOPMENT STRATEGY; PHASE I CITY OF FRAMINGHAM, MASSACHUSETTS



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Phase I Report Recap

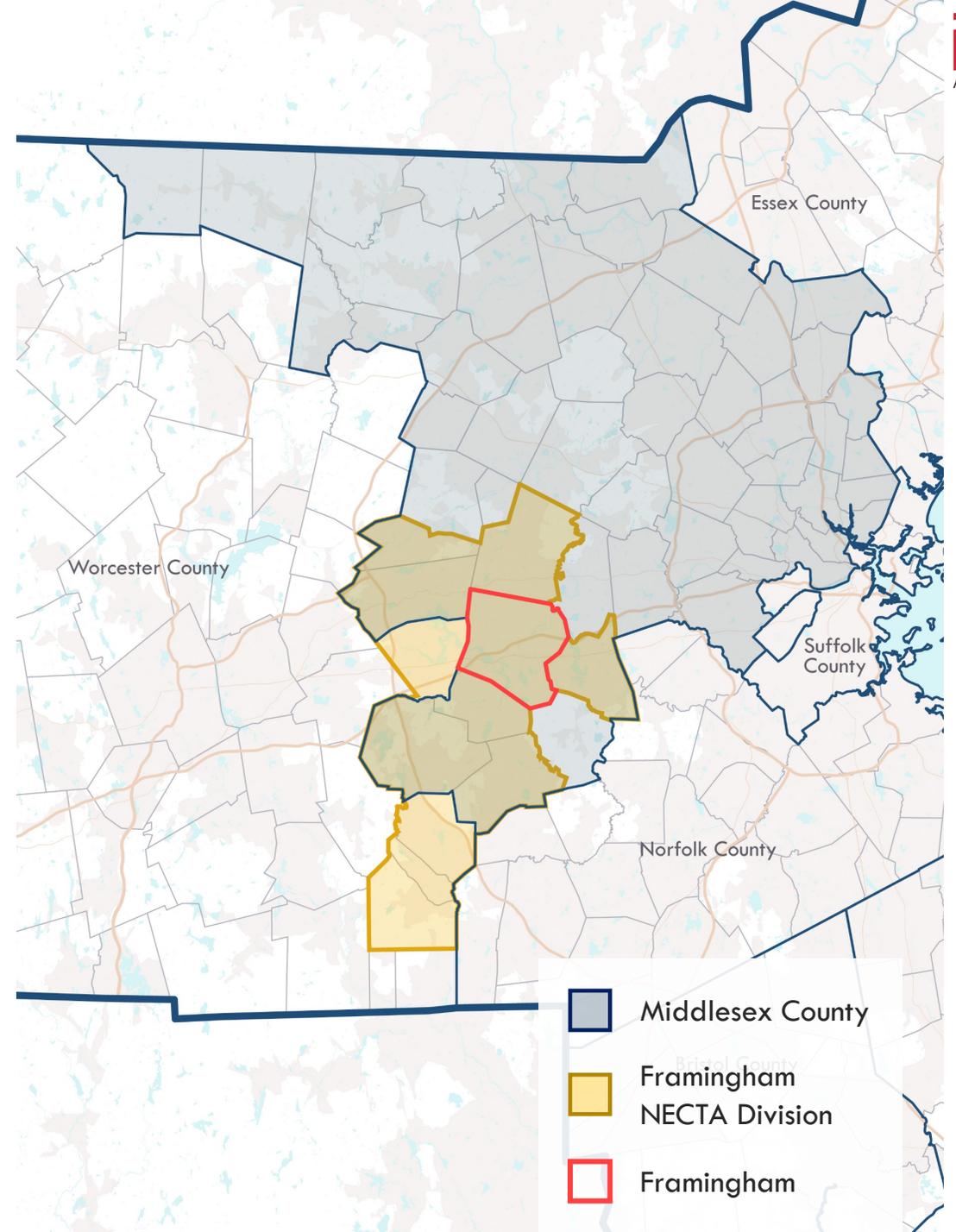
Comparison Geographies

- Framingham/MetroWest
NECTA* Division

| | |
|------------|--------------|
| Ashland | Marlborough |
| Framingham | Mendon |
| Holliston | Milford |
| Hopedale | Natick |
| Hopkinton | Southborough |
| Hudson | Sudbury |

- Middlesex County
- Massachusetts

*NECTA is a Census-defined area, “New England City and Town Area”



Phase I Report Recap

Economic Development Goals

- Business Goals
 - Attract new businesses with competitive wages
 - Retain and expand existing businesses
 - Create programs to foster start-up and innovation economy businesses
 - Facilitate entrepreneurship opportunities for a diverse population
- Land Use Goals
 - Encourage location-appropriate and scale-sensitive development
 - Enable economic growth in all commercial centers in Framingham
 - Foster greater live/work/play opportunities with more price diversity
 - Create opportunities to repurpose underutilized/antiquated real estate assets
 - Ensure City facilities and infrastructure are available and adequate in growth centers
 - Identify publicly-owned land suitable to accommodate economic development opportunities

Phase I Report Recap

Economic Development Goals

- Regulatory Goals
 - Institute clear, efficient, and predictable approval processes
 - Establish a diverse toolkit of policies and incentives that promote economic development
 - Create a competitive tax environment for businesses
 - Encourage development that provides a positive economic impact
 - Utilize post-secondary education providers to strengthen the local workforce
- Quality of Life Goals
 - Use the existing built environment to improve public safety – both perceptions and reality
 - Plan and manage impacts of future growth on existing residents and businesses
 - Prioritize the preservation and improvement of existing neighborhoods
 - Incorporate open space strategies into economic development where appropriate
 - Enhance multi-modal transportation connectivity and convenience
 - Activate existing community amenities to maximize benefits to residents and businesses

Demographic & Economic Base

Demographic & Economic Base

Key Findings

What is Still Relevant

- Framingham has a diverse population and is diversifying.
- Framingham's and MetroWest's populations are aging.
- Framingham is in a well-educated region, but local educational attainment trails NECTA division and county levels.
- Local labor force participation is high.
- There are few highly-educated workers available in the labor force.

Demographic & Economic Base

Data Summary

Measures and trends that have not changed notably

- Age distribution – Persons aged 65 and older make up 12.4% of the population
- **Population Distribution by Race & Ethnicity – Framingham is 28.4% foreign-born and 37% Non-white and/or Hispanic/Latinx**
- Household size – 2.45 persons per household
- Households by type – 49.7% married couple families, 28.6% living alone
- Median household incomes relative to comparison geographies – \$82,709 for Framingham vs. \$98,495 for the NECTA division
- Commute modes – 75% of residents drive alone to get to work, with younger residents less likely to do so
- **Employment by age – Largest cohort of workers is 24-35 years old, but more than 1/4 of the workforce is over 55**
- **Occupational skill requirements and projections – jobs requiring a bachelor's degree will grow the fastest**

Demographic & Economic Base

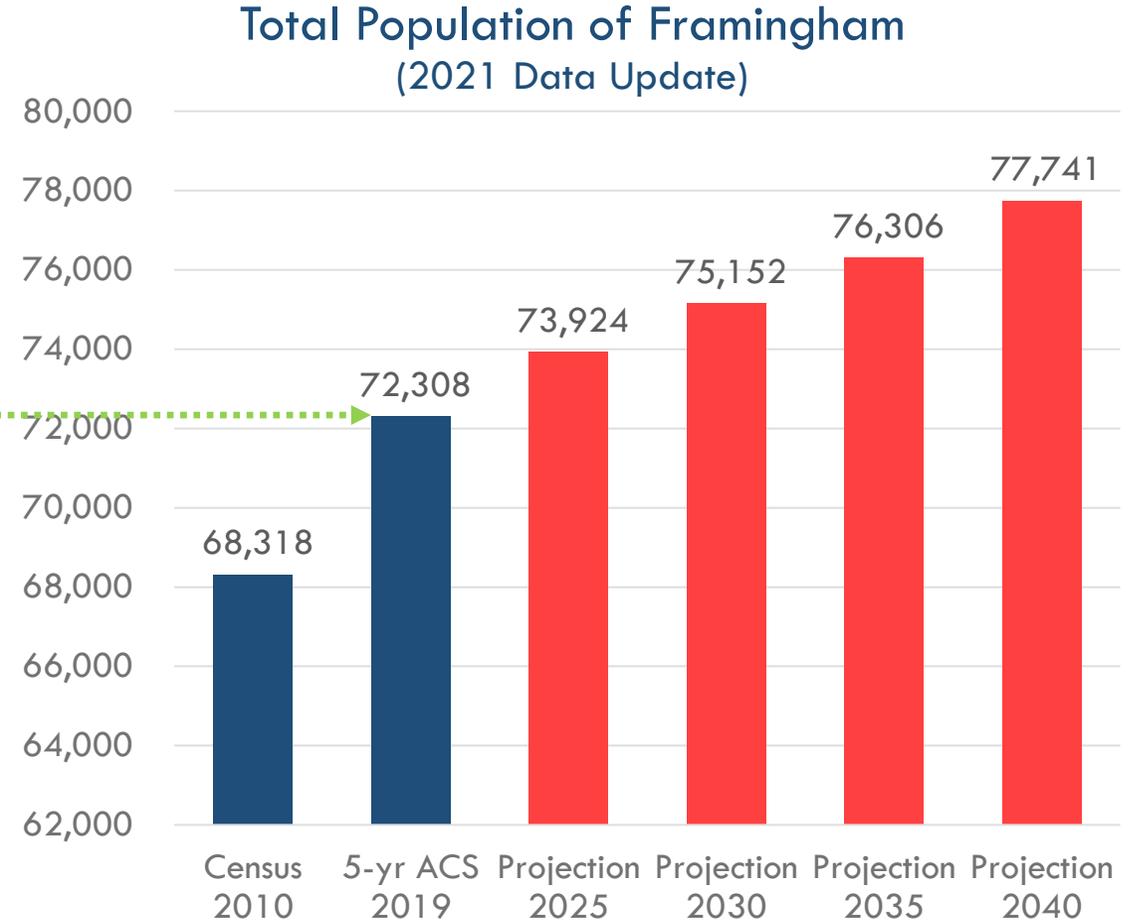
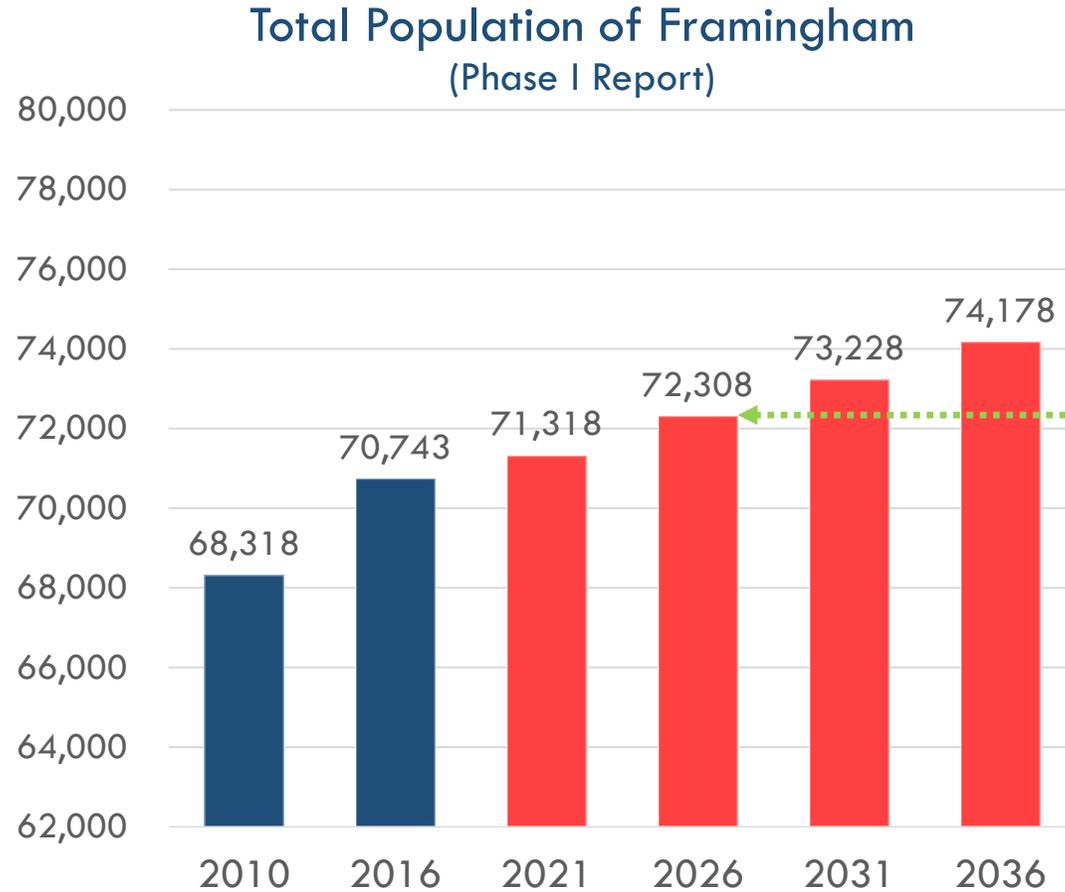
Key Findings

What has changed since Phase I

- Framingham's population is now growing *faster* than that of the MetroWest NECTA Division in the near term.
- The onset of the COVID-19 Pandemic.

Demographic & Economic Base

Total Population of Framingham – Trends & Projections



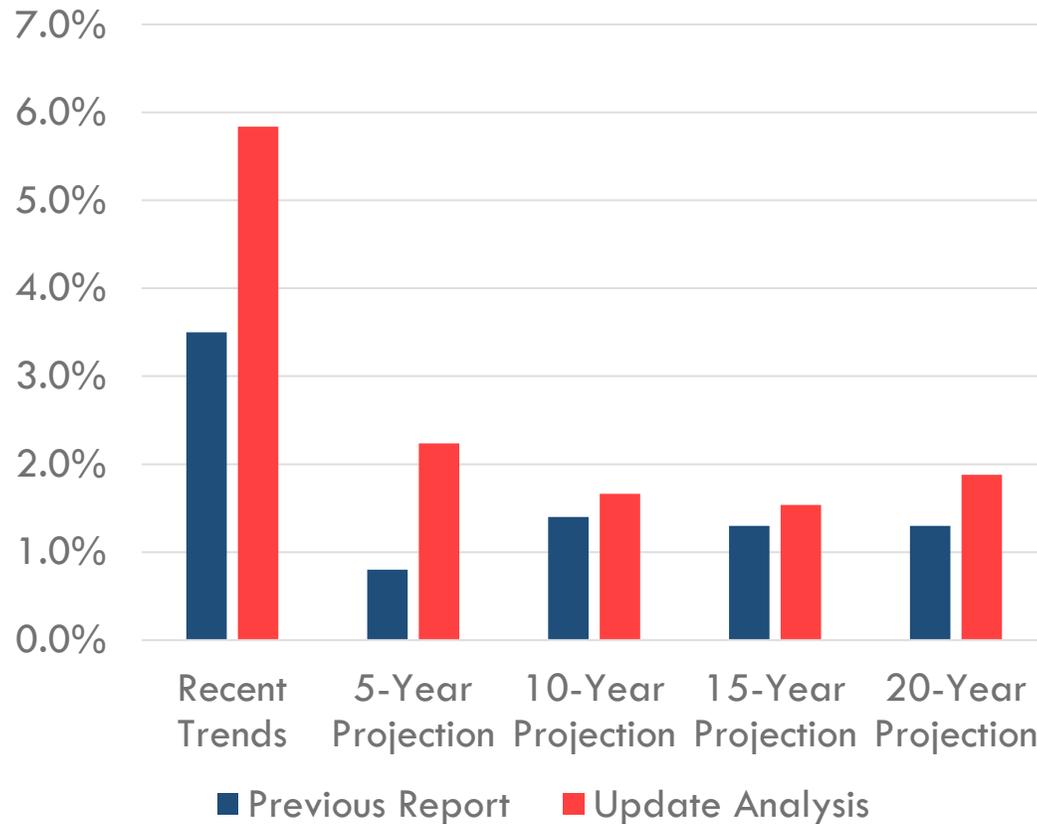
Framingham’s population has grown faster than expected and is predicted to grow at a faster rate in the future. By 2019, it had reached the previously-predicted 2026 total.

Sources: Decennial Census, 2016 & 2019 5-year ACS, UMDI

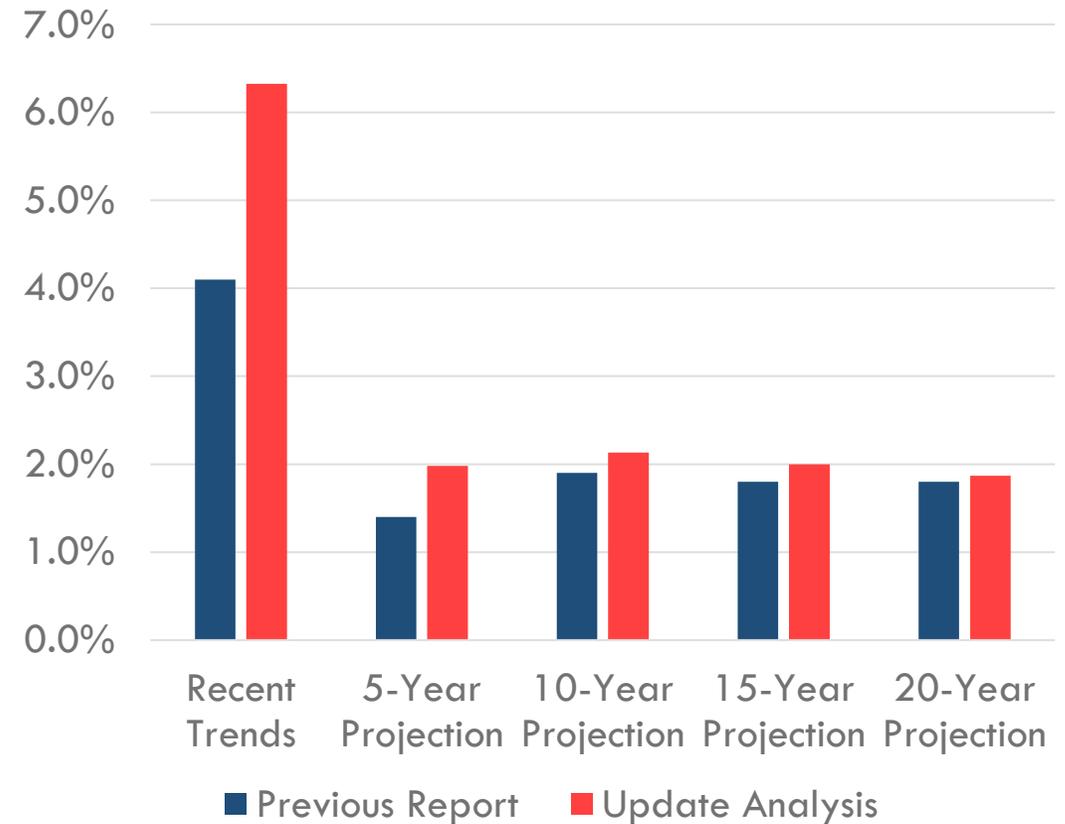
Demographic & Economic Base

Projected Growth Rates

City of Framingham



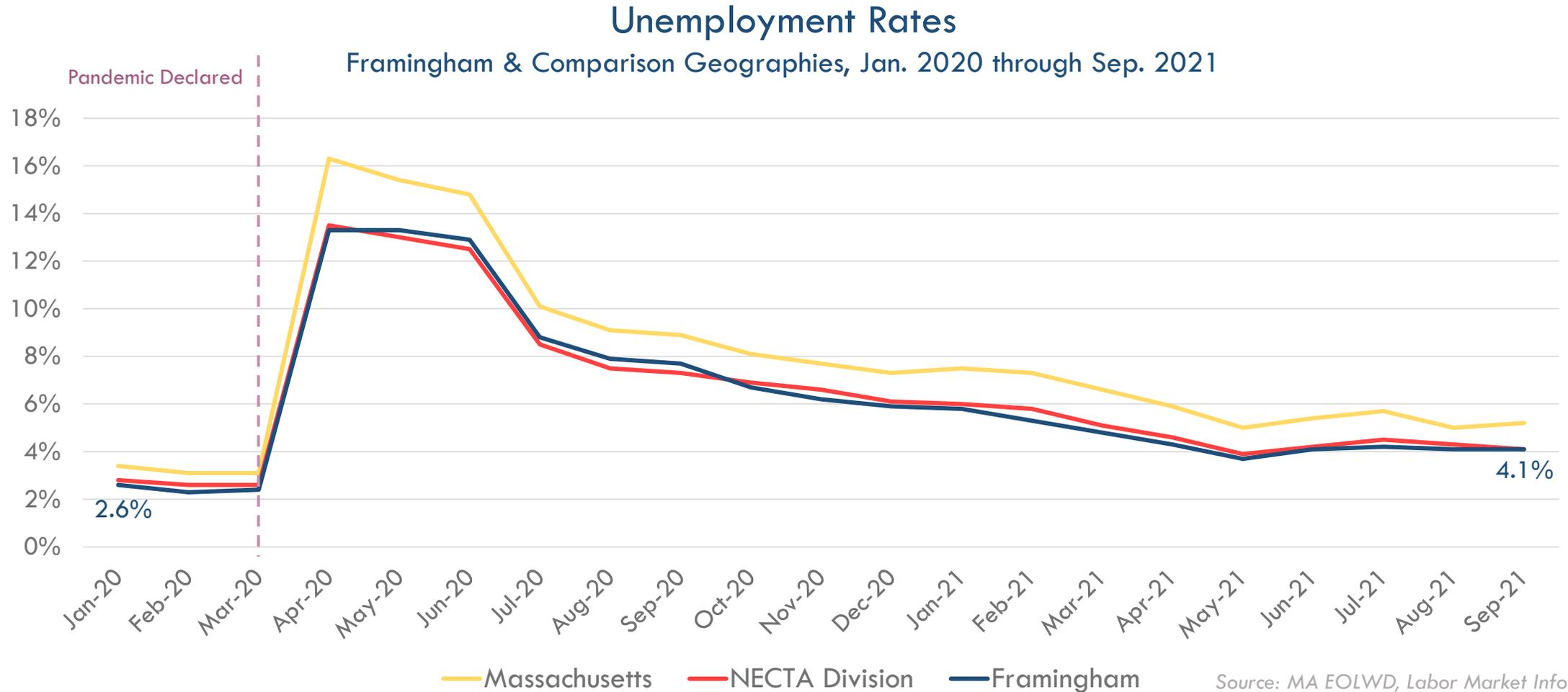
Framingham NECTA



Projected growth rates are tied to residential development activity. Previous projections underestimated activity in the city.

Sources: Decennial Census, 2016 & 2019 5-year ACS, UMDI

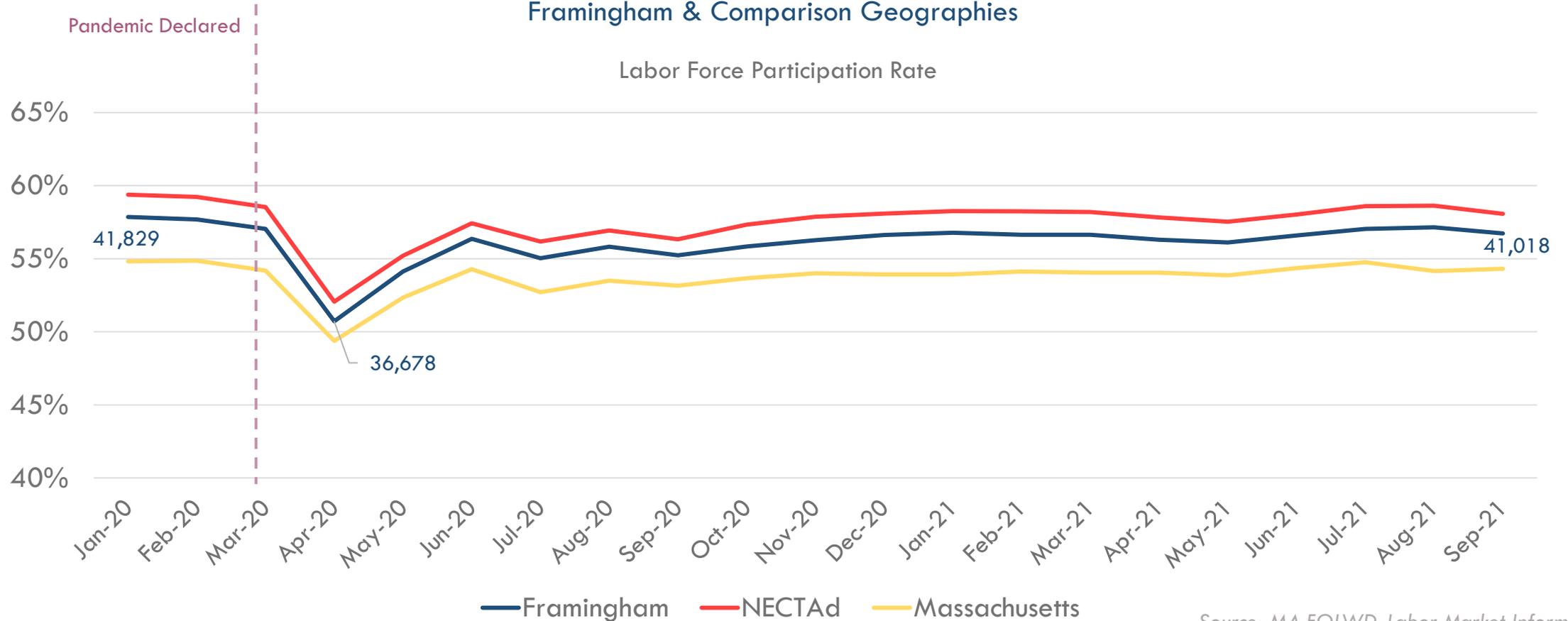
Demographic & Economic Base



Unemployment rose sharply at the beginning of the pandemic but has reduced nearly to the extremely low pre-pandemic levels. Most businesses reopened as vaccines became widely available and public health guidance improved. Current unemployment levels across all three geographies are considered to be representative of “full employment”.

Demographic & Economic Base

Labor Force Participation Rate
Framingham & Comparison Geographies



The labor force declined dramatically at the beginning of the pandemic but has bounced back over the subsequent 18 months as a combination of factors (including vaccines and evolving public health policy) have allowed people to feel safer returning to work.

Demographic & Economic Base

Implications

- Post-COVID recovery shows regional and local economic strength.
 - COVID-19 dramatically impacted employment, but the effects may not be long-lasting.
 - Though unemployment is slightly higher, the labor force has nearly returned to pre-pandemic levels and Framingham performs well relative to comparison geographies.
- If continued economic growth is desired, labor force challenges must be addressed.
 - Very low unemployment levels locally and regionally point to a competitive labor market with very little slack
 - Comparatively lower educational attainment relative to NECTA division and Middlesex County and an aging population highlight need for more younger, educated residents to attract businesses... particularly in Executive and Life Sciences jobs.
- Continued population/household growth will favor future economic growth.
 - Increased growth means there are more employees and consumers living in Framingham.
 - Indicates demand for housing in the city.

Real Estate

Real Estate

Key Findings

What is still relevant

- **Framingham remains a relatively affordable alternative to Boston proper, Cambridge, and other cities nearer to the metro core, however that gap is narrowing.**
- **Demand for industrial and flex space continues to grow across the region, but the lack of developable land makes growth more challenging.**
- Residential construction has been occurring at a higher density than historically seen in Framingham.
- Entering 2020, Framingham saw new residential projects permitted, with renewed interest in the downtown and neighborhood centers.
- Redevelopment of less competitive commercial space to mixed use remains strong and profitable.
- Potential may exist for small-scale retail in neighborhood centers through mixed-use development, but there are limited opportunities for large-scale retail expansion.

Measures and trends that have not changed notably

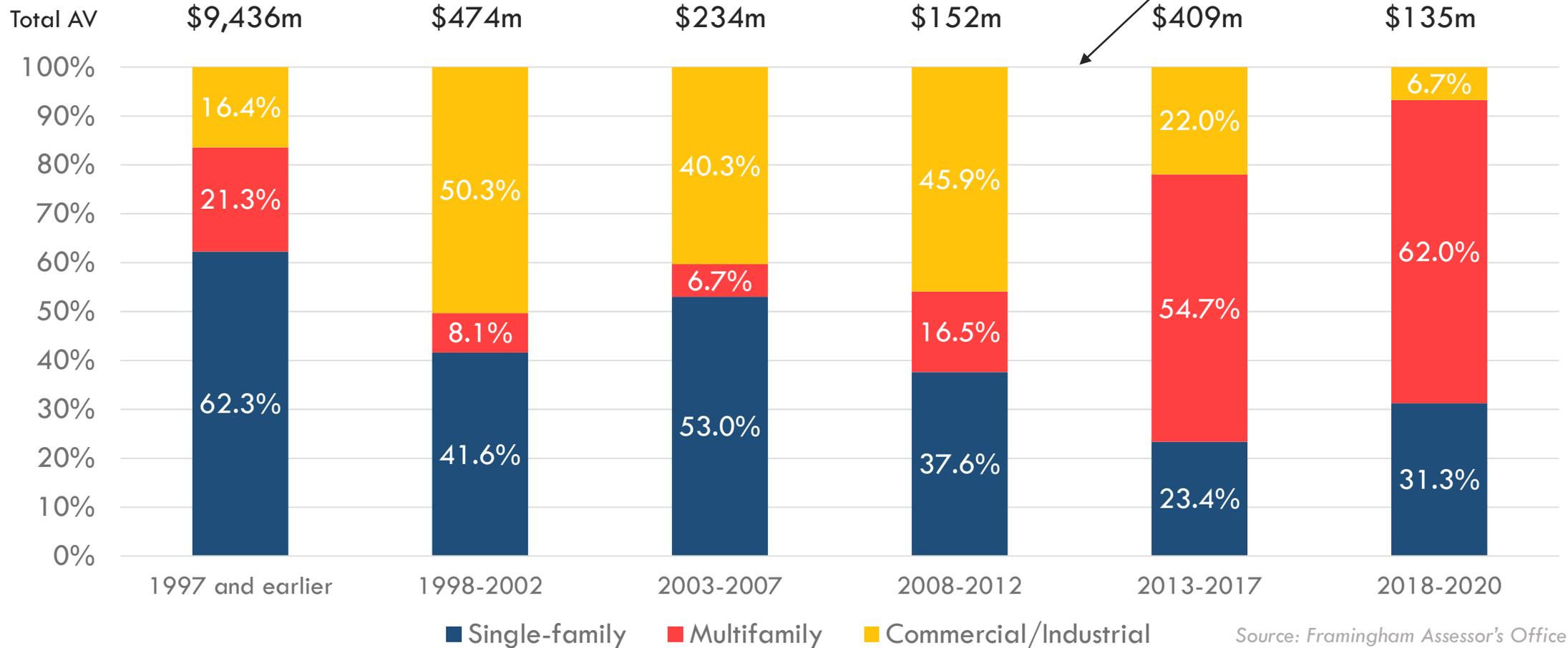
- Framingham/Natick remain a retail hub for MetroWest
 - Large-scale retail continues strength based on critical mass/TJX
- ‘Unending’ housing demand at all income levels
 - Connectivity of housing growth, retail sustainability, and workforce development
- Land at a premium
 - City is built out, requiring infill development/adaptive reuse/tear down-rebuild
 - This makes certain development types less financially feasible
- Strength of industrial property market
 - Driven by biomedical production and automotive sector
 - Location is paramount for the former, less so for the latter

Key Findings

What has changed since Phase I

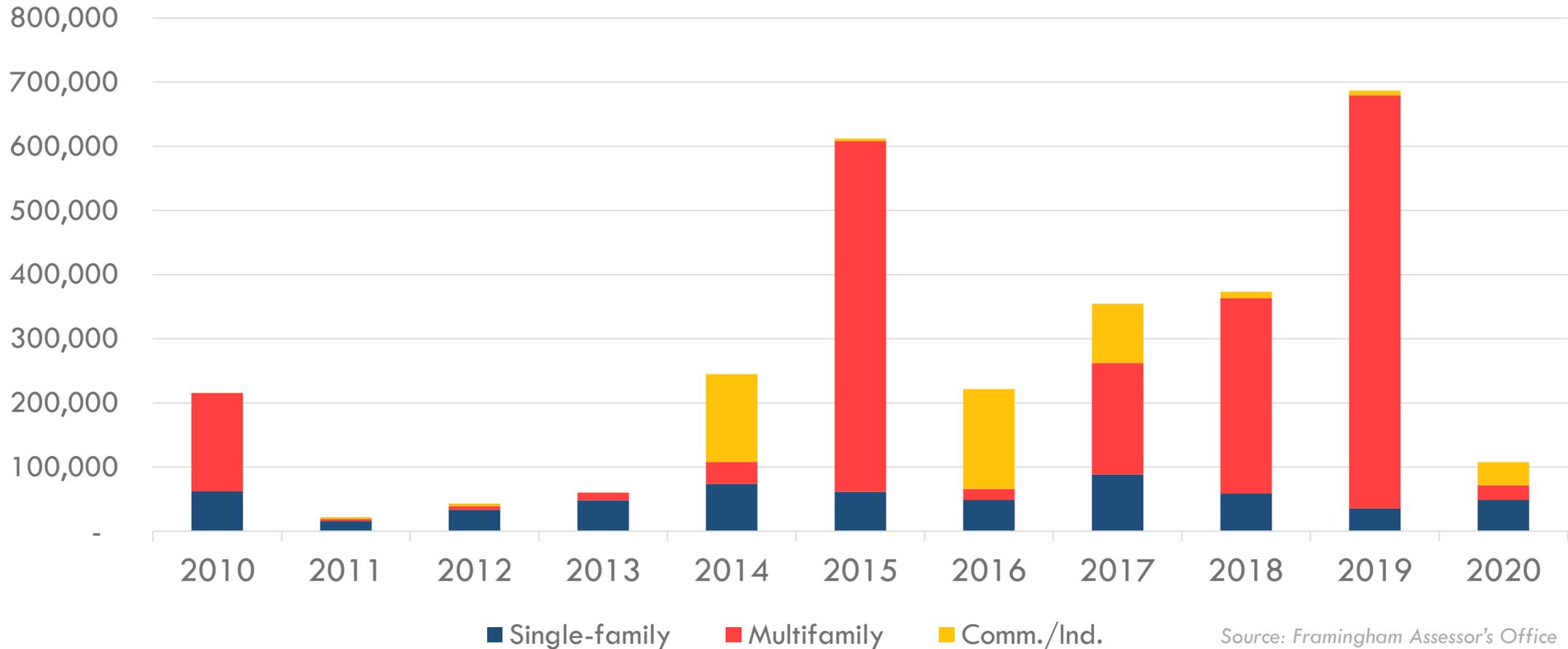
- City's efforts to stall housing development has worked
 - Residential development has dropped significantly since the 2014-2017 peak.
 - There was a precipitous decline between 2019 and 2020.
- COVID-19 impacts on retail market, particularly dining and non-durable goods
 - The retail market volatility has increased and the future more uncertain due to the impacts of COVID-19
 - Framingham relatively less impacted than region with stronger durable goods market
- Office demand transitioning, and no one really knows how it will end
 - Decrease in in-person office will require fewer SF
 - Social distancing will require greater SF
 - MetroWest has not experienced substantial change in demand from 'out-flight'

Value Share of Built Stock Framingham, by Development Era



Overall, the value of development in Framingham has been dominated by housing in recent years – to a degree not seen since well before 2000.

Built Square Feet by Year by Property Type Framingham, 2010-2020

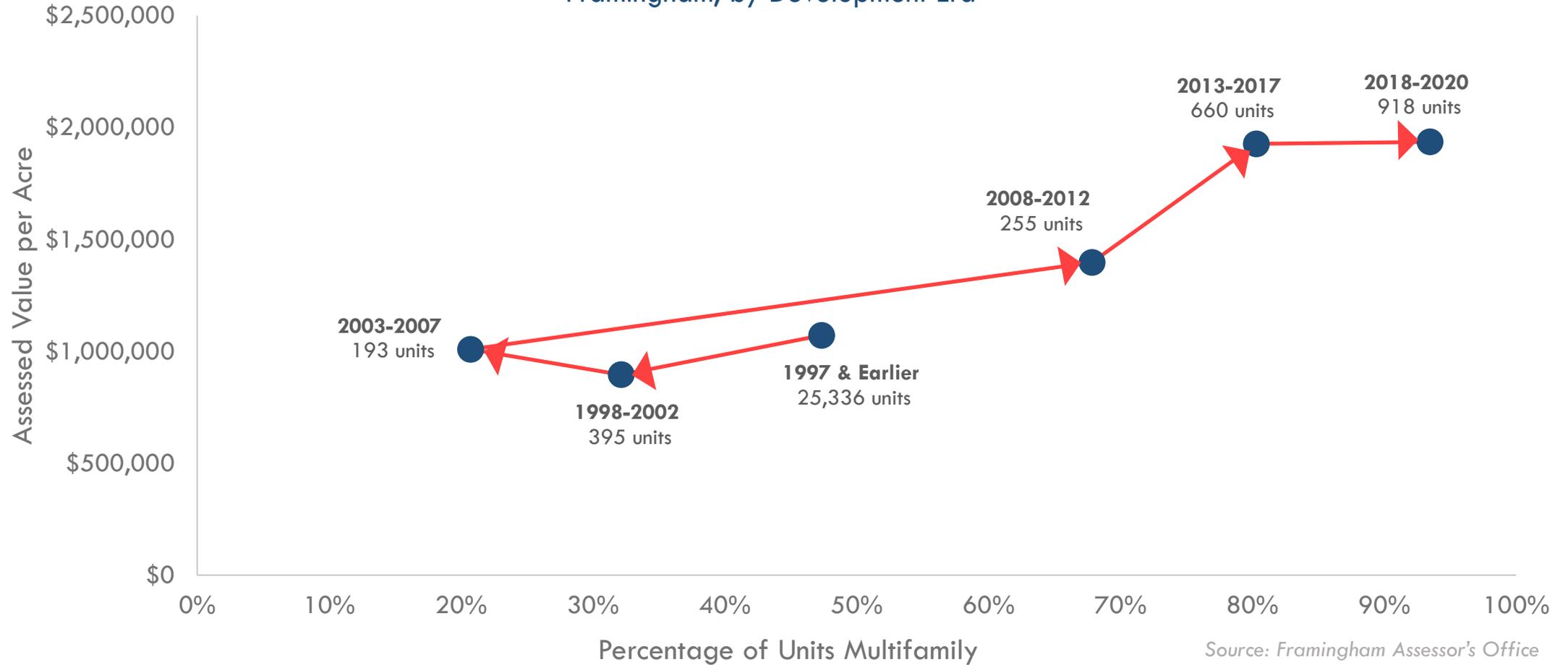


After significant increases in development beginning in 2015, built square footage by year decreased suddenly in 2020, likely due to the impacts of the pandemic and multifamily moratorium. Comm/Ind development is quite limited.²²

Real Estate

Housing

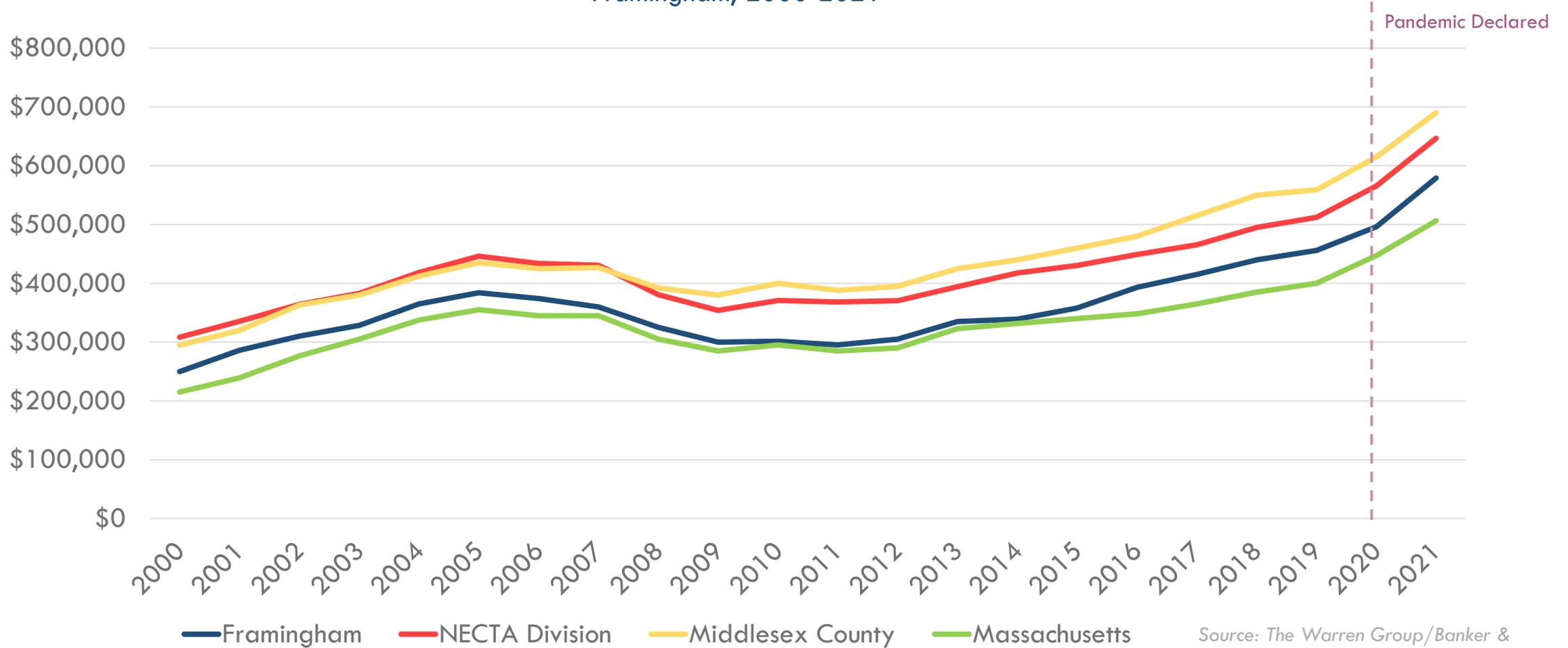
Assessed Value per Acre vs.
Percent of Units Built as Multifamily
Framingham, by Development Era



Housing built in Framingham has shifted far more to multifamily units in recent years, and such units have a much higher assessed value per acre.

Housing

Median Sale Price, Single-family Homes Framingham, 2000-2021

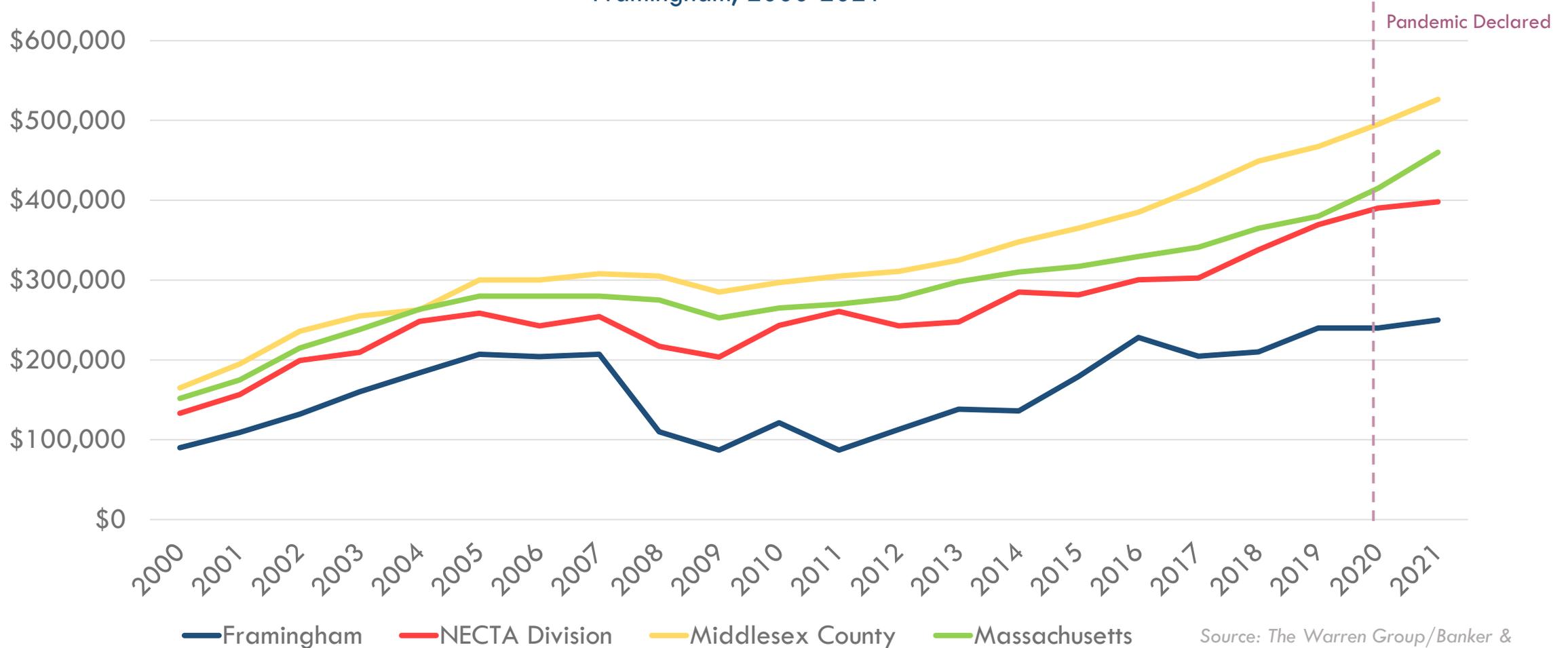


Source: The Warren Group/Banker & Tradesman Town Statistics

Housing prices continue to rise, but Framingham remains comparably affordable.

Housing

Median Sale Price, Condos Framingham, 2000-2021

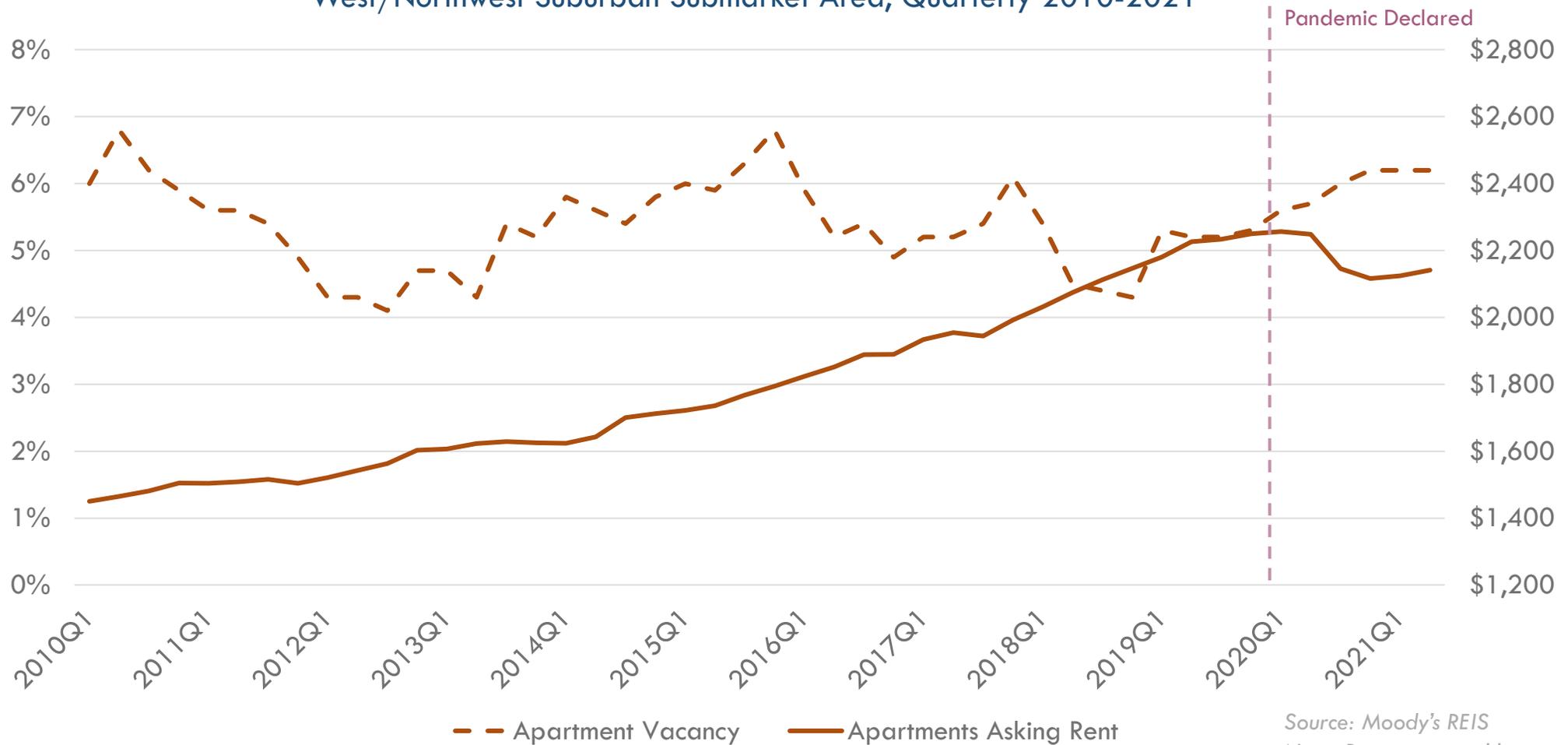


Source: The Warren Group/Banker & Tradesman Town Statistics

Framingham condo prices are not rising as quickly, in part because relatively few new condo units have been built in recent years (only 352 since 2000); i.e., Framingham's condos tend to be in older, less desirable buildings.

Housing

Apartment Vacancy Rates & Asking Rents
West/Northwest Suburban Submarket Area, Quarterly 2010-2021



Source: Moody's REIS
Note: Rents are monthly gross per-unit estimates

Apartment vacancies increased during the pandemic but have plateaued, and rents have begun to recover from the 2020 dip.

Real Estate

Implications

- Housing is still a need
 - Demand for housing continues to be very strong
 - Transit access is at a premium
 - With minimal developable land, City must determine how to best use remaining supply
 - Potential to create live-work clusters through redevelopment near existing job centers will benefit existing/future employers; economic development efforts
 - Additional multifamily will strengthen commercial markets by adding new consumer base, particularly in neighborhood centers and Downtown
 - Framingham can set itself apart from its neighbors by providing a major employee (and thus employer) attractor: housing that is attainable

Real Estate

Flex-R&D

- **Includes:**

- Industrial with minimum of 25% office
- Specialty industrial (e.g., research and development, “high-tech”) and/or warehousing/distribution
- Non-medical labs
- Ancillary features
 - Loading docks
 - Showrooms
 - Retail

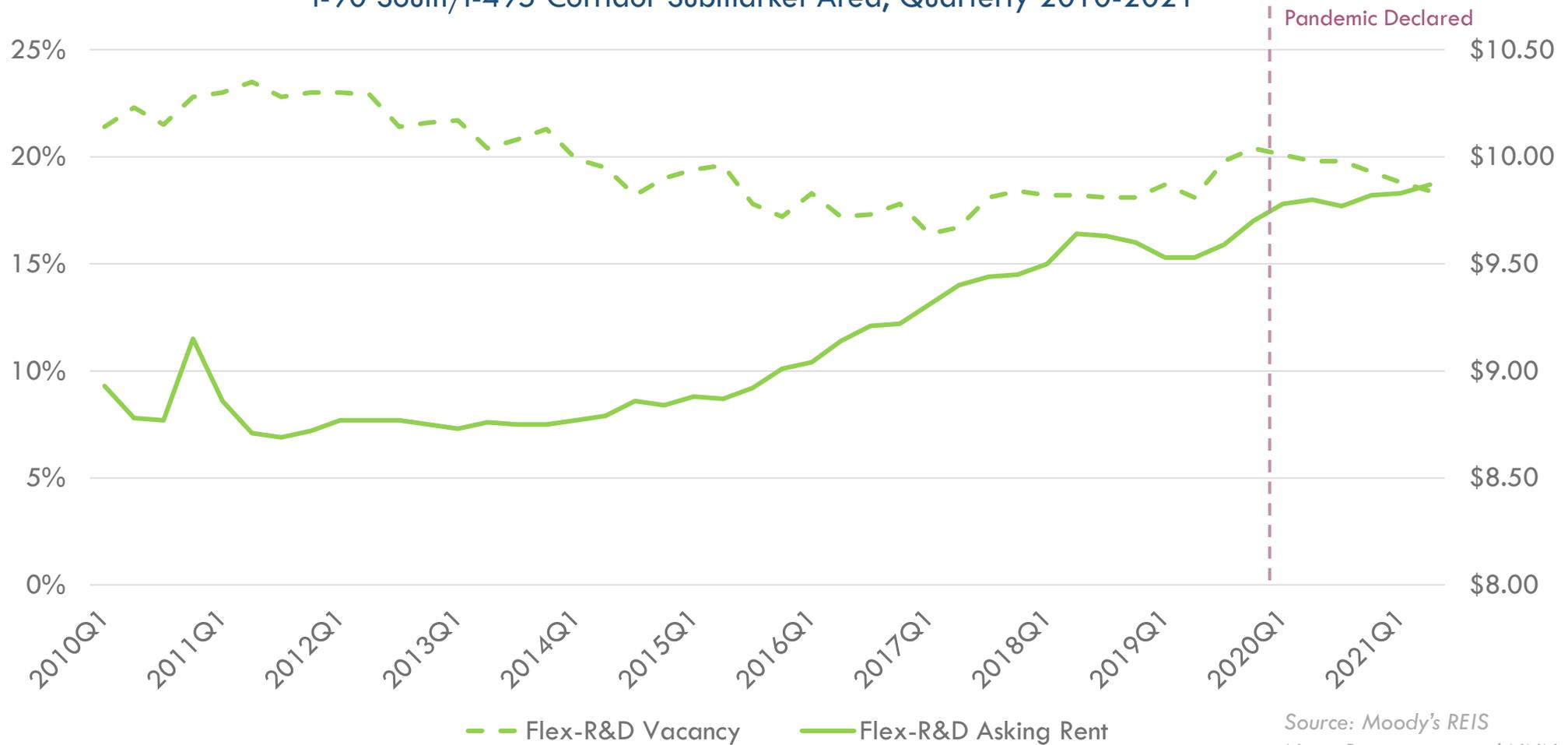
- **Does not include**

- Office showroom
- Light manufacturing
- Medical laboratories
- Incubator laboratories
- Medical office buildings
- Data centers

Flex-R&D

Flex-R&D Vacancy Rates & Asking Rents

I-90 South/I-495 Corridor Submarket Area, Quarterly 2010-2021



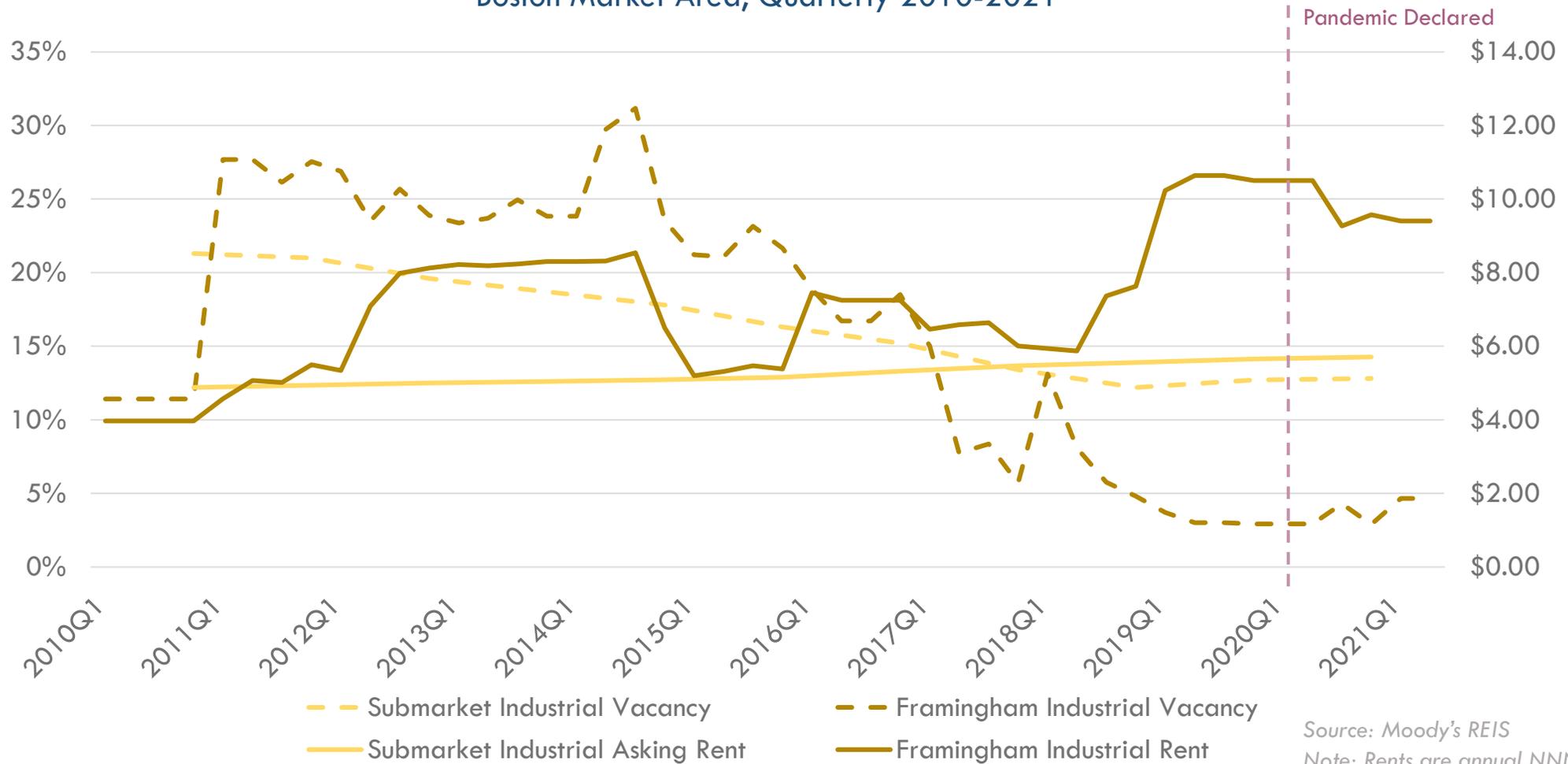
Source: Moody's REIS
Note: Rents are annual NNN per-sf estimates

Flex-R&D asking rents have risen sharply in the last 5 years while vacancies are decreasing.

Industrial

Industrial Vacancy Rates & Asking Rents

Boston Market Area, Quarterly 2010-2021



Industrial asking rents continue to climb consistently, while vacancies are near historic lows.

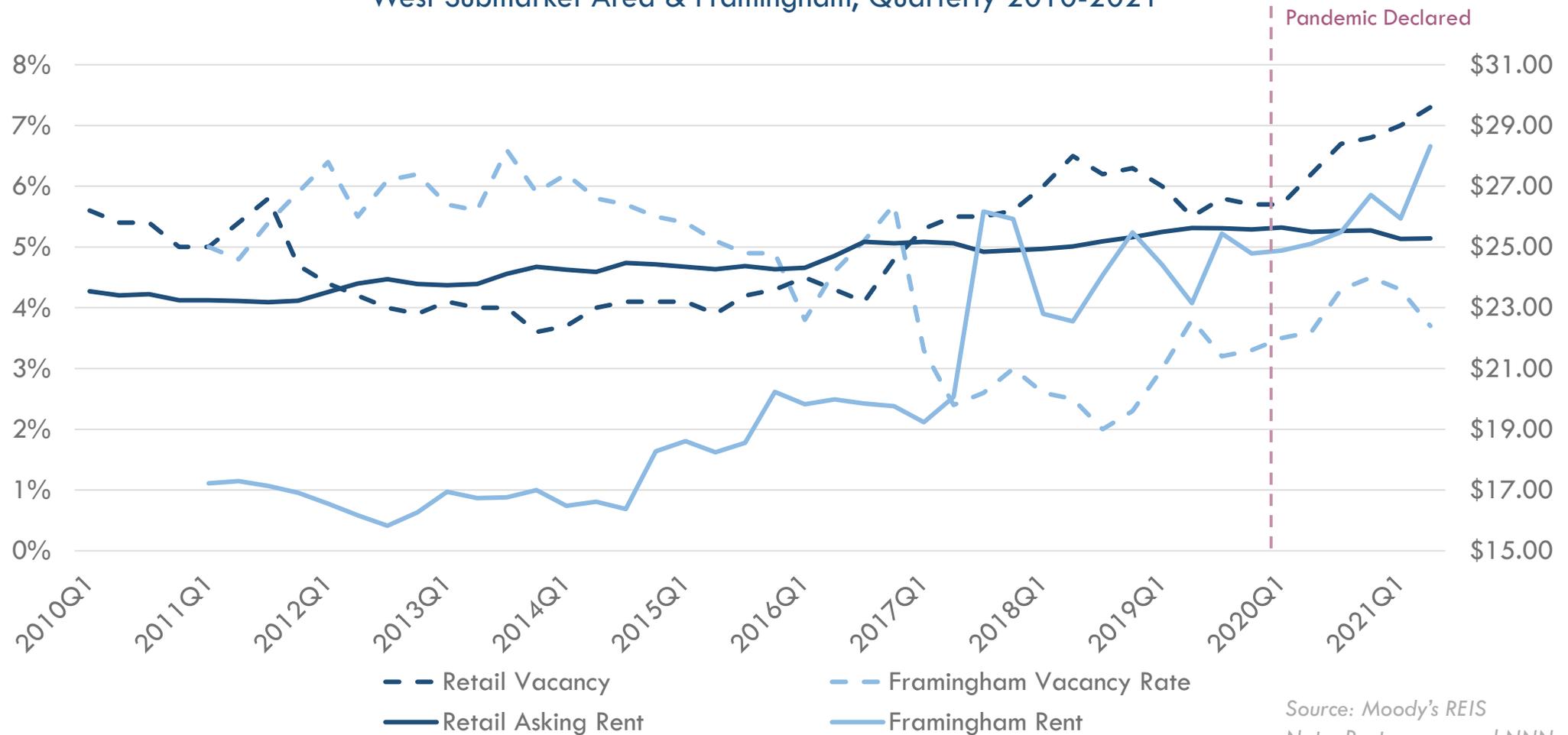
Real Estate

Implications

- **Flex/R&D landscape is in flux**
 - Across the region, there is a scramble to find or create large-scale R&D spaces
 - Most of this activity outside 128 is owner-occupant space
 - The complexity/timeline of new construction is inspiring widespread conversion of office space to lab space in the region
 - But only for those facilities that can accommodate the retrofitting
 - Framingham is not yet part of the conversion wave – it is further from Boston/Cambridge and there is not yet a suitable concentration of similar users
- **The Industrial spaces are in extremely high demand, but cannot compete financially**
 - Small-scale manufacturing is not widespread but does exist
 - Small industrial uses are generally being replaced by professional services
 - The regional trend is for industrial uses to move further west
 - Framingham is primarily driven by biomedical and Bose

Retail

Retail Vacancy Rates & Asking Rents
West Submarket Area & Framingham, Quarterly 2010-2021



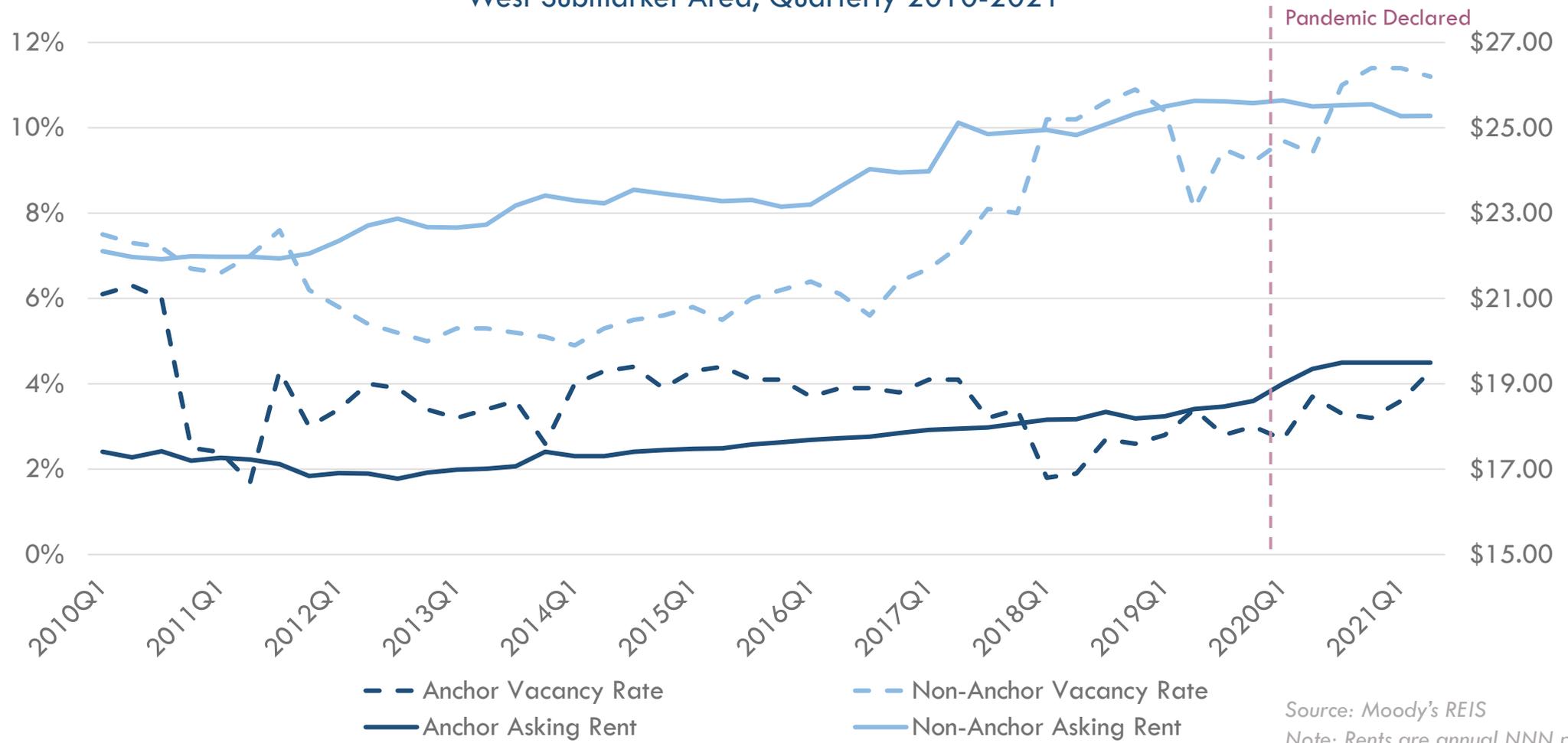
Source: Moody's REIS
Note: Rents are annual NNN per-sf estimates

Retail asking rents are more volatile than other property types and have decreased from historic highs. Likewise, vacancies grew dramatically at the start of 2020, likely due to COVID-19.

Retail

Shopping Center Anchor & Non-Anchor Vacancy Rates & Asking Rents

West Submarket Area, Quarterly 2010-2021



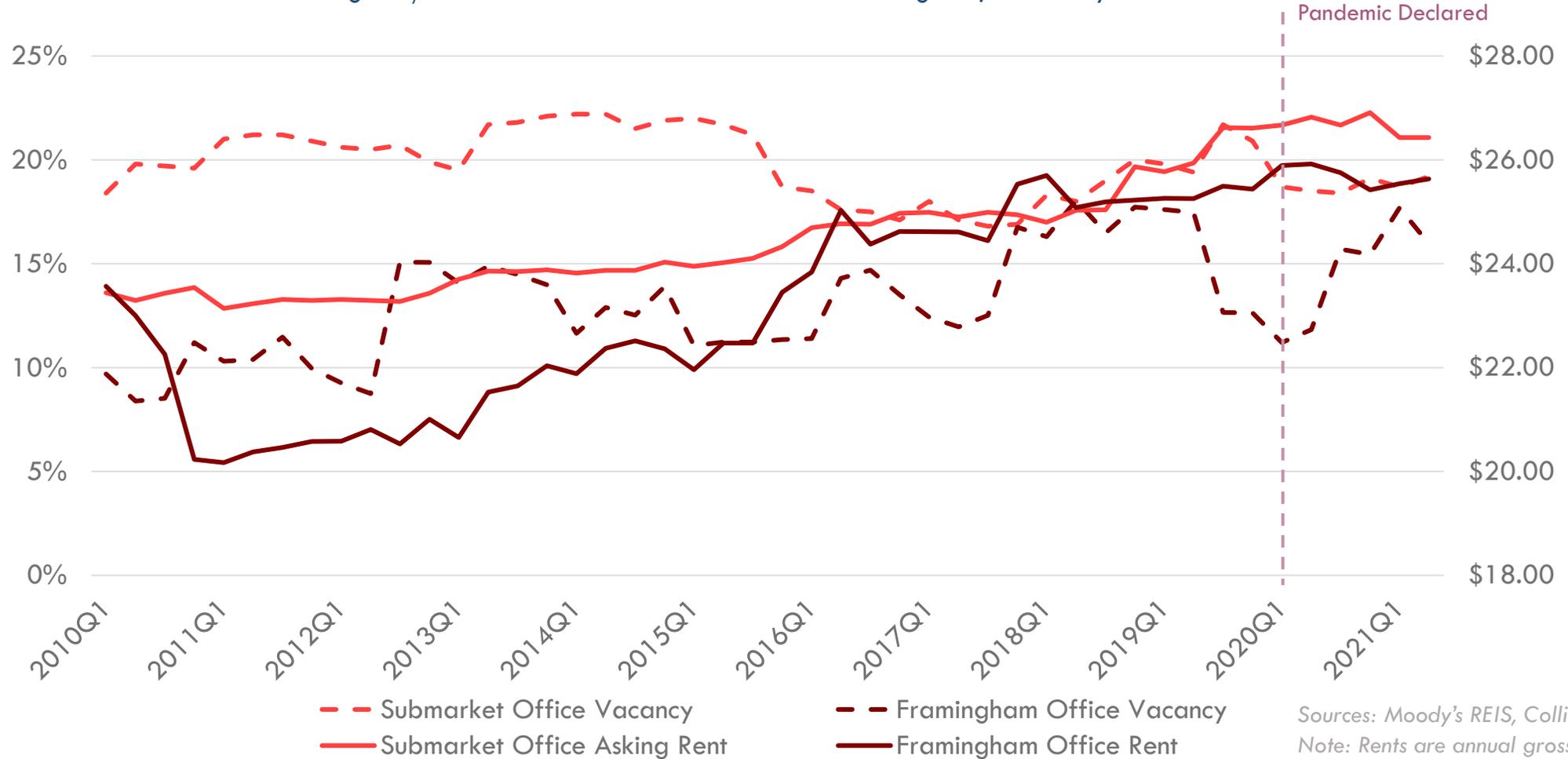
Source: Moody's REIS
 Note: Rents are annual NNN per-sf estimates

Non-anchor retail is outperforming anchor retail in terms of rents, but vacancies are higher and more volatile. Framingham is home to several anchor retailers.

Office

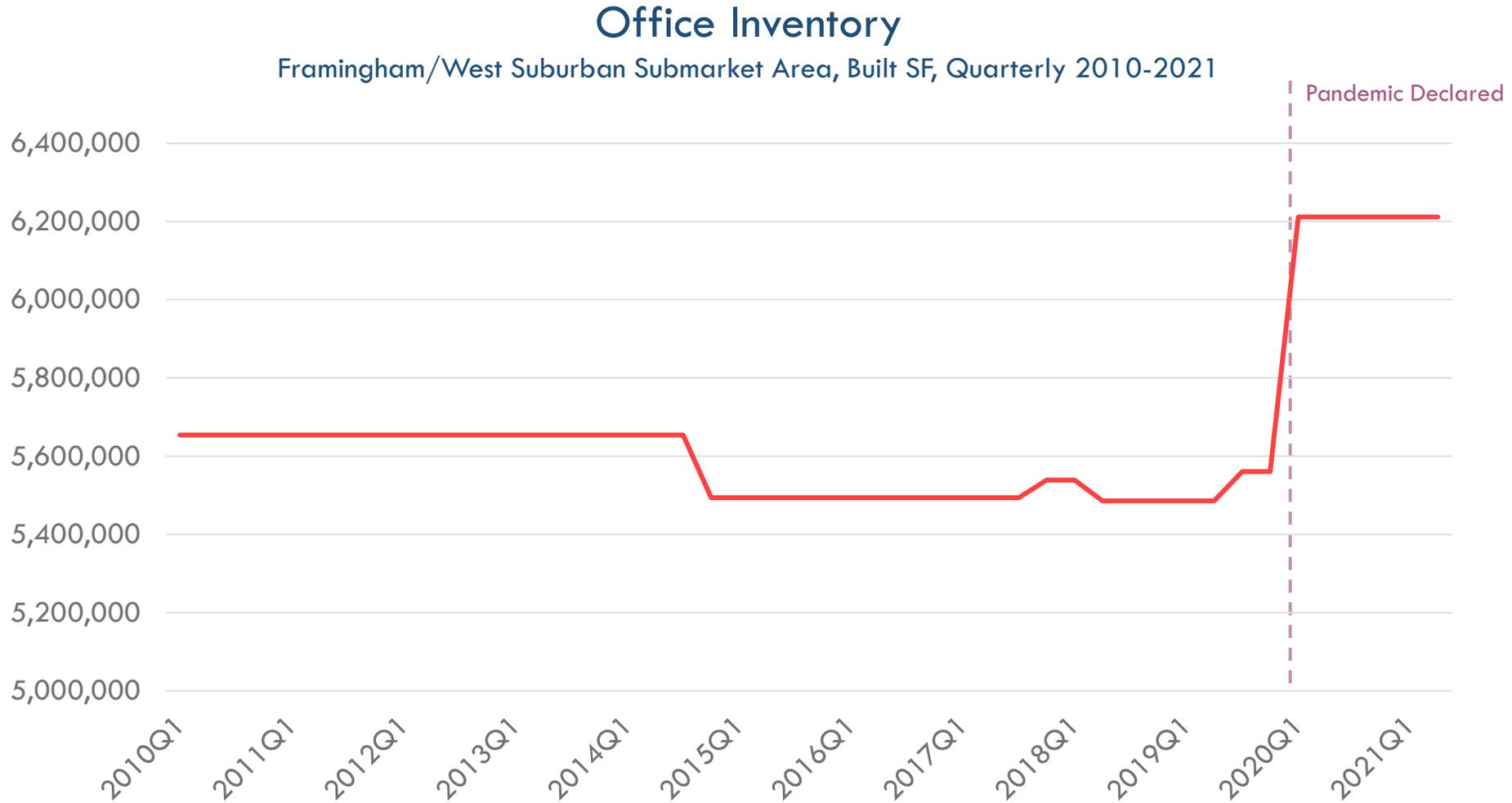
Office Vacancy Rates & Asking Rents

Framingham/West Suburban Submarket Area & Framingham, Quarterly 2010-2021



Office asking rents appear to have been negatively impacted by the pandemic, slowing and perhaps reversing a decade-long trend of increases. Vacancies remain low for now but have been growing in Framingham.

Office



Source: Moody's REIS

Within Framingham's submarket, inventory was steady for the past decade, with a notable jump in early 2020 due to Staples selling its headquarters in a lease-back deal.

Real Estate

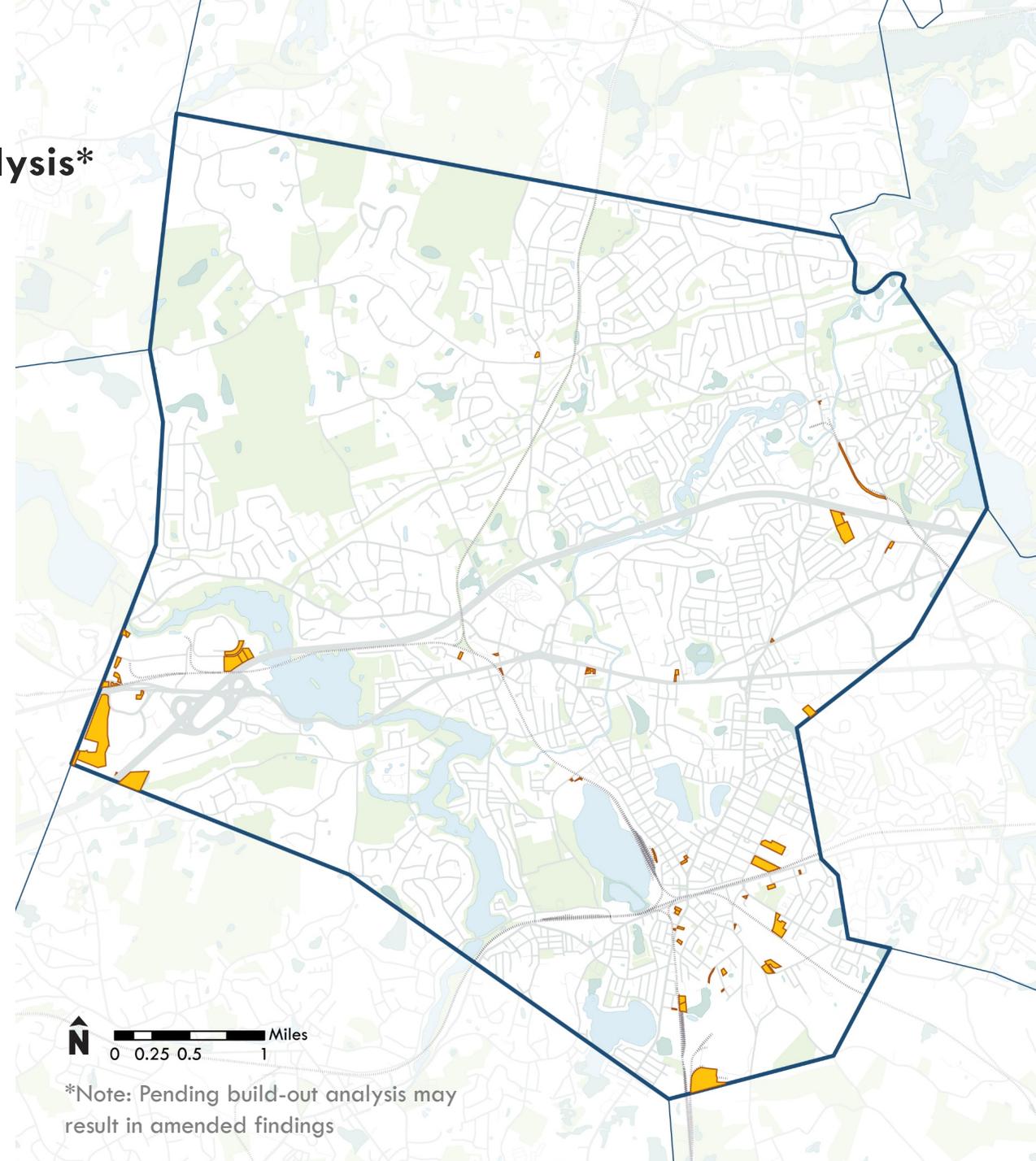
Implications

- The Retail market in Framingham is stronger than in many other eastern MA communities
 - The dominant retail typologies and brands (grocery, durable goods) have performed well during the pandemic
 - Sit-down and full-service restaurants are not faring as well, but that is no different than regional trend
 - Framingham's regional inventory remains strong, smaller, neighborhood-scale businesses are less stable
- The Office market is not as competitive, and being impacted by COVID
 - Office market ebbs and flows with the performance of inner-Boston market
 - Strengthens when economy grows, weakens when price differential lowers
 - Suburban-scale office less desirable
 - Demand for live-work-play environments based on preferences of largest, and growing, labor base
 - Many tenants, particularly larger ones, are still in "wait and see" mode and unwilling to commit
 - 7,000-10,000 sf spaces are in the greatest demand right now (65-70% of pre-COVID tenant space requirement)

Real Estate

Preliminary Vacant Commercial & Industrial Land Analysis*

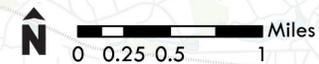
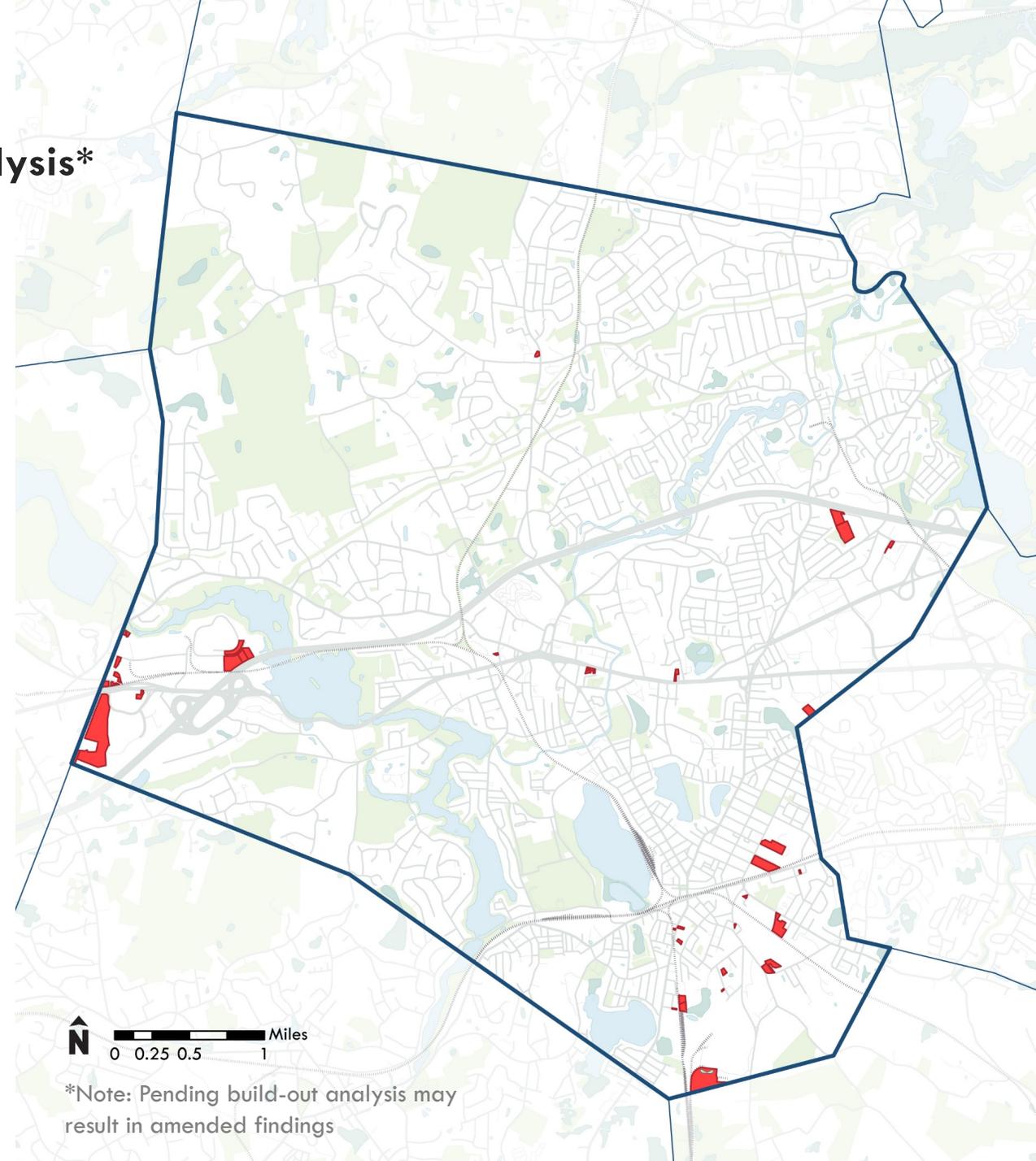
- 297 parcels with no structures and zoned for commercial or industrial uses on 538 acres (3% of total land area)
 - Most of these parcels are actively used (e.g., parking, state-owned, junk yard)
- **58 of those parcels** on 127 acres (0.92% of total area) have developable or potentially developable land.
 - 18 of those 58 parcels are publicly owned
 - 5 of those 127 acres are undevelopable due to water, wetlands, or open space designation
 - Averages 2.2 acres per parcel
 - Only 5 have 5-10 acres of developable area
 - Only 2 have 10+ acres of developable area



Real Estate

Preliminary Vacant Commercial & Industrial Land Analysis*

- **40 of those 58 parcels** previously identified parcels, on 108 acres (0.6% of total area) have land designated as “Commercial” or “Industrial” and are developable or potentially developable
 - Averages 2.7 acres per parcel
 - Only 5 have 5-10 acres of developable area
 - Only 2 have 10+ acres of developable area
- **New development will require some form of infill development, adaptive reuse, or redevelopment (partial/complete)**



*Note: Pending build-out analysis may result in amended findings

Real Estate

Implications

- **Infill and Redevelopment will lead Framingham's future growth**
 - There are few, sizable lots left to be developed
 - Most vacant parcels have environmental/regulatory restrictions
- **Framingham's location and access will attract investors**
 - Proximity to local/regional employment centers
 - Commuter Rail, I-95/Rt 128, I-90
- **Financial feasibility of redevelopment different than 'greenfield' development**
 - Land price premiums
 - Demolition and remediation
 - Relocation of existing businesses/residents
- **Small area plans should guide strategies for future investment**
 - No 'one size fits all' across the City

Target Industries

Target Industries

Current Target Industries

- **Professional Services & Corporate Operations** (NAICS 54 & 55)
- **Scientific Research & Development, and Manufacturing** (NAICS 54, 31-33 [325])
- **Entrepreneurial Development**
- **Health Care** (NAICS 62)
- **Construction & Related Contractors** (NAICS 23)

Target Industries

Key Findings

What is still relevant

- Massachusetts' and MetroWest's have held or increased their advantages in areas relevant to business and talent attraction.
- Framingham excels in many of the traits that matter to most site selection professionals.
- However, demands for quality of life/amenities pose a challenge to Framingham in attracting certain target markets.
- While the City can further improve its marketing and partnerships to bolster recruitment, officials should prioritize the creation of mixed-use, transit-oriented office/commercial spaces.

Target Industries

Data Summary

Measures and trends that have not changed notably

- Massachusetts' business climate advantages (education, health care, quality of life)
- Massachusetts' business climate weaknesses (cost, inequality)
- **Strengths of health care, tech, and life sciences sectors regionally**
- **Framingham's target industries generally remain a strong presence in the local economy.**
- Desirability of Framingham for large employers due to its lower cost and access to regional economy and workforce
- Lack of easily developable commercial and industrial land in Framingham
- **Framingham's current employment centers do not have the dynamic character of more urban communities like Cambridge, Somerville, and Worcester**

Target Industries

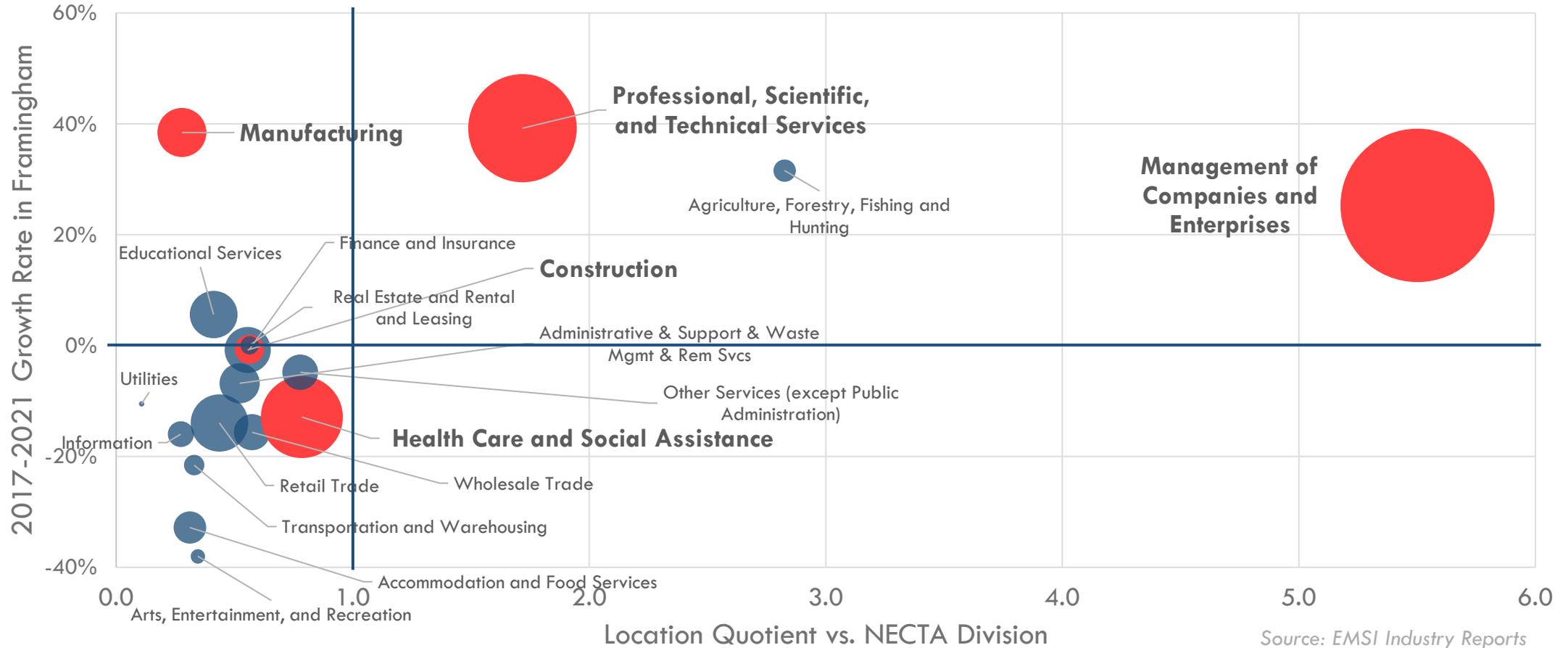
Key Findings

What has changed since Phase I

- COVID-19:
 - Bolstered life sciences industries regionally
 - Accelerated existing trends in the decentralization of retail spending
 - Decrease in office demand due to growth in remote/hybrid work
- Growth of life sciences has increased demand for lab space and precipitated suburban office-to-lab conversions
 - However, much of building stock in Framingham reportedly not appropriate for conversion
- Some previously identified target industries have shrunk since 2017
 - Nursing care facilities and child day care led the decrease in Health Care and Social Assistance
- Executives' preferences for site selection have shifted in ways that do not favor Framingham
 - Availability of skilled labor, quality of life, operating cost (statewide)

Target Industries

Industry Strength by Employment Framingham, 2017-2021



Identified Target Industries continue to perform relatively well, though Health Care has shrunk locally. **Scientific Research & Development** (part of Professional, Scientific, & Technical Services) has grown by 56% since 2017 and now accounts for about 10,500 jobs in Framingham.

Target Industries

Employment by Industry – All Employees

| NAICS | Description | 2021 Jobs | 2017 - 2021 % Change | LQ vs. Middlesex County | LQ vs. NECTA Division | LQ vs. Mass. |
|--------------|---|---------------|----------------------|-------------------------|-----------------------|--------------|
| 11 | Agriculture, Forestry, Fishing and Hunting | 591 | 32% | 2.72 | 1.65 | 2.09 |
| 21 | Mining, Quarrying, and Oil and Gas Extraction | 0 | 0% | 0.00 | 0.00 | 0.00 |
| 22 | Utilities | 33 | (11%) | 0.44 | 0.12 | 0.13 |
| 23 | Construction | 2,532 | (1%) | 1.03 | 0.58 | 0.74 |
| 31 | Manufacturing | 2,854 | 38% | 0.68 | 0.27 | 0.58 |
| 42 | Wholesale Trade | 1,558 | (16%) | 0.84 | 0.58 | 0.62 |
| 44 | Retail Trade | 3,914 | (14%) | 0.93 | 0.46 | 0.58 |
| 48 | Transportation and Warehousing | 489 | (22%) | 0.49 | 0.34 | 0.27 |
| 51 | Information | 804 | (16%) | 0.34 | 0.26 | 0.41 |
| 52 | Finance and Insurance | 1,001 | (1%) | 0.57 | 0.60 | 0.27 |
| 53 | Real Estate and Rental and Leasing | 398 | 0% | 0.56 | 0.62 | 0.40 |
| 54 | Professional, Scientific, and Technical Services | 13,889 | 39% | 1.40 | 1.74 | 1.79 |
| 55 | Management of Companies and Enterprises | 28,019 | 25% | 13.84 | 5.49 | 18.61 |
| 56 | Administrative & Support & Waste Mgmt & Rem Svcs | 1,912 | (7%) | 0.66 | 0.45 | 0.53 |
| 61 | Educational Services | 2,687 | 6% | 0.49 | 0.44 | 0.56 |
| 62 | Health Care and Social Assistance | 7,970 | (13%) | 1.11 | 0.77 | 0.59 |
| 71 | Arts, Entertainment, and Recreation | 247 | (38%) | 0.51 | 0.29 | 0.29 |
| 72 | Accommodation and Food Services | 1,243 | (33%) | 0.42 | 0.30 | 0.27 |
| 81 | Other Services (except Public Administration) | 1,498 | (5%) | 0.64 | 0.79 | 0.47 |
| 90 | Government | 4,813 | (1%) | 0.83 | 2.07 | 0.49 |
| 99 | Unclassified Industry | 0 | 0% | - | - | - |
| TOTAL | | 76,452 | 10% | | | |

Executives' Top Site Selection Criteria National Survey Results; 2010, 2017, 2020

| Rank | 2020 | 2017 | 2010 |
|---|---------------------------------|---------------------------------|---------------------------------|
| 1 | Availability of Skilled Labor | Highway Accessibility | Highway Accessibility |
| 2 | Highway Accessibility | Labor Costs | Labor Costs |
| 3 | Energy Availability & Costs | Availability of Skilled Labor | Tax Exemptions |
| 4 | Quality of Life | Quality of Life | Occupancy or Construction Costs |
| 5 | Labor Costs | Occupancy or Construction Costs | State & Local Incentives |
| 6 | Occupancy or Construction Costs | Tax Exemptions | Corporate Tax Rate |
| <i>Source: Area Development Magazine Corporate Surveys 2010, 2017, 2020</i> | | | |

Target Industries

Implications

- Target industry analysis indicate that current targets remain valid
- Management of Companies and Scientific Research & Development continue to drive regional economy
 - These two sectors have taken advantage of lower costs (regionally), developable land (historically), and regional access
 - Framingham remains locationally competitive for some production and research activities
 - Availability of land/suitable buildings a challenge (conversions of former office space)
 - Worker preferences for dense, mixed-use centers make it hard for many Framingham employers to compete in the eastern Massachusetts labor market.

Target Industries

Implications

- Entrepreneurial development in smaller, more urban spaces (e.g., Downtown and Saxonville) has notable potential
 - Cannot compete financially with residential development
 - Particular opportunities for live-work space tied into a strong activity center
- Existing manufacturers (e.g., Bose) continue to be successful in Framingham
 - Opportunities for expansion of existing businesses (infill)
 - Can target additional producers if land can be made available (few land resources)
- Health care and Construction jobs should be preserved but remain secondary targets
 - Loss of health care and hospital jobs will be a major detriment to an aging population
 - Reduced availability of quality care is a detriment to attracting new talent
 - The Construction industry has shrunk slightly since 2017, reflecting declines in development activity
 - Construction land use lower job and value yield, so should be focused on less desirable sites

Next Steps

- Fiscal Impact Analysis
- Small Area Studies

Discussion

Appendix Slides

Real Estate

Relevant Submarket Areas

| Property Type | Submarket Area |
|---------------------|---------------------------|
| Apartments | West/Northwest Suburban |
| Flex-R&D | I-90 South/I-495 Corridor |
| Industrial | Boston (Market area) |
| Office | Framingham/West Suburban |
| Retail | West |

Framingham Property Inventory

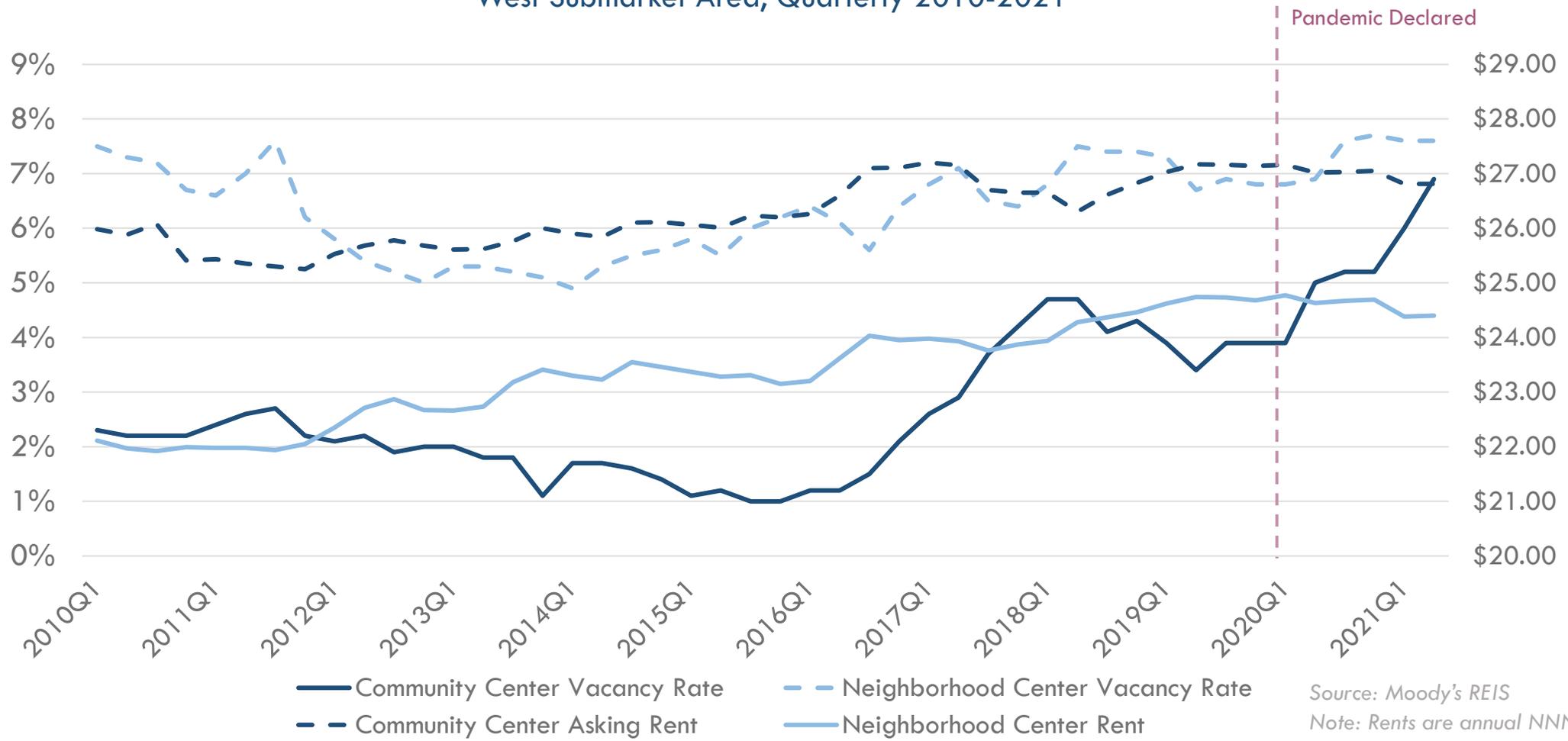
| | |
|---|------------------|
| Properties | 18,069 |
| Occupiable (Finished) Built Area | 65,163,854 sf |
| Built Assessed Value | \$12,117,359,737 |
| Total Acreage | 16,964.9 |
| FAR | 0.09 |

| Land Use | # Parcels | Acres | Acres % of Total | Median Parcel Size | Total AV | AV % of Total | AV/Acre |
|----------------------------------|-----------|---------|------------------|--------------------|-----------------|---------------|-------------|
| Agricultural/Horticultural | 4 | 13.2 | 0.1% | 3.5 | \$6,574 | 0.0% | \$497 |
| Authorities | 38 | 111.4 | 0.7% | 0.7 | \$162,739,600 | 1.3% | \$1,460,832 |
| Charitable | 191 | 647.0 | 3.8% | 0.5 | \$146,432,600 | 1.2% | \$226,339 |
| Commercial | 739 | 1,181.8 | 7.0% | 0.4 | \$1,586,866,800 | 13.1% | \$1,342,778 |
| Forest Land | - | - | 0.0% | - | \$0 | 0.0% | - |
| Held by other town/city/district | 1 | 1.0 | 0.0% | 1.0 | \$207,100 | 0.0% | \$208,656 |
| Industrial | 97 | 459.6 | 2.7% | 1.7 | \$367,903,400 | 3.0% | \$800,538 |
| Institutional | 128 | 273.7 | 1.6% | 0.6 | \$152,533,200 | 1.3% | \$557,312 |
| Mixed-use/Multi-use | 155 | 555.7 | 3.3% | 0.3 | \$225,727,612 | 1.9% | \$406,221 |
| Other | - | - | 0.0% | - | \$0 | 0.0% | - |
| Publicly Owned | 467 | 2,550.0 | 15.0% | 0.9 | \$814,256,900 | 6.7% | \$319,316 |
| Recreational Land | 6 | 137.6 | 0.8% | 17.0 | \$835,951 | 0.0% | \$6,077 |
| Residential-Other | 730 | 867.0 | 5.1% | 0.2 | \$871,943,000 | 7.2% | \$1,005,694 |
| Residential-Multifamily | 1,489 | 502.8 | 3.0% | 0.2 | \$1,461,590,100 | 12.1% | \$2,906,700 |
| Residential-Single Family | 13,518 | 6,455.2 | 38.1% | 0.4 | \$6,323,282,600 | 52.2% | \$979,568 |
| Utility | 9 | 7.9 | 0.0% | 1.2 | \$3,034,300 | 0.0% | \$386,260 |
| Unknown/Unbuilt | 497 | 3,201.2 | 18.9% | 0.2 | \$0 | 0.0% | \$0 |

Retail

Community & Neighborhood Shopping Center Vacancy Rates & Asking Rents

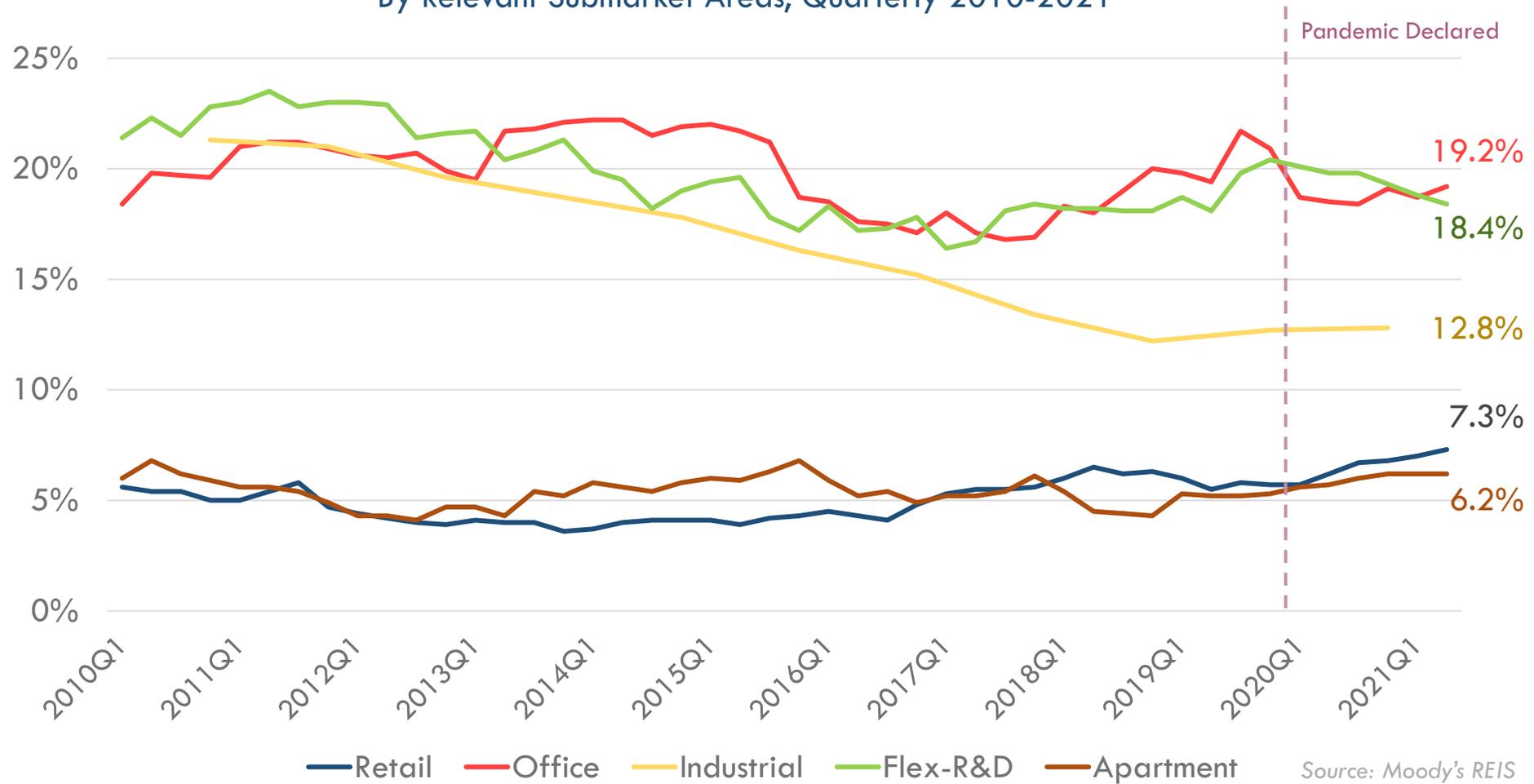
West Submarket Area, Quarterly 2010-2021



Community Shopping Centers are generally 100,000 to 350,000 sf; Neighborhood Centers are generally 30,000 to 100,000 sf. Both are performing well relative to the overall retail market.

Vacancy Rates by Property Type

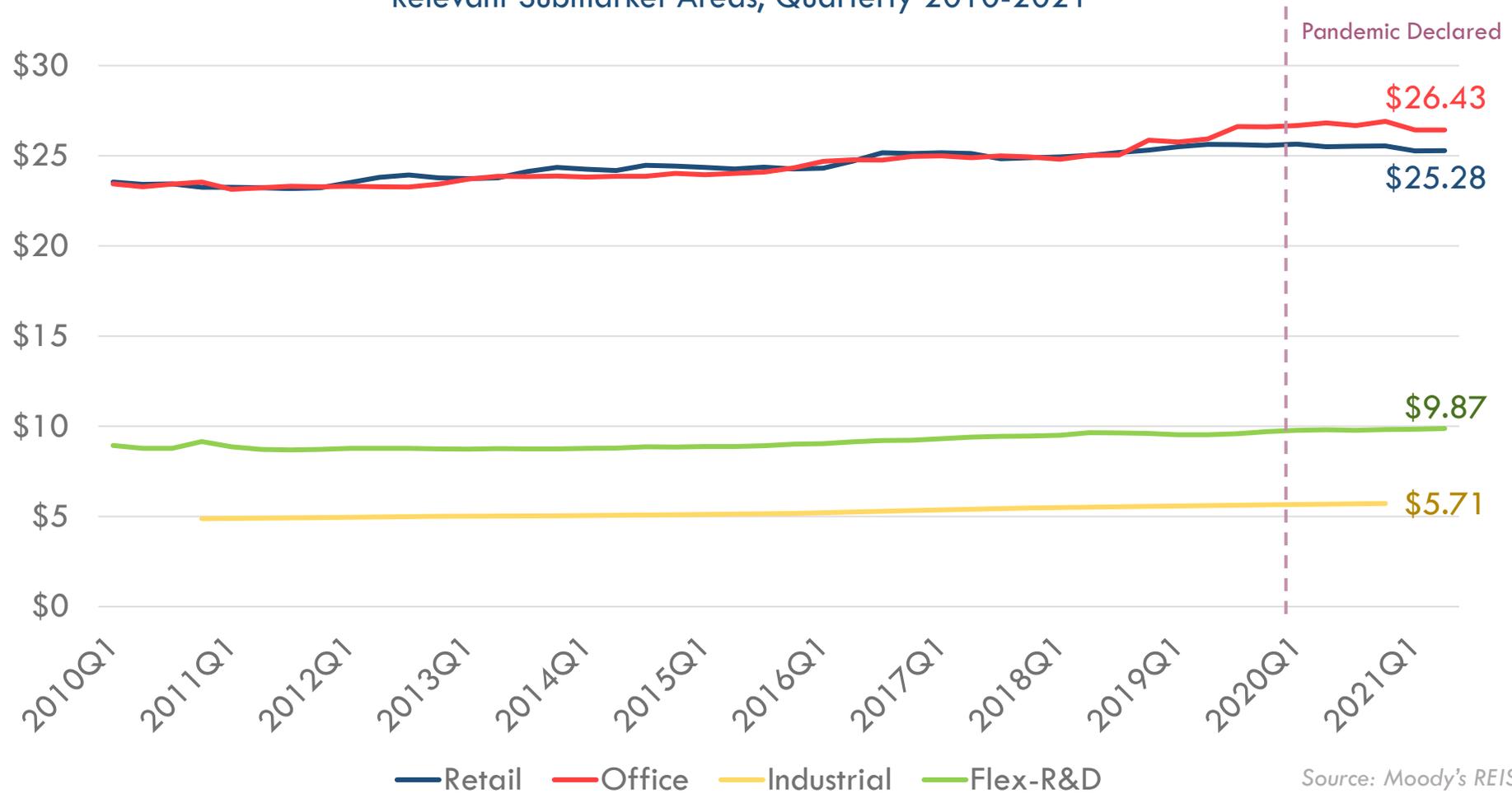
By Relevant Submarket Areas, Quarterly 2010-2021



Vacancy rates are dropping for Industrial & Flex-R&D, but rising for other property types

Asking Rents by Property Type

Relevant Submarket Areas, Quarterly 2010-2021



Rents for Retail and Office space have peaked, while Industrial & Flex-R&D rents continue to rise

Demographic & Economic Base

Employment by Industry – Self-Employed & Extended Proprietors

| NAICS | Description | 2021 Jobs | 2017 - 2021 % Change | LQ vs. Middlesex County | LQ vs. Mass. |
|--------------|---|---------------|----------------------|-------------------------|--------------|
| 11 | Agriculture, Forestry, Fishing and Hunting | 229 | 13% | 3.75 | 1.51 |
| 21 | Mining, Quarrying, and Oil and Gas Extraction | <10 | Insf. Data | - | - |
| 22 | Utilities | 0 | 0% | 0.00 | 0.00 |
| 23 | Construction | 1,381 | 9% | 1.41 | 1.13 |
| 31 | Manufacturing | 91 | (15%) | 0.55 | 0.49 |
| 42 | Wholesale Trade | 225 | 2% | 1.48 | 1.33 |
| 44 | Retail Trade | 1,040 | 1% | 1.51 | 1.18 |
| 48 | Transportation and Warehousing | 457 | 40% | 0.36 | 0.34 |
| 51 | Information | 194 | 6% | 0.74 | 0.92 |
| 52 | Finance and Insurance | 770 | 18% | 0.55 | 0.51 |
| 53 | Real Estate and Rental and Leasing | 2,194 | 14% | 1.03 | 1.00 |
| 54 | Professional, Scientific, and Technical Services | 2,461 | 9% | 0.92 | 1.20 |
| 55 | Management of Companies and Enterprises | 363 | 32% | 18.39 | 7.93 |
| 56 | Administrative & Support & Waste Mgmt & Rem Svcs | 749 | 8% | 0.90 | 0.90 |
| 61 | Educational Services | 393 | (5%) | 0.71 | 0.88 |
| 62 | Health Care and Social Assistance | 1,266 | (1%) | 1.43 | 1.58 |
| 71 | Arts, Entertainment, and Recreation | 616 | 16% | 0.59 | 0.68 |
| 72 | Accommodation and Food Services | 202 | 23% | 0.84 | 0.72 |
| 81 | Other Services (except Public Administration) | 1,813 | (6%) | 1.69 | 1.54 |
| 90 | Government | 0 | 0% | - | - |
| 99 | Unclassified Industry | 0 | 0% | - | - |
| TOTAL | | 14,448 | 7% | | |