

# The Boston Globe

## In biggest office lease of the year, Deloitte plans move to Winthrop Center

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A view of Winthrop Center in downtown Boston. DAVID L. RYAN/GLOBE STAFF

Add another big-name company to the list of tenants that will soon fill the new Winthrop Center skyscraper in downtown Boston.

Deloitte, the New York-based professional services giant, has signed a long-term lease for 138,000 square feet of office space, the biggest lease in the tower so far — and in Boston's wobbly office market this year.

The deal was confirmed by officials at Deloitte and Millennium Partners, the developer of Winthrop Center.

Deloitte plans to shift its Boston operations from the old Hancock building at 200 Berkeley Street in Back Bay to the new tower in fall 2024. The firm has roughly 3,100 employees currently based out of the Berkeley Street office, all of whom will begin to report to Winthrop Center next year. Deloitte will occupy nearly four full floors of the tower's 812,000 square feet of office space.

“We wanted a space that enabled community building between our people and our community and our clients,” said Kevin McGovern, Deloitte’s New England managing partner. “Winthrop checked all those boxes, being centrally located, and being a space that we felt could meet the needs of our employees, particularly in light of the shift to hybrid work.”

McGovern said the building’s modern layout — which includes technologies that make hybrid work easier and co-working spaces that will provide employees with flexibility on how they work in the office — factored heavily into the company’s decision.

Deloitte is the fifth company to lease space at Winthrop Center, the \$1.3 billion project that now represents the tallest tower built in Boston’s downtown core and is the fourth-tallest in the city. Cambridge Associates, Income Research + Management, McKinsey, and ECG Management Consultants have already leased nearly 260,000 square feet in combined space.

Construction on the tower began in 2018, though there were financing hiccups in the early months of the pandemic. It is now largely complete. Residents started moving in to the 317 condominiums on the tower’s upper floors earlier this year, and the first office tenant will begin moving in next week, according to Joe Larkin, a principal at Millennium.

Despite Deloitte being just the fifth office lease to close, Larkin said activity has been strong, and he expects to have 60 percent of the total office space under agreement by the end of the summer. That’s a positive sign amid a downturn in the office market this year as companies have reassessed their needs amid the shift to hybrid work.

Colliers International confirmed the Deloitte deal is the largest office lease in Boston so far this year.

“The leasing at this point has really exceeded our expectations,” said Larkin. “And we think it has a lot to do with the qualities of this building, which really appeals to innovative organizations like Deloitte.”

Larkin pointed to the amenities in Winthrop Center — a golf simulator and a Junior Olympic-size pool, to name a few — as a key reason for interest in the tower. The building’s “Passive House” design, which dramatically reduces energy use and greenhouse gas emissions, also plays a big role.

But perhaps the key deciding factor for Deloitte, said McGovern, was the building’s location in the heart of downtown.

“It was very important that we reinforced Deloitte’s commitment to the downtown Boston business community,” he said. “We wanted to make a statement that we are in Boston, we’re proud to be in Boston, and we believe in Boston.”