

Gap widens between Boston's premier office space and the rest

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Boston's office market has become more fragmented, with top-quality office towers, like the Prudential Tower and 200 Clarendon, formerly the Hancock Tower, touting high occupancy and tenant usage.

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Story Highlights



- Boston's office vacancy rate has tripled since 2020 to 24%.
- Class A office spaces outperform Class B and C spaces.
- High-end amenities attract tenants to newer office towers.

Nearly a quarter of the office space in Boston is currently being unused.

That 24% vacancy rate is more than triple the rate in early 2020, before the pandemic hit. In-person office visits? Those remain down 25% from before the pandemic citywide.

Both figures are indicators of just how much demand has cratered in five years. But they gloss over a key nuance about the city's office market: The very best office properties, known as Class A space, are performing much better than Class B and C space.

There's always been a gap between Class A and Class B space, said Jeff Myers, a research director at Colliers. That difference has historically been around 2.5 percentage points. Today, it's nearly 6 percentage points: 22% for Class A and 27.9% for Class B.

Mark Fallon, the director of research and strategy at the real estate firm Hunneman, calls it “the further bifurcation of product type.”

At the top end of the market are buildings like 200 Clarendon, with high-end amenities for deep-pocketed clients like Bain Capital, its largest tenant. At the Prudential Tower, it's the law firm Ropes & Gray. At Winthrop Center in the Financial District, it's Deloitte and McKinsey & Co.

In an era of remote work, such Class A buildings provide an incentive for workers to return to the office just as [many employers are cracking down on hybrid work](#). That's pushed the gap between Class A space and the rest to be larger than ever.



200 Clarendon Street, formerly the John Hancock Building, is 99.9% leased, owner BXP told investors in September.

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Class A space is in demand

Boston's tallest two office buildings – 200 Clarendon, still better known as the John Hancock Tower, and the Prudential Tower – are almost entirely full. And according to their owner, Boston-based BXP (NYSE: BXP), they enjoy far higher rates of office use by employees at a time when they might be more tempted to simply work from home compared to other Boston office buildings.

Elsewhere, the One Congress office tower was fully taken before its 2023 opening and other office tower that opened that year, Winthrop Center, has reached 80% occupancy and has found that those working in offices there cite its amenities as a main driver for showing up in-person.

Landlords have noticed how much easier it is to fill Class A space. Greater Boston has 41 million square feet of occupied space in Class A buildings – more that triple the 13 million of Class B. Both totals are lower than before the pandemic, but the drop-off is much more pronounced in mid- and low-tier space.

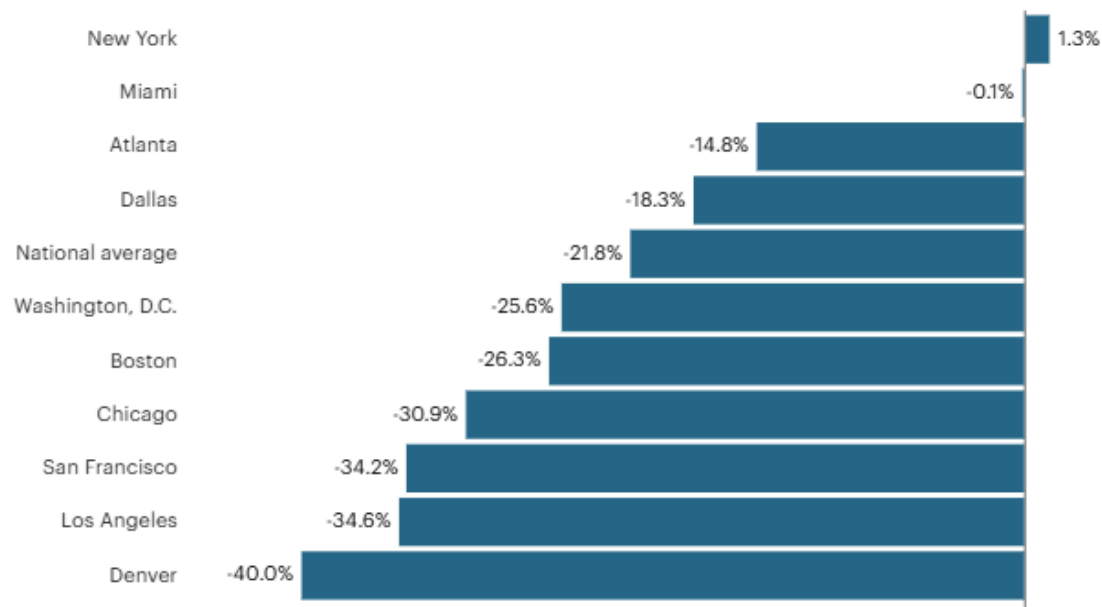
That means Class A space is also capturing a greater share of occupied space in the region. Today, 76% of leased space is Class A, Myers said. Two decades ago, it was just 63%.

The latest office-use data indicates the gap may only grow.

According to tracking by Placer.ai, Boston is slower than many large U.S. cities in bringing workers back to the office.

In-person office visits still trail pre-pandemic levels

Remote and hybrid work patterns persist five years after the pandemic hit. Boston's physical office visits trail the national average.



Source: Placer.ai. As of July 2025

However, the Class A spaces are seeing more success in luring office workers back. In BXP-owned properties like the Pru and Hancock, 96% of office workers are in on Tuesdays, 94% on Wednesdays and 86% on Thursdays.

Bryan Koop, executive vice president for the Boston region for BXP, said that his company is seeing return-to-office numbers “in these higher-end buildings.”

“It’s not all the buildings that are B-quality buildings that you see in downtown Boston. They’re still not attended well.”

He said that’s the case in Boston, as well as in New York and San Francisco, two other cities where BXP has a big presence. BXP’s Back Bay portfolio claims a 98% occupancy rate, while its downtown buildings (including 100 Federal St. and Atlantic Wharf) are 95% filled.

By comparison, downtown’s total vacancy rate is 27%, according to Colliers.

New-tower leasing 'off the charts'

Newer towers have shown that the [most popular office amenities](#) – roof decks, golf simulators, gyms and more – can still attract tenants even in a depressed market.

The One Congress tower is a prime example: The 43-story tower between City Hall and North Station [was fully leased](#) before its 2023 opening, with tenants that include State Street Corp. and the software company InterSystems.

Winthrop Center, [Boston's tallest downtown building](#), opened the same year. Developer MP Boston has landed big-name firms Deloitte, Cambridge Associates and McKinsey, and has reached 80% occupancy.

"If you take away the pandemic, we're right on track," said Rich Baumert, MP Boston's managing partner, of pre-pandemic leasing expectations. "With the pandemic, it's off the charts."

Three-fourths of that tower's workers told MP Boston that its gym, bar and other amenities are why they come into the office as often as they do. More than 60% said the building's environmental sustainability improved their satisfaction with working there.



Deloitte's new Boston office in Winthrop Center. The tower is 80% leased two years after opening, a rate its developer called "off the charts" considering the pandemic.

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MP Boston, the local arm of Millennium Partners, showcases its technology, sustainability and amenities in a dedicated video room for prospective office tenants.

"From the moment people arrive, we want to show them the distinction between our office and any other office," said Rich Baumert, MP Boston's managing partner.

Less new space, but it's Class A

The city's older, smaller and less-desirable office buildings are being cleared out for conversion into apartments. In all, 17 such projects are proposed or underway, according to Boston City Hall,

In Cambridge, meanwhile, what will soon be the city's tallest building at 37 stories won't be for office use at all, even with its location in Kendall Square. Instead, it'll include 439 apartments. The tallest building rising today in Boston is also residential: a 34-story tower with 446 apartments on Huntington Avenue.



South Station Tower includes roughly 680,000 square feet of office space. Very little of it is leased leading up to the building's opening.

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Two more buildings will serve as a test of the draw of Class A buildings these days.

One is the 51-story South Station Tower, which has named only two small office tenants: Rhode Island-based [property insurer FM](#), which is taking 50,000 square feet, and the law firm [Jones Day](#), which has committed to 41,000 square feet.

The tower, which is nearing completion, totals nearly 700,000 square feet of office space in all.

The other building coming to the market is in the Seaport: [10 World Trade](#), a 17-story, 570,000-square-foot building. It has concave sides and a facade that slowly bows out as it rises. It includes a 150-seat indoor/outdoor auditorium and a top-floor fitness club. Its windows use artificial intelligence to tint to reduce glare or energy use.

Still, 10 World Trade's amenities can't overcome the market's broader issues. The building is coming onto the market with no takers for its space.

THE LIST

The Largest Office Buildings in Metro Boston

Total rentable building area

Rank	Prior Rank	Building
1	1	200 Clarendon Street
2	2	High Street Tower
3	3	One Financial Center

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