

# Boston Office Portfolio

## Overview

With a focus on expansion to the US in Washington, DC, New York City and Boston, and after establishing a strong presence in the first two, we secured an opportunity to enter the Boston market at scale. In 2014, we entered the fast-growing innovation and education hub, acquiring a 2.7 million square foot, four-property portfolio of highly-recognized office towers. Since then, we have acquired an additional four office towers, one residential tower and two major development sites. We have also sold one office tower, undertaken major capital improvement projects and submitted a development application to build a state-of-the-art office tower. Our conviction for the market is clear to see. Less than two years after our first transaction we were already the second largest landlord in the market. Our broad and talented local team has deep experience and has transformed the portfolio dramatically. We attracted sophisticated institutional co-investors to several of the assets, with Oxford performing the role of general partner in all cases. We created value for our customers and partners by reimagining the modern workplace and elevating at-grade experiences. We redeveloped lobbies into vibrant experiences, repositioned underutilized spaces into first-class wellness-focused amenities, and curated highly desirable retail and food and beverage offerings. We have built strong connections with our city, customers and community members. We actively engage them whether we're remerchandising amenities, developing new programming or planning a new development. Their input and feedback are vital. Boston continues to be an area of focus for Oxford. And with two major development projects on the horizon, we're excited by what's to come.



## The details

Today, Oxford owns and manages a diverse 3.5 million square foot office portfolio across Downtown, Back Bay and Cambridge. We have 195 residential units in the desirable Jamaica Plain neighbourhood and are in advanced planning for a premier office development Downtown and 40 acres of mixed-use in the Seaport.

When we acquire a property or portfolio, it is with the belief we can create additional value through our local expertise, ability to differentiate, and the conviction to see the work through.

For example, technology companies in Boston historically focused their space searches in Cambridge, an area connected to Downtown by the Red Line trains. As pricing pressure in Cambridge reached Downtown rates, we saw an opportunity to attract tech customers to **125 Summer Street**. Located across the street from the Red Line at busy South Station, it was perfectly situated to lure these tech customers Downtown. We transformed the lobby by reorienting the entrance to face the Greenway and creating a boutique hotel-like communal experience. It was a radical departure from the traditional staid design.

At 125 Summer, Draftkings started with a 5,000 square foot sublease. Our team helped them to grow this to 50,000 square feet over multiple floors. With a space requirement of double that nearing and the need for employees to work more efficiently, our team creatively redeveloped space at **222 Berkeley / 500 Boylston** to create a 100,000 square foot full floor workplace for Draftkings—the largest floorplate in Boston. In one of the most creative office redevelopments of all time, our team converted a parking floor into office for our customer Intersystems, increasing density and creating additional value at **One Memorial Drive**.

When we bought **745 Atlantic**, it was already fully leased, with a 13-year weighted average lease term, creating reliable cash flows and returns. Both **One Memorial Drive** and **Davenport**, also fully leased, benefit from being in the heart of Cambridge. After having delivered substantial value and maximizing EBITDA at **60 State Street**, we sold the property in 2020, following a strategic capital expenditure plan and retail repositioning, including a brand-new Samuel Adams brewery. With a vision to acquire and develop premium assets, we now have a development pipeline too; **125 Lincoln Street** in the Leather District and 40-acres in the Seaport. Working with local elected officials and world-class partners, we're collectively shaping communities and redefining future workplaces. In 2019, aligned with our residential growth strategy, we acquired **Serenity**, a 195-unit apartment complex in Jamaica Plain, further expanding our footprint in Boston.

## The takeaway

Opportunities to acquire such a high-quality office portfolio in downtown Boston and Cambridge are extremely rare. We recognized Boston's potential for growth. Leveraging our scale and experience, we were able to secure this complex transaction and quickly establish a substantial presence in this key US market. The diverse risk profile across the first acquired assets – from fully leased to up to 60% vacancy – demonstrates our investment range from core to opportunistic. Pairing global capabilities with local expertise, we have creatively unlocked value and continue to grow meaningfully in this high-growth market. Our commitment to customer service, partnerships and problem-solving is how we create places where people want to be. It's what enables us to attract the best customers who want to stay within the Oxford community and portfolio as they grow. Our willingness to make decisions and execute at pace has allowed us to create best in class experiences, deliver value, and connect people to exceptional places.