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Opportunity abounds in Alewife

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From Molly Heath
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Sometimes referred to as “The Gateway to Cambridge,” Alewife, which has always been a highly attractive destination for commercial users, has transformed into a vibrant, established, life sciences cluster with companies like Celgene, Amgen, and Genocera Biosciences calling the area home. You don’t have to look much further than King Street’s recent sale of the former Pfizer building at 200 CambridgePark Drive—which sold for 4x what they paid just a year and a half prior—to see the trend that’s occurring. In fact, current lab rents in Alewife are 40% above the previous peak as demand for lab space continues to intensify.

What’s driving the tenant demand and clustering in Alewife?

As we look at the current state of the Cambridge market, we see three primary factors increasing demand in the Alewife area:

- **Residential influx in Alewife:** Over 1,100 units have already been absorbed in Alewife over the past two years, and another 800 units are scheduled to deliver by 2019. Hanover CambridgePark and Vox on Two are just a few of the area’s newest luxury apartment complexes attracting an influx of residents to the area like never before. The rise in residential development has also helped to lift retail. According to Tina Snyder, Director of Marketing at The Bulfinch Companies Inc., which owns [Cambridge Discovery Park](#) in Alewife, “The abundance of new residential, and the retail that follows, has all led to the creation of a true live/work/play environment desirable to today’s tenants and their millennial workforce.”
- **Low vacancy and high rents in East Cambridge:** When it comes to lab space in Greater Boston, there’s no more sought-after destination than Cambridge, and in particular, East Cambridge. But with asking rates into the high \$60’s to mid-\$70’s NNN and vacancy at an incredibly tight 3.2%, many tenants are getting squeezed out of the market. As a result, Alewife has become a popular and highly desirable alternative to Kendall Square. Despite recent rent growth, West Cambridge lab rents are still 23% below those in East Cambridge, in the low to mid \$50’s NNN.
- **Red Line access and connectivity to Kendall Square:** While other areas like Lexington have also become popular alternatives to East Cambridge for lab users, they can’t provide what Alewife can in terms of amenities, cluster, access, and public transportation, all critical drivers to employers looking to attract and retain the best and brightest. With its own Red Line stop, Alewife is easily accessible to top talent living in Cambridge and Boston, and is just a few short T stops away from Harvard and MIT, and the many companies and activities in Kendall Square. It’s also uniquely positioned just a few miles from Route 128/I-95 between Belmont, Arlington, Somerville, and Watertown, and directly off of Routes 2 and 16. The

level of access and connectivity at Alewife cannot be understated and is a tremendous benefit for those who live and work in the area.

Where is the opportunity for Cambridge-seeking tenants?



With lab vacancy in West Cambridge currently at just 1.7%, and so much pent up lab demand in Cambridge and Greater Boston, we see a tremendous opportunity in a 250,000-square-foot build-to-suit lab building at Alewife's [Cambridge Discovery Park](#). Located just off of Route 2, CDP is the third largest campus in Cambridge. The 27-acre park is master planned for 850,000 square feet of space and currently includes two lab/office buildings including the

Forrester Research HQ building and the Harvard-Smithsonian Center for Astrophysics, a parking garage, and a new AC Hotels By Marriott, expected to open this August. CDP also offers an abundance of amenities such as a full service cafeteria, fitness center with yoga studio, bike sharing program, Zipcar, electric car charging stations, foot and bike paths and a private shuttle bus to Alewife station.

"CDP has all the offerings that top a prospective tenant's real estate needs," said Michael Wilcox, SVP Director of Leasing at Bulfinch. "It's a world-class campus in a highly sought-after market that delivers an abundance of amenities, green space, parking, easy access to public transportation, and state-of-the-art green construction."

What does the future hold?

With in the influx of residents, the limited opportunity in East Cambridge, and the access to the Red Line, the future looks bright for Alewife. According to Wilcox, going forward Alewife will continue to strengthen its position as "a go-to destination for lab and tech users seeking larger blocks of space and alternative Cambridge opportunities."

Feel free to [contact me](#) for more information on the Cambridge market, Cambridge Discovery Park, or any other questions you may have.

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