

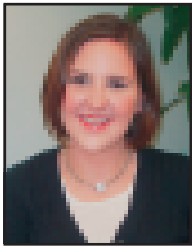
Investment and Industrial Markets Continue to Surge



Article by
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 President

Massachusetts is the third most expensive place to do business in the country, but on the other hand, it might also have the most resilient economy. Boston and Cambridge have elevated themselves to becoming the world center for biomedical research. Devens Business Center has landed several new large companies including Bristol Meyers and Evergreen Solar. New jobs are being created at an astonishing rate, industrial buildings continue to sell to users and investors at all time highs, and the office market continues to strengthen with no end in sight. Optimistic? Maybe, but commercial real estate experts across the country are predicting a bull market for landlords and sellers for at least another 18 months, with some estimating up to 5 years or more. Lets face it, a boom market is overdue. Investment properties across the country may see some slightly increasing cap rates due to the credit crunch, but this opens the door for long term investors who have been put off for years by constant cap rate compression. At this point, the stock market could really tip the scales in favor of real estate owners, but unless the market really spirals downward and stays down, there is likely too much momentum in the Massachusetts economy to see any slowdown with major players like Bose, EMC, Raytheon and Boston Scientific steaming ahead with expansion. For a review a current investment opportunities, please contact O'Brien Commercial Properties at 978-838-9828, or visit our website at www.obriencommercial.com.

Kendra Scaletta Joins O'Brien Commercial Properties



O'Brien Commercial Properties welcomes Kendra Scaletta to the firm's accounting and property management divisions. Kendra has previously held management positions in human resources and education and is currently working on her M.Ed. at Assumption College.

Considering a Sale-Leaseback?

Many major corporations including Sun Microsystems, JPMorgan Chase and AT&T have recently begun answering "yes" to this question and have recently begun selling and entering leaseback agreements with new ownership. According to a March 2007 article written by the CoStar Group, "Several big corporations continue to take advantage of the overheated investment sales market, choosing to give up their role as landlords and become tenants in choice properties across the country." Due to the still historically low interest rates and the relative liquidity in the market, investment properties with good leases in place continue to generate record sales prices. As a result, companies that own the facilities they occupy are choosing to turn these "homes" into investment properties by selling their buildings and agreeing to sign five or ten year leases with the new owners at the time of sale. This strategy allows a company to achieve several different objectives including: capturing a premium value for a property by selling at a time when investment real estate is trading at record prices; offering the owners more flexibility to expand, vacate or simply relocate their facility at some pre-determined date in the future; raising capital that can fund the company's core business or enhance the balance sheet for other growth strategies including sale or merger; or simply allowing the company to concentrate on its core business as opposed to managing real estate assets. Just as a sale-leaseback strategy can be advantageous for large companies, it can be a good idea for smaller, regional companies for the same reasons. If you own and occupy your current facility and would be interested in discussing the potential advantages of a sale-leaseback strategy, please contact our offices.



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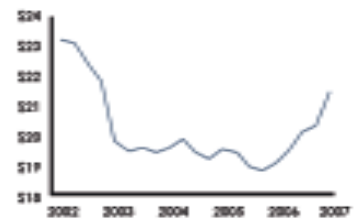
'Borough's Office Market Upswing

Office leasing in the 'Boroughs has taken off with increased velocity over the first three quarters of 2007. The 'Boroughs, which is the center of the office market along Route 495, is always on the heels of the Route 128 Market. Route 128 which experienced a similar, more accelerated resurgence in 2006, is already achieving record rents on select properties, and has begun to spill westward to Route 495. This is a wave not only of increased leasing activity, but more importantly a new self assurance for landlords who have boosted rates several dollars per square foot. The average asking price for direct space in Class A and B office properties in the 'Boroughs is now over \$20 per square foot and rising, with a several dollar per square foot premium for Class A space and a slight discount for Class B space. For smaller space in particular, it has truly become an owner's market where the landlord's are now holding the cards. For larger spaces, there are still plenty of options, but it is clear that diminishing vacancy rates close to Boston have created a new feeling of confidence along the Route 495 corridor. Industrial space has also moved at a brisk pace so far this year, with O'Brien Commercial Properties leasing 250,000 square feet of manufacturing/warehouse space in the Route 495 West market alone



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Lease Rates for Office Space Along I-495





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