

Demographic, Employment and  
Real Estate Overview  
Symmes Hospital Reuse Analysis  
Arlington, Massachusetts

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## I. INTRODUCTION AND SUMMARY OF MAJOR FINDINGS AND CONCLUSIONS

### A. Introduction

The redevelopment of the Symmes Hospital site will take place within the larger context of the Arlington regional marketplace. Issues such as population growth, income levels, availability of competing properties and other market forces will all dictate, in part, how the Symmes site is viewed by the larger market. This report presents an analysis of recent demographic trends in Arlington, as well as information on employment trends and select segments of the real estate market.

The purpose of the demographic chapter is to analyze demographic characteristics and trends in Arlington and the region. This includes discussions on population and household trends, as well as age and income characteristics of the households. Trends in the low income, elderly and disabled population are also identified.

The employment chapter provides an overview of recent activity and trends in employment in Arlington. Information is included on labor force, employment, and unemployment for the Town, as well as the County and State. Due to the nature of the Symmes property, additional information is presented on the Health Services sector of the Town's employment base.

The real estate chapter presents an overview of recent activity in a number of segments within the Arlington and regional real estate markets. The residential market is reviewed for both single-family homes and condominiums. Building permit trends within the residential market are also reviewed. In addition, market activity, supply, vacancy and pricing are reviewed, for the office market. Some additional information is also provided relative to the industrial and R&D/flex markets.

### B. Summary of Major Findings and Conclusions

#### Demographics

- ' The 2000 population of 42,389 people in Arlington from the U.S. Census indicates a decrease in the community's population of approximately 5% during the 1990s. This actually represents a slight improvement over the Town's population loss during the 1980s, which was almost 7.5%. In comparison, population of the County increased by 66,928 persons since 1990, reflecting a 5.3% gain. The strong performance of the County as compared to the Town of Arlington is likely related to the availability of developable land in other portions of the County.
- ' Households continued their pattern of growth during the 1990s. While households grew by 1.4% during the 1980s, the rate of growth slowed to 0.1% during the 1990s. In addition, the size of Arlington's households was somewhat smaller than the region. In 1980, the average household size in Arlington was 2.58, while it was 2.77 in the region. By 2000, the average household size in Arlington had fallen to 2.23, while the region had declined to 2.46. The trend in smaller households is forecasted to slow over the next five years.
- ' In 2001, median household income for the Town of Arlington was estimated at \$66,821, approximately 4.5% lower than the median for the County (\$69,994). The rate of increase since 1990 was 53.6% for Arlington, lower than the percentage increase for the County, which experienced 59.3% growth. This percentage increase when compared to the change in the Consumer Price Index (34.0%) between 1990 and 2000 indicates that median household income growth for the Town and the County outpaced the rate of inflation, suggesting real gain in income occurred.

- ' Arlington's median family income for 2000 is \$79,751, which is 48.8% higher than the \$53,614 median in 1990. However, the 2000 median family income for Arlington is 21.8% higher than the level of \$65,500 for the Boston MSA estimated by HUD, which is used for the assessment of rental assistance eligibility.
- ' Households at or near their peak employment periods, ages 35 to 44 and 45 to 54, have shown the highest amount of growth in Arlington between 1990 and 2000. These two groups are reflective of the aging of the "baby boom" generation, and combined they increased by more than 1,800 households over the last 10 years. The aging-elderly (75 years and older) also experienced gains of approximately 180 households during this period. Offsetting these increases was the loss of almost 1,500 households in the younger cohort (15 to 34), while the 55 to 64 and 65 to 74 cohorts lost an additional 485 households combined.
- ' According to the U.S. Census, the poverty rate in Arlington was 4.6% in 1989, which was lower than the 8.6% rate for the Boston MSA. There were a total of 2,057 persons reported to have incomes below the poverty level at the time of the 1990 Census. The estimated poverty rate for the Town of Arlington was 4.1%, according to preliminary information from Census 2000. The Census indicates that 1,714 persons had incomes below the poverty level, including 183 persons under 18 and 387 persons over 65. This suggests that roughly 340 fewer persons with incomes below the poverty level reside in Arlington than in 1990.
- ' A majority of all residents living in poverty in 1989 were non-elderly (73%). Of the community's 2,057 residents who lived in poverty in 1989, 2,040 persons resided in 1,015 households. Of these, 569 households were headed by non-elderly persons (under age 65). Although the elderly made up 27% of individuals living in poverty, 44% (446) of Arlington's 1,015 households in poverty were headed by persons over age 65.
- ' According to Census 2000, there were 19,011 occupied housing units in Arlington, including 11,186 owner-occupied units and 7,825 renter-occupied units. The vacancy rate for homeowners was 0.4%, while the rental vacancy rate was 1.5%. Of the owner-occupied housing units, 15.5% or 1,733 households were paying in excess of 30% of income for housing cost. Of the Town's 7,825 rental units, 34% or 2,678 households were paying in excess of 30% of their income for housing costs.

### Employment

- ' Over the past five years, the Town of Arlington has outperformed the State and Middlesex County in terms of its unemployment rate. Since 1997, the Town's unemployment rate has been below 2.5%, and since 1999, the rate has been at or below 2.0%. According to the Massachusetts Department of Employment and Training, the unemployment rate for Arlington stood at a meager 1.7%. Over the same time period, unemployment in Middlesex County ranged from 2.2% to 3.4%, while unemployment at the State level ranged from 2.8% to 4.0%.
- ' The Town of Arlington has seen only marginal changes in its labor force over the past five years. The labor force has fluctuated within a very tight range of between 25,300 and 25,600. In 2001, the labor force was reported to be 25,447. This represents a gain of 0.3% over the 1997 labor force of 25,346. Middlesex County experienced a stronger gain in its labor force over the same period of 1.3%, rising from 796,000 to 816,000. The State of Massachusetts experienced a decline in its labor force over the same period of less than 1%.

- ' While the construction industry in Arlington lost one establishment between 1995 and 2000, job growth was strong. A total of 89 jobs were created over the period, representing a 24% increase in employment in this sector.
- ' The wholesale trade sector experienced a significant decline in Arlington between 1995 and 2000, both in terms of establishments and in terms of employment. The number of establishments fell from 50 to 39, a decline of 22%, while employment fell by more than 50%, from 332 to 161.
- ' The retail trade sector saw slight gains between 1995 and 2000. The number of establishments increased by 4%, from 154 to 160. At the same time, employment in this sector increased by more than 100, from 1,714 to 1,818. Eating and drinking places and food stores showed the largest increases in employment, while auto dealers and furniture stores showed the sharpest declines.
- ' The finance, insurance and real estate (FIRE) sector showed significant declines between 1995 and 2000. The number of establishments fell by 11%, from 71 to 63. Employment in the FIRE sector fell by 35%, from 581 to 378, a loss of more than 200 jobs. Employment in depository institutions represented the majority of these losses, losing 192 positions.
- ' While the number of establishments providing personal and business services grew by 31 between 1995 and 2000, the number of employees declined by 31. This resulted in smaller businesses on average, with average employment falling from 6 to 5 employees per establishment. Business services created the largest number of new positions, creating 21 new jobs in 21 new establishments, indicating that each new establishment employed only one person on average.
- ' The professional services sector experienced a loss of almost 15% of its employment base between 1995 and 2000. However, the sector also gained 32 establishments over the time period. The loss in employment is deceptive. All of the loss can be attributed to the health services sector, which lost 14 establishments and 731 jobs. All of the remaining sectors within the professional services sector showed an increase in employment between 1995 and 2000.
- ' The health services sector underwent significant consolidation between 1995 and 2000. Arlington and the six adjacent communities all saw a reduction in the number of health services establishments, with Arlington, Belmont and Somerville experiencing the largest reductions.

**Table I-1**  
**Health Services Employment, 1995 and 2000**  
**Arlington and Adjacent Communities**

	1995		2000		Change		Percent Change	
	Establishments	Employment	Establishments	Employment	Establishments	Employment	Establishments	Employment
Arlington	81	1,343	67	612	(14)	(731)	-17.28%	-54.43%
Belmont	56	1,636	40	1,644	(16)	8	-28.57%	0.49%
Cambridge	203	5,212	195	4,994	(8)	(218)	-3.94%	-4.18%
Lexington	98	1,672	93	1,526	(5)	(146)	-5.10%	-8.73%
Medford	100	2,730	95	2,517	(5)	(213)	-5.00%	-7.80%
Somerville	68	1,747	59	1,895	(9)	148	-13.24%	8.47%
Winchester	69	2,094	68	2,889	(1)	795	-1.45%	37.97%

Source: Massachusetts Department of Employment and Training, RKG Associates

- ' Interestingly, while Somerville experienced a 13% decline in the number of health services establishments, the community also saw an increase in health services employment of more than 8%, or 148 jobs. Winchester experienced the largest gain in health services employment, gaining almost 800 jobs between 1995 and 2000.
- ' The decline in health services employment is significant for the Town of Arlington. Table I-2 provides a summary of health services employment per 1,000 residents of Arlington and the adjacent communities. As shown in the Table, as of 2000, Arlington had fewer than 15 health services employees per 1,000 residents, the lowest of any of the communities surveyed.

**Table I-2**  
**Health Services Employment, 1995 and 2000**  
**Arlington and Adjacent Communities**

	Employment	Population	Employment per 1,000 Residents
Arlington	612	42,389	14.44
Belmont	1,644	24,194	67.95
Cambridge	4,994	101,355	49.27
Lexington	1,526	30,355	50.27
Medford	2,517	55,765	45.14
Somerville	1,895	77,478	24.46
Winchester	2,889	20,810	138.83
Region Excluding Arlington	15,465	309,957	49.89

Source: Census 2000 and Mass DET

- ' Excluding Arlington, the surrounding communities have total employment in health services of 15,465, and a population of approximately 310,000. This indicates an average of 49.89 health services workers for every 1,000 residents, which is more than three times the ratio in Arlington.

### Real Estate

- ' Over the 1988 to 2001 time period, there were an average of approximately 334 single family home sales annually in Arlington. This compares to an annual average of 225 home sales in surrounding, adjacent communities. The average annual sales of single family homes in Arlington represents 148.0% of the amount in its neighboring towns. This is likely reflected in the average selling price for a single family home in Arlington, which over the 1988 to 2001 time period was \$229,384, or about 85.0% that of the average selling price in surrounding communities.
- ' By contrast, the average annual sales activity for condominium units in Arlington, at 142 over the 1988 through 2001 time period, has typically been below that of adjacent towns. Over the same period, the surrounding towns averaged 191 condominium sales annually, an amount nearly 35.0% greater than the sales activity in Arlington.
- ' The only recorded sale of general medical office space in Arlington occurred in December of 1988 and amounted to \$175,000. This was for a building of 1,701 square feet (SF), situated on 3,049 SF of land. The average sales price per building SF is imputed to be \$103. By contrast, sales of general medical office space in surrounding communities represent 155,549 SF of building (somewhat skewed by the sale of a 101,257 SF complex in

Somerville in September of 1999) on 121,999 SF of land, representing a Floor Area Ratio (FAR) of approximately 128%. The average size of the building space was 22,221 SF and the average land area was 17,428 SF. These sales had an average selling price per SF of \$176.

- ' From December of 1988 through May of 2002, there were 19 sales of general office space properties in Arlington. These properties represented \$11.8 million in real estate activity and accounted for 139,910 SF of building space. This represents an average selling price of \$84/SF. The average building size of the properties sold was 7,364 SF. These properties accounted for 216,058 SF of land area (average parcel size of 11,371SF) and represented a FAR of 65%. Sales of general office space in the surrounding communities accounted for more than \$495.0 million in real estate activity over the 1988 to 2002 (through July) time period.
- ' There were more than 75 sales of properties, exceeding \$5.0 million each, in the surrounding, adjacent communities over the last five (5) years. These properties accounted for slightly more than 9.4 million square feet and almost \$2.0 billion in real estate activity. The average size of these large property transactions was 122,179 building square feet. The land area represented by these transactions amounted to more than 9.57 million square feet, with an average size of 124,295 square feet. As such, this would indicate an average FAR of these transactions to be just over 98.0%. The average selling price for these properties was \$208/SF.
- ' A review of Arlington and the surrounding towns identified 4.4 million SF of existing office space and slightly more than 1.0 million SF, or 23.0%, is vacant and available for lease. The average asking rent for this office space is about \$38/SF, although this is skewed by the large quantity of space and high asking prices of the Cambridge marketplace. Arlington is well below this average with an asking price of \$18/SF.
- ' There has been nearly a 3.0 million SF increase in the supply of office space in the greater Boston market area since the end of last year. This represents slightly more than a 2.1% increase. However vacancy increased by nearly 24.0% rising from 12.1 million square feet to nearly 15.0 million square feet. Available space also increased by 20.0% going from 25.0 million square feet to almost 30.0 million square feet. Net absorption (the net change in occupied space) was negative over this period.
- ' Similar to office space, industrial space in the greater Boston market has witnessed a 2.0% increase in supply since 2001. Concurrently, vacancy has increased by nearly 34.0% rising from 4.4 million square feet to more than 6.0 million square feet.
- ' The supply of R&D space has increased by slightly more than 1.3 million square feet or about 2.8% in the greater Boston area from year end 2001 through the second quarter of 2002. During this same period the vacancy of such space has risen from 9.8% to 13.6%, representing an increase of almost 2.0 million square feet in vacancy. As such the level of vacancy increased by 42.0%. The amount of available space has also risen by nearly 60.0% or more than 4.0 million square feet.

## II. DEMOGRAPHIC TRENDS AND PROJECTIONS

### A. Overview

In 2000, Arlington had 1,822 households with incomes below \$15,000, or 9.6% of total households. In comparison, only 4.7% of Arlington's housing stock is project-based rental assistance, or roughly 900 units. This indicates that the project-based units represent 49.9% of Arlington's *extremely low* income households.

The 2000 population of 42,389 people in Arlington from the U.S. Census indicates a decrease in the community's population of approximately 5% during the 1990s. This actually represents a slight improvement over the Town's population loss during the 1980s, which was almost 7.5%.

The purpose of this chapter is to analyze demographic characteristics and trends in Arlington and the surrounding seven town region. This includes discussions on population and household trends, as well as age and income characteristics of the households. Trends in the low income, elderly and disabled population are also identified.

#### 1. Data Sources

Sources utilized in this section include the following:

**U.S. Census:** Historic data was obtained from decennial census information as well as preliminary 2000 population figures.

**Claritas, Inc. :** Current demographic estimates and five-year projections were obtained from Claritas, Inc., a commercial provider of demographic data, based in Arlington, VA.

**U.S. Department of Housing and Urban Development (HUD):** Family income levels for rental assistance were obtained from HUD, as well as fair market rents.

**State of the Cities Data System:** A database of historic census data and other demographic information on the Internet ([socds.huduser.org](http://socds.huduser.org)).

**MA Department of Housing and Community Development (DHCD).**

**Arlington Housing Authority (AHA).**

The market areas utilized in this demographic analysis were divided into two areas for comparison purposes. They include the Town of Arlington itself, and Middlesex County as a whole.

## B. Population and Household Trends

This section evaluates long term trends in population as well as short term trends in household formation and income characteristics. Selected population and household statistics from 1980 to 2000 are contained in this section. Also presented are forecasted figures for 2005.

### 1. Population, Household and Income Trends

Population in Arlington has been declining since 1980, between 1980 and 2000, the community's population declined by approximately 6,000. The Town lost almost 7.5% of its population during the 1980s, falling from 48,223 in 1980 to 44,637 in 1990. The 2000 population was 42,389, and Claritas, Inc. estimates the 2001 population to be 42,247.

In comparison, population in Middlesex County increased by more than 7.5% between 1980 and 2000. The County gained 2.3% of its population during the 1980s, a gain of more than 30,000 people. The 2000 population was 1,465,396, representing a gain of more than 4.6%, or 67,000 people, during the 1990s.

P Arlington had a population of 42,389 persons, according to Census 2000, indicating a loss of 2,248 persons since 1990. In comparison, population of the County increased by 66,928 persons since 1990, reflecting a 5.3% gain. The strong performance of the County as compared to the Town of Arlington is likely related to the availability of developable land in other portions of the County.

**Table II-1  
Population and Household Trends**

<b>Population</b>	<b>1980</b>	<b>1990</b>	<b>2001</b>	<b>2006 (p)</b>
Town of Arlington	48,223	44,637	42,247	41,054
% change	N/A	-7.4%	-5.4%	-2.8%
Middlesex County	1,367,034	1,398,468	1,470,581	1,493,723
% change	N/A	2.3%	5.2%	1.6%
<b>Group Qtr. Pop.</b>				
Town of Arlington	317	213	213	213
% change	N/A	-32.8%	0.0%	0.0%
Middlesex County	45,657	52,948	52,931	52,933
% change	N/A	16.0%	-0.0%	0.0%
<b>Households</b>				
Town of Arlington	18,553	18,821	18,839	18,620
% change	N/A	1.4%	0.1%	-1.2%
Middlesex County	476,201	519,527	577,146	596,078
% change	N/A	9.1%	11.1%	3.3%
<b>Household Size</b>				
Town of Arlington	2.58	2.36	2.23	2.19
% change	N/A	-8.5%	-5.5%	-1.8%
Middlesex County	2.77	2.59	2.46	2.42
% change	N/A	-6.5%	-5.0%	-1.6%

Source: U.S. Census; Claritas, Inc.

- P Group quarters population in Arlington declined during the 1980s, and has been constant since that time. In contrast, the County experienced a strong increase in group quarters population during the 1980s of 16%, but has been somewhat stable since that time.<sup>1</sup>
- P While the Town experienced a loss of population during the past two decades, the County experienced strong growth, with more growth occurring in the 1990s, rather than the 1980s.
- P Households continued their pattern of growth during the 1990s. While households grew by 1.4% during the 1980s, the rate of growth slowed to 0.1% during the 1990s. In addition, the size of Arlington's households was somewhat smaller than the region. In 1980, the average household size in Arlington was 2.58, while it was 2.77 in the region. By 2000, the average household size in Arlington had fallen to 2.23, while the region had declined to 2.46. The trend in smaller households is forecasted to slow over the next five years.
- P Five-year projections indicate a decline of approximately 200 households in Arlington or an average of just over 40 new households per year. This is likely due to the projected continuing decline of the community's population. The County is projected to add more than 19,000 households over the next five years, an increase of about 3.3%.

In 2001, median household income for the Town of Arlington was estimated at \$66,821, approximately 4.5% lower than the median for the County (\$69,994), as shown in Table II-2. The rate of increase since 1990 was 53.6% for Arlington, which is lower than the percentage increase for the County, which experienced 59.3% growth. This percentage increase when compared to the change in the Consumer Price Index (34.0%) between 1990 and 2000 indicates that median household income growth for the Town and the County outpaced the rate of inflation, suggesting real gain in income has occurred. Other observations regarding the data presented in Table II-2 are summarized below.

**Table II-2: Town of Arlington, MA  
Household and Family Income Trends**

<b>Household Income</b>	<b>1980</b>	<b>1990</b>	<b>2001 (e)</b>	<b>2006 (p)</b>
Town of Arlington	\$20,594	\$43,491	\$66,821	\$78,812
% change	N/A	111.2%	53.6%	17.9%
Middlesex County	\$20,435	\$43,933	\$69,994	\$84,137
% change	N/A	115.0%	59.3%	20.2%
<b>Family Income</b>				
Town of Arlington	\$24,721	\$53,614	\$79,751	\$91,608
% change	N/A	116.9%	48.8%	14.9%
Middlesex County	\$24,024	\$53,095	\$84,185	\$99,067
% change	N/A	121.0%	58.6%	17.7%
Boston, MA MSA	N/A	\$46,300	\$65,500	N/A
% change	N/A	N/A	41.5%	N/A

Source: U.S. Census; 2001 (e) and 2006 (p) from Claritas, Inc.  
Boston MSA Family Income data obtained from HUD

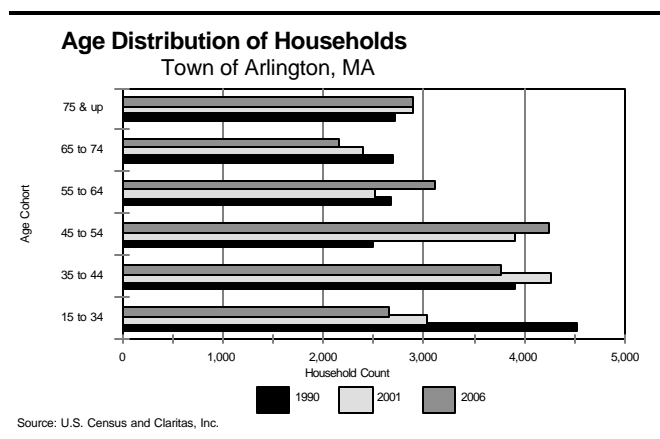
- P Since 1990, median income in Arlington has grown at a slower rate than indicated for the region suggesting that the disparity between incomes has worsened.

<sup>1</sup> This includes persons living in prisons, school dormitories, nursing homes and the like.

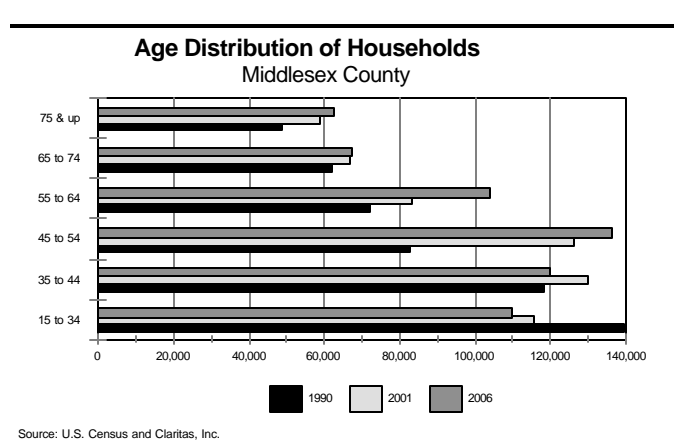
- P The 2000 median household income level in the Town of Arlington is about 4.5% below the median household income level in the region, indicating that the towns in the remainder of the County may be more affluent. This disparity in income levels between those in Arlington and the rest of the region is forecasted to continue, as the rate of household income growth in the County is projected to be higher than the rate of growth in the Town.
- Household incomes are projected to increase over the next five years, although income levels in Arlington are forecasted to remain below those of the region. Median household income for Arlington in 2005 is forecasted to be \$78,812, reflecting a 17.9% increase over the five year period. This indicates an average annual increase of 3.6%, which is less than the 5.3% annual rate over the last ten years.
- Arlington’s median family income for 2000 was \$79,751, which was 48.8% higher than the \$53,614 median in 1990. However, the 2000 median family income for Arlington was 21.8% higher than the level of \$65,500 for the Boston MSA estimated by HUD, which is used for the assessment of rental assistance eligibility.

**3. Households by Age**

**Figure II-2:** Households at or near their peak employment periods, ages 35 to 44 and 45 to 54, have shown the highest amount of growth in Arlington between 1990 and 2000. These two groups are reflective of the aging of the “baby boom” generation, and combined they increased by more than 1,800 households over the last 10 years. The aging-elderly (75 years and older) also experienced gains of approximately 180 households during this period. Offsetting these increases was the loss of almost 1,500 households in the younger cohort (15 to 34), while the 55 to 64 and 65 to 74 cohorts lost an additional 485 households combined. Five-year forecasts suggest a continued aging of the baby-boom generation as it shifts into the 55 to 64, and 45 to 54 cohorts, resulting in growth in the number of households in these cohorts. Over the next five years, the number of elderly and near-elderly households is projected to increase by more than 350.



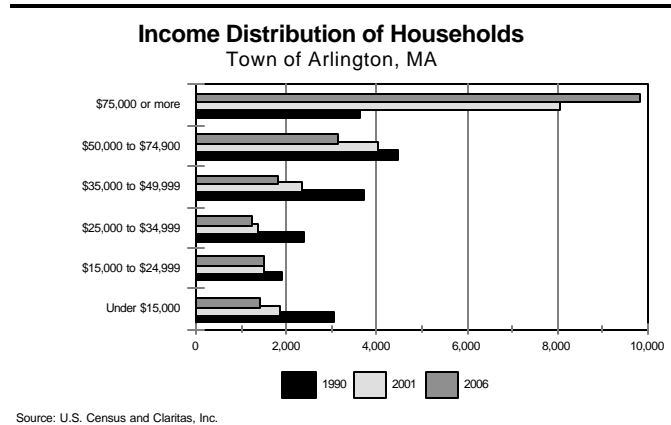
**Figure II-3:** The changes in age distribution of households at the County level between 1990 and 2000 were much more consistent. All cohorts except the youngest households (15 to 34) experienced strong gains. The 45 to 54 cohort experienced the highest increase (43,556 households). The 55 to 64 cohort also experienced strong growth of 11,317 households, as did the 35 to 44 and the advanced-elderly (75 & up), which grew by 11,700 and 10,159 households respectively. Five-year forecasts indicate



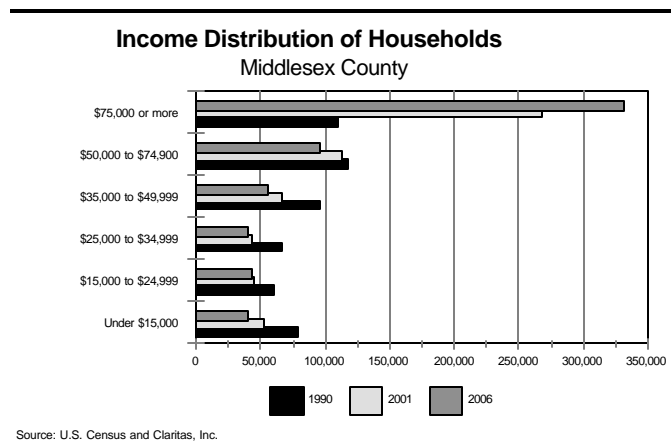
a continued aging of the population, resulting in strong growth 45 to 54 and 55 to 64 cohorts, with total households in the County increasing by almost 19,000 over the next five years. The number of elderly and frail elderly households is projected to increase by more than 4,400.

#### 4. Household by Income

**Figure II-4:** Almost 25% of Arlington's households in 2000, have income levels below \$35,000, suggesting that many of these households may be at risk of needing rental assistance. Households with incomes below \$35,000 have decreased by more than 2,600 since 1990. This group is expected to decline by an additional 610 households over the next five years. In comparison, households earning \$50,000 or more increased by more than 4,000 between 1990 and 2000, suggesting a potential transfer of wealth within the Town's households. Households with incomes less than \$35,000 are projected to represent 21.2% of 2005 households, including the 7.2% representation of households with incomes less than \$15,000.



**Figure II-5:** The shift of households from the lower income brackets to more affluent levels was more pronounced in the surrounding County between 1990 and 2000. Households with incomes less than \$35,000 declined by more than 66,800 during this period, while households with incomes of \$50,000 or more grew by 153,000. However, despite these changes, in 2000, more than 23% of households in the County have incomes below \$35,000. Five-year forecasts indicate marginal improvement, and households with incomes less than \$35,000 are projected to represent 19.7% of total households in the County. Households having incomes of less than \$15,000 represented 8.6% of 2000 households and are forecasted to decline to 6.4% representation in 2005.



#### C. Low-Income Housing Needs

This section documents the nature and extent of the rental assisted housing demand with the existing supply, and to identify potential unmet housing needs in the Town of Arlington. Although the available supply of rental assisted housing in the community is documented, detailed demographic information with which to identify persons with housing needs has not been updated since the 1990 Census. While some macro-level information from the 2000 Census has been released, detailed demographic information from the 2000 Census is not expected to be available until later in 2002. Therefore, local housing needs can only be estimated within ranges using existing data.

### 1. Documentation of Low Income Housing Needs

There are a number of indicators in the 1990 Census which can be used to approximate the number of households and individuals which had a high probability of housing need at that time. The most useful indicator is the number of households and individuals with incomes near or below the poverty level, including persons receiving public assistance income.<sup>2</sup> The 1990 Census further categorizes many of these households and individuals by age and household or family type, which provides insight into the types of housing which might be required by these “at risk” populations.

Also, the U.S. Census provides detailed information regarding the number of low and moderate income households in need, based on the 1990 Census. A summary of available 1990 data from these sources is provided below. While this data is somewhat dated, it provides useful details on the characteristics of those persons and/or households that are considered at risk or in need of subsidized housing and/or rental assistance. This information is followed by an evaluation of the potential number of households in Arlington for 2000 that could potentially be eligible for rental assistance, based on current household estimates by Claritas, Inc. and the U.S. Census.

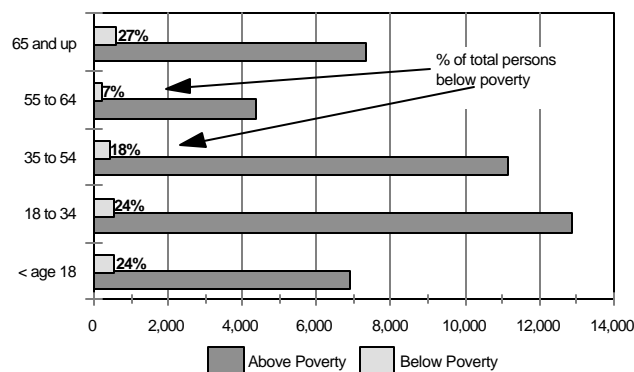
#### a. Prior Low Income Demographic Indicators

**Poverty Rates:** According to the U.S. Census, the poverty rate in Arlington was 4.6% in 1989, which was lower than the 8.6% rate for the Boston MSA. There were a total of 2,057 persons reported to have incomes below the poverty level at the time of the 1990 Census.

**Figure II-6:** Approximately 4.6% of the Town’s population had incomes below the poverty level in 1989. The 1990 Census identified 2,057 Arlington residents with incomes below the poverty level, including 562 elderly persons (65 years and older) and 145 near-elderly persons (age 55 to 64). These cohorts represent 34.3% of total persons in poverty, or 1.7% of Arlington’s population in 1990.

Among the Town’s population living in poverty in 1989, 24.2% were under the age of 18 and another 23.5% were between the ages of 18 and 34.

**Poverty Status of Persons by Age**  
Town of Arlington, MA (1990)



Source: US Census 1990

The estimated poverty rate for the Town of Arlington was 4.1%, according to preliminary information from Census 2000. The Census indicates that 1,714 persons had incomes below the poverty level, including 183 persons under 18 and 387 persons over 65. This suggests that roughly 340 fewer persons with incomes below the

<sup>2</sup>

The U.S. Census Bureau uses a set of money income thresholds that vary by family size and composition to detect who is poor. Poverty thresholds do not vary geographically, but are updated annually for inflation. The weighted average income threshold in 2000 for one person was \$8,787; two person family - \$11,234; three people \$13,737; four people-\$17,600; five people-\$20,804.

poverty level reside in Arlington than in 1990. Since detailed data is not yet available from Census 2000, the distribution of these persons can not be assessed.

A majority of all residents living in poverty in 1989 were non-elderly (73%). Of the community's 2,057 residents who lived in poverty in 1989, 2,040 persons resided in 1,015 households. Of these, 569 households were headed by non-elderly persons (under age 65). Among non-elderly households with incomes below poverty, 490 were female householders with no husband, 187 were single householders and 454 were married-couple families. Although the elderly made up 27% of individuals living in poverty, 44% (446) of Arlington's 1,015 households in poverty were headed by persons over age 65, as shown in Table II-3 below.

The number of households receiving public assistance income in 1989 was 83% of the number of households living in poverty. A total of 829 households reported receiving public assistance income in 1989, which is 186 fewer households than the number of households which lived in poverty (1,015). A total of 2,088 persons lived in the households which reported receiving public assistance income, and 17.8% were under age 15 (372 persons), while 32.5% were over 65 (678 persons). In addition, 4,234 households or 22.5% of the Town's total households reported earning no salary or wage income in 1989. Nearly 29.3% of all Arlington households in 1990 reported receiving social security income (5,516 households). A high percentage of persons with housing needs are assumed to fall within these impoverished households.

**Table II-3**  
**Distribution of Arlington's Population and Households**  
**With Income Below the Poverty Level by Household Type and Age of Householder: 1989**

Persons with Incomes Below Poverty	Persons by Age Group		Total	Percent	Percent of
	Under 65	65 +	Population	Elderly	Total
Married Couple Family	454	88	542	16.2%	26.3%
Male Householder, No Wife Present	0	29	29	100.0%	1.4%
Female Householder, No Husband	490	65	555	11.7%	27.0%
Unrelated Individuals in Family Households	95	7	102	6.9%	5.0%
Householder Living Alone	187	347	534	65.0%	26.0%
Householder Not Living Alone	102	0	102	0.0%	5.0%
Unrelated Individuals	150	26	176	14.8%	8.6%
Living in Group Quarters	17	0	17	0.0%	0.8%
<b>TOTALS</b>	<b>1,495</b>	<b>562</b>	<b>2,057</b>	<b>27.3%</b>	<b>100.0%</b>
Percent of Total	72.7%	27.3%	100.0%		

Households With Incomes Below Poverty	Age of Householder		All Households	Percent	Percent of
	Under 65	65 +	Below Poverty	Elderly	Total
Married Couple Family	126	51	177	28.8%	17.4%
Male Householder, No Wife Present	0	14	14	100.0%	1.4%
Female Householder, No Husband	154	34	188	18.1%	18.5%
Householder Living Alone	187	347	534	65.0%	52.6%
Householder Not Living Alone	102	0	102	0.0%	10.0%
<b>TOTALS</b>	<b>569</b>	<b>446</b>	<b>1,015</b>	<b>43.9%</b>	<b>100.0%</b>
Percent of Total	56.1%	43.9%			

Source: 1990 U.S. Census, STF3A Database, Arlington

**Disability and Mobility Limitations:** According to the 1990 U.S. Census data, more than 3,700 persons in Arlington, over the age of 16 had a work disability, with 51% of the disabled between 16 and 64, with the remaining 49% over 65. In addition, 1,415 persons reported a mobility limitation, and 70% of this group were elderly persons.

**Table II-4: Town of Arlington, MA  
Disability and Mobility Status in 1990**

	Male	Female	Total	% of total
<b>Persons age 16-64</b>	14,373	15,699	30,072	100%
With Work Disability	935	932	1,867	6.2%
With Mobility Limitation	168	262	430	1.4%
<b>Persons age 65 and over</b>	2,699	5,129	7,828	100%
With Work Disability	640	1,196	1,836	23.5%
With Mobility Limitation	195	790	985	12.6%

Source: US Census

As shown in Table II-4, 23.5% of the elderly population in 1990 reported a work disability and 12.6% had a mobility limitation. It is interesting to note that the female elderly represented a higher amount both for work disability and mobility limitation than male elderly.

## **2. Low Income Eligibility Thresholds in 1990 and 2000**

Low income eligibility is calculated as a percentage of the median family income (MFI) for a larger County and varies by the size of the household. The Department of Housing and Urban Development (HUD) uses the Arlington MA-CT PMSA as the County for determining income eligibility for the Town of Arlington. Three classifications for low income households are presently used, based on the deviation from the area MFI, and include *extremely low* (0-30%), *very low* (31% to 50%), and *low* (51% to 80%). A fourth classification, or moderate income households, are those between 81% and 95% of area MFI. In 1998, the extremely low income threshold was created by further dividing the very low income level into two brackets. For this reason 1990 figures for 50% of MFI are inclusive of this lower cohort. The following Table exhibits the income limits based on HUD criteria for 1990 and 2000.

**Table II-5: Town of Arlington  
Income Eligibility for Rental Assistance**

% of Median	1990		2000		
	50%	80%	30%	50%	80%
One Person	\$16,550	\$25,000	\$13,750	\$22,950	\$35,150
Two Person	\$18,900	\$28,550	\$15,700	\$26,200	\$40,150
Three Person	\$21,300	\$32,150	\$17,700	\$29,500	\$45,200
Four Person	\$23,650	\$35,700	\$19,650	\$32,750	\$50,200
Five Person	\$25,550	\$37,950	\$21,200	\$35,350	\$54,200
Six Person	\$27,450	\$40,150	\$22,800	\$38,000	\$58,250
Median family income	\$46,300		\$65,500		

Source: Dept of Housing and Urban Development

As shown in the previous table the MFI in 1990 was \$46,300 and it increased to \$65,500 in 2000, reflecting a \$19,200 gain. This increase equates to an average annual growth rate of 4.1%, which was higher than the average rate of inflation (3.4%), indicating real growth in income has resulted.

#### **D. At Risk Households**

This section identifies the number of households that are at risk of paying more than 30% of their income for housing costs. The information is based on preliminary data from Census 2000. Additional data will be available later in 2002, which will provide more detail regarding the distribution of these at-risk households between elderly and non-elderly households.

According to Census 2000, there were 19,011 occupied housing units in Arlington, including 11,186 owner-occupied units and 7,825 renter-occupied units. The vacancy rate for homeowners was 0.4%, while the rental vacancy rate was 1.5%. Of the owner-occupied housing units, 15.5% or 1,733 households were paying in excess of 30% of income for housing cost. Of the Town's 7,825 rental units, 34% or 2,678 households were paying in excess of 30% of their income for housing costs.

### III. EMPLOYMENT TRENDS

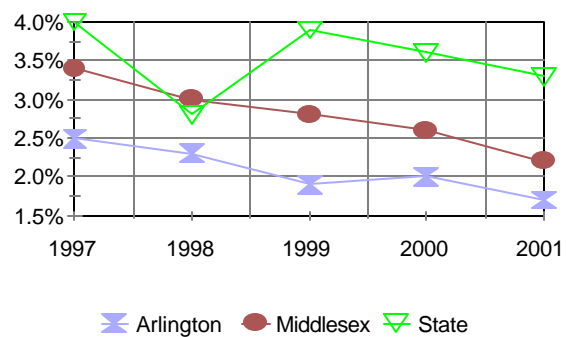
#### A. Overview

This section provides an overview of recent activity and trends in employment in Arlington. Information is included on labor force, employment, and unemployment for the Town, as well as the County and State. Due to the nature of the Symmes property, additional information is presented on the Health Services sector of the Town's employment base.

#### B. Labor Force and Unemployment

Over the past five years, the Town of Arlington has outperformed the State and Middlesex County in terms of its unemployment rate. Since 1997, the Town's unemployment rate has been below 2.5%, and since 1999, the rate has been at or below 2.0%. According to the Massachusetts Department of Employment and Training, the unemployment rate for Arlington stood at a meager 1.7%. Over the same time period, unemployment in Middlesex County ranged from 2.2% to 3.4%, while unemployment at the State level ranged from 2.8% to 4.0%.

**Recent Unemployment Rates**  
State, County, Arlington



The Town of Arlington has seen only marginal changes in its labor force over the past five years. The labor force has fluctuated within a very tight range of between 25,300 and 25,600. In 2001, the labor force was reported to be 25,447. This represents a gain of 0.3% over the 1997 labor force of 25,346. Middlesex County experienced a stronger gain in its labor force over the same period of 1.3%, rising from 796,000 to 816,000. The State of Massachusetts experienced a decline in its labor force over the same period of less than 1%, as shown in Table III-1 below.

**Table III-1  
Labor Force and Employment Trends**

<b>Arlington</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment t</b>	<b>Unemployment Rate</b>
1997	25,346	24,708	638	2.50%
1998	25,633	25,044	589	2.30%
1999	25,496	25,000	496	1.90%
2000	25,364	24,858	506	2.00%
2001	25,447	25,027	420	1.70%
<b>Middlesex</b>				
1997	796,256	769,294	26,962	3.40%
1998	809,123	785,055	24,068	3.00%
1999	815,173	792,186	22,987	2.80%
2000	811,126	790,326	20,800	2.60%
2001	816,360	798,050	18,310	2.20%
<b>State</b>				
1997	3,261,600	3,130,800	130,800	4.00%
1998	3,282,000	3,189,800	92,300	2.80%
1999	3,259,600	3,130,900	128,800	3.90%
2000	3,228,000	3,111,600	116,400	3.60%
2001	3,230,000	3,122,100	107,900	3.30%

Source: Massachusetts Department of Employment and Training, RKG Associates

### C. Employment in Key Sectors

This section provides an overview of several employment sectors within the Town of Arlington. Data is presented for 1995 and 2000 for each sector, to provide an indication of changes within the Town's business base over the period. It should be noted that 2000 data is the most recent available from the Massachusetts Department of Employment and Training. It is also important to recognize that the information presented related only to the specific Standard Industrial Classification (SIC) codes shown. Additional employment exists within the Town of Arlington, but much of it is restricted due to DET's data suppression for industries with a limited number of establishments or a limited number of employees.

#### 1. Construction

While the construction industry in Arlington lost one establishment between 1995 and 2000, job growth was strong. A total of 89 jobs were created over the period, representing a 24% increase in employment in this sector.

**Table III-2  
Construction Employment, 1995 and 2000**

SIC		2000		1995	
		Establishments	Employment	Establishments	Employment
15	General Building Contractors	37	157	34	98
17	Specialty Trade Contractors	52	300	56	270
Totals		89	457	90	368
Change 1995 - 2000		(1)	89		

Source: Massachusetts Department of Employment and Training, RKG Associates

## 2. Wholesale Trade

The wholesale trade sector experienced a significant decline in Arlington between 1995 and 2000, both in terms of establishments and in terms of employment. The number of establishments fell from 50 to 39, a decline of 22%, while employment fell by more than 50%, from 332 to 161.

**Table III-3**  
**Wholesale Trade Employment, 1995 and 2000**

SIC		2000		1995	
		Establishments	Employment	Establishments	Employment
50	Wholesale Trade - Durable Goods	23	79	35	192
51	Wholesale Trade - Non-Durable Goods	16	82	15	140
	Totals	39	161	50	332
	Change 1995 - 2000	(11)	(171)		

Source: Massachusetts Department of Employment and Training, RKG Associates

## 3. Retail Trade

The retail trade sector saw slight gains between 1995 and 2000. The number of establishments increased by 4%, from 154 to 160. At the same time, employment in this sector increased by more than 100, from 1,714 to 1,818. Eating and drinking places and food stores showed the largest increases in employment, while auto dealers and furniture stores showed the sharpest declines.

**Table III-4**  
**Retail Trade Employment, 1995 and 2000**

SIC		2000		1995	
		Establishments	Employment	Establishments	Employment
52	Building Materials and Garden Supplies	7	67	6	66
54	Food Stores	22	452	24	373
55	Automotive Dealers and Service Stations	17	286	21	337
57	Furniture and Home Furnishings Stores	9	38	12	62
58	Eating and Drinking Places	64	633	53	560
59	Miscellaneous Retail	41	342	38	316
	Totals	160	1,818	154	1,714
	Change 1995 - 2000	6	104		

Source: Massachusetts Department of Employment and Training, RKG Associates

## 4. Finance, Insurance and Real Estate

The finance, insurance and real estate (FIRE) sector showed significant declines between 1995 and 2000. The number of establishments fell by 11%, from 71 to 63. Employment in the FIRE sector fell by 35%, from 581 to 378, a loss of more than 200 jobs. Employment in depository institutions represented the majority of these losses, losing 192 positions.

**Table III-5**  
**Finance, Insurance and Real Estate Employment, 1995 and 2000**

SIC		2000		1995	
		Establishments	Employment	Establishments	Employment
60	Depository Institutions	17	180	19	372
64	Insurance Agents, Brokers and Service	13	68	17	80
65	Real Estate	33	130	35	129
	Totals	63	378	71	581
	Change 1995 - 2000	(8)	(203)		

Source: Massachusetts Department of Employment and Training, RKG Associates

### 5. Personal and Business Services

While the number of establishments providing personal and business services grew by 31 between 1995 and 2000, the number of employees declined by 31. This resulted in smaller businesses on average, with average employment falling from 6 to 5 employees per establishment. Business services created the largest number of new positions, creating 21 new jobs in 21 new establishments, indicating that each new establishment employed only one person on average.

**Table III-6**  
**Personal and Business Services Employment, 1995 and 2000**

SIC		2000		1995	
		Establishments	Employment	Establishments	Employment
72	Personal Services	46	184	43	207
73	Business Services	100	619	79	598
75	Auto Repair Services and Parking	31	162	33	190
76	Miscellaneous Repair Services	11	26	10	24
78	Motion Pictures	15	54	8	73
79	Amusement and Recreation Services	14	81	13	65
	Totals	217	1,126	186	1,157
	Change 1995 - 2000	31	(31)		

Source: Massachusetts Department of Employment and Training, RKG Associates

### 6. Professional Services

The professional services sector experienced a loss of almost 15% of its employment base between 1995 and 2000. However, the sector also gained 32 establishments over the time period. The loss in employment is deceptive. All of the loss can be attributed to the health services sector, which lost 14 establishments and 731 jobs. All of the remaining sectors within the professional services sector showed an increase in employment between 1995 and 2000.

**Table III-7**  
**Professional Services Employment, 1995 and 2000**

SIC		2000		1995	
		Establishments	Employment	Establishments	Employment
80	Health Services	67	612	81	1,343
81	Legal Services	18	36	13	24
82	Educational Services	18	495	8	407
83	Social Services	41	521	30	405
86	Membership Organizations	9	132	13	94
87	Engineering and Management Services	72	328	52	232
88	Private Households	51	61	47	50
	Totals	276	2,185	244	2,555
	Change 1995 - 2000	32	(370)		

Source: Massachusetts Department of Employment and Training, RKG Associates

Due to the nature of the property being studied for this analysis, the consultants wanted to review the changes in employment within the health services sector more closely in comparison to surrounding communities. As shown in Table III-8 below, the health services sector underwent significant consolidation between 1995 and 2000. Arlington and the six adjacent communities all saw a reduction in the number of health services establishments, with Arlington, Belmont and Somerville experiencing the largest reductions.

**Table III-8**  
**Health Services Employment, 1995 and 2000**  
**Arlington and Adjacent Communities**

	1995		2000		Change		Percent Change	
	Establishments	Employment	Establishments	Employment	Establishments	Employment	Establishments	Employment
Arlington	81	1,343	67	612	(14)	(731)	-17.28%	-54.43%
Belmont	56	1,636	40	1,644	(16)	8	-28.57%	0.49%
Cambridge	203	5,212	195	4,994	(8)	(218)	-3.94%	-4.18%
Lexington	98	1,672	93	1,526	(5)	(146)	-5.10%	-8.73%
Medford	100	2,730	95	2,517	(5)	(213)	-5.00%	-7.80%
Somerville	68	1,747	59	1,895	(9)	148	-13.24%	8.47%
Winchester	69	2,094	68	2,889	(1)	795	-1.45%	37.97%

Source: Massachusetts Department of Employment and Training, RKG Associates

Interestingly, while Somerville experienced a 13% decline in the number of health services establishments, the community also saw an increase in health services employment of more than 8%, or 148 jobs. Winchester experienced the largest gain in health services employment, gaining almost 800 jobs between 1995 and 2000.

The decline in health services employment is significant for the Town of Arlington. Table III-9 provides a summary of health services employment per 1,000 residents of Arlington and the adjacent communities. As shown in the Table, as of 2000, Arlington had fewer than 15 health services employees per 1,000 residents, the lowest of any of the communities surveyed.

**Table III-9**  
**Health Services Employment, 1995 and 2000**  
**Arlington and Adjacent Communities**

	Employment	Population	Employment per 1,000 Residents
Arlington	612	42,389	14.44
Belmont	1,644	24,194	67.95
Cambridge	4,994	101,355	49.27
Lexington	1,526	30,355	50.27
Medford	2,517	55,765	45.14
Somerville	1,895	77,478	24.46
Winchester	2,889	20,810	138.83
Region Excluding Arlington	15,465	309,957	49.89

Source: Census 2000 and Mass DET

Somerville is the closest to Arlington, with 24.46 health services workers per 1,000 residents, roughly 70% higher than Arlington's ratio. Excluding Arlington, the surrounding communities have total employment in health services of 15,465, and a population of approximately 310,000. This indicates an average of 49.89 health services workers for every 1,000 residents, which is more than three times the ratio in Arlington.

**IV. REAL ESTATE MARKET TRENDS**

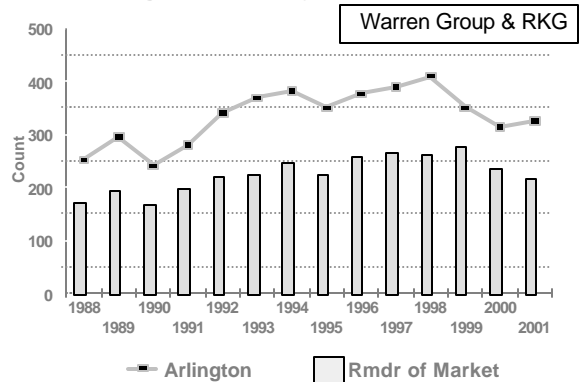
**A. Residential Markets**

**1. Single Family**

Over the 1988 to 2001 time period, there were an average of approximately 334 single family home sales annually in Arlington. This compares to an annual average of 225 home sales in surrounding, adjacent communities.<sup>3</sup> The average annual sales of single family homes in Arlington represents 148.0% of the amount in its neighboring towns. This is likely reflected in the average selling price for a single family home in Arlington, which over the 1988 to 2001 time period was \$229,384, or about 85.0% that of the average selling price in surrounding communities.

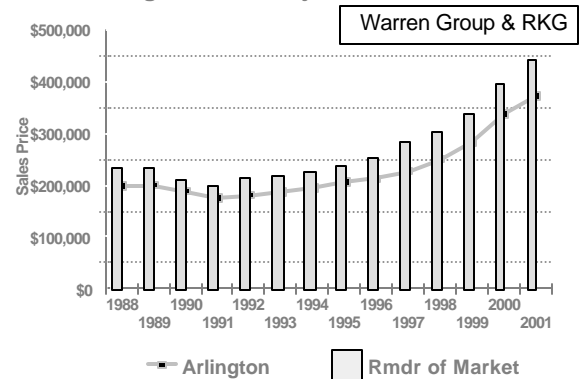
Annual residential single family sales peaked at 410 units in 1998 in Arlington, after several years of relative growth despite a dip in 1990 and 1995. Since 1999 the activity has declined somewhat in Arlington, but has recently (2001) taken an upswing. Over this time period, sales activity in Arlington has been consistently above that (in average terms) of surrounding towns as displayed in the adjacent figure.

**Average Annual SF Home Sales**  
Arlington, MA & Adjacent Towns



The average selling price of a single family home in Arlington has been below the average of its surrounding communities for more than a decade. Single family homes are relatively affordable in Arlington, when compared with its neighbors, and this may in part explain the greater number of absolute sales, on average, in Arlington.

**Average Annual SF Home Sales - \$**  
Arlington, MA & Adjacent Towns



<sup>3</sup> These include Belmont, Cambridge, Lexington, Medford, Somerville and Winchester.

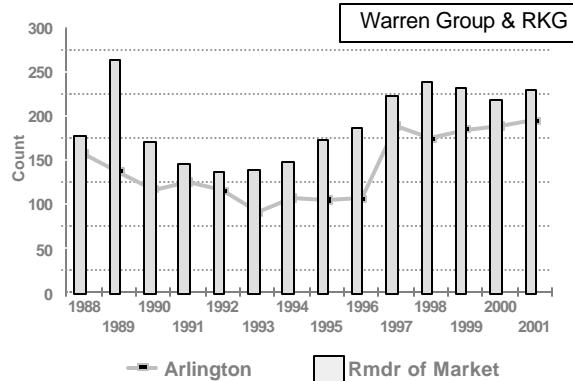
**2. Condominium Units**

By contrast, the average annual sales activity for condominium units in Arlington, at 142 over the 1988 through 2001 time period, has typically been below that of adjacent towns. Over the same period, the surrounding towns averaged 191 condominium sales annually, an amount nearly 35.0% greater than the sales activity in Arlington.

Similarly, the average selling price of a residential condominium unit in Arlington was about \$140,618 (over the time frame) representing slightly less than 80.0% of the surrounding communities' average selling price of \$176,692.

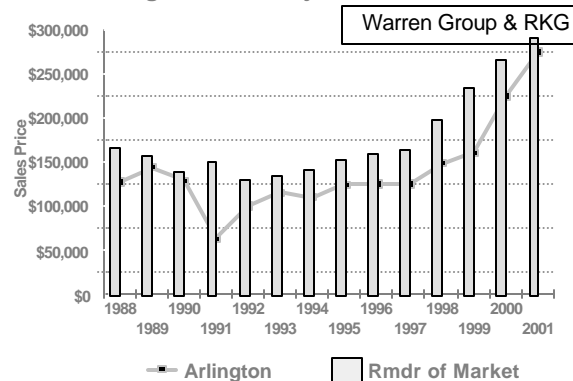
Condominium sales peaked at 194 units in Arlington in the year 2001 and have been growing rather steadily since a 1993 low of 90 units. This is similar for the composite average of surrounding towns, as sales have grown steadily since the early 1990s, although there has been a slight diminution since 1998.

**Average Annual Condo Sales**  
Arlington, MA & Adjacent Towns



The average selling price of condominium units in Arlington has typically been below that of the average of the surrounding communities, although in recent years, the average price in Arlington has begun to close the gap with the average selling price in the surrounding communities.

**Average Annual Condo Sales - \$**  
Arlington, MA & Adjacent Towns

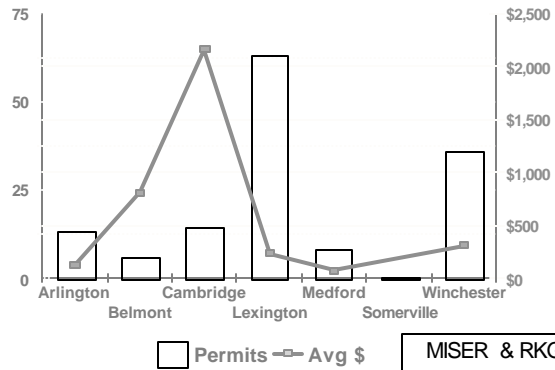


### 3. Building Permits

Residential building permit data, developed by MISER and the Massachusetts State Data Center, has been reviewed for 1999, 2000 and the 1<sup>st</sup> quarter of 2002 (data for 2001 was unavailable through on-line sources). This building permit data reflects residential properties, single family units 2 family units, 3 to 4 family and 5+ family units. The following figures present a summary of this analysis.

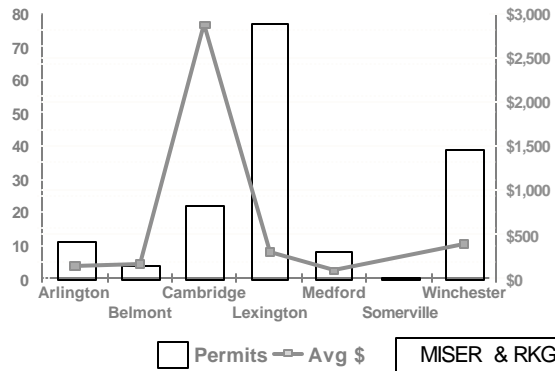
In 1999, there were 140 residential building permits issued in Arlington and the surrounding communities, ranging from none reported for Somerville to a high of 63 for Lexington. At 13 building permits issued, Arlington represented 9.3% of the total. The valuation of these permits was more than \$63.3 million with Arlington accounting for 2.5%. The average value across all towns was \$452,000 ranging from \$74,000 in Medford to \$2.16 million in Cambridge. The average value in Arlington was \$125,000.

**Residential Building Permits - 1999**  
Arlington, MA & Adjacent Towns



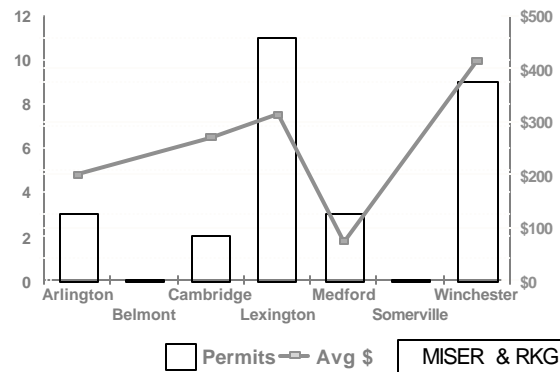
There were 161 residential building permits issued in Arlington and surrounding communities in the year 2000. This ranged from none being reported for Somerville to a high of 77 in Lexington. Arlington accounted for 6.8% or 11 permits. The total valuation of these permits was nearly \$105.0 million with an average value per permit of \$647,000. Arlington accounted for only 1.4% of the total, however, its average valuation of \$137,000 was slightly more than 21.0% of the market, but down six percentage points from the prior year.

**Residential Building Permits - 2000**  
Arlington, MA & Adjacent Towns



Building permit data through the first quarter of 2002 reflects only 28 permits as being issued in Arlington and adjacent communities. Lexington accounts for nearly 40.0% of these permits while Arlington accounts for about 11.0%. The total valuation of these permits is approximately \$8.5 million with Arlington representing 7.0%. The average permit value in Arlington, however, at \$200,000 is nearly two-thirds that of the all community average of \$304,000.

**Residential Building Permits - 2002 Q1**  
Arlington, MA & Adjacent Towns



## B. Non-residential Markets

### 1. General Medical Space

Sales of general medical space in the City of Arlington are compared with similar sales in surrounding communities. Sales were developed from data maintained by the Warren Group and Banker and Tradesmen. Actual sales of properties for these communities are likely higher than that reported in this analysis. This analysis discarded any records which did not contain data regarding building square footage, date of sale and sales price.<sup>4</sup> The only recorded sale of general medical office space in Arlington occurred in December of 1988 and amounted to \$175,000. This was for a building of 1,701 square feet (SF), situated on 3,049 SF of land. The average sales price per building SF is imputed to be \$103. By contrast, sales of general medical office space in surrounding communities are recorded from March 1992 through July of 2001. Collectively these sales represent 155,549 SF of building (somewhat skewed by the sale of a 101,257 SF complex in Somerville in September of 1999) on 121,999 SF of land, representing a Floor Area Ratio (FAR) of approximately 128%. The average size of the building space was 22,221 SF and the average land area was 17,428 SF. These sales represented slightly more than \$27.4 million in real estate activity (over a near 10 year term) at an average selling price per SF of \$176.

Table IV-1 : Sales of General Medical Office Space - Arlington and Surrounding Communities

City	Owner	Address	Bldg (SF)	Lot (SF)	Sales Date	Sales Price	\$/SF
ARL	Preservation RT	6 Mill Street	1,701	3,049	Dec-88	\$ 175,000	\$ 103
WIN	38 Church St Rt	38 Church St	6,978	9,583	Mar-92	\$ 390,000	\$ 56
CAM	575 Mt Auburn St Rt	573 Mount Auburn St	12,114	18,984	Nov-95	\$ 925,000	\$ 76
MED	Jonathan Wade Rt	13 Bradlee Rd	5,207	13,114	Oct-97	\$ 275,000	\$ 53
BEL	Jpm Rt	68 Trapelo Rd	2,204	3,794	Jan-98	\$ 340,000	\$ 154
CAM	Sterling Cambrdge Rt	163 Gore St	25,200	40,000	Jul-98	\$ 118,000	\$ 5
SOM	AHE Of Somerville	40 Holland St	101,257	33,421	Sep-99	\$ 24,805,000	\$ 245
SOM	RPS RT	398 Highland Ave	2,589	3,103	Jul-01	\$ 580,000	\$ 224
<b>Total</b>			<b>155,549</b>	<b>121,999</b>		<b>\$ 27,433,000</b>	<b>\$ 176</b>
<b>Average</b>			<b>22,221</b>	<b>17,428</b>			
<b>FAR</b>				<b>128%</b>			

1/. Note that totals and averages exclude Arlington, represent surrounding communities only.

Source: The Warren Group and RKG Associates, Inc.

<sup>4</sup> While this could indicate fewer sales in any one community, the aggregate is utilized in this analysis and as such is presumed to reasonably reflect the actual market activity.

## 2. General Office Space

From December of 1988 through May of 2002, there were 19 sales of general office space properties (again only those properties where building size, sale date and sales price were included) in Arlington. These properties represented \$11.8 million in real estate activity and accounted for 139,910 SF of building space. This represents an average selling price of \$84/SF. The average building size of the properties sold was 7,364 SF. These properties accounted for 216,058 SF of land area (average parcel size of 11,371SF) and represented a FAR of 65%, as summarized in Table IV-2A.

Table IV-2A : Sales of General Office Space - Arlington, Massachusetts

Owner	Address	Bldg (SF)	Lot (SF)	Sales Date	Sales Price	\$/SF
Albert B Conti	58 Medford St	5,722	11,326	Dec-88	\$ 125,000	\$ 22
Davidson Mgmt Co Llp	742 Mass Ave	4,724	10,019	Jan-89	\$ 390,000	\$ 83
Howard F Lowre jr	4 Dudley Street Pl	942	5,227	Nov-89	\$ 200,000	\$ 212
Mamley RT	108 Pleasant St	5,807	14,375	Jul-90	\$ 500,000	\$ 86
Macleod Rt	275 Mass Ave	1,853	3,485	Mar-93	\$ 125,000	\$ 67
New Eng Teamstrs Fcu	19 Broadway	10,850	10,890	Mar-94	\$ 775,000	\$ 71
Johnson Realty Inc	1026 Mass Ave	3,967	5,227	Jul-94	\$ 515,000	\$ 130
Peter Feinmann	1378 Mass Ave	3,396	3,920	Oct-95	\$ 164,500	\$ 48
1173 Mass Ave T	1173 Mass Ave	2,520	3,485	Nov-95	\$ 110,000	\$ 44
195 Broadway Rt	195 Broadway	2,148	6,098	Dec-95	\$ 130,000	\$ 61
Waterpower T	5 Water St	32,990	16,553	May-96	\$ 975,000	\$ 30
Davidson Mgmt Co	792 Mass Ave	5,716	8,712	Jul-96	\$ 450,000	\$ 79
James M Savas	73 Park Ave	2,640	2,614	Jan-98	\$ 305,861	\$ 116
Cynthia A Fontaine	251 Mass Ave	4,428	5,227	Mar-98	\$ 315,000	\$ 71
Nancy M Allen	61 Forest St	2,590	15,246	Aug-98	\$ 290,000	\$ 112
Jonathan L Barkan	393 Mass Ave	3,624	8,712	Sep-99	\$ 390,000	\$ 108
3789 RT	24 Beck Rd	5,720	6,534	Jan-00	\$ 230,000	\$ 40
Morin Fakharzadeh	63 Mass Ave	5,700	4,792	Jan-01	\$ 780,000	\$ 137
Russell Pl Dev	30 Water St	34,573	73,616	May-02	\$ 5,000,000	\$ 145
<b>Total</b>		<b>139,910</b>	<b>216,058</b>		<b>\$ 11,770,361</b>	<b>\$ 84</b>
<b>Average</b>		<b>7,364</b>	<b>11,371</b>			
<b>FAR</b>			<b>65%</b>			

Source: The Warren Group and RKG Associates, Inc.

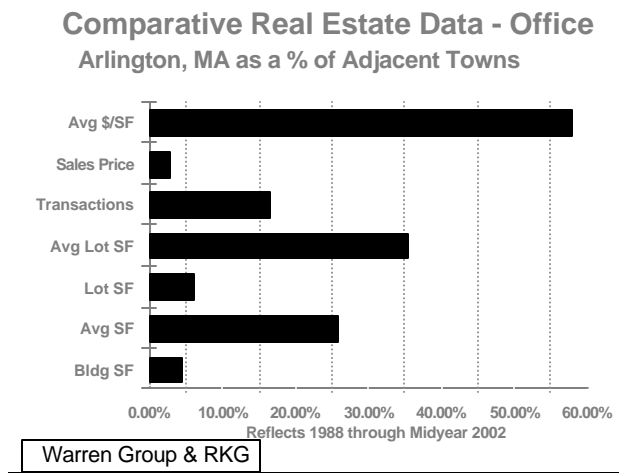
Sales of general office space in the surrounding communities accounted for more than \$495.0 million in real estate activity over the 1988 to 2002 (through July) time period. These sales represented 3.4 million SF of building space situated on more than 3.8 million SF of land (indicating a FAR of 89.0%). The average selling price was \$145/SF as presented in Table IV-2B.

Table IV-2B : Sales of General Office Space - Surrounding Communities

Year	Bldg SF	Avg SF	Lot Size in SF	Avg Lot in SF	# of Sales	Sales \$	Avg \$/SF
1988	23,319	3,331	46,923	6,703	7	\$ 3,406,250	\$ 146
1989	128,052	21,342	241,770	40,295	6	\$ 8,171,702	\$ 64
1990	36,509	9,127	25,429	6,357	4	\$ 1,717,000	\$ 47
1991	115,232	19,205	80,784	13,464	6	\$ 5,382,000	\$ 47
1992	33,766	8,442	39,362	9,841	4	\$ 1,527,500	\$ 45
1993	181,028	36,206	105,448	21,090	5	\$ 11,968,000	\$ 66
1994	545,033	68,129	249,550	31,194	8	\$ 13,561,178	\$ 25
1995	226,664	20,606	101,771	9,252	11	\$ 16,119,760	\$ 71
1996	102,431	10,243	138,893	13,889	10	\$ 8,485,530	\$ 83
1997	254,692	23,154	418,825	38,075	11	\$ 36,251,165	\$ 142
1998	353,598	27,200	1,230,733	94,672	13	\$ 119,155,388	\$ 337
1999	672,727	51,748	719,689	55,361	13	\$ 108,818,400	\$ 162
2000	625,124	89,303	303,105	43,301	7	\$ 130,310,500	\$ 208
2001	27,123	3,875	48,439	6,920	7	\$ 19,883,450	\$ 733
2002	77,442	12,907	80,884	13,481	6	\$ 10,325,344	\$ 133
<b>Total</b>	<b>3,402,740</b>	<b>28,837</b>	<b>3,831,605</b>	<b>32,471</b>	<b>118</b>	<b>\$ 495,083,167</b>	<b>\$ 145</b>

Source: The Warren Group and RKG Associates, Inc.

Real estate activity in Arlington, for general office space, is compared to surrounding communities in the following figure. This information represents a sampling of sales activity from 1988 through midyear 2002. During this period, at an average selling price of \$84/SF, the general office space activity on Arlington accounted for nearly 58.0% of the average throughout the remaining and adjacent communities. However, the absolute sales at about \$11.8 million represent less than 2.5% of the sales activity for general office space in the surrounding communities.



Considering the size of the Symmes Hospital facility, at more than 170,000 SF, and the purchase price by the City of Arlington (approximately \$7.0 million), it is reasonable to review sales activity in Arlington and its surrounding communities for those in excess of 150,000 SF or with selling prices of \$5.0 million.

### 3. Properties Exceeding \$5.0 Million

From February 2001 through May 2002 there were three (3) sales of properties in Arlington which exceeded \$5.0 million, including the Symmes Hospital, as presented in Table IV-3.

Table IV-3 : Sales of Properties of \$5.0 million or More - Arlington, Massachusetts

Owner	Use	Bldg (SF)	Lot (SF)	Sales Date	Price	\$/SF
LCP Supermarkets	Supermarket	28,454	84,506	Feb-01	\$ 8,139,564	\$ 286
Arlington RDA.	Hospital	174,530	329,314	Apr-02	\$ 7,100,000	\$ 41
Russel Place Devel.	Offices	34,573	73,616	May-02	\$ 5,000,000	\$ 145

Source: The Warren Group and RKG Associates, Inc.

These limited transactions in Arlington do not likely represent the greater area (i.e., surrounding communities) as there were more than 75 sales of properties, exceeding \$5.0 million each, in the surrounding, adjacent communities over the last five (5) years. These properties accounted for slightly more than 9.4 million square feet and almost \$2.0 billion in real estate activity. The average size of these large property transactions was 122,179 building square feet. The land area represented by these transactions amounted to more than 9.57 million square feet, with an average size of 124,295 square feet. As such, this would indicate an average FAR of these transactions to be just over 98.0%. The average selling price for these properties was \$208/SF. Table IV-4A presents this information, by year, from 1997 through midyear 2002.

Table IV- 4A : Sales of Properties of \$5.0 million or More by Year - Surrounding Communities

Year	Bldg SF	Avg SF	Lot Size in SF	Avg Lot in SF	# of Sales	Sales \$	Avg \$/SF
1997	685,427	114,238	1,029,374	171,562	6	\$ 74,420,165	\$ 109
1998	4,208,594	150,307	4,614,427	164,801	28	\$ 890,473,944	\$ 212
1999	1,903,837	105,769	2,079,771	115,543	18	\$ 403,976,155	\$ 212
2000	1,998,078	133,205	1,316,208	87,747	15	\$ 460,215,622	\$ 230
2001	547,444	68,431	485,976	60,747	8	\$ 117,574,940	\$ 191
2002	64,410	32,205	44,953	22,477	2	\$ 12,279,210	\$ 208
<b>Total</b>	<b>9,407,790</b>	<b>122,179</b>	<b>9,570,708</b>	<b>124,295</b>	<b>77</b>	<b>\$ 1,958,940,036</b>	<b>\$ 208</b>

Source: The Warren Group and RKG Associates, Inc.

Table IV-4B presents sales of medical facilities, which represented about 16.0% of the commercial square footage sold in the communities surrounding Arlington. Similarly, the dollar value of this real estate activity accounted for about 18.5% of the activity in surrounding towns. Most of these transactions are relatively in balance, with respect to the percent of square footage represented and the percentage of sales activity. The possible exception is retail which accounted for 14.3% of the building square footage sold but only 9.3% of the dollar volume.

Table IV-4B : Sales of Properties of \$5.0 million or More by Type - Surrounding Communities

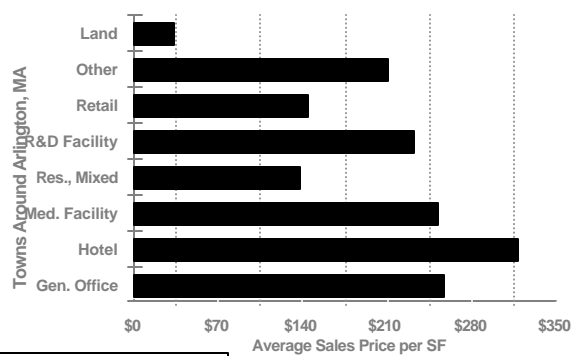
Type	Bldg SF	% of Total	Land in SF	% of Total	Sales Price	% of Total
General Office	1,693,522	19.4%	2,156,692	24.6%	\$ 434,145,351	22.9%
Hotel	473,997	5.4%	210,899	2.4%	\$ 150,425,000	7.9%
Medical Facility	1,401,235	16.1%	730,586	8.3%	\$ 350,670,016	18.5%
Residential, Mixed	574,090	6.6%	874,092	10.0%	\$ 78,420,075	4.1%
R&D Facility	1,197,911	13.8%	848,753	9.7%	\$ 275,828,788	14.5%
Retail	1,244,560	14.3%	2,247,453	25.7%	\$ 176,746,724	9.3%
Other	2,007,038	23.0%	1,303,111	14.9%	\$ 417,231,019	22.0%
Land	115,217	1.3%	385,911	4.4%	\$ 12,415,563	0.7%
<b>Total</b>	<b>8,707,570</b>	<b>8,757,496</b>			<b>\$ 1,895,882,536</b>	

1/. Excludes parking garages and State uses.

Source: The Warren Group and RKG Associates, Inc.

While the average for all transactions exceeding \$5.0 million (1997 through midyear 2002) was a purchase price of around \$208/SF of building, this varies from a low of \$32/SF for land (based on the square footage of land) to a high of \$317/SF for hotels. Given the potential demolition of the existing buildings at the Symmes site, the land value may be an important indicator of value. At an average of \$32 per square foot of land, the per acre value for developable land could be close to \$1.4 million. However, it is important to recognize that a number of issues could impact this potential value, including development density, infrastructure costs, construction constraints, hazardous materials and demolition costs, among others.

### Comparative Real Estate \$ per SF by Commercial Type 1997 - 2002



Warren Group & RKG

#### 4. Properties > 150,000 SF

Another viewpoint of the real estate activity in the Arlington market is to review sales of large properties (150,000 SF or more in building area) which may be comparable to the Symmes facility (at 175,000 SF). Three other properties sold in Arlington in the past year or so which exceed 150,000 SF of building area. However, no sales price had been reported for these properties. These properties include a 157,000 SF office building and a 164,000 SF apartment property.

Table IV- 5 : Sales of Properties > 150,000 SF Building Area - Surrounding Communities

Owner	Address	Bldg (SF)	Lot (SF)	Sales Date	\$ Price	\$/SF
M B Zuckerman tr	121 Broadway	332,442	91,845	Mar-90	\$ 152,379	\$ 0.46
M B Zuckerman tr	10 Cambridge Ctr	152,663	49,110	Mar-90	\$ 800,817	\$ 5.25
Kennedy Lofts Asc Lp	96 Green St	229,768	74,571	Aug-90	\$ 1,000,000	\$ 4.35
Cambridge Tower Co.	872 Mass Ave	186,977	23,203	Oct-90	\$ 35,000	\$ 0.19
Winchester Town Of	80 Skillings Rd	187,808	1,071,576	Jun-93	\$ 550,000	\$ 2.93
John Pirovano tr	57 Cambridge Pk Dr	340,110	67,287	Mar-94	\$ 4,800,000	\$ 14.11
Amgen Cambridge Re	1 Kendall Sq	285,000	63,634	Jan-95	\$ 1,364,000	\$ 4.79
Cc&f Mystic Garage	15 Presidents Lndg	318,780	68,825	Apr-96	\$ 288,089	\$ 0.90
245 1st Street Llc	239 1st St	156,954	70,489	Nov-96	\$ 45,000,000	\$ 286.71
Worthingtn Pl Asc Lp	265 3rd St	286,730	109,330	Jun-97	\$ 2,485,000	\$ 8.67
Taurus 34 Sturtevant	34 Sturtevant St	202,616	362,855	Dec-97	\$ 8,200,000	\$ 40.47
Fellsway Realty Lp	970 Fellsway	302,908	323,215	Apr-98	\$ 149,734	\$ 0.49
1 Memorial Cor Llc	15 Memorial Dr	335,534	74,252	Apr-98	\$ 111,300,000	\$ 331.71
Cambridge Ath. Llc	1 Kendall Sq	246,538	67,479	May-98	\$ 55,500,000	\$ 225.12
Technology Sq Llc	565 Main St	214,544	144,787	Jun-98	\$ 51,588,788	\$ 240.46
Technology Sq Llc	575 Main St	182,250	119,092	Jun-98	\$ 51,588,788	\$ 283.07
Asahi International	160 Broadway	490,926	67,268	Jun-98	\$ 51,588,788	\$ 105.08
Technology Sq Llc	160 Broadway	465,051	237,331	Jun-98	\$ 51,588,788	\$ 110.93
Assembly Sq Lp	133 Middlesex Ave	367,782	1,129,511	Oct-98	\$ 18,800,000	\$ 51.12
MIT	1 Broadway	348,640	116,258	Dec-98	\$ 54,000,000	\$ 154.89
Bre Cambridge Llc	595 Memorial Dr	315,493	153,121	Jan-99	\$ 122,775,000	\$ 389.15
Cambridge Park 1 Lp	115 Cambridge Pk D	183,930	127,795	Apr-99	\$ 32,000,000	\$ 173.98
Rlty Assoc Iowa Corp	2 Canal Park	239,240	61,780	Jul-99	\$ 51,768,400	\$ 216.39
DVPT LP	21 Thorndike St	220,750	68,100	Apr-00	\$ 49,900,000	\$ 226.05
Cambridge Anth. LLC	215 1st St	311,906	79,826	Jun-00	\$ 64,500,000	\$ 206.79
Cathartes Aew lbr	200 Innerbelt Rd	193,848	368,518	Oct-00	\$ 24,000,000	\$ 123.81
CP/HERS Somerville	70 Innerbelt Rd	312,800	270,072	Nov-00	\$ 33,250,000	\$ 106.30
One Kendall LLC	1 Kendall Sq	535,300	107,426	Dec-00	\$ 191,900,000	\$ 358.49
17 Sac Self Stge.Cor	600 Mystic Ave	171,125	95,396	Nov-01	\$ 4,100,000	\$ 23.96
Cambridgepark	120 Cambridge Pk Dr	248,150	152,463	Dec-01	\$ 55,887,440	\$ 225.22
<b>TOTALS</b>		<b>8,366,563</b>	<b>5,816,415</b>		<b>\$ 1,140,861,011</b>	<b>\$ 136.36</b>

Source: The Warren Group and RKG Associates, Inc.

## 5. Office Space

A sampling of office properties in Arlington and the surrounding communities which have office space currently for lease was developed utilizing discussions with brokers and *Black's Guide*. Not all communities have vacancies listed in this publication depending on whether there are vacancies or if properties are of a significant size. For example, the publication does not provide information on smaller storefront or small office vacancies. However, the data presented in the Table IV-6A does provide a reasonable competitive posture if the former Symmes Hospital were to be repositioned for office use.

Table IV-6A : Sampling of Office Space for Lease - Arlington, MA 2002

Location	Sampled SF	Available SF	As a %	Avg Asking Rent
Arlington	59,000	19,000	32%	\$17.95
Belmont	43,500	11,149	26%	\$17.81
Cambridge	3,618,764	851,581	24%	\$40.51
Lexington	664,426	138,521	21%	\$27.20
<b>Total</b>	<b>4,385,690</b>	<b>1,020,251</b>	<b>23%</b>	<b>\$38.03</b>

Source: *Black's Guide* and RKG Associates, Inc.

The sampled office properties have nearly 4.4 million SF of existing office space and slightly more than 1.0 million SF, or 23.0%, is vacant and available for lease. The average asking rent for this office space is about \$38/SF, although this is skewed by the large quantity of space and high asking prices of the Cambridge marketplace. Arlington is well below this average with an asking price of \$18/SF. It should be noted that this listing is not exhaustive and does not reflect the many properties which have vacancy and under-utilization which may be just outside the geographic scope of Arlington and its surrounding towns, such as properties in the Route 128 corridor or along I-93. Table IV-6B presents a sampling of properties, not limited to office space, which are currently available in Arlington and surrounding towns.

Table IV-6B : Sampling of Selected Space for Lease - 2002

Location	Sampled SF	Available SF	As a %	Avg Asking Rent	Type of Space
Lexington/Arlington	12,900	10,910	84.6%	\$42.00	Flex
Lexington/Arlington	122,135	16,545	13.5%	\$29.50	Office
Lexington/Arlington	50,893	10,910	21.4%	\$45.00	Office
Medford	10,000	6,065	60.7%	\$14.50	Office
Medford	72,000	26,000	36.1%	\$9.50	Industrial
Winchester	80,000	80,000	100.0%	\$8.50	Industrial
Winchester	141,989	9,752	6.9%	\$12.95	Flex
Winchester	60,733	31,129	51.3%	\$11.50	Flex
<b>Total or Average</b>	<b>550,650</b>	<b>191,311</b>	<b>34.7%</b>	<b>\$15.35</b>	

Source: Spaulding & Slye and RKG Associates, Inc.

Table IV-7 presents data collected by Spaulding & Slye relative to the supply, vacancy and absorption of office space throughout the greater Boston market area. The information does not present data specifically for Arlington, although it does for Cambridge. Nonetheless, from a perspective of overall supply in the market, this information is useful in presenting a snapshot of what the Symmes property may be in competition with if it were to be renovated as office space, adding another 175,000 square feet of available space to an existing available supply of 29.7 million square feet.

Table IV-7 : Summary Overview of Supply of Office Space - 2001 and 2Qtr of 2002

2001	Supply SF	Vacant SF	%	Available SF	%	Absorption Square Feet
Boston	54,116,742	2,840,291	5.2%	6,334,537	11.7%	(1,941,452)
Cambridge	13,125,374	1,227,963	9.4%	2,690,764	20.5%	(870,304)
Suburbs	72,431,070	8,039,435	11.1%	15,744,085	21.7%	(5,210,108)
<b>Total</b>	<b>139,673,186</b>	<b>12,107,689</b>	<b>8.7%</b>	<b>24,769,386</b>	<b>17.7%</b>	<b>(8,021,864)</b>
<b>2002 - 2Q</b>						
Boston	54,636,196	3,448,644	6.3%	7,769,776	14.2%	(736,636)
Cambridge	13,479,853	1,752,867	13.0%	2,927,256	21.7%	243,443
Suburbs	74,426,193	9,761,139	13.1%	19,011,551	25.5%	(1,834,253)
<b>Total</b>	<b>142,542,242</b>	<b>14,962,650</b>	<b>10.5%</b>	<b>29,708,583</b>	<b>20.8%</b>	<b>(2,327,446)</b>
<b>% CHANGE</b>	<b>2.1%</b>	<b>23.6%</b>		<b>19.9%</b>		<b>-71.0%</b>

Source: Spaulding & Slye and RKG Associates, Inc.

There has been nearly a 3.0 million SF increase in the supply of office space in the greater Boston market area since the end of last year. This represents slightly more than a 2.1% increase. However vacancy <sup>5</sup> increased by nearly 24.0% rising from 12.1 million square feet to nearly 15.0 million square feet. Available space <sup>6</sup> also increased by 20.0% going from 25.0 million square feet to almost 30.0 million square feet. Net absorption (the net change in occupied space) was negative over this period.

To put the amount of available space into perspective, some typical multipliers can be used. According to the Urban Land Institute, office uses typically require approximately 300 square feet per employee. This means that in order for the 14.96 million square feet of office space that is currently vacant to become occupied, almost 50,000 office jobs would have to be created in the regional marketplace.

<sup>5</sup> Direct space being actively marketed for immediate occupancy as of the survey date, not including sublease space.

<sup>6</sup> Space which is being actively marketed for immediate or future occupancy, including both direct and sublease space.

## 6. For Lease - Industrial Market

Similar to office space, industrial space in the greater Boston market has witnessed a 2.0% increase in supply since 2001. Concurrently, vacancy has increased by nearly 34.0% rising from 4.4 million square feet to more than 6.0 million square feet. The supply increased by a little more than 1.0 million square feet and vacancy increased by a little more than 1.5 million square feet. While absorption has improved it still remains negative.

Table IV-8 : Summary Overview of Supply of Industrial Space - 2001 and 2Qtr of 2002

2001	Supply SF	Vacant SF	%	Available SF	%	Absorption Square Feet
Cambridge	423,800	27,400	6.5%	42,400	10.0%	(42,400)
Suburbs	54,683,776	4,456,834	8.2%	7,802,859	14.3%	(1,954,878)
<b>Total</b>	<b>55,107,576</b>	<b>4,484,234</b>	<b>8.1%</b>	<b>7,845,259</b>	<b>14.2%</b>	<b>(1,997,278)</b>
<b>2002 - 2Q</b>						
Cambridge	394,800	45,400	11.5%	45,400	11.5%	(18,000)
Suburbs	55,807,063	5,958,856	10.7%	9,320,869	16.7%	(441,561)
<b>Total</b>	<b>56,201,863</b>	<b>6,004,256</b>	<b>10.7%</b>	<b>9,366,269</b>	<b>16.7%</b>	<b>(459,561)</b>
<b>% CHANGE</b>	<b>2.0%</b>	<b>33.9%</b>		<b>19.4%</b>		<b>-77.0%</b>

Source: Spaulding & Slye and RKG Associates, Inc.

To put the amount of vacancy into perspective, consider ULI's standard for industrial property, which indicates that an average warehouse/distribution operation requires approximately 1,000 square feet per employee. This indicates that in order to fill the available vacant space, more than 6,000 warehouse/distribution jobs would have to be created.

## 7. For Lease - R&D Market

The supply of R&D space has increased by slightly more than 1.3 million square feet or about 2.8% in the greater Boston area from year end 2001 through the second quarter of 2002. During this same period the vacancy of such space has risen from 9.8% to 13.6%, representing an increase of almost 2.0 million square feet in vacancy. As such the level of vacancy increased by 42.0%. The amount of available space has also risen by nearly 60.0% or more than 4.0 million square feet. As a result overall net absorption has declined dramatically rising from a negative net absorption of 1.6 million square feet at the end of 2001 to more than a negative net absorption of 3.1 million square feet through the second quarter of 2002.

Table IV-9 : Summary Overview of Supply of R & D Space - 2001 and 2Qtr of 2002

2001	Supply SF	Vacant SF	%	Available SF	%	Absorption Square Feet
Cambridge	754,625	31,411	4.2%	40,293	5.3%	(40,293)
Suburbs	43,735,037	4,345,702	9.9%	7,295,679	16.7%	(1,596,892)
<b>Total</b>	<b>44,489,662</b>	<b>4,377,113</b>	<b>9.8%</b>	<b>7,335,972</b>	<b>16.5%</b>	<b>(1,637,185)</b>
<b>2002 - 2Q</b>						
Cambridge	1,015,625	130,696	12.9%	156,347	15.4%	8,946
Suburbs	44,740,311	6,098,263	13.6%	11,427,658	25.5%	(3,127,578)
<b>Total</b>	<b>45,755,936</b>	<b>6,228,959</b>	<b>13.6%</b>	<b>11,584,005</b>	<b>25.3%</b>	<b>(3,118,632)</b>
<b>% CHANGE</b>	<b>2.8%</b>	<b>42.3%</b>		<b>57.9%</b>		<b>90.5%</b>

Source: Spaulding & Slye and RKG Associates, Inc.

To put the amount of vacancy into perspective, consider ULI's standard for industrial/business park properties, which indicates that a typical operation requires approximately 300 square feet per employee. This indicates that in order to fill the available vacant space, more than 20,000 jobs would have to be created.